AIRFRANCE KLM GROUP

Taking off for **tomorrow**



Universal registration document 2025
Including the annual financial report

AIRFRANCE KLM GROUP

Shaping the skies of tomorrow

We are building on a legacy of innovation and leadership, determined to become a leading champion of European aviation and build a more responsible air transport sector.

Financial highlights

REVENUES (€ Billion)

33.0

vs. 31.5 in 2024

OPERATING RESULT (€ Billion)

2.0

vs. 1.6 in 2024

NET RESULT, GROUP PART (€ Billion)

1.6

vs. 0.3 in 2024

NET DEBT (€ Billion)

8.4

vs. 7.3 in 2024

LEVERAGE RATIO (NET DEBT/EBITDA RATIO)

1.7x

vs. 1.7x in 2024

RECURRING ADJUSTED OPERATING FREE CASH FLOW (€ Billion)

1.0

vs 0.3 in 2024

Non-financial highlights

SHARE OF NEW-GENERATION AIRCRAFT

34.6%

vs. 26.9% in 2024

SHARE OF SUSTAINABLE AVIATION FUEL

2.87%

vs. 1.25% in 2024



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AFR The components of the Annual Financial Report are identified in the index by the following pictogram.

The universal registration document was filed on March 24, 2026 with the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said Regulation. The universal registration document may be used for the purposes of an offer to the public of financial securities or the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, where applicable, a summary and all amendments made to the universal registration document The whole document is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This Document d'enregistrement universel including the Rapport financier annuel is a reproduction of the official version of the Document d'enregistrement universel including the Rapport financier annuel which was established in xHTML and filed with the Autorité des Marchés Financiers on March 24, 2026.

This is a translation in English of the official version of the universal registration document of the Company issued in French, filed with the AMF on March 24, 2026 and it is available on the website of the Issuer. In the event of any ambiguity or discrepancy between this unofficial translation and the Document d'enregistrement universel, the French version shall prevail.

Our business at a glance

From growing passenger numbers to continued investment in sustainability, every performance measure points to Air France-KLM's global success.

Our dual heritage, combining French elegance with Dutch pragmatism, underpins a powerful network linking Europe to the wider world. Our size and agility position us to lead in a dynamic, competitive market, driven by our purpose of connecting the world responsibly and profitably.

We are accelerating our transition to more sustainable aviation through fleet renewal, investment in sustainable aviation fuel and responsible practices, reducing our environmental impact while creating long-term value.

This approach is shaped by our mission to keep our authenticity while building a resilient, inclusive, and future-proof airline group.

Our airlines

AIRFRANCE

KLM Royal Dutch Airlines

transavia

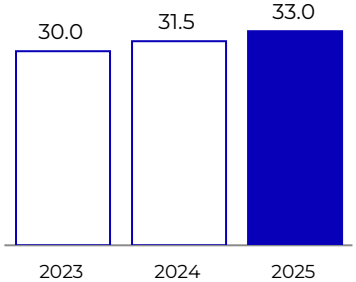


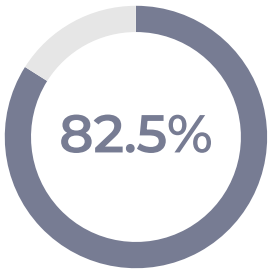
Find out more in section 1.2.2

Our revenue breakdown[1]

REVENUES (€ BILLION)

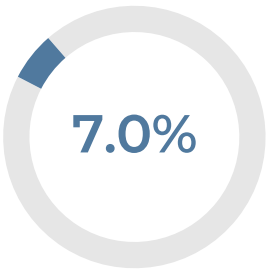
€33bn





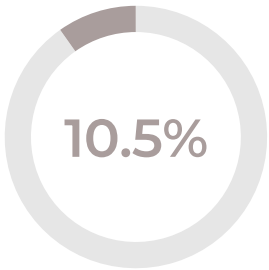
Network

Passenger and cargo networks centered around Paris and Amsterdam hubs



MRO

Maintenance, repair and overhaul (MRO) for the Group's fleet and external customers



Transavia

Low-cost business operating flights to destinations in Europe, Africa and the Middle East

(1) External revenue only

Our people, culture and responsibility

We aim to create a safe and motivating environment for our workforce by promoting open communication, supporting diversity and inclusion programs and continually developing employee skills to ensure professionalism and employability.

Find out more in section 1.2.2

36.4%
women in the GEC[1] in 2025

36.6%
women in top 10% of ground staff managerial positions

#1
employer brand in the transport sector







Key figures

586
aircraft in revenue service at December 31, 2025

320+
destinations

80,000
employees[2]

103m
passengers

100+
countries served

917,000
tons of cargo

(1) Group Executive Committee.
(2) Average number of employees over the period, in full-time equivalent, only on permanent contract.

HIGHLIGHTS OF THE FINANCIAL YEAR 2025 AND OF THE BEGINNING OF THE FINANCIAL YEAR 2026



FEBRUARY 2025

Air France-KLM bought 2.3% stake in Canadian carrier WestJet

Initially announced in May 2025, Air France-KLM purchased a 2.3% stake in Canadian carrier WestJet from joint venture partner Delta Air Lines on 23 October. The previous day Delta had bought a 15% stake in WestJet, while Korean Air took 10%. The three airlines together own 25% in WestJet (Delta: 12.7%, Korean Air: 10%, Air France-KLM: 2.3%). Canada's Onex Partners is the controlling shareholder. Air France-KLM has partnered with WestJet since 2009, working together on ticketing, code sharing and reciprocal membership benefits.



FEBRUARY 2025

Air France-KLM partners with Amadeus to accelerate modern airline retailing transformation

Air France-KLM has selected technology partner Amadeus's Nevio solution to accelerate its transformation in line with Modern Airline Retailing principles, a key pillar of the Group's commercial strategy. This multi-year systems update will be orchestrated by the Air France-KLM MOON (Moving to Offer and Order Native) program, in close collaboration with Amadeus. As a result, customers will be able to track their journey and selected services in a single accessible order, receive more personalized offers, and do more self-servicing.



JUNE 2025

Air France-KLM refreshes the brand of its low-cost arm Transavia

In 2024, 23 million passengers travelled with Air France-KLM's low-cost arm Transavia, an 8.1% increase from 2023. As the airline continued to expand, in 2025, the Group decided to refresh the branding. The new logo took on a softer shade of green, with a modernized design embodying the bold spirit that characterizes the brand. The updated branding is being rolled out across all contact points, including a new website, airport signage, and an updated aircraft livery.



JUNE 2025

Air France-KLM Group celebrates 20 years of the Flying Blue loyalty program

In 2025, Air France-KLM Group celebrated 20 years of the Flying Blue loyalty program, which boasts nearly 30 million members globally and has partnered with nearly 40 airlines. More than 100 commercial partners are also involved, and the new Flying Blue+ mobile app, available in the UK and the US, is expected to launch in more countries soon. In June, Flying Blue launched the anniversary campaign "Turning Miles into Memories, for 20 years", showcasing its evolution over the years.



JUNE 2025

Riyadh Air and Air France-KLM Agree Strategic Cooperation

Saudi Arabia's new national carrier, Riyadh Air, and Air France-KLM signed a Memorandum of Understanding to enhance connectivity for guests traveling between Riyadh, Paris, Amsterdam and beyond, enable code share cooperation, and introduce reciprocal loyalty program rewards. Subject to approvals, the collaboration aims to unlock opportunities across Western Europe, North and South America, the Middle East, Asia, and the Kingdom of Saudi Arabia. The partnership also extends to areas such as MRO, digital transformation, sustainability, and cargo services.



JUNE 2025

New Partnership To Link Fast-Growing Indian Economy with North America and Europe

IndiGo, Delta Air Lines, Air France-KLM and Virgin Atlantic announced a partnership to connect the fast-growing aviation market of India with Europe and North America. Linking dozens of cities in the US, Canada, Europe and India, travelers will enjoy a wider network and smoother journeys. The move also creates a framework for potential collaboration in commercial areas such as loyalty programs and cargo and explores areas of non-commercial cooperation including aircraft maintenance, sustainability, training, and ground handling.



JULY 2025

Air France-KLM and Qantas increase code sharing and cooperation

In July, Air France-KLM and Qantas announced an expansion of their partnership on flights between Europe and Australia, improving convenience and customer loyalty benefits. Air France added its codes to Qantas' non-stop service between Paris-CDG and Perth, and both Air France and KLM will add their codes to the Australian carrier's flights between Singapore and Darwin. Tokyo Haneda Airport has become a connection point for Air France and Qantas flights. The partnership also provides passengers with enhanced loyalty program cooperation.



JULY 2025

Air France-KLM initiates proceedings to take a majority stake in SAS

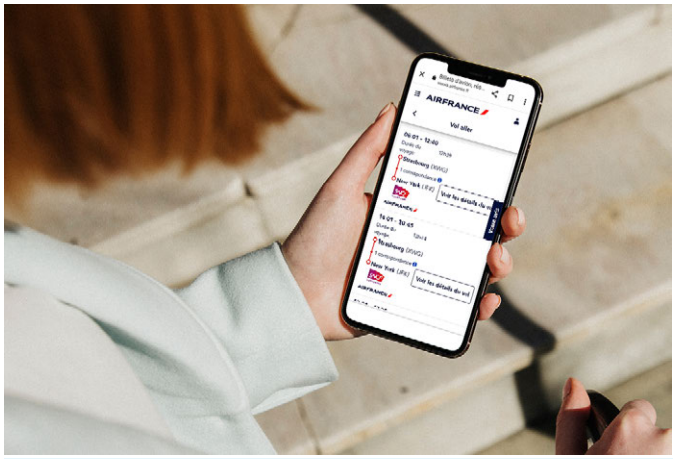
In July, Air France-KLM initiated proceedings to increase its stake in Scandinavian carrier SAS, from 19.9% to 60.5%, by buying all shares held by Castlelake and Lind Invest. The move is motivated by the success of the airlines' existing cooperation agreement and improvements in SAS's financial and operational performance. It would also enable Air France-KLM and SAS to fully unlock the potential for cost savings and synergy. The ambition is to complete the transaction in the second half of 2026.



AUGUST 2025

Air France-KLM and Groupe ADP partner to improve passengers' transfer experience

Nearly half of Air France's passengers book a connecting flight at Paris-CDG, but unforeseen circumstances can sometimes reduce the time available for transfers. Under the strengthened 'Connect France' partnership between Air France-KLM and Groupe ADP, the new 'Short Connection Pass' initiative means, if needed, passengers flying into the airport receive a text and email granting them priority at security and border control. Groupe ADP has also implemented dedicated routes through the airport for connecting passengers.



AUGUST 2025

Air France and SNCF Voyageurs customers can now turn Flying Blue Miles into train vouchers

In 2025, Air France and SNCF Voyageurs celebrated 30 years of partnership. They also introduced the option of turning Flying Blue loyalty program 'Miles' into SNCF Voyageurs vouchers. The 'Train+Air' combined service (formerly TGV Air) continues to expand and is now available on 41 routes to and from Paris-CDG and Paris-Orly airports, compared with 28 in 2022. Twenty-two train stations in France link directly to the Paris airports, and customers can combine train journeys and flights in a single booking.



NOVEMBER 2025

Air France-KLM Maintenance Division expands recruitment

Plans announced to recruit more than 1,000 permanent staff in France by the end of 2027, with roles for both experienced professionals and recent graduates. The Group also provides more than 350 apprenticeships and 300 internships to young people each year at its maintenance sites in Paris-CDG, Paris-Orly/ Villeneuve Le Roi, and Toulouse. To reach these targets, Air France-KLM has adapted policies to widen the recruitment pool and offers transition programs to professionals from other industries.



FEBRUARY 2026

Air France-KLM renews Marjan Rintel's mandate as President & CEO of KLM

Air France-KLM's Board of Directors approved the renewal of Marjan Rintel's mandate as President & Chief Executive Officer of its subsidiary KLM Royal Dutch Airlines for a second term of 4 years. Marjan Rintel's priority will be to accelerate KLM's transformation and to restore its operational performance. These combined actions - which include organizational changes in the management of operations, are destined to restore KLM's financial performance and to put it on the right track to meet the Group's medium-term targets.

2026 News

Competition law dispute in the air freight industry

Air France-KLM has taken note of the judgment of the Court of justice of the European Union rejecting the appeal filed against the decision of the General Court of the European Union, confirming the decision of the European Commission of 17 March 2017 against 13 cargo operators, including the Group's airlines Air France, KLM and Martinair, for past practices, considered to be anti-competitive in the air cargo sector.

The practices in question date back more than 20 years and have been subject of proceedings before the European courts, resulting in a decision that has now become final.

Air France, KLM, and Martinair thus paid, in March 2026, a total amount of 368 million euros (including interest). A current provision of 366 million euros was recorded in the financial statements as of December 31, 2025 (for more information, please refer to note 30.1.4 of the consolidated financial statements in section 5.3 of the present document).

Repayment by KLM of the perpetual subordinated bond in Swiss francs issued in 1986

On March 9, 2026, KLM decided and announced that it will proceed with a full repayment of the perpetual subordinated bond in Swiss francs issued in 1986 at the next call date, May 15, 2026, for an amount of 270 million Swiss francs (approximately 300 million euros). This subordinated bond was classified as non-current financial liabilities in the financial statements as of December 31, 2025. The tranche issued in May 1985 remains recorded within the non-current financial liabilities (for more information, please refer to notes 31.1.2 and 31.4 of the consolidated financial statements, in section 5.3 of the present document).

Situation in the Middle East

Since February 28, 2026, the war in the Middle East has affected the Group's operations, leading to the suspension of flights to Beirut, Dammam, Dubai, Jeddah, Medina, Riyadh and Tel Aviv.

In addition, the closure of vast swathes in the airspace of the conflict zone has resulted in longer flight times on several routes operated by the Group.

Air France-KLM is reallocating capacity, notably by deploying larger aircraft on certain routes to meet growing demand.

Beyond the impact of these activity suspensions and the necessary adjustments to its network, the main consequence of this crisis for the Group lies in the risk it poses to the evolution of jet fuel prices, despite the systematic hedging policy in place. Air France, KLM and Transavia have thus implemented fare increases on long-haul flights for tickets issued from March 11, 2026, in response to this price increase.

At this stage, and given the uncertainties regarding the outcome of the conflict, the Group is not able to quantify the impact of the current instability on its operations and financial results.

Macroeconomic and geopolitical risks (in particular risks relating to the evolution of oil and fuel prices) are detailed in section 3.1.1 of the present document.

For a strong and sustainable **European Aviation**

Against a backdrop of global uncertainty, Air France-KLM rose to the challenge. Thanks to an ambitious strategy and unwavering commitment, the Group is flying forward, stronger and more united than ever.



Florence Parly, Chair of the Air France-KLM Board of Directors

Dear Sir or Madam, Dear Shareholder,

In 2025, the Air France-KLM Group continued its growth trajectory, with revenue increasing by 4.9%, driven by passenger transport and aircraft maintenance. This momentum underscores the strength of our strategy and the sustained commitment of our teams, resulting in continued improvement in our economic performance.

This performance was achieved in a global environment marked by persistent geopolitical tensions which continue to impact our operations and weigh on our costs. In this demanding context, the Group demonstrated agility and discipline in order to preserve its competitiveness and stay the course of its financial trajectory.

2025 also allowed us to actively prepare for the next phase of consolidation of European aviation. Air France-KLM further strengthened its commercial partnership with SAS and is leveraging all available means to seize additional opportunities. This is fully aligned with our ambition to play a structuring role in the evolution of the sector in Europe and to create new prospects for sustainable growth.

At the same time, the Group continues to make progress in decarbonization. Our fleet is now composed of 34.6% new-generation aircraft and we incorporated twice as much sustainable aviation fuel in 2025 as in 2024. These tangible advances reflect our determination to reduce our environmental footprint while supporting operational performance.

Backed by the commitment of our 80,000 employees worldwide, we are continuing the transformation of Air France-KLM, with the ambition of building an ever more robust, high-performing, and responsible Group. Together, we reaffirm our social and environmental commitments in the service of a sustainable future for air transport.

Yours sincerely,

Florence Parly
Chair of the Air France-KLM Board of Directors

“The Group continues to make progress in decarbonization. Our fleet is now composed of 34.6% new-generation aircraft and we incorporated twice as much sustainable aviation fuel in 2025 as in 2024.”



Stronger together, **ready for tomorrow**

From financial performance to fleet renewal and sustainability, Benjamin Smith, Chief Executive Officer of Air France-KLM, outlines how the Group is preparing for the next chapter in European aviation.



Benjamin Smith, Chief Executive Officer, Air France-KLM

What are your main takeaways from 2025?

2025 was above all a year of execution in the face of a complex external environment and ongoing disruptions. Despite the year's challenges, our teams worked diligently to manage operations and support our customers. Our 80,000 employees now make up the Air France-KLM community, including 3,000 new permanent hires during the year. Thanks to their engagement across all businesses, the Group transported more than 100 million passengers to over 320 destinations, and customer satisfaction continued to improve.

Our diversified model once again demonstrated its value, with Cargo and Engineering & Maintenance activities supporting the Group's overall performance. Meanwhile, Flying Blue continued to deliver robust margins and long-term value. At the same time, we reached several important milestones in strengthening our brand portfolio, including the introduction of Air France's new La Première suite, continued premium enhancements at KLM and a new brand refresh positioning for Transavia.

All these efforts reflect the professionalism of our teams and the trust our customers, partners, and stakeholders place in us as we continue to transform the Group.

What are the Group's near-term priorities?

Improving profitability remains a top priority. We are fully focused on achieving an operating margin of at least 8% in 2028, through a combination of revenue growth and disciplined cost management across all activities. Our ongoing transformation is central to this effort. We will continue to simplify our processes, modernize operations, and accelerate efficiency initiatives throughout the Group, while maintaining a strong focus on service quality and reliability.

Consolidation is another key dimension of our strategy. We are moving into the next phase of our partnership with SAS, with the goal – pending regulatory approvals – of welcoming a new airline into the Group for the first time since its founding. More broadly, we will remain attentive to opportunities that strengthen our competitive position and reinforce Europe's connectivity.

In parallel, sustainability continues to guide our investment decisions. Beyond fleet renewal, we are focused on scaling solutions that support our decarbonization trajectory, including long-term SAF partnerships. Ensuring fair competition is equally essential, as our ability to invest and transform depends on operating within a balanced and coherent regulatory framework.

What would represent a decisive turning point for Air France-KLM in 2026?

A major turning point for the Group would be the establishment of fair and balanced competition conditions for all airlines operating to and from Europe.

Air France-KLM has long supported open markets, but openness must go hand in hand with fairness. Today, European airlines operate under significantly stricter regulatory, fiscal and environmental requirements than many non-European carriers serving the same routes. This structural imbalance weakens Europe's aviation ecosystem.

The consequences are tangible: unbalanced obligations on sustainable aviation fuel, unequal access to airspace, and differing operating conditions lead to higher costs, longer flight times, and reduced competitiveness for European hubs. Over time, this erosion directly affects connectivity, threatens jobs, and undermines Europe's economic and strategic sovereignty.

The stakes are high. Air France-KLM plays a major socio-economic role, supporting more than 820,000 direct and indirect jobs in Europe and contributing 1.9% of French GDP and 2.3% of Dutch GDP. Ensuring fair competition is therefore not only an aviation issue, but a broader economic and social imperative.

Our position is clear and constructive: we do not seek protectionism, but equal rules for all airlines flying to and from Europe. A level playing field is essential to enable European carriers to invest in decarbonization, uphold high social standards, and continue to connect Europe efficiently and sustainably to the rest of the world.

Ultimately, fair competition is a condition for long-term resilience. It will allow European aviation to fully support economic growth, quality employment, environmental ambitions, and Europe's role as a leader in global air transport.

Benjamin Smith
Chief Executive Officer,
Air France-KLM

"We will continue to simplify our processes, modernize operations, and accelerate efficiency initiatives throughout the Group, while maintaining a strong focus on service quality and reliability."

A view of the **aviation market**

Despite ongoing headwinds both inside and outside of the aviation industry on a global scale, 2025 marked a year of robust growth for air transport.

Market dynamics	Market context
Geopolitical events	• Tensions in various parts of the world • Protectionism with trade tariffs and nationalist policies, affecting international trade and passenger flows
Taxation of air transport	• Differences in the taxation of air transport, even among European Union member states • Inconsistent taxation policies over time
Supply chain	• Aircraft parts availability still not back to pre-Covid levels
Environment	• Regulations aimed at reducing the climate impact of aviation in the European Union and other jurisdictions, with European Union's regulation among the most ambitious
Consolidation	• As in other parts of the world, ongoing airline mergers, acquisitions and joint ventures creating airline groups of sufficient size to compete in a global aviation marketplace
Air passenger market	• Worldwide growth for passenger traffic in all regions
Air cargo market	• Strong and continuous growth for cargo traffic in all regions throughout the year
Maintenance, repair & overhaul (MRO) market	• Supply chain disruption and weaker reliability of engines • Strong market position of manufacturers

To learn more, please see section 1.2

Impact	Our response
• Longer flights to avoid flying over conflict areas and suspension of certain destinations • Changing passenger and cargo flows	• Ensure we are prepared for schedule changes and disruptions to reduce inconvenience for customers • Stay agile in terms of capacity redeployments in case of inability to operate or declining demand on certain routes
• Uneven playing field with passengers shifting to countries with low or no taxes on air transport • Lack of visibility for airlines in mid-term	• Advocate for a more consistent and more even playing field, better enabling European airlines to offer extensive networks connecting Europe to the rest of the world
• Delays in aircraft manufacturing, longer backlog and longer delivery time for new aircraft • Delays and disruptions in aircraft maintenance, with aircraft grounded for longer periods • Higher average age of global fleet	• Increase stocks of vital parts to avoid maintenance delays • Adjust management of providers and ensure maximum availability for aircraft spare parts
• Varying costs for reducing climate impact in the context of an uneven playing field caused by different regulations	• Invest in fleet renewal and replace older aircraft with more fuel-efficient new-generation aircraft with lower noise footprint • Promote sustainable aviation fuels • Optimize flight and ground operations
• Marginalization of airlines not taking part in consolidation	• Complete proceedings to take a majority stake in SAS unlocking the potential for synergies • Pursue other targets that add value to the Group
• Opportunity to profitably operate our aircraft	• Continuously evaluate network performance and new route opportunities to ensure aircraft are deployed where they generate the most profit
• Opportunity to profitably operate our cargo capacity	• Leverage our extensive long-haul network for cargo customers, optimize use of wide body aircraft belly capacity, develop flexible solutions and strengthen partnerships with forwarders • Operate an agile full freighter network, optimize existing freighter utilization
• Aircraft grounded due to engine reliability, continuously impacting fleet availability • Delay in aircraft maintenance, impacting fleet management	• Continue investing in MRO industry • Optimize planning to avoid maximum issues of engine and spare parts

Generating value **for our stakeholders**

With its extensive network, operations and aircraft maintenance activities, Air France-KLM creates value by connecting people, boosting economic activity and creating jobs.

Our resources

EMPLOYEES

80,000 committed employees across diverse roles, working in an inclusive workplace

FLEET AND NETWORK

An extensive network operated with an optimized fleet

PARTNERSHIPS

A powerful network of suppliers and partnerships

FINANCE

A stable shareholding structure with the French and Dutch States, China Eastern Airlines and Delta Air Lines represented on the Board of Directors

A portfolio of strong brands

AIRFRANCE

KLM Royal Dutch Airlines

transavia

flyingblue

More on our value creation model on section 1.2.2

Creating value for	Achievements in 2025	
Employees By being the best place to work	**EMPLOYEE PROMOTER SCORE** **+33.5%** in 2025 (vs 2024)	**TRAINING** **35** hours of training per employee
Customers By exceeding customer expectations	**PASSENGERS** **103M** in 2025	**NET PROMOTER SCORE** **+3** for Air France in 2025 (vs 2024) **-2** for KLM in 2025 (vs 2024)
Shareholders By achieving robust financial performance	**SHARE PRICE** **+42%** throughout 2025	**SHARE PRICE** on December 31, 2025 **€11.57**

Building a leading European **aviation champion**

AIRFRANCE KLM GROUP

Our purpose

At the forefront of a more responsible European aviation, we unite people for **the world of tomorrow.**

Our business activities

Network
One of the most extensive air passenger and air cargo networks between Europe and the rest of the world, anchored by the Group's two intercontinental hubs in Paris and Amsterdam

MRO
Business unit providing competitive maintenance, repair and overhaul (MRO) services for the Group's fleet, as well as for third-party airline customers

Transavia
Air France-KLM's low-cost business, operating point-to-point flights to destinations in Europe, North Africa and the Middle East







Our strategic pillars

Strengthen market position and business model

Boost profitability to join Europe's frontrunners

Maximize customer satisfaction and enhance brand value

Increase employee engagement and satisfaction

Lead the drive for sustainable aviation

Leverage technology, innovation and data

Thanks to a strong asset base, simplified balance sheet, and ongoing transformation, Air France-KLM aims to become a leading champion for European aviation. To achieve this, the Group is working on improving its market position, boosting its profitability, maximizing customer and employee satisfaction, reducing unit greenhouse gas emissions and leveraging technology and data.

Our strategic pillars

Strengthen market position and business model

What it means

With clear positioning of its brands and changes to its network, Air France-KLM Group is strengthening its business model. Air France continues to concentrate its Paris operations at Paris-Charles de Gaulle Airport (CDG), while KLM is anchored at its global hub in Amsterdam, with both solidifying their position as network airlines. These two airlines provide quality medium and long-haul services to leisure and business passengers. Transavia offers medium-haul services to price-conscious leisure passengers.

Our progress

- Activities of Air France at Paris-Orly almost completely transferred to Paris-CDG
- Position of KLM in Amsterdam reinforced with connections to more destinations than in 2024

KPIs

SHARE OF SCHEDULED DEPARTING SEATS

48% & 60%

for the Air France-KLM Group, respectively in Paris and Amsterdam in 2025

Boost profitability to join Europe's frontrunners

What it means

Air France-KLM is focused on optimizing fleet and asset utilization, enhancing agility in network planning and scheduling and advancing pricing and revenue management. Air France-KLM is executing an ambitious transformation roadmap across all businesses to deliver sustained results, simplifying the corporate structure and processes, reducing costs and generating more revenue. The Group is targeting an operating margin of above 8% in 2028.

Our progress

- Increase in ancillary sales at Transavia

KPIs

OPERATING MARGIN 2025 FY

6.1%

Maximize customer satisfaction and enhance brand value

What it means

Air France is committed to continually developing exclusive, elegant and unique travel experiences, with new version of La Première cabin rolled out in 2025. KLM continues to strengthen its service by expanding the provision of Premium Comfort cabins in some of its long-haul fleet. On the ground, Air France-KLM Group continues to enhance the customer experience, including an improved Sky Priority journey and upgraded lounges. Transavia is strengthening its customer experience with new aircraft received in 2025.

Our progress

- The new version of Air France's La Première cabin launched and rolled out on multiples routes
- Comprehensive refreshment of Transavia brand, reinforcing its identity as a modern, accessible, and customer-centric airline

KPIs

ANNUAL CHANGE IN NPS

+3 & -2

respectively for Air France and for KLM in 2025 (vs 2024)







Increase employee engagement and satisfaction

What it means

The Air France-KLM Group aims to be one of the best places to work, by creating a safe and motivating environment for employees. The Group continues to invest in its people, upskilling the workforce and ensuring they feel empowered to exceed customer expectations.

Our progress

- KLM reached collective labor agreements with ground staff unions in October 2025 and with cabin crew unions in December 2025.

KPIs

YOY INCREASE OF EPS

+33.5%

Lead the drive for sustainable aviation

What it means

A key ambition for Air France-KLM is to reduce its GHG emissions per revenue ton-kilometer by 17.8% by 2030 compared with 2024. The Group has put in place a Transition Plan to achieve this, including measures such as the renewal of its fleet, the use of sustainable aviation fuel (SAF), and the continuous improvement of its operational activities.

Our progress

- In 2025, Air France-KLM took delivery of 51 new aircraft that run more efficiently than its previous generation planes.

KPIs

NEW-GEN AIRCRAFT IN THE FLEET

34.6%

Leverage technology, innovation and data

What it means

Air France-KLM fosters innovation and embraces new technologies, such as artificial intelligence (AI). For example, AI has the capacity to enhance the customer experience by offering timely, personalized suggestions and relevant services. The Group also anticipates that AI will provide a tool for reducing its CO_2 emissions, e.g. by optimizing the amount of drinking water needed on board or the operations of each stage of a flight.

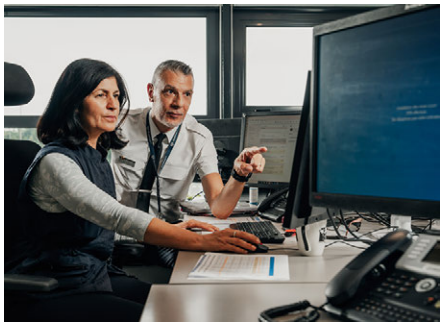
Our progress

- Air France-KLM has been building a strong foundation for innovation by modernizing its technology infrastructure. Key initiatives include accelerating the cloud migration, advancing the exit from mainframe systems, and driving the ongoing digital transformation.

KPIs

ESTIMATED FINANCIAL BENEFIT

€90m









Air France **La Première**

Air France launches its new La Première experience

Air France has unveiled its new La Première suite, offering a fully customizable and private luxury experience with exclusive design features. The spacious suite combines comfort, elegant materials and advanced technology, setting a new benchmark in premium air travel. Four suites are introduced on a selection of Boeing 777-300ERs as part of Air France's ongoing commitment to excellence.

Air France rolls out its new improved La Première experience, the highest expression of travel

Reflecting French elegance and 'art de vivre', La Première has always embodied Air France's signature excellence. Both at the airport and onboard the flight, La Première guests enjoy exclusive and personalized moments, with prestige experiences curated by dedicated staff who provide discreet yet attentive service.

An Air France exclusive: a new larger suite extending over five windows

The Air France's La Première cabin offers an exclusive, private experience at the front of the aircraft. The latest version of La Première suite, developed over three years, offers space of nearly 3.5 square meters, 25% more than previous cabins. It features a fully customizable design with both a seat and a chaise longue that transforms into a fully flat bed for restful journeys.

The side suites are filled with natural light from five windows, a feature unique to Air France, each with electric translucent or blackout shades, complemented by signature Air France lighting fixtures and ambient lighting.

Privacy is ensured with thick, floor-to-ceiling curtains while the center suites include an electric sliding partition for privacy or shared travel.

The seat adjusts for take-off, landing, dining, or relaxation, and includes a leather headrest and ergonomic padding for optimal comfort. A nearby console and table offer workspace and dining convenience. The chaise longue provides a space to relax or watch movies and extends into a two-meter-long flat bed with cozy blanket and large cushions.

Overhead compartments are replaced by floor-level storage, including a large sliding drawer for carry-ons, an additional drawer for footwear, a personal compartment with a backlit mirror, and a wardrobe.

The technology available includes two 32-inch 4K screens, noise-cancelling or Bluetooth-enabled headphones, multiple charging ports, wireless charging, smartphone/tablet holders, and free Wi-Fi, with soon-to-be-introduced ultra high-speed connectivity. The suite's functions, such as the seat, chaise longue, bed, lighting, and window shades, are all managed via a wireless touchscreen tablet for intuitive control and access to entertainment options.

Four new La Première suites are being introduced on a selection of Air France Boeing 777-300ER aircraft.

The quintessence of elegance

The La Première cabin has been meticulously designed with high-quality materials like full-grain leather and plush wool, crafted by STELIA Aerospace in France. The design, in collaboration with Design Investment studio and SGK Brandimage agency, includes the airline's winged seahorse emblem, embossed on the leather headrest, and features a harmonious gray palette, leather-trimmed finishes, exclusive fabrics, and accents of red and champagne metallics for distinction and elegance.

The cabin forms the centerpiece of La Première service, covering every stage of the client's journey to their destination. With a spacious airport lounge, private onboard suite, personalized service, three-star cuisine and a carefully curated selection of fine wines and champagnes, every moment is curated to transform air travel into an unforgettable tailor-made experience.

La Première, a milestone in our premiumization strategy

The evolution of La Première is a symbol of Air France's ongoing transformation toward a more premium, innovative, and experience-focused brand.

The fresh cabin design sets a new standard for luxury travel, allowing the airline to capture higher yields by appealing to the most discerning and high-spending travelers.

The personalized, attentive service and exclusive amenities anticipate and exceed evolving customer expectations, fostering strong loyalty and advocacy among elite clientele.

By reinventing this signature product, which is deeply embedded in its DNA, Air France is reinforcing its position among the world's top airlines and stands out in the highly competitive premium travel market

NUMBER OF AIR FRANCE LA PREMIÈRE DESTINATIONS AT END OF DECEMBER 2025

12

NUMBER OF AIR FRANCE LA PREMIÈRE DESTINATIONS WITH THE NEW SUITE AT END OF DECEMBER 2025

6



LEAP Engine Support

AFI KLM E&M expands LEAP Engine Support capabilities

AFI KLM E&M has opened advanced engine test cell facilities in Paris and Amsterdam, enhancing its MRO support for CFM LEAP-1A and LEAP-1B engines. AFI KLM E&M also entered into exclusive negotiations to form a joint venture with AerCap and provide greater access to LEAP spare engines, supporting uninterrupted fleet operations. This strategic expansion strengthens AFI KLM E&M's position as a leading partner for airlines worldwide.

AFI KLM E&M invests in new advanced test cell facilities

The commissioning of these test cell facilities in Paris and Amsterdam marks a strategic milestone in Air France Industries KLM Engineering & Maintenance's (AFI KLM E&M) long-term investment in advanced MRO infrastructure and underscores its leadership in servicing new-generation engine platforms. AFI KLM E&M also entered into exclusive negotiations to form a joint venture with AerCap and provide greater access to LEAP spare engines, supporting uninterrupted fleet operations. This strategic expansion would strengthen AFI KLM E&M's position as a leading partner for airlines worldwide.

A fresh benchmark in engine testing

AFI KLM E&M has expanded its engine support capabilities at upgraded facilities in Paris and Amsterdam. These two new advanced test cell facilities are now fully operational, conducting comprehensive performance testing and diagnostics for the latest generation of CFM LEAP-1A and LEAP-1B engines, which power the Airbus A320neo family and the Boeing 737 MAX respectively.

The facilities are equipped with the latest testing technologies and are engineered to accommodate high-bypass, high-thrust engines under real-world operating conditions.

This enables AFI KLM E&M to provide precise engine diagnostics, performance validation, and post-maintenance certification under controlled conditions, immediately before they are released into service. Key capabilities include full-thrust testing for the engines. Real-time digital data acquisition systems ensure full traceability and OEM compliance.

Designed for operators, built for the future

The certification of these new advanced test cell facilities solidifies AFI KLM E&M's position as a leading provider of diverse MRO solutions to the world's top airlines.

As LEAP engines power an increasing share of the global narrow-body fleet, these facilities give AFI KLM E&M a strategic advantage in the market, providing client airlines with uncompromising reliability, quick turnarounds, reduced logistical complexity, and enhanced visibility into engine performance.

Partnership with AerCap: supporting global fleet as a full airline MRO integrator

To further reinforce its comprehensive MRO offering, AFI KLM E&M is deepening its collaboration with AerCap through exclusive negotiations to establish a jointly owned LEAP engine leasing venture, announced at the Paris Air Show 2025.

This new initiative builds on the companies' longstanding cooperation and is designed to deliver seamless operational support for Airbus A320neo and Boeing 737 MAX fleets during engine quick-turn or performance restoration shop visits within the AFI KLM E&M's MRO network.

Through this joint venture -subject to necessary regulatory approvals- AFI KLM E&M and AerCap will pool their complementary expertise in engine leasing, asset management and MRO services to create an agile and robust solution for LEAP engine operators worldwide. By combining the global airline-MRO experience of AFI KLM E&M with AerCap's world-class engine and aircraft leasing capabilities, the partnership will ensure uninterrupted fleet operations and increased flexibility for customers.

Both organizations are committed to delivering innovative, customer-centric solutions that address the evolving needs of the aviation industry, with a shared focus on operational excellence and reliability. As the market for LEAP engine spares becomes increasingly competitive, this strategic partnership will empower operators with enhanced access to spare engines, supporting them with greater agility and continuity throughout their maintenance cycles.

NUMBER OF LEAP ENGINES AFI KLM E&M HAS SERVICED

100+

NUMBER OF NEW ADVANCED TEST CELL FACILITIES

2 (Paris and Amsterdam)



Fleet Renewal

Transavia takes delivery of Airbus A320neo and A321neo aircraft

The new-generation Airbus A320neo family plays a key role in Transavia's quest for increased passenger comfort, reduced noise footprint and increased fuel efficiency. By replacing its Boeing 737-800s with A320neo and A321neo models, Transavia is reducing CO_2 emissions and noise footprint and offering more seats per flight, while retiring older aircraft responsibly. This transformation strengthens Transavia's market position and commitment to affordable, cleaner, and quieter air travel.

Transavia is upgrading its fleet with reduced noise footprint and more fuel-efficient aircraft

Airbus 320neos and A321neos are playing a key role in Transavia's quest for increased passenger comfort, reduced aircraft noise and increased fuel efficiency.

The shift to new-generation aircraft

Transavia is implementing major transformation by replacing its previous Boeing 737 fleet with new-generation Airbus A320neos and A321neos, reflecting the airline's goals of delivering sustainability, efficiency, and superior passenger experience. This strategic renewal is fundamental to Transavia's ability to meet regulatory requirements, fulfil ambitious environmental targets and adapt to the changing aviation sector.

Delivering benefits for the environment, customers and operations

The Airbus A320neo and A321neo bring tangible benefits compared with previous generation aircraft, reducing the CO_2 produced per passenger kilometer by more than 15%, significantly lowering nitrogen emissions, and mitigating the noise footprint by 50%.

These new Airbus aircraft also enhance the customer experience by providing greater comfort. Reduced noise means a quieter cabin, and the gradual rollout of individual USB charging ports better meets customer needs.

Compared to the Boeing 737-800, the new A321neo aircraft also enables Transavia to increase its seating capacity by around 40 seats per plane. This allows the airline to operate more cost-effectively, with a significant 10% reduction in unit cost, ensuring affordable air travel remains accessible.

Turning a new page for Transavia

In the Netherlands, Transavia has rapidly expanded its Airbus fleet to 14 A321neo aircraft by the end of 2025. Among these, the 12th aircraft features a retro livery, celebrating the airline's 60th anniversary and highlighting its heritage alongside modern innovation.

In parallel, Transavia has phased out seven Boeing 737s from its fleet in the Netherlands. These retired aircraft are being carefully dismantled, with parts reused in the aviation sector wherever possible, demonstrating Transavia's efforts to circularity and responsible resource management.

In France, Transavia has also accelerated its fleet renewal, operating 23 Airbus A320neo aircraft at the end of 2025. This expansion underlines the Group's unified approach to sustainability and modernization across its European operations.

Fleet renewal boosts competitiveness

The transition to the Airbus neo family strengthens Transavia's position in the market by combining economic and environmental competitiveness. The enhanced efficiency and capacity of these aircraft allow the Group to adapt to market demand and serve more destinations, while delivering on the promise of improved customer comfort and reduced environment and noise impact.

Transavia is planning to fully renew its fleet with new-generation Airbus aircraft by 2031 in order to meet evolving industry standards and set a benchmark for responsible growth. This strategic shift future-proofs operations and builds Transavia's reputation for reliable, affordable, and more sustainable travel for millions of passengers.

NUMBER OF A320NEOS AND A321NEOS IN TRANSAVIA BY THE END OF 2025

37

PERCENTAGE OF NEW-GENERATION AIRCRAFT IN TRANSAVIA BY THE END OF 2025

27%

Sustainability

The Air France-KLM Group contributes significantly to the United Nations Sustainable Development Goals (“SDGs”).



Health and well-being

Support emergency action and aid associations by transporting medical equipment, medicines and vaccines around the world.

Gender equality

Work to further professional equality between men and women, foster diversity and inclusion in the workplace, and in our value chain. Support initiatives to encourage young girls to explore job opportunities in technical and digital fields.

Renewable energy

Reduce the energy consumption of our ground operations, improve our energy efficiency and increase the proportion of renewable power used by our buildings. Furthermore, the procurement of sustainable aviation fuel (SAF) enables us to reduce the use of fossil fuels.

Decent work

Offer skilled, high value-added jobs, and promote the employability and personal development of our employees through training. Stimulate indirect employment and activity throughout our supply chain.

Industry, innovation and infrastructure

Contribute to aviation industry sustainability ambitions by supporting research and innovation projects and actively mobilizing the sector to develop an international market for SAF.

Tackling inequality

Implement processes ensuring equal opportunity, paying special attention to the needs of disadvantaged and marginalized communities and combating all forms of discrimination.

Responsible consumption and production

Support responsible consumption and production through our waste reduction and responsible catering actions, by working closely with our suppliers around the world. Apply the principles of the circular economy by reducing, repurposing and recycling waste.

Combating climate change

Aim to decrease our GHG emissions and reduce our impact on climate change through various actions in line with our Transition Plan, including the renewal of our fleet, the use of SAF, the continuous improvement of operational measures and inter-modality.

Partnerships to attain our goals

Offer customers options to reduce their carbon footprints and support environmental projects to help develop innovative solutions. Act according to our responsible procurement policy in our relationships with suppliers.

We also contribute more indirectly to other Sustainable Development Goals like SDG 1 "No poverty" and SDG 2 "Zero hunger" through our support for emergency initiatives and self-help associations, and SDG 4 "Quality education" through our education-focused partnerships. Find out more in Chapter 4 on page 206.

Air France-KLM 2025 ESG Performance

CDP

A List

The Group earned a place on the CDP A List on Climate in December 2025. By scoring an A, the Group demonstrated environmental transparency and leadership.

ECOVADIS

Gold Medal

In January 2026, the Group was awarded a score of 84/100 (Gold Medal) and, subsequently, ranks in the top 5% of all evaluated companies.(1)

MSCI

AA

In March 2026, the Group received an MSCI ESG rating of AA.(2)

ISS-ESG

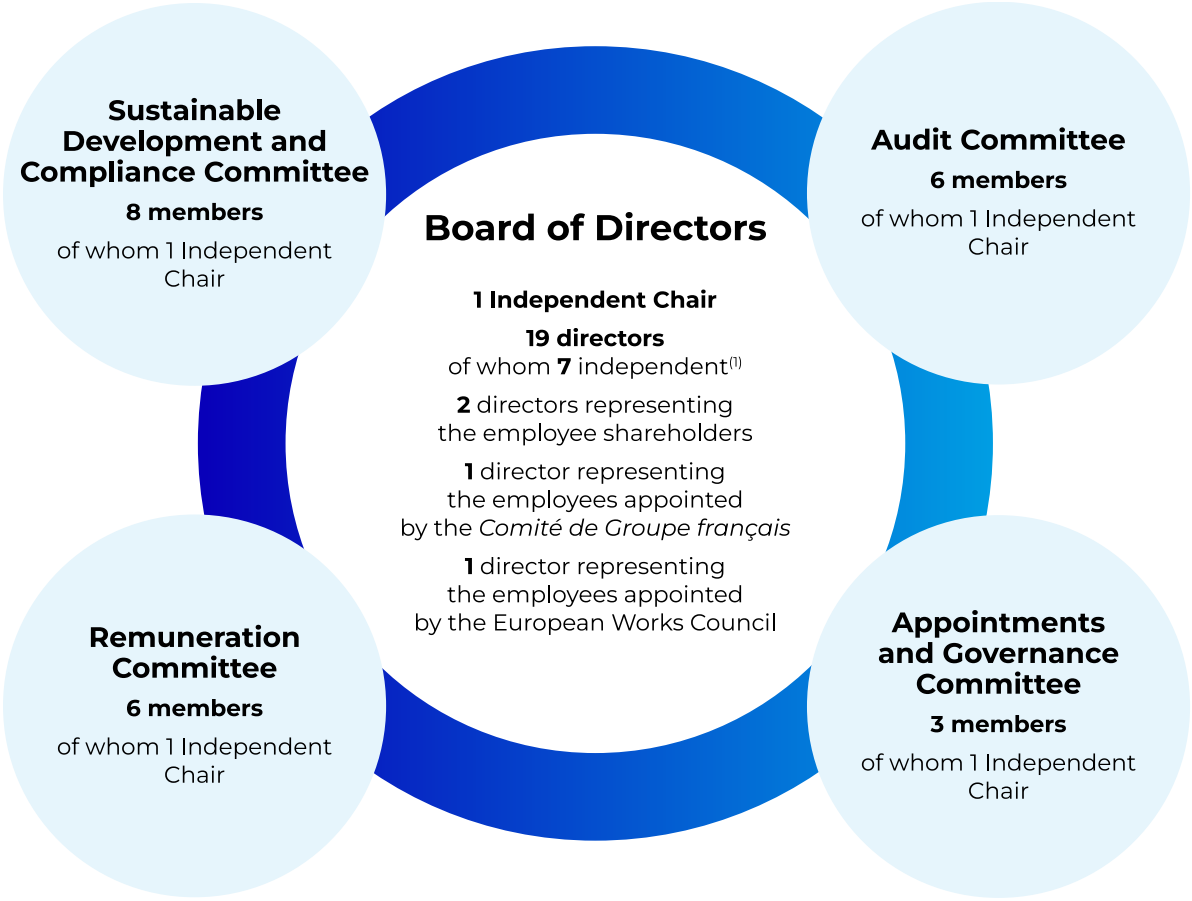
C+ Prime Status

The Group was awarded Prime Status with a C+ in 2025.

(1) For more information, please see: https://recognition.ecovadis.com/76YG3OhszkuDXDd77tUCHw
(2) For more information, please see: https://www.msci.com/legal/notice-and-disclaimer

Governance

Board composition as of December 31, 2025



(1) As of December 31, 2025, the percentage of independent Board directors is 47%. This exceptional situation is linked to the composition of the shareholder base following the latest capital transactions (see section 2.2.4 "Independence of the Board directors" and section 2.4 "Summary table of the AFEP-MEDEF Code's Comply or Explain Recommendations not applied"). In accordance with Article 10.3 of the AFEP-MEDEF Code, the Board directors representing the employee shareholders and the Board directors representing the employees are not included in the calculation of this percentage.

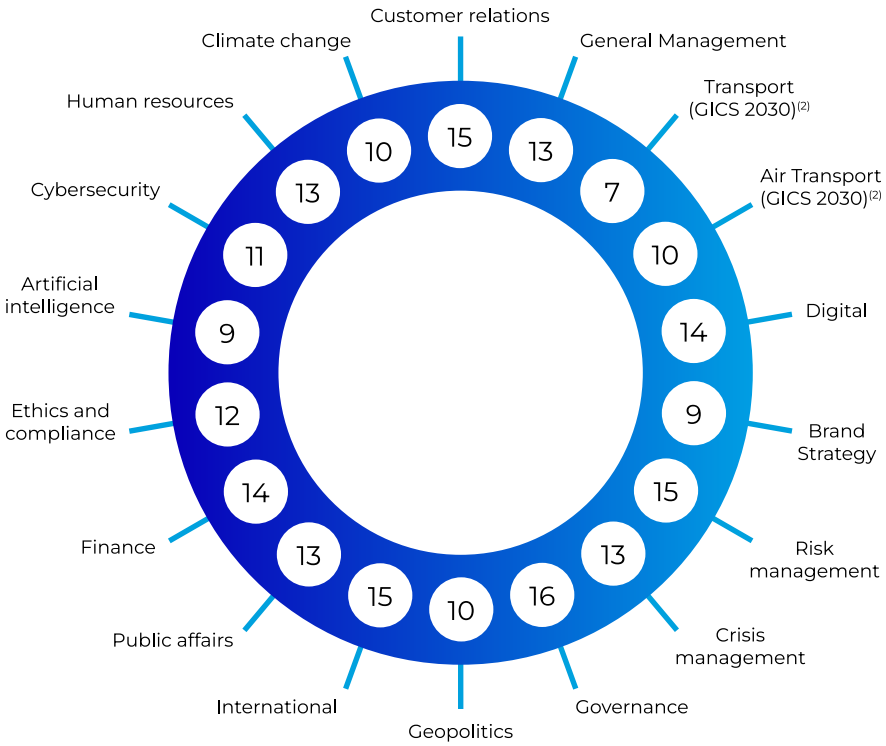
For more information on our Board, see section 2.1

Board diversity



Board skills and experience

18 areas of expertise and skill brought by 19 Board directors



(1) Board directors representing employees and board 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 this calculation, in accordance with the provisions of said articles. Furthermore, as from the entry into force of the provisions resulting from Ordinance No. 2024-934 of October 15, 2024 transposing the Women on Boards Directive, gender balance within the group of directors appointed by the General Meeting, including directors representing employee shareholders, would amount to 41.18%. In accordance with Article R. 225-30-2 of the French Commercial Code, introduced by Decree No. 2025-744 of July 30, 2025, where there are two directors representing employees, no gender balance requirement applies to them.

(2) Global Industry Classification Standard (GICS®), code levels 2 and 3



01

Presentation of the Air France-KLM group

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We bring together strong brands, global expertise and a shared ambition to build the future of air travel. We draw on our heritage, our scale and our strategic vision to create lasting value over the long term.

We are focused on the future

1.1 MARKET AND ENVIRONMENT

1.1.1 ECONOMIC ENVIRONMENT

Economic Growth

Real GDP growth (%)	2024	**2025**
World	3.3	**3.3**
Euro zone	0.9	**1.4**
Of which France	*1.1*	**0.8**
Of which Netherlands	*1.1*	**1.7**
Latin America and Caribbean	2.4	**2.4**
United States	2.8	**2.1**
China	5.0	**5.0**
Japan	-0.2	**1.1**
Sub-Saharan Africa	4.1	**4.4**

Source[1]

The global economy continued to grow in 2025, with the same rate (3.3% GDP growth) as in 2024, with regional variation. Eurozone recovery continued (1.4%), though France slowed down (0.8%) while the Netherlands picked up (1.7%). United States' growth was moderate (2.1%) and China's strong (5.0%), when comparing with global GDP growth. Japan rebounded (1.1%) with improved domestic activity. Latin America and Sub-Saharan Africa maintained steady growth (2.4% and 4.4% respectively). Geopolitical tensions and economic fragmentation persisted, influencing global trade patterns.

Oil price

Brent (US$/bbl)	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
Average Brent price	79.8	74.6	75.8	68.0	69.0	63.6
Average jet fuel price	92.1	87.2	93.5	84.0	89.0	89.3

Source[2]

In 2025, Brent oil prices continued to decline, dropping from USD 75.8 per barrel in Q1 to USD 63.6 in Q4.

Jet fuel prices fluctuated, starting at USD 93.5 per barrel in Q1, decreasing to USD 84.0 in Q2, then stabilizing near USD 90 by year-end.

Due to reduced Russian refining capacity, Brent jet fuel crack spread[3] saw a steady increase since Q2 2025.

Currency Exchange Rates

For one Euro *(average)*	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
USD	1.10	1.07	1.05	1.13	1.17	1.16
GBP	0.85	0.83	0.84	0.85	0.87	0.88
CHF	0.95	0.94	0.95	0.94	0.94	0.93
CNY	7.87	7.67	7.66	8.20	8.36	8.25
JPY	163.8	162.5	160.4	163.8	172.3	179.3

Source[4]

The euro fluctuated moderately against major currencies over the observed period. The United States Dollar (USD) has depreciated against the euro during 2025. The euro remained relatively stable against the pound sterling (GBP) and Swiss Franc (CHF). The euro strengthened against the Chinese yuan (CNY), moving from 7.67 CNY per euro in 2024 Q4 to 8.25 CNY per euro in 2025 Q4. The most pronounced change was against the Japanese yen (JPY), which depreciated significantly as EUR JPY rose from 160.4 to 179.3 during 2025.

(1) Source: World Economic Outlook, IMF, October 2025. (https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf)
(2) Source: Brent and jet fuel prices, EIA, January 29, 2026 (https://www.eia.gov/dnav/pet/pet_pri_spt_s1_m.htm)
(3) The difference in price between Brent crude and jet fuel
(4) Source: ECB Data Portal, ECB, January 2025.

1.1.2 THE INDUSTRY CONTEXT AND COMPETITION

Throughout the year, the global economy has exhibited stability with resilient but moderate growth. Global unemployment rates remained low despite a slight increase from last year.

In 2025, air passenger traffic, measured in revenue passenger-kilometers or RPK, grew 5.3% compared to 2024.[1] Worldwide air passenger capacity grew 5.2% compared to 2024.[2]

Several events impacted the airline industry in 2025. Persistent geopolitical instability forced airlines to reroute and/or suspend fights. Flights departing the European Union (EU) were required to be powered by 2% sustainable aviation fuel (SAF). While being an important step to reduce global warming, this requirement further disadvantaged European airlines in an already-uneven competitive landscape. Ongoing supply chain disruptions continued to put pressure on deliveries on new aircraft deliveries and operational availability.

In addition, a consolidation trend became evident with various merger attempts.

Geopolitical events

Geopolitical events have always affected the aviation industry, requiring airlines to adjust operations, sometimes inconveniencing customers.

Several conflicts worldwide are disrupting the air transport sector, such as the ongoing Russian-Ukrainian war, as well as various conflicts in Africa and the Middle East.

Certain airspace can no longer be used, causing longer routings and route closures. Longer routings inconvenience customers, with flights taking longer, and they add costs and complexity for airlines. Airspace bans affect airlines unequally, as customers may prefer non-banned airlines that offer shorter flights to the same destinations.

Air transport taxation

Depending on the region, the aviation industry is subject to a large variety of taxation. In several European countries there are plans to increase air ticket taxes in particular.

The French government increased tax related to airplane tickets (TSBA) in 2025, and the Dutch government increased the air passenger tax, effective January 1, 2026. From April 1, 2026 the United Kingdom will raise Air Passenger Duty.

In November 2025, the German government announced plans to return aviation tax to its pre-May 2024 level, effective July 1, 2026. In July, Sweden has abolished airline ticket tax, which was created in 2018 with the aim to curb carbon emissions.

On a European level, different aviation taxation policies between countries create an uneven landscape for different European airlines with operations concentrated in different countries.

Supply chain

In 2025, 1,471 aircraft were delivered for passenger and cargo usage, slightly more than in 2024 (1,214) and 2019 (1,318), but far less than in the peak year 2018 (1,722)[3]. The new aircraft order backlog surpassed 17,000 at the end of 2025, an industry record high.[4]

As a result, the average age of the global fleet rose in 2025. For example, wide-body aircraft in service for all usages had a record-high average age of 14.5 years, a significant increase from the 2019 average of under 12 years. An older fleet means higher maintenance costs and higher fuel usage.[5]

Additionally, the aviation industry is struggling with a spare parts shortage, driven by supply chain issues, increased demand and manufacturing delays, leading to grounded aircraft and disruption to maintenance operations. Indeed, the share of parked fleet in storage has reached unprecedented levels, mainly due to engine inspections.[6]

Environment

2025 was the first year of implementation of the EU's SAF blending mandate, under the ReFuelEU Aviation Regulation, requiring airlines to utilize a minimum of 2% SAF in jet fuel supplied at EU airports. ReFuelEU for Aviation is part of the European Commission's FitFor55 package aiming at the reduction of greenhouse gas (GHG) emissions to reduce global warming. More information related to climate change can be found in Chapter 4, section 4.2.

There is a significant price discrepancy between SAF and fossil jet fuel which, in combination with EU-ETS costs (driven up by the withdrawal of free EU-ETS allowances), creates an uneven playing field for EU-based airlines, with passengers shifting to airlines based in countries with less strict environmental regulations.

(1) Source: IATA, https://www.iata.org/en/iata-repository/publications/economic-reports/air-passenger-market-analysis-december-2025/
(2) Source: IATA, https://www.iata.org/en/iata-repository/publications/economic-reports/air-passenger-market-analysis-december-2025/
(3) Source: Cirium, data query conducted on January 8, 2026
(4) Source: IATA, https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport-december-2025/
(5) Source: IATA, https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport-december-2025/
(6) Source: IATA, https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport-december-2025/

Additionally, the Russia fly-over ban on EU carriers continues to cause longer itineraries when flying to certain Asian destinations, increasing costs and impacting environmental performance.

Many European airports adopt a Balanced Approach to managing aircraft noise, as recommended by the International Civil Aviation Organization (ICAO). This approach aims to reduce noise impact on surrounding communities while considering airport capacity and economic factors. Measures may include restrictions, such as curfews or limitations on noisy aircraft.

Consolidation

Consolidation attempts were evident across the world: in Asia-Pacific with Korean Air and Asiana; in the Indian subcontinent with Air India, Air Asia India, and Vistara; in North America with the Spirit-Jet Blue merger attempt; and in Latin America with the creation of Abra resulting from the merger between Avianca, Gol, and the Spanish Wamos Air, and Abra's plan to merge SKY Airline into its group.

Consolidation efforts have also occurred in Europe:

- IAG decided not to extend its 20% share in Air Europa in 2024, following discussions with the European Commission;
- Lufthansa Group acquired a 41% share in ITA Airways in January 2025;
- Air France-KLM announced it would become majority owner of Scandinavian Airlines (SAS) by increasing its share;
- The Portuguese government intends to partially privatize TAP Air Portugal and invited third parties to formally express their interest by November 2025;
- Air Europa accepted Turkish Airlines' offer to acquire a 26% stake in August 2025; and
- Pegasus Airlines signed an agreement for the full acquisition of Czech Airlines and subsidiary Smartwings in December 2025.

Air transport market[1]

In 2025, global passenger traffic, measured in revenue passenger kilometers (RPKs), recorded a 5.3% increase compared to 2024, marking another consecutive year of post-COVID increase, and remaining consistent with the long-term historical growth rate. Meanwhile, global capacity, measured in available seat kilometers (ASKs), increased by 5.2% compared to 2024. In terms of global passenger load factor, it is expected to average 83.6%, higher than 2024.

Compared to 2024, European capacity measured in available seat kilometers increased by 5.2% and European passenger traffic measured in revenue passenger kilometers increased by 5.3%.

Air cargo market[2]

Consumption and investment grew throughout 2025, despite geopolitical tensions and protectionism. This was a result of low inflation compared to the COVID years and growing cross-border e-commerce with global trade stabilizing.

In 2025, air cargo demand, which is measured in cargo tonne-kilometers (CTK), recorded a 4.3% year-over-year increase. Air cargo demand in Europe grew by 2.9% compared to 2024, mainly driven by Asian and North American routes. Global air cargo yields averaged 1.5% below 2024.

Maintenance, Repair, and Overhaul (MRO) market[3]

The aeronautics maintenance market is mostly driven by age, number of flight cycles, and number of aircraft flight hours. MRO business trends closely follow those of commercial airlines' fleets globally and their utilization.

The worldwide fleet's compound annual growth is projected at 2.8% from 2025 to 2035. Demand in the MRO sector reflects slower expansion and, despite recent increase in the average age of the worldwide fleet, it is expected to grow by 2.7% annually from 2025 to 2035. MRO 2025 spending is expected to hit USD 119bn, surpassing 2019's record high by 12%.

The MRO market faces multiple challenges, particularly due to supply chain disruption, and the high defect rates of some new-generation engines. Furthermore, aircraft, engine, and part manufacturers are reinforcing market positions by limiting engine options, limiting non-OEMs in offering MRO, leveraging intellectual property rights and controlling data generated by aircraft engines and components. This reduces airlines' options and puts upward pressure on costs.

Consequently, despite significant MRO investment, the industry is contending with production delays, which can exceed one year, and suppliers that are unable to fulfil orders or provide products and/or services in a timely manner.

[1] Source: IATA, https://www.iata.org/en/iata-repository/publications/economic-reports/air-passenger-market-analysis-december-2025/
[2] Source: IATA, https://www.iata.org/en/iata-repository/publications/economic-reports/air-cargo-market-analysis-december-2025/
[3] Source: Global fleet and MRO market forecast 2025-2035, Oliver Wyman, https://www.oliverwyman.com/our-expertise/insights/2025/feb/global-fleet-and-mro-market-forecast-2025-2035.html

1.2 STRATEGY

1.2.1 THE AIR FRANCE-KLM GROUP'S AMBITIONS

Air France-KLM defines its purpose as: ***"At the forefront of a more responsible European aviation, we unite people for the world of tomorrow."***

The Group's business brings people, economies, and cultures together, driving economic growth and social progress. The Air France-KLM group's overarching ambition is to become a leading champion of air transport in Europe, while taking its responsibility in making aviation more sustainable.

1.2.2 VALUE CREATION MODEL

Air France-KLM is a major player in global air transport, being a leader in passenger air transport between Western Europe and the rest of the world. Its main businesses are passenger and cargo transportation through its network activities, low-cost business, and aeronautical maintenance.

Air France-KLM's value creation model addresses all the Group stakeholders, including employees, shareholders, customers, suppliers, authorities, institutional and non-governmental organizations, and local communities. The Group interacts with its stakeholders as part of its day-to-day activities, while its business and operations have various impacts on society. The model delineates the impact areas where the Air France-KLM group adds value, through its strengths and competitive advantages that allow it to address societal and sustainability challenges.

People

Air France–KLM's Human Resources Development strategy is anchored in its People Value Creation Model, which recognizes a workforce of 80,000 talented professionals as a core strategic asset.

Operating within a safety-critical, service-driven and regulated sector, Air France-KLM's people are fundamental to driving success.

Air France-KLM's ambition is clear: to continue to be an employer of choice and achieve a leading Employee Promoter Score in a highly competitive global labor market.

The Group is committed to fostering optimal working conditions for all employees across vital roles, including ground staff, cabin crew, and flight deck crew — each serving as a crucial pillar of Air France-KLM's strategy.

To attract, develop and retain top talent, the Group is dedicated to:

- Strengthening its employer brand to enhance its appeal and reputation;
- Investing significantly in continuous training and skills development for its entire workforce;
- Prioritizing compliance with fundamental safety and regulatory certifications, while advancing leadership development and sustainability awareness; and
- Equipping its people and organization with advanced digital tools to foster innovation, agility and operational efficiency.

Air France-KLM's People strategy places a strong emphasis on targeted initiatives to enhance well-being and working conditions, promote Diversity, Equity and Inclusion (D&I) and uphold working and human rights across the Group.

The Group is convinced that its diverse workforce is a key driver of high performance, amplifying its impact throughout the business. As such, it is actively advancing concrete actions to achieve gender balance, equal pay, and non-discrimination.

The Group fosters a culture of employee engagement, while preparing its people for long-term employability in a volatile and rapidly evolving environment.

These efforts are supported by active social dialogue and robust collective agreements, built on the Group's core values of trust, respect, transparency and confidentiality.

Through responsible leadership, a strong safety culture, ethical governance and seamless collaboration across all Group entities, Air France-KLM's People strategy makes a direct contribution to operational excellence, customer experience, financial performance, ambitious sustainability goals and the Group's social license to operate. This integrated approach aims to create long-term value for employees, customers, shareholders and society.

Material impacts, risks, and opportunities (IROs) related to the Group's workforce are detailed in Section 4.3.1, in accordance with ESRS Standard S1.

Customers

Committed to a smooth customer experience, Air France-KLM aims to exceed expectations at every touchpoint and across its products and services. The Group targets a leading Net Promoter Score (NPS) through personalized, digitalized offers and best-in-class operational performance. Air France, KLM, and Transavia maintain daily customer focus through professional frontline staff and quality products and services.

Customer satisfaction with the service quality promised by Air France-KLM airlines strongly impacts the Group's performance. It is a key revenue growth driver and enables greater customer loyalty.

An extensive network operated with an optimized fleet

Air France and KLM, Air France-KLM's network carriers, operate one of the most extensive networks between Europe and the rest of the world, organized around two of Europe's largest connecting hubs: Paris-Charles de Gaulle and Amsterdam-Schiphol. Transavia, the Group's low-cost carrier, offers medium-haul flights to and from France and the Netherlands. In 2025, Air France, KLM and Transavia served more than 320 cities in over 100 countries.

Confirming its commitment to lead in terms of traffic, the Group carried 103 million passengers worldwide in 2025 (versus 98 million in 2024).

The Air France-KLM group has confirmed its fleet modernization strategy. New-generation aircraft deliveries will strongly contribute to the Group's environmental roadmap and generate substantial financial benefits. By 2030, new-generation aircraft should comprise up to 80% of the Group's fleet.

As of summer 2026, all Air France flights departing Paris will operate from Paris-Charles de Gaulle airport.[1]

Partnership: a solid network

Air France-KLM is pursuing its commercial integration strategy with its partners across the globe, including Delta Air Lines Inc., China Eastern Airlines, and through the SkyTeam alliance, to offer value-added services and innovation while reinforcing its network and building mutual trust.

In September 2024, Air France-KLM acquired a 19.9% non-controlling stake in SAS AB. Air France-KLM and SAS also signed interline and codeshare agreements, linking their networks, and strengthening the Group's access to Scandinavia. In July 2025, Air France-KLM initiated proceedings to acquire a majority stake in SAS to unlock the full synergy potential. Subject to regulatory clearances and satisfying conditions precedent, the Group aims to close the transaction in the second half of 2026.

The privatization of TAP began with the promulgation of the Decree-Law on September 23, 2025. Air France-KLM, the first bidder, submitted its expression of interest to Parpublica[2] on November 18, 4 days before the November 22 deadline. In doing so, Air France-KLM reiterated its strong interest. On December 19, the Portuguese government announced the Group's qualification for the next stage, which involves submitting a non-binding offer by the end of Q1 2026. Air France-KLM airlines operate over 600 weekly flights to five Portuguese destinations. In acquiring a stake in TAP, the Group intends to further increase its contribution to Portugal's economy and to create value for TAP and the country.

In December 2024, Air France-KLM reinforced its cooperation with Saudia for passenger transport and aircraft maintenance. This partnership aims to improve connectivity between France, the Netherlands, and Saudi Arabia and enhance MRO cooperation between AFI/KLM E&M and Saudia Technic.

In June 2025, Air France-KLM launched a strategic partnership with Riyadh Air, aiming to improve global air connectivity for passengers traveling between Riyadh, Paris, Amsterdam, and onward. Subject to regulatory approval, this collaboration aims to gradually introduce a wide range of benefits for passenger and create new opportunities across Western Europe, North and South America, the Middle East, Asia, and Saudi Arabia.

In October 2025 Air France-KLM has completed the acquisition of a 2.3% stake in Canadian historical partner WestJet alongside stake acquisition by Delta Air Lines and Korean Air, cementing a longstanding partnership.

Capital shareholding: the French and Dutch states, China Eastern, and Delta Air Lines represented in the Board of Directors

Equity ensures Air France-KLM's financial stability and accelerates its ability to invest in future value creation. Through the combined use of share capital, cash reserves, and debt, the Group funds its infrastructure, optimizes its fleet, develops its resources, innovates in digital solutions, strengthens its supply chain, improves community relationships, and engages in sector consolidation.

Minority shareholdings by the French and Dutch governments and two other airlines provide multiple benefits for Air France-KLM group:

- Minority French and Dutch state ownership demonstrates their commitment to Air France-KLM group, with state-representatives on the Board of Directors participating in the Group's success; and
- The Air France-KLM stakes mean China Eastern Airlines and Delta Air Lines are committed to the Group's success and benefit from mutually beneficial commercial partnerships.

(1) Except Public Service Obligation (PSO) routes
(2) Participações Públicas (SGPS) S.A., state holding company and National Wealth Fund of the Portuguese Republic

Brands: Strong portfolio powerful loyalty program

Air France, KLM and Transavia are committed to customer service excellence and sustainability, shaping the future of air travel, through their brand promises:

- Air France for excellent products, services and French art de vivre;
- KLM for excellent, warm hospitality enabling responsible travel and seamless global connections; and
- Transavia for excellent, joyful simplicity.

In 2025, Flying Blue was consistently recognized as one of Europe's top loyalty programs. It was recently named "Best Global Airline Loyalty Program" by Point.me and received the 2025 Freddie Award for "Best Elite Program in Europe/Africa".

1.2.3 STRATEGIC ORIENTATIONS

Air France-KLM is committed to implementing its six strategic pillars and upholding its corporate purpose. The Group's ability to deliver excellence is demonstrated by its achievements and ongoing dynamism, with the support of its people and shareholders. The Group is taking action to align growth with environmental responsibility, social value, and local development at its hubs and destinations. By leveraging state-of-the-art technologies, partnering with diverse stakeholders, and taking care of its people, the Group strives to optimize the use of its different forms of capital and resources. This approach gives Air France-KLM a strong position in the highly competitive aviation industry.

Air France-KLM group delivers continued growth and strong performance

In 2025, Air France-KLM welcomed 102.8 million passengers, up 5.0% year-on-year. Capacity increased by 4.9% and traffic by 4.3%, resulting in a slight decrease from 87.8% to 87.2%.

The Group unit revenue per ASK was up 1.0% year-on-year at constant currency, driven by higher Passenger network unit revenue (+2.0% at constant currency), a broadly stable unit revenue for Cargo (-0.2% at constant currency) while Transavia unit revenue declined by 1.7%.

The operating result increased by €403 million year-on-year to €2.0 billion, resulting in a margin of 6.1%, up by 1 point compared to 2024.

The Group provides for 2028 the following outlook:

- Operating Margin above 8%;
- Adjusted operating free cash flow significantly positive;
- Unit cost[1] reduction; and
- Leverage: Investment grade.

Air France-KLM group pursues premiumization to enhance customer experience

In 2025, Air France-KLM group's premiumization strategy delivered strong results, with Premium cabins performing exceptionally well at both Air France and KLM:

- Air France launched its new La Première cabin, featuring four luxury suites, on select Boeing 777-300ERs;
- KLM continued the rollout of its Premium Comfort cabin, now featured 100% of its long-haul flights operated by Boeing 777 and Boeing 787 aircraft; and
- Transavia is opening a dedicated Orly lounge to elevate the travel experience, with free access for Max fare passengers on selected routes and extended lounge access at regional airports.

The Group's premiumization efforts have paid off, bringing recognition from organizations worldwide:

- Air France was named "Best Airline in Western Europe" for the fifth consecutive year and received awards for first-class lounge cuisine. It ranked 8th "best airline worldwide", up from 9th in 2024 by Skytrax; and
- KLM received the APEX World Class Award for the fourth consecutive year.

Air France-KLM maintains relevance in changing European aviation landscape

The Group ensures its relevance within Europe's dynamic aviation sector by positioning itself as a key player amid shifting market conditions and evolving customer needs. Recent moves, including its formal expression of interest in TAP Air Portugal as part of its privatization, reflect Air France-KLM's commitment to strengthening its presence across vital European markets. This strategic interest signals the Group's ambition to expand network reach and demonstrates its focus on creating added value for customers through increased connectivity and broader service provision.

[1] Against a constant fuel price, constant currency and excluding Emission Trading Scheme cost (ETS)

Air France-KLM is also deepening its partnership with SAS, aiming for majority ownership to fully integrate the Scandinavian carrier into the Group. Building on SAS' successful turnaround, this integration is expected to unlock new synergies, extend loyalty benefits, and enhance travel options for customers throughout Northern Europe. By pursuing these targeted investments and partnerships, the Group reaffirms its long-term vision to remain at the forefront of European aviation, delivering superior service and connectivity in a competitive and fast-evolving landscape.

1.3 ACTIVITIES IN 2025

1.3.1 NETWORK BUSINESS (PASSENGER AND CARGO)

Network

	Year		
Network	**2025**	Change	Change at constant currency
TOTAL REVENUES (in €m)	**27,243**	**+3.6%**	
Scheduled revenues (in €m)	**26,114**	+3.8%	
Income/(loss) from current operations (in €m)	**1,777**	+355	+389

Passenger Network

	Year		
Passenger network	**2025**	Change	Change at constant currency
Number of passengers (in thousands)	**76,758**	+2.7%	
Capacity (in ASK million)	**283,727**	+3.3%	
Traffic (in RPK million)	**247,354**	+2.8%	
Load factor	**87.2%**	-0.4pt	
TOTAL PASSENGER REVENUES (in €m)	**24,828**	**+4.0%**	**+5.1%**
Scheduled passenger revenues (in €m)	**24,114**	+4.1%	+5.3%
Unit revenue per ASK (in € cents)	**8.50**	+0.7%	+2.0%

1.3.1.1 SHORT- AND MEDIUM-HAUL OPERATIONS

The Group continued to renew its short- and medium-haul fleet in 2025, with steady arrivals of A220 aircraft. Capacity increased at the Charles de Gaulle hub, while Orly operations decreased in preparation for exit scheduled in early summer 2026. This excludes routes to Corsica under the public service contract granted in March 2024, further to a tender process.

Air France short-haul network

Activity remained significantly lower than 2019 levels, reflecting the domestic network, restructuring plan, announced in October 2023. Its implementation involves adapting to structural changes that include increased remote working, video conferencing, and strong rail competition for short journeys based on environmental considerations. Point-to-point network activity decreased with an average annual capacity index of 85% compared to 2024.

Air France medium-haul network

In 2025, Air France's medium-haul network capacity was slightly below 2019 levels but grew compared to 2024, with an average annual capacity index of 104%.

The main growth regions compared to 2024 were:

- Italy;
- Spain;
- North Africa; and
- United Kingdom & Ireland.

There was a good demand for summer seasonal leisure destinations.

Built around the Paris-CDG and Amsterdam-Schiphol hubs, the medium-haul network also benefited from the long-haul network.

KLM medium-haul network significant growth in 2025

Demand followed the capacity increase, though at the cost of yield. The main traffic volume increases came from point-to-point and intra-European traffic.

Operationally, KLM dealt with manpower shortage in various units, particularly flight deck crew and maintenance. KLM hired various wet lease aircraft to address the flight crew shortage. Severe ATC delays kept punctuality under pressure.

Compared to 2024, KLM's 2025 European network reached an index of 106.5% in available seat kilometers (ASKs), with the following quarterly breakdown :

Q1	Q2	Q3	Q4
105%	106%	107%	107%

1.3.1.2 LONG-HAUL OPERATIONS

KLM long-haul operations

In 2025, KLM's average capacity index was 103%, with quarterly variations of 99%, 102%, 106%, and 106% for Q1 to Q4, respectively. From a passenger revenue perspective, Business Class and Premium Comfort Class performed especially well, while Economy Cabin faced yield pressure.

Q1	Q2	Q3	Q4
99%	102%	106%	106%

Air France long-haul operations

In 2025, Air France expanded its long-haul network by 3% in ASKs compared to 2024, surpassing pre-COVID activity levels (up 1% ASKs compared to 2019). Growth was spread throughout the year with different dynamics per area:

Q1	Q2	Q3	Q4
+2.9%	+3.5%	+2.4%	+3.6%

Africa: Capacity grew by 2% in ASKs compared to 2024 and is largely explained by "module" effects with Airbus 330-200s replaced by Airbus 350s, Boeing 787s or Boeing 777-200s.

Asia: Growth of 1.5% in ASKs compared to 2024, driven by the Manila launch and by additional capacity on Tokyo Haneda and Bangkok routes.

North America: 3% capacity growth compared to 2024 mainly driven by the United-States with the opening of Orlando and additional frequencies to Los Angeles, New York and Phoenix.

Caribbean/Indian Ocean: Capacity increased 2% compared to 2024, mainly in Saint Martin and Cayenne. The rest of the network has remained relatively stable.

Central/South America: Capacity increased by 10% compared to 2024. Air France has increased its activity to Brazil by adding capacity to Rio de Janeiro, Fortaleza, and by opening a new route to Salvador de Bahia. Capacity has also been increased to Lima .

India/Middle East: Capacity remained stable compared to 2024, hiding different dynamics. A new service to Riyadh was launched in May 2026. Air France has suspended routes to Abu Dhabi and Madras. Capacity in Tel Aviv and Beirut has also increased, supported by a gradual stabilization of the local situation.

1.3.1.3 SHAPING THE FUTURE OF DIGITAL TRAVEL – INNOVATION, PRECISION, AND GLOBAL ENGAGEMENT

As the boundary between physical and digital boundaries continues to blur, Air France-KLM goes beyond traditional transactional passenger relationships. Its digital platforms now act as an intelligent ecosystem, silent partners that accompany every traveler for the duration of their journey. In a crowded digital landscape, modern travelers seek the right information, not more information. By prioritizing the quality and relevance of touchpoints, Air France-KLM creates journeys that feel less like a series of steps and more like a continuous, effortless flow.

Air France-KLM Digital aims to remain the preferred channel for travelers worldwide. This is achieved by ensuring offers are "spot-on" – tailored to individuals' specific contexts and needs. Air France-KLM Digital's performance demonstrates the success of this vision, with significant growth in direct engagement and customer loyalty through digital channels.

Digital Performance and Mission Metrics:

- 18 engaged sessions per second (532 million total across Air France and KLM websites and apps);
- 51% of all tickets sold directly online (an increase of one percentage point compared to 2024);
- 84% of check-ins completed via digital touchpoints – web app, and kiosk – (an increase of one percentage point compared to 2024); and
- 74% customer satisfaction with the quality and ease of digital interaction.

Air France Digital Marketing 2025

The 2025 marketing landscape required a bold departure from high-volume, broad-spectrum outreach. Air France concentrated its resources to ensure that premium messaging – particularly La Première communications – reached audiences with clarity and elegance. This approach enabled Air France to dominate social conversations during key periods while maintaining an elite presence that resonates with global travelers.

Focus of Air France Digital Marketing in 2025:

- 1,200+ cross-channel campaigns executed worldwide (minimum three channels activated);
- 200 strategic paid media campaigns with boosted budgets for maximum market impact;
- 196 million people reached by La Première communication on Instagram and TikTok;
- 267 million commercial emails and 54 million commercial notifications sent;
- 13 million fans and followers worldwide, with significant growth on Asian social platforms;
- 140,000 new followers added across all platforms; and
- 99% response rate to over 190,000 monitored comments, enabled by 24/7 community management during peak travel seasons.

KLM Digital Marketing 2025

KLM has redefined what it means to be a "social" airline by embracing human authenticity. Launching the Social Ambassador Program was a turning point, with 50 KLM employees becoming primary brand voice. By sharing real-world expertise and behind-the-scenes perspectives, they drove organic engagement rates far beyond industry averages. This human connection, combined with rapidly expanding presence on platforms like TikTok, has solidified KLM's position as a relatable and innovative brand.

Focus of KLM Digital Marketing in 2025:

- 1,100+ cross-channel campaigns executed worldwide;
- 19.8 million fans and subscribers across global social media;
- 8.2% organic engagement rate on TikTok, driven by high-relevance content;
- 50 dedicated Social Ambassadors selected from all divisions to lead content creation;
- 174 million commercial emails and 60 million commercial notifications sent;
- 9.5 million commercial subscriptions actively maintained in the database; and
- 23 million automated commercial emails triggered by specific customer behaviors.

The AI Revolution: Harnessing Innovation with Purpose

2025 marked a pivotal shift where artificial intelligence (AI) moved beyond simple prediction toward autonomous assistance. Air France-KLM recognizes that while technology rapidly evolves, its true value lies in solving human problems. The Group firmly believes that technology is valuable when it addresses business needs. Consequently, Air France-KLM has moved from experiments and Minimum Viable Products to broadly adopting AI across its entire operation.

Air France-KLM is exploring the potential of agentic technology, though the immediate focus is rolling out proven AI solutions that provide value today. This transformation is most visible with new conversational interfaces. Air France-KLM no longer just provides search results, it provides intelligent travel partners that help customers navigate itineraries and retrieve information through natural dialog. Tools like Airmail have revolutionized workflows, generating high quality, personalized commercial newsletters at a previously impossible scale. AI has also become a driver for internal productivity, assisting teams in everything from software development to creative ideation, enabling Air France-KLM to server customers with greater speed and creativity.

Seamless Skies: High-Speed Connectivity as a Standard

Connectivity should not stop when cabin doors close. In 2025, Air France-KLM set a new global standard for in-flight WiFi by partnering with Starlink to provide an ultra-high-speed, "ground-like" experience. This shifts the passenger experience, as connectivity becomes a seamless extension of the traveler's life instead of a luxury add-on. Flying Blue members enjoy ultra-high-speed, free of charge connectivity across all travel cabins on equipped aircraft.

The Starlink rollout continues to expand throughout the Air France fleet. KLM is making rapid progress in equipping its medium-haul fleet with their provider for free Wi-Fi, led by the introduction of the new A321neo aircraft. This ensures passengers remain connected to their work, families, and entertainment , whether traveling across the Atlantic or Europe.

Intuitive Journeys: Redefining the Ground and Hub Experience

Air France-KLM's digital mission extends far beyond the screen – it is about providing clarity and confidence in the physical world. Air France-KLM has significantly enhanced its digital document verification tools, allowing travelers to manage international travel complexities (such as primary document uploads) long before reaching the airport. This reduces manual checks and ensures frictionless terminal transitions.

For those connecting through major hubs at Paris-Charles de Gaulle and Amsterdam-Schiphol, the experience has been further refined. Air France-KLM now provides real-time, step-by-step navigation through its apps and in-flight entertainment systems, helping travelers move easily through security and passport control. For those on tight schedules, the automated issuance of Short Connection Passes ensures stress-free quick transfers. The integration of iOS Live Activities brings new transparency to the journey, allowing passengers to view their flight status and gate updates directly on their device's lock screen, with no need to unlock it.

Experimentation at Scale: A Culture of Continuous Improvement

Air France-KLM's digital success is rooted in a rigorous culture of experimentation, because the Group listens to data. Over the past year, it has scaled its testing capabilities to optimize every stage of the digital booking flow. By conducting nearly 200 high-impact revenue tests – from flight selection presentation to cabin upgrades and ancillary services – the Group ensures its platforms are constantly evolving to meet market needs. This disciplined approach to "testing and learning" has led to improved conversion rates and more meaningful interactions, reinforcing Air France-KLM's goal as a digital innovation leader that delivers tangible results for both the customer and the company.

1.3.1.4 CARGO

	Fourth Quarter			Full Year		
Cargo Business	2025	Change	Change at constant currency	2025	Change	Change at constant currency
Tons (thousands)	251	+0.5%		917	+0.8%	
Capacity (ATK m)	3,758	+3.8%		14,693	+2.5%	
Traffic (RTK m)	1,897	+0.3%		6,920	+1.3%	
Load factor	50.5%	-2.0pt		47.1%	-0.6pt	
TOTAL CARGO REVENUES (€ m)	**661**	**-8.5%**	**-4.8%**	**2,389**	**-0.1%**	**+1.9%**
Traffic Cargo revenues (€ m)	553	-10.8%	-7.2%	2,001	+0.3%	+2.3%
Unit revenue per ATK (€ cts)	14.72	-14.1%	-10.7%	13.62	-2.1%	-0.2%

Global air cargo demand continued to expand in 2025, rising by approximately 4% year-on-year (YoY), supported by modal shifts to air amid supply-chain disruption and economic uncertainty. Air cargo capacity slightly outpaced the demand, preventing sustained load factor improvement. Average air cargo yields decreased gradually since Q2, especially on the transpacific, transatlantic, and Asia-Europe routes.

In 2025, the Group's Cargo business carried 917 thousands tons, representing an 0.8% increase compared to 2024. Of this total 81.6% was transported in passenger aircraft bellies, and 18.4% by the full freighter fleet. The Group's Cargo capacity grew +2.5%, despite limitations in full freighter capacity due to scheduled and unscheduled maintenance. Traffic increased by +1.3% YoY, partly impacted by the implementation of a new Cargo IT system at KLM and overall fleet performance. This contributed to a slight decrease in the load factor by -0.6pt to 47.1%. Unit revenue per ATK fell by -0.2% at constant currency due to the impact of lower load factor partly compensated by a higher yield.

Milestones and Recognition

In 2025, Air France KLM Martinair Cargo celebrated three major milestones in its ongoing commercial transformation:

- 91% of all bookings now made through digital channels;
- Global rollout of the CRM360 platform completed; and
- PLUS service established as a customer favorite.

Air France KLM Martinair Cargo was named Airline of the Year – Europe at the 2025 World Air Cargo Awards. This award recognizes outstanding performance, excellent service, leadership, and a contribution to the air cargo sector's global and/or regional development.

Following a fleet portfolio assessment, Air France KLM Martinair Cargo reduced its order of Airbus A350 freighter aircraft from eight to six, while maintaining options to increase the initial order.

Effective October 1, 2025, the Group changed its Cargo leadership, with Pierre-Olivier Bandet succeeding Adriaan den Heijer as Executive Vice President (EVP) of Air France KLM Martinair Cargo.

1.3.1.5 AIRLINE PARTNERSHIPS AND ALLIANCES: EXPANDING THE GROUP'S COMMERCIAL PRESENCE TO RESPOND TO GLOBAL AIR TRANSPORT DEMAND

Because air transport demand is global, Air France-KLM is pursuing an ambitious strategy to expand its commercial presence across all regions.

Airline alliances and partnerships are integral to this strategy as they help meet customer expectations and create value for the Group and its customers. They reinforce the Group's market position due to an expanded, more diversified network, supplementing the Group's own offer. They may also generate operational synergies.

In 2024, the Group modernized its joint ventures (particularly financial settlement agreements) and stimulated broader partnership activity.

Strategic partnerships

In July 2017, Air France-KLM announced a major step forward in reinforcing its strategic partnerships, with, on one hand, the creation of a single global joint-venture between Air France-KLM, Delta Air Lines, Inc., and Virgin Atlantic. It also strengthened its partnership with China Eastern Airlines.

These commercial alliances were consolidated through equity links in 2017, when Delta Air Lines, Inc., and China Eastern Airlines each acquired an 8.8% equity interest in Air France-KLM through reserved capital increases totaling €751 million.

These partnerships reinforced strategically, commercially, and through capital investments, Air France-KLM as the European pillar of the leading global airline network.

Transatlantic joint-venture with Delta Air Lines and Virgin Atlantic

The Group launched a new transatlantic joint venture (JV) with Delta and Virgin Atlantic on January 1, 2020, following US regulatory approval in November 2019. Consequently, the Group ended the existing JV between Air France-KLM, Delta, and Alitalia on December 31, 2019, 10 years after its creation. Like most JVs, no common company was created. Instead, a contract defined the income statement mechanism, governance and organizational structure for managing the partnership. The internal common income statement ensures all partners implement actions that contribute to improved operations for mutual benefit. Each JV member company recognizes costs and revenues applicable to the JV in their respective income statements. Where necessary, an agreed-upon settlement mechanism between JV members will compensate for value creation imbalances. In contributing to "metal neutrality", this mechanism enables the members to jointly manage capacity and find an overall benefit, rather than each airline's individual interests. This ultimately increases value for the partners and customers.

This JV has a very wide scope, covering all flights between North America (including Canada and Mexico) and Europe through integrated cooperation. It also covers all flights between North America and Africa, the Middle East, and India, together with flights between Europe and Central America, Colombia, Venezuela, Peru, and Ecuador, through close coordination.

As a result, this JV is a major player in the transatlantic network, the leading market for international air transportation. Revenues exceed US$17 billion with a JV market share of 24%. Pricing and revenue management are centralized within a team of 60 based in Amsterdam.

This JV has strengthened hub-to-hub services, optimized aircraft types for each route, and increased non-stop destinations on both sides of the Atlantic and the English Channel. Sales forces have been regrouped in each region.

The extended JV represents one of the most advanced partnership models in the airline industry.

Partnership in China – a consolidated presence in the Chinese market

Air France and KLM benefit from a historic presence in China, bolstered by a strong partnership with one of the three largest Chinese carriers, through a JV concluded 10 years ago. In 2012, Air France signed a JV agreement with China Eastern Airlines, a major player in Chinese aviation operating a vast domestic and international network from its Shanghai base, China's economic lung. The agreement, initially covering the Paris-Shanghai route, extended to KLM in 2016, when China Eastern Airlines inaugurated the Shanghai-Amsterdam service. In 2017, China Eastern Airlines acquired an 8.8% equity stake in Air France-KLM through a reserved capital increase, further strengthening the partnership.

In 2018, Air France-KLM and China Eastern Airlines extended their JV to two additional routes, Paris-Wuhan and Paris-Kunming, as of January 1, 2019. This offered their respective customers expanded code-share options and new connecting opportunities between Europe and China. In 2021, China Eastern Airlines participated in the share capital increase of Air France-KLM. Both airline groups decided to extend their partnership scope through intensified commercial cooperation and an increased Beijing market footprint. In this context, the Paris-Beijing and Amsterdam-Beijing routes would join the existing Air France-KLM and China Eastern Airlines JV once conditions were satisfied.

Additionally, in 2022, China Eastern Airlines participated in the rights issue launched by Air France-KLM, through a neutral operation, bringing its equity interest to 4.6% of Air France-KLM share capital.

Air France-KLM and China Eastern Airlines reactivated their JV agreement in July 2023, following suspension, during the Covid pandemic. Both airline groups renewed the JV agreement in June 2024 for a further five years, consolidating their alliance due, in particular, to increased scope of cooperation and strengthened joint commercial actions.

This partnership enables Air France-KLM to offer customers access to over thirty destinations in China.

2025 brought an opportunity to relaunch connectivity in Shanghai (reinstating TransChina transfers, reducing minimum connecting time) and expand codeshare destinations beyond Shanghai to cover all the main domestic routes.

Strategic partnership with GOL

In 2014, Air France-KLM and GOL Linhas Aéreas Inteligentes signed an exclusive five-year strategic partnership, reinforcing their commercial cooperation between Brazil and Europe. Notably this partnership foresees synergy optimization between the two groups and, particularly, connecting opportunities from the major Brazilian cities served by the Group. Since April 2015, GOL has placed its code on Air France-KLM flights between Europe and Brazil, and on European destinations beyond Paris and Amsterdam. The partners cooperate on home market sales promotions.

In October 2019, Air France-KLM and GOL renewed the strategic partnership agreement for a five-year period. In October 2023, the partners renewed it for an additional 10 years, meaning Air France-KLM and GOL are exclusive partners for the Europe-Brazil corridor. The collaboration is a great success, with almost 20% of Brazil-bound Air France-KLM passengers transferring to GOL flights. In 2025, the partnership remained the Group's second-largest value generator, with an agreement signed in May 2025.

Other joint-ventures and code-shares

Air France-KLM implements various partnership models, with decisions balancing value creation for customers and the Group, necessary interaction between partner offers, and regulatory requirements.

Initial airline cooperation steps include traffic and special prorate agreements (SPAs) between partner airlines, enabling networks to combine while airlines maintain their IATA codes and fare-setting.

When cooperating in a code-sharing agreement, two partner airlines sell tickets for the same flight, each under their own code and with their own fares. The operating carrier controls the aircraft while the marketing partner uses its own flight number for sales purposes. All agreements must comply with safety and regulatory requirements set by competent authorities.

There are two code-sharing types. In the first, the marketing partner purchases a fixed capacity from the operator under a block seat agreement, with inventory control over the block. In the second, known as free flow, there is no capacity division. The partners potentially sell all seats for relevant flights, although inventory control remains the operator's responsibility. Negotiated fares for each booking class enable capacity access for the relevant flights.

JVs are the next level for alliances participating in the consolidation trend as partners seek more joint optimization on network sub-scopes, whilst not considering a merger.

A JV creates value for customers in its markets and for partners coordinating commercial activities:

- Customers gain expanded flight options, improved connectivity, loyalty benefits across a network, a harmonized travel experience and integrated commercial offerings; and
- Partners improve market positioning, serve more customers, and capture market growth.

Partners thus define governance and financial-sharing mechanisms, enabling decision-making and execution across the value chain, to meet JV commercial objectives.

The final cooperation stages – consolidation and integration – involve mergers or equity stakes, anchoring a long-term common strategy development.

JVs, equity interests, and mergers require regulatory approval in relevant jurisdictions, particularly regarding competition rules (e.g., anti-trust immunity).

1.3.1.6 SKYTEAM ALLIANCE

Three major alliances represent some 60% of worldwide airline traffic: SkyTeam (to which Air France and KLM belong), Star Alliance, and Oneworld. Over two-thirds of the world's top 50 airline carriers are part of a global alliance.

Since their inception, the global alliances have grown capacity faster than the industry average. SkyTeam is now the second-largest global alliance, behind Star Alliance and ahead of Oneworld.

SkyTeam: a global alliance

SkyTeam, created in 2000, numbered 19 member airlines at December 31, 2025: Aerolineas Argentinas, Aeromexico, Air Europa, Air France, China Airlines, China Eastern Airlines, Delta Air Lines, Garuda Indonesia, Kenya Airways, KLM, Korean Air, Middle East Airlines, SAS, Saudia, TAROM, Vietnam Airlines, Virgin Atlantic, XiamenAir, and Aeroflot (suspended).

SkyTeam membership allows airlines to strengthen brand awareness and extend their global offering, bolstering commercial presence. As members, Air France and KLM have access to a global network of over 13,800 daily flights to 945 destinations in 145 countries.

In 2025, SkyTeam's 605 million passengers benefited from a seamless travel experience on member airline flights and had access to over 750 airport lounges worldwide. Frequent flyer program members can earn and redeem air miles on all SkyTeam partner flights.

Airlines seeking SkyTeam membership must meet criteria relating to operations, technologies, and products. Members must be linked by bilateral agreements covering code-sharing, their loyalty programs, and airport lounge access.

Member airlines retain their separate brand identities but combine networks to offer customers a more extensive range of travel solutions and global services, faster mile earnings, and access to numerous airport lounges. The SkyPriority and SkyTransfer programs provide a seamless customer experience throughout the journey.

SkyTeam's environment and tools enable members to generate operational cost synergies such as co-located facilities, optimized airport lounge use, especially the seven SkyTeam lounges, and a joint IT platform.

Airlines must also offer exclusive SkyTeam alliance products and services. SkyTeam's proprietary products include passes that enable competitive fares, global contracts reserved for large companies and/or international events, and a product dedicated to marine and offshore personnel.

SkyTeam's main governance body, the Alliance Board, comprises the Chairs and Chief Executive Officers of the 19 member airlines. The Alliance Board meets twice a year to define its strategic orientations, such as introducing new members, defining customer experience, and brand positioning, alongside its related investment strategies and operational budget.

The Alliance Board appoints the Executive Board, which consists of senior executives with direct commercial and operational roles. Its purpose is to translate approved strategy into action plans, in disciplines ranging from marketing, airport synergies, information systems interface, transfer product, cargo, and brand advertising.

Alongside their proprietary development projects, member airlines implement SkyTeam action plans by earmarking internal resources and respecting set timelines.

1.3.1.7 FLYING BLUE

Overview and Role within the Group

Flying Blue, the loyalty program of Air France-KLM group's airlines, plays a central role in customer engagement, retention and revenue diversification. The program manages Miles accrual and their conversion into rewards, the recognition of members throughout the customer journey and with partners and the partner ecosystem, including airlines and commercial sectors. The Group's extensive network of commercial and airline partners supports the Group's ambition to strengthen customer preference and generate recurring revenue streams.

With more than 30 million members worldwide and over 140 commercial and airline partners, Flying Blue is one of Europe's largest loyalty programs.

In 2025, Flying Blue continued to strengthen its contribution to Group performance, supported by partner network developments, improved program capabilities and digital engagement enhancements.

Flying Blue contributes to the Group's sustainability and social commitments by enabling members to donate Miles to non-profit organizations and support sustainable aviation fuel purchases. In 2025, members donated approximately 1.2 billion Miles to charitable organizations.

The Flying Blue Loyalty program

Flying Blue is the program of the airlines Air France, KLM, Transavia, Aircalin and Tarom:

- Total members: over 30 million ;
- Partners:
  - Nearly 40 partner airlines;
  - 100+ commercial partners;
  - 12+ co-branded credit cards.

Outlook

In 2026, Flying Blue will continue to strengthen its data foundation, enhance personalization capabilities and expand the partner network. The program will also progress with economic optimization and develop new selected recognition elements, supporting the Group's ambition to strengthen customer preference and program performance.

Special Highlight – 20 Years of Flying Blue

Flying Blue marked its 20th anniversary in 2025. Since its creation in 2005, the scheme has grown into one of Europe's largest loyalty programs. Several events took place during the year to highlight this milestone.

1.3.2 LOW-COST BUSINESS (TRANSAVIA)

Transavia Netherlands and Transavia France (collectively "Transavia") form the Air France-KLM group's low-cost business, operating point-to-point flights including to and from the Netherlands, Belgium, and France. Transavia's cost structure strictly aligns with the low-cost business model: optimized aircraft utilization, simple products and fares, strong focus on ancillary revenues, light organizational setup, and outsourcing of a significant portion of activities.

Transavia France is the leading low-cost carrier departing mainly from Paris Orly and operating flights to France, Europe and the Mediterranean basin.

Transavia Netherlands is the leading low-cost carrier in the Netherlands, focusing on leisure destinations across Europe, operating from its bases in the Netherlands (Amsterdam, Rotterdam, and Eindhoven) and Belgium (Brussels). Transavia Netherlands celebrated its 60th anniversary in October 2025. The airline also welcomed its new CEO Paul Verstegge, effective February 1, 2026. He succeeds Marcel de Nooijer, who led Transavia Netherlands from 2020.

Growth trajectory

Transavia Netherlands

In 2025, Transavia Netherlands surpassed €1.4bn in revenues. Spain was the largest market but competition across routes increased throughout the year, impacting load factors and financial performance. Despite these challenges, bookings through Transavia Holidays (through which Transavia Netherlands offers complete holiday packages) doubled compared to 2024.

In response to changing dynamics in the aviation sector and significant fleet renewal investments, Transavia Netherlands prepared to launch its 'Financially Healthy' Program, due in 2026. This program aims to lay the foundation for strong long-term financial performance and operational excellence, enabling financing for future investments.

Following summer 2024, Transavia launched its "Ready for Summer 2025" internal strategic program, focusing on improving operational stability for summer 2025. During the summer, Transavia Netherlands achieved significant increases in fleet and cockpit availability and reduced turnaround times compared to previous years. This ensured increased levels of on-time performance and completion factor throughout summer and the remainder of the year.

Transavia Netherlands prepared to establish a crew base in Brussels to strengthen its position there, expected to become operational in 2026.

Transavia France

In 2025, Air France-KLM's transformation plan accelerated Transavia France's growth. Now with 90 aircraft in its fleet, it will have 95 by summer 2026.

Transavia France added capacity to its main Mediterranean basin markets to respond to demand and satisfy customer expectations. In total, the airline launched 58 new routes to various destinations in Europe and beyond. These routes departed from several French airports, including Orly, Nantes, Lyon, Marseille, Montpellier, Bordeaux, Nice, Toulouse, and Lille, and reached countries such as Senegal, Saudi Arabia, Algeria, Morocco, Cabo Verde, Türkiye, and many European destinations.

During summer 2025, the airline operated flights departing from Paris-Orly to 123 destinations and over 230 routes across its network. It was a record summer for Transavia France, with +15% capacity compared to the previous summer. The airline carried 3.6 million passengers during the peak months of July and August.

Network expansion

Transavia Netherlands added seven new destinations departing from the Netherlands (Trieste, London, Agadir, Skopje, Cairo, Rabat and Oujda), increasing the network to a total of 117 destinations and 168 routes. The airline is preparing to launch flights to Alghero in 2026 and to transition charter operations to fully scheduled services for selected destinations in Egypt, Greece, and Turkey.

Transavia Netherlands increased flight frequencies on key routes strengthening its Brussels network. In November Transavia Netherlands resumed Beirut routes following a suspension due to the geopolitical situation in the Middle East. Flights to Tel Aviv and Amman remain suspended. Overall, Transavia Netherlands achieved an 88% load factor. The airline welcomed over 10 million passengers in 2025, which exceeds both 2024 and pre-pandemic levels.

During 2025, Transavia worked closely with its Air France-KLM group partners to fully transition to a new revenue management system, improving sales and generating more income.

ASK increase over the 2025 Year

	Q1	Q2	Q3	Q4	FY
Transavia	14%	12%	14%	22%	15%
Transavia France	19%	12%	15%	31%	19%
Transavia Netherlands	9%	11%	13%	11%	11%

Fleet renewal

Transavia is replacing its Boeing fleet with the Airbus A320neo family, because it is better adapted to the evolving market conditions. The Airbus A320/A321 allows a better product offering, producing less CO_2 emissions per passenger per kilometer, reducing noise emissions, increasing capacity, and operating more cost-efficiently. As a key element of the airline's sustainability strategy, the new aircraft is expected to cut CO_2 emissions by over 15%, lower nitrogen oxide emissions, and halve the noise footprint.

In 2025 Transavia Netherlands expanded its fleet to 14 Airbus A321neos aircraft. The twelfth Airbus, welcomed during the summer, was painted in retro livery to celebrate the airline's 60th anniversary. At the same time, Transavia Netherlands phased out 10 Boeing 737s, which will be carefully dismantled and reused where possible in the aviation sector.

Transavia France's fleet renewal accelerated in 2025, with 22 Airbus A320neos currently available.

The Airbus A321 and A320neo aircraft drive Transavia's growth bringing economic benefits (10% reduction in unit costs), environmental credentials (15% reduction in CO_2 emissions per passenger per kilometer), and a 50% reduction in the noise footprint. They will enable the company to meet its ambitious targets.

Customer experience

In 2025, Transavia introduced a comprehensive brand refresh to reinforce its identity as a modern, accessible, and customer-centric airline. The update refined its visual identity, with a refreshed yet still recognizable logo, an updated color palette, and a renewed tone of voice emphasizing warmth, simplicity, and clarity. This refresh aims to attract more leisure and business travelers, supporting Transavia's strategic ambition. Transavia France took delivery of its first Airbus A320neo featuring the new robust, modern brand identity on November 5. Transavia Netherlands welcomed its first A321neo featuring the new brand identity on December 20.

In May, Transavia introduced its new Smart fare range, complementing the current Basic, Plus and Max ranges. The new fare is designed to meet growing demand for short-haul travel with cabin baggage only.

In July, Transavia France launched a new ticket resale platform, providing an unprecedented service in the French low-cost airline sector. The service, directly accessible through the airline's digital channels, allows reservation holders to request a ticket resale subject to eligibility criteria. The innovation reflects an ongoing commitment to enhancing customer experience while optimizing available seat usage. Since its launch, over 11,300 resales have been approved, equivalent to over 60 Airbus A320neo or Boeing 737 flights. Transavia Netherlands is expected to join this resale platform in 2026.

Operational improvements

Transavia Netherlands invested in operational stability, improving customer experience. It also opened sales for part of its summer 2026 network earlier than usual, meeting target customers' demand to book holidays further in advance. Several flights from Amsterdam, Eindhoven, and Rotterdam opened to key markets in Southern Europe and North Africa on July 17, two months earlier than in previous years. The winter 2026 network went live on December 18, four months earlier than in 2024.

In 2025, Transavia France introduced several new initiatives, these include an increase in cabin luggage allowance, rolling out USB ports fleet-wide, establishing a new partnership with Uber for Flying Blue members, and introducing installment payment options.

Transavia France has improved its Net Promoter Score (NPS) by +9 in 2025 compared to 2024. Transavia Netherlands has improved its NPS by +10 in 2025 compared to 2024.

These efforts have led both companies to regularly win awards. Transavia France was named "Customer Service of the Year 2025" in the Collective Passenger Transport (ECSDA) category. It also received the Qualiweb 2025 trophy in the Tourism and Transport category, recognizing the quality of its online service. Transavia Netherlands was awarded the "Short Haul Punctuality Award" at the Brussels Airport Aviation Awards. It was also recognized with the Safety Initiative of 2025 at the Aviation Safety Networking Day, organized by the Dutch Ministry of Infrastructure and Water Management. As part of this initiative, Transavia Netherlands launched a training program focused on proactively handling and de-escalating aggressive situations toward airline staff.

Future development

The summer 2026 season will mark an important milestone in Transavia France's development. The airline will offer tailored services from Nice, Marseille, and Toulouse, with flight frequencies that enable same-day round trips and quick access to central Paris, accompanied by product enhancements to improve service quality.

The product will continue evolving to offer business customers greater flexibility. On domestic routes, Max tickets can be changed up to one hour before departure without paying the fare difference.

Transavia France will also open a dedicated lounge at Orly, free for all passengers booked on Max traveling between Orly and Toulouse, Marseille, Nice, or Montpellier. At regional airports, the Max fare will also include lounge access.

Staff

Transavia's core commitments of service quality, operational stability, and innovation are delivered by some 5,750 employees – 3,200 at Transavia France and 2,550 at Transavia Netherlands. Both airlines are recruiting to accompany strong growth, offering a range of opportunities in varied fields: airline operations, engineering and maintenance, sales, information technology, finance, human resources, etc.

In 2025, Transavia France hired new staff to contend with the increase in production. In 2026, it plans to recruit 150 ground staff and 60 pilots. In the first half of the year, it plans to train around 400 new cabin crew members.

Transavia Netherlands invested in its employer branding to attract new colleagues and modernize crew training. It implemented a virtual reality door trainer, becoming the first airline in the world to do so. its fully virtual cabin environment combines with a robotic arm replicating the real weight, resistance and aircraft door mechanics. This enables more realistic and efficient situational crew training for each aircraft type operated by Transavia Netherlands.

Corporate social responsibility

In 2025, Transavia France ran awareness-raising initiatives for passengers and staff, reinforcing its commitment to associations like Personn'ailes, Les Hommes de l'Air, Louis Carlesimo and Empire des Enfants.

Transavia Netherlands continues to promote diversity and inclusion and empowers colleagues to make a greater social impact. For example, the Peter J. Legro Award earmarks financial support for employees contributing to and furthering a good cause.

	Full Year	
Transavia	2025	change
Passengers (thousands)	26,086	+12.4%
Capacity (ASK m)	52,795	+14.9%
Traffic (RPK m)	46,131	+13.2%
Load factor	87.4%	-1.3pt
Unit revenue per ASK (€cts)	6.64	-1.7%
Unit cost per ASK (€cts)[1]	6.73	+1.2%
Total Passenger revenues (€m)	**3,451**	**+12.3%**
Operating result (€m)	**-49**	**-52**
Operating margin (%)	-1.4%	-1.5pt

1.3.3 MAINTENANCE BUSINESS

Aircraft maintenance, Air France Industries-KLM Engineering & Maintenance ("AFI KLM E&M"), is Air France-KLM group's third business, bringing revenues from clients outside the Group for an amount of €2.3bn. Revenues from clients outside the Group represent 41% of the total activity for this business. In 2025, despite significant supply chain challenges in this sector, AFI KLM E&M's recent market success brought its order book to USD 10.7bn.

AFI KLM E&M's mission is to supply competitive support for the Group's fleet, while consolidating its position as a leader in the MRO ("Maintenance, Repair and Overhaul") market.

The Group operates in three major maintenance segments: airframe, engine, and component support (electronic, mechanical, pneumatic, hydraulic, etc.).

Airframe maintenance covers three sub-segments: line operations support, which aims to verify the proper day-to-day functioning of systems and the integrity of the aircraft structure; heavy maintenance for in-depth checks involving cabin disassemble, equipment, and some structural elements; and realizing modification programs, particularly cabin retrofitting.

(1) Against a constant fuel price, constant currency and excluding Emission Trading Scheme cost (ETS)

1.3.3.1 BUSINESS ENVIRONMENT

An attractive market despite the growing constraints

The aeronautics "MRO" market is mainly driven by the age, cycles, and flight hours of the worldwide fleet. The global MRO market, comprises maintenance and modification by aircraft operators either directly or through sub-contractors. Estimates indicate it collapsed in 2020 before recovering in 2021 and 2022.

In 2025, the MRO market amounted to approximately USD 125bn and is expected to rise to USD 185bn in 2035.[1]

These business trends closely follow those of commercial airline fleets globally and their utilization. Firstly, the post-pandemic recovery and increased emphasis on sustainability have accelerated fleet adjustment decisions worldwide, with focus on greater efficiency and emission reductions. This is why new-generation aircraft maintenance represents an increasingly significant market segment. MRO providers like AFI KLM E&M, benefit because they are well-positioned on new-generation segments. Another clear MRO business trend is the digitalization of engineering and support services, expected to be increasingly used by airlines to optimize ground time and operations. Lastly, high inflation, combined with disrupted and heavily pressurized supply chains, means the availability and cost of spare parts are being scrutinized. This challenges performance levels worldwide, putting upward pressure on maintenance costs.

Competitive landscape

Fierce competition in the MRO market means several players compete with airlines for business, and these players are becoming increasingly demanding. Ensuring fair competition in the after-sales market thus helps airline operators secure long-term budgets and performance.

A priority objective for AFI KLM E&M's commercial activity is sustaining balanced competitive conditions, while containing Air France's and KLM's maintenance costs.

Concurrently, technological change for the business is impacting processes, methods, and competencies within its maintenance activity. Notably, the avionics dimension of new-generation aircraft is playing an increasingly important role relative to mechanical systems (digital tools, composite structures, connectivity, etc.). Innovation is an integral part of all the business processes.

Supply chain difficulties

In a complex, dynamic market environment, effective and efficient supply chain management is one of AFI KLM E&M's main challenges. The MRO supply chain comprises numerous stakeholders, particularly aircraft manufacturers, Original Equipment Manufacturers (OEMs), two-tier suppliers, customers, and regulatory authorities. A number of uncertainties are affecting the supply chain (demand fluctuations, interruptions, quality control issues, delivery periods, etc.). These are considerably impacting the availability, reliability, and cost of services.

To contend with these difficulties, AFI KLM E&M relies on a combination of strategies:

- Developing strategic partnerships with OEMs and suppliers to guarantee access to spare parts, technical support, and innovation;
- Adopting a flexible and agile approach to meet changing customer and market needs;
- Using digital technologies (such as Big Data, artificial intelligence, and blockchain) to optimize inventory management, forecasting, planning, and decision-making; and
- Implementing continuous improvement initiatives to enhance the quality, efficiency, and sustainability of supply chain processes.

[1] Source: Aviation Week, MRO demand forecast, October 2025.

1.3.3.2 AFI KLM E&M'S POSITION IN THE MRO MARKET

AFI KLM E&M is pursuing a targeted development strategy based on its own specific features and the Group's objectives.

The strategy has two pillars:
(1) cutting costs while maintaining high quality and performance standards; and
(2) growing the customer portfolio in high value-added products and services.

This ambition has been reflected over the past decade, as substantial investment has modernized AFI KLM E&M's IT system and industrial infrastructure at its principal maintenance sites: Toulouse, Amsterdam, Villeneuve-le-Roi, Roissy, and Orly. The company has also significantly expanded its worldwide footprint with a growing customer portfolio that is well-balanced globally, and a growing network of businesses, either fully owned or in joint-ventures.

Maintaining ambition

Despite huge changes in customer expectations and the heavy supply chain constraints, AFI KLM E&M has successfully adapted its services for Air France-KLM group airlines and for its worldwide customer portfolio.

As part of continuous improvement efforts, AFI KLM E&M aims to become a benchmark market brand as an airline MRO supported by a powerful global network.

In 2025, AFI KLM E&M continued to strengthen its global position on new-generation aircraft, with strong growth for the Airbus A350, Boeing 787, Airbus A220, Airbus A320neo, and Boeing 737MAX products.

The MRO Lab® innovation program supports this market success. It focuses on strategic MRO sector areas, ranging from technician mobility and customer experience to the Internet of Things, Big Data applications, predictive maintenance, digitalization, additive manufacturing, and artificial intelligence.

PROGNOS® constitutes a major building block in the digital field. Launched in 2016, it comprises a range of predictive maintenance solutions based on data exploitation from aircraft systems, to improve maintenance models and processes. The PROGNOS® range of solutions now includes PROGNOS® for Aircraft, PROGNOS® for APUs and PROGNOS® for Engines. AFI KLM E&M is capitalizing on the vast amounts of data from Air France and KLM fleets to develop its PROGNOS® solutions and verify their operational relevance and performance before sharing innovations with its customers.

AFI KLM E&M has also developed several cost-saving projects, along with transformation and restructuring plans, to enhance its competitiveness and adapt its organization to the market environment.

Implementing adaptation projects in aircraft maintenance has reinforced AFI KLM E&M's competitiveness. Cost-saving initiatives have been deployed to optimize activity on a site-by-site basis, strengthen external partnerships, and foster more efficient work organizations. All this has been accompanied by efforts to match resources to business activity levels and build new career paths.

In the Engines and Components segments, AFI KLM E&M has strengthened its positioning on products and services aligned with market cycles and expectations, and secured its global MRO network.

Contributing to the flight safety and operational efficiency programs

AFI KLM E&M's primary task is guaranteeing the Group fleet's airworthiness and ensuring regulatory compliance. To this end, AFI KLM E&M manages technical data, implements maintenance policies, and ensures permanent availability of the required skilled staff and technical resources.

Aircraft maintenance to service airlines

Line Operations support

AFI KLM E&M continues to market its services to customers in the line maintenance segment and to develop its business in its main bases as well as internationally.

Light Maintenance operations

Within the framework of AFI KLM E&M's continuous improvement efforts, Light Maintenance operations (mostly carried out in Amsterdam, Paris-CDG, and Paris-Orly) have continued to implement new processes. These initiatives aim to reduce turnaround times and increase aircraft utilization, benefiting both Air France and KLM.

At the same time, AFI KLM E&M continues its iGO Solutions joint venture operations by delivering high-performance support to its customers, including support to Transavia for its Boeing 737/Airbus A320 fleets and to Air Caraïbes/French Blue for their Airbus 330 and A350 fleets.

Heavy-aircraft maintenance

Over the past several years, a maintenance master plan has been implemented, to rationalize aircraft maintenance operations by optimizing activity on a site-by-site basis (Paris-CDG, Amsterdam-Schiphol, Paris-Orly, Toulouse-Blagnac). The Group's new fleet plans will allow this optimization to continue in the coming years.

From engineering to maintenance, AFI KLM E&M provides ongoing support to the Group's airlines and an expanding customer base, designing and deploying new cabin products across short-, medium-, and long-haul offerings.

In 2025, AFI KLM E&M collaborated with external partners to reduce maintenance costs for the Group's fleets while securing additional work in the high-growth Engines and Components segments.

Military products

After having successfully supported the French AWACS fleet for many years, AFI KLM E&M renewed its contract and will continue to deliver for the next 10 years the highest level of performance and resilience for the French Air Force operations. AFI KLM E&M will pursue its support to the NATO'S AWACS fleet as well, in partnership with IAMCO. It also provides component support for the A330MRTT aircraft, through a fully customized operational support package.

Component support: managing a global supply chain

Component support includes repairing a broad spectrum of technological aircraft parts, managing technical and reliability standards, and coordinating component shipments to and from customer operating bases. The airline's primary request is for greater flexibility and assistance in navigating market uncertainty. In the short-term, this has enabled a wide range of made-to-measure solutions to be offered, as well as opportunities to reflect with operators on returning to more stable contractual frameworks post-pandemic. This stability is essential in industrialization maintenance operations and achieving optimum performance levels.

In 2025, AFI KLM E&M continued developing its new-generation customer base. For example, it signed a contract with Air Asia to support its A321neo aircraft and with Riyadh Air for its Boeing 787 APU. At the same time, existing clients recognize AFI KLM E&M's global added value and attractiveness, regularly renewing their confidence. In providing component support to over 3,000 aircraft worldwide, AFI KLM E&M is a leader in all the new-generation aircraft segments.

Engines: managing the soaring demand

Latest generation aircraft, like the Airbus A350, Boeing 787, and Airbus A320neo, are equipped with new efficient engines that burn less fuel and emit significantly less CO_2 per passenger/km. In 2022, AFI KLM E&M joined the Pratt & Whitney GTF™ engine network providing support for new-generation engines designed for Airbus A220 fleets. AFI KLM E&M also signed a CFM Branded Service Agreement (CBSA) for LEAP-1A and LEAP-1B engines. Under CBSA terms, AFI KLM E&M provides the full scope of LEAP MRO services for operators worldwide. In 2025, the company also industrialized capabilities for the Rolls-Royce XWB engine, which equips Airbus A350 aircraft.

AFI KLM E&M opened a new engine shop at Orly in September 2023 to reinforce industrial capacity, increase efficiency and offer an even better service to airlines benefiting from its technical support.

Consequently, the Group provides support on the following engines:

- CFM56: the Group workshops support one of the world's largest CFM56 engine fleets, comprising some 400 engines operated by various airlines. AFI KLM E&M's Amsterdam shop is well-positioned to meet the growing need for CFM56-7B support, and its Orly engine shop meets the need for CFM56-5B support;
- CF6-80: AFI KLM E&M offers full-service maintenance at its Amsterdam engine shop, making it well-positioned to support the CF6-80E1 equipping A330s. AFI KLM E&M has a long track record with these engines meaning it offers the most suitable maintenance solutions;
- GE90: AFI KLM E&M serves as the main alternative to the engine manufacturer for GE90 overhauls because of its strong state-of-the-art infrastructure. Since 2012, AFI KLM E&M has owned a new engine test cell at Paris-CDG. The facility can test 300 engines per year, reducing processing time and offering a more cost-effective service for customers. Combined with AFI KLM E&M's extensive expertise and proven experience, this facility has attracted a growing number of airline interest. In addition to developing its infrastructure, AFI KLM E&M has continued to expand its expertise, offering customers the benefit of its GE90 operating experience. This includes on-site and on-wing support enabling both remedial and preventive actions anywhere in the world. These services can be complemented by GE90 engine monitoring, designed to detect technical issues upstream and minimize potential engine damage;
- GEnx: At the engine's launch in 2015, AFI KLM E&M became the first non-OEM supplier to perform quick-turn checks on the GEnx. Since 2017, its test cell has successfully passed the GEnx correlation test, allowing AFI KLM E&M to also conduct engine test runs for its GEnx airline customers;
- LEAP: in 2022, AFI KLM E&M signed a CFM Branded Service Agreement (CBSA) for the LEAP-1A and LEAP-1B engines. Under this agreement, AFI KLM E&M provides the full scope of LEAP MRO services for operators worldwide.

Given the LEAP engine's commercial success, demand for LEAP MRO services is expected to grow rapidly in the coming years. In providing these services, AFI KLM E&M capitalizes on its operational and maintenance expertise across its engine portfolio. As one of the world's largest independent engine MRO service providers, AFI KLM E&M is industrializing the LEAP engine at its state-of-the-art Paris and Amsterdam MRO facilities, giving it the capacity and flexibility to meet the needs of this rapidly growing, competitive market. As an airline-MRO, AFI KLM E&M's MRO solutions drive sustainability and maximize operator value, in addition to optimizing maintenance costs.

Thanks to EASA/FAA approvals, AFI KLM E&M can now assist LEAP operators worldwide during their entry into operational service. It meets customer needs in delivering on-wing/on-site work for LEAP-1A and LEAP-1B engines. The scope of interventions is tailored to airline operators' requirements, and may include activities such as power plant build-up, borescope inspection, and line replaceable unit (LRU) replacement services. With CAAC approval, AFI KLM E&M can also perform extensive activities for its customers in China (airlines and MROs):

- Pratt & Whitney: AFI KLM E&M has joined the Pratt & Whitney GTF™ engine network providing support for new-generation engines designed for Airbus 220 fleets. In 2022, AFI KLM E&M and Pratt & Whitney announced an agreement for the maintenance and repair of PW1500G engines used to power Airbus A220 aircraft. Through this collaboration, AFI KLM E&M joins the North American engine manufacturer's global support network for GTF™ engines, positioning itself as a key player in the PW1500G after-market, with the capacity to perform full overhauls for this engine type, from disassembly/assembly to the repair and testing of certain parts and testing. In 2024, AFI KLM E&M performed its first quick turn operations on PW1500G; and
- Rolls-Royce: AFI KLM E&M agreement with Rolls-Royce covers the maintenance and repair of Trent XWB engines powering Airbus A350 aircraft. It reinforces AFI KLM E&M as a key player in the British engine manufacturer's global network, and in the Trent XWB after-sales market. Based on its airline-MRO DNA, AFI KLM E&M is introducing full maintenance capabilities covering the entire life cycle of this engine type. This partnership builds on an initial agreement signed in 2014, which authorized AFI KLM E&M to provide maintenance services for Airbus A350 engines as part of the Air France-KLM group's fleet acquisition. In 2025, AFI KLM E&M industrialized shop-visit capabilities at its Paris-Orly engine site.

AFI KLM E&M: an international network tailored to local requirements

AFI KLM E&M is pursuing its growth strategy in profitable markets and segments by deploying its network of subsidiaries (EPCOR, CRMA, KLM UK Engineering, Barfield, AFI KLM E&M Components China, and Beijing LMI) and joint ventures (ATI, Spairliners, Max MRO Services, iGO Solutions, Airfoils Advanced Solutions, Singapore Component Solutions, AMES, Bonus Tech, xCelle Americas, and the newly formed xCelle Asia), while leveraging the strength of its global logistics network ensures that AFI KLM E&M customers benefit from local access to the Group's full range of services, customized solutions, and locally available spare parts inventories.

AFI KLM E&M subsidiaries and joint-ventures

Engines

Located in the Greater Paris area, CRMA, a wholly-owned subsidiary, specializes in engine part repairs, particularly, combustion chambers, where it has unmatched expertise and state-of-the-art technology. Its strong positioning on next-generation products has enabled CRMA to pursue robust growth in its third-party customer activity.

Airfoils Advanced Solutions is jointly-owned by Safran Aircraft Engines and the Air France-KLM group. This joint venture strengthens the competitiveness of both parent companies and highlights their leading role in the global aircraft maintenance market. It also contributes to job creation and supports industrial development in the partners' home bases.

AFI KLM E&M continues to optimize and develop its US engine teardown unit, Bonus Tech. Since 2013, this joint venture has operated as part of the Group's global MRO network. Based in Miami, the partnership combines the expertise of Bonus Tech, a major player in the global engine teardown market, with AFI KLM E&M's industrial assets in the US, including equipment, tooling, and technical support.

In 2025, Air France-KLM and AerCap entered into exclusive negotiations to form a LEAP engine leasing joint venture to support AFI KLM E&M LEAP customers worldwide, in line with all the compliance requirements and subject to approval by the relevant authorities.

Components

Barfield is a wholly-owned subsidiary of AFI KLM E&M based in Miami, Phoenix, Louisville, and Atlanta. With its cutting-edge facilities, Barfield can satisfy the needs of customers operating commercial or regional fleets in North, Central, and South America. From MRO services to distribution and ground support test equipment (GSTE), Barfield provides complete adaptive support for the Airbus A320 Family, Boeing 737, Boeing 767, Bombardier, Dash 8, ATR42, ATR72, Embraer 170 and Embraer 190 aircraft. Since 2021, Barfield has been introducing cutting-edge, competitive UASs, UAVs, and drones to the American continent as well as maintenance support adapted to these new technologies.

Shanghai-based AFI KLM E&M Components China is a wholly-owned subsidiary initially specializing in Airbus A320 and Boeing 737 avionics systems dedicated to offering solutions to Chinese operators.

EPCOR, based at Amsterdam-Schiphol, provides MRO support for Auxiliary Power Units (APUs) and pneumatic systems across a wide range of commercial aircraft. As a licensed and OEM warranty-approved repair center, EPCOR maintains APUs for the Boeing 737NG/MAX, Boeing 777 and Boeing 787, as well as the Airbus A220, A320 family/neo, A330neo and A340, and Embraer 170/190 aircraft. In 2025, it added Airbus A350 capabilities to its portfolio, creating a new alternative to the OEM. In addition to APU services, EPCOR also maintains and overhauls air cycle machines, cabin air compressors, environmental control systems, starters, leading-edge flap drive units, and many other pneumatic and nitrogen components installed on large commercial aircraft.

Located in the fast-growing aviation hub of Mumbai, India, Max MRO Services Pvt. Ltd. is a leading player in the component MRO business for operators of commercial aircraft fleets in India and the neighboring regions. The company provides a wide range of adaptive component solutions for Airbus A320ceo/neo, Boeing 737NG/MAX, and ATR aircraft.

Singapore Component Solutions, a joint venture between AFI KLM E&M and Sabena Technics, delivers comprehensive, customizable, mix-and-match solutions for Airbus A320, A330, Boeing 737, and ATR aircraft operators. Strategically positioned in Singapore and certified by ten authorities across Europe, the US, and the Asia-Pacific region, the company unites two leading aircraft maintenance specialists who actively support regional customers.

Hamburg-based Spairliners, a joint venture set between Air France and Lufthansa Technik, provides end-to-end component support for airlines operating Embraer E-Jets.

AFI KLM E&M and Safran Nacelles established AMES in 2010, as a key MRO market player, specializing in overhaul repairs for nacelles, radomes, engine fan stator modules, and metallic and composite aircraft parts. Operating from Dubai, at the crossroads of major Middle East airlines and near Indian subcontinent operators, AMES leverages leading OEM expertise to deliver highly effective, rapid-response maintenance and repair solutions for nacelles, aerostructures, and composite components.

xCelle Americas, a joint venture between AFI KLM E&M and AAR, services new-generation aircraft nacelles across the American continent. This unique MRO solutions provider combines airline expertise with third-party MRO capabilities, resolving component logistics issues for components and providing fully licensed repair, xCelle Americas is a unique Maintenance, Repair, and Overhaul (MRO) solutions provider. In combining the expertise of an airline with that of a third-party MRO. xCelle Americas delivers complete adaptive support for Boeing 787 and 737MAX aircraft and Airbus A320neo and A350 aircraft.

In December 2025, AFI KLM E&M and AAR launched xCelle Asia in Thailand. Dedicated to maintaining new-generation aircraft nacelles across the Asian continent, the joint venture has been deploying licensed capabilities for clients since its opening.

In 2023, Air France-KLM and Airbus entered exclusive negotiations to create a joint venture dedicated to Airbus A350 component support. Subject to regulatory approval and compliance requirements, the joint venture targets operational readiness in 2026.

Airframe maintenance

Beijing LMI, a wholly owned AFI KLM E&M entity based in Beijing, provides line maintenance support at Beijing Airport.

In Morocco, Aerotechnic Industries (ATI), a joint venture between Royal Air Maroc and Air France, operates three maintenance bays for Airbus A320 and Boeing 737 aircraft at Casablanca airport.

KLM UK Engineering Limited, a wholly owned KLM subsidiary and AFI KLM E&M network member, operates as a leading regional aircraft and narrow-body MRO facility at Norwich International Airport in the United Kingdom. The company delivers base maintenance, UK line maintenance, technical training, and component repair services for Boeing 737, Fokker 70/100, BAe146/Avro RJ, and Embraer E170/190 aircraft. With over 40 years at Norwich Airport, KLM UK Engineering employs an experienced, skilled workforce that delivers superior service and high-quality products at competitive prices.

The iGO Solutions joint venture provides light maintenance services for AFI KLM E&M customers, including Transavia France at Paris-Orly Airport.

Corporate social responsibility as a lever in achieving sustainable levels of performance

AFI KLM E&M analyzes and implements technologies to reduce environmental impact wherever possible. This commitment encompasses eco-responsible infrastructure design and the energy savings such designs generate. The company advances the circular economy through initiatives such as recycling plastics for 3D printing applications.

AFI KLM E&M has embedded continuous process improvement into its DNA. The company extends component life cycles by repairing and maintaining aircraft parts, including engine components, a practice it has sustained for a long time. Innovative products like PROGNOS®, AFI KLM E&M's Solar Impulse-labeled predictive maintenance suite, deliver significant environmental benefits. This predictive analysis program harnesses big data technologies to provide effective, innovative aeronautics maintenance services. PROGNOS® reduces flight cancellations, that would otherwise require extra flights to recover stranded passengers. It also minimizes quick-return flights (aircraft returning to departure airports) following technical alerts, which necessitate fuel tank drainage before landing. By monitoring equipment status more precisely, PROGNOS® optimizes overall aircraft fuel consumption.

Key process

Maintenance	Year 2025	Change
TOTAL REVENUES (in €m)	**5,570**	**+9.5%**
Third-party revenues (in €m)	2,307	+10.6%
Income/(loss) from current operations (in €m)	267	+57.1%
Operating margin (%)	4.8%	+1.5pt

During 2025, external revenues surged 10.6% despite ongoing supply chain disruptions. These disruptions impacted all businesses (through higher component costs, increased engine lease expenses, and expanded inventory and pool requirements). The maintenance order book reached USD 10.7bn at December 31, 2025.

The Air France-KLM group's maintenance activity holds a strong position in new-generation aircraft maintenance and anticipates solid future opportunities .

1.4 CUSTOMER EXPERIENCE

1.4.1 INTRODUCTION

In 2025, Air France and KLM continued investing in the customer experience, prioritizing improvements across every journey stage, both onboard and on the ground. Product enhancements, modernized fleets, and expanded self-service options elevated comfort and convenience for travelers. Both brands remained committed to high-quality service, aiming to meet and exceed customer expectations in a competitive, evolving environment.

Significant ongoing investment in acquiring new-generation, fuel-efficient aircraft demonstrates Air France, KLM and Transavia's core priorities for fleet renewal and sustainability. This shared strategy, central to their decarbonization goals, targets substantial reductions in CO_2 emissions and noise footprint. The accelerated renewal pace, particularly for Air France, reflects an unprecedented commitment to environmental responsibility. By 2030, latest-generation aircraft will comprise a majority of the fleet, underscoring the companies' dedication to sustainable aviation.

While Air France and KLM faced operational challenges in 2025 such as technical disruptions, airspace restrictions, and external pressures, both took action to strengthen their global positioning, improve disruption management, and invest in changes to tangibly enhance the travel experience.

In particular, Air France continued bringing the best of France to customers, with initiatives such as the new La Première suite on Boeing 777-300ER aircraft, menus curated by renowned French chefs, and airport lounges designed by world-class designers. Notable developments include launching of a very high-speed Wi-Fi capability, redesigning Embraer190 travel cabins, the new paid Economy Comfort offer, and the inauguration of the new Air France lounge in Chicago.

KLM focused on reinforcing its brand worldwide, improving handling of irregular operations, and ensuring investments directly benefit travelers. Despite a challenging environment (rising costs, supply chain constraints, technical cancellations, airspace restrictions, and the NATO summit in The Hague in June 2025), KLM remained committed to delivering a seamless and reliable customer experience through continual product improvements and fleet modernization. The emphasis was on convenient connections, meaningful interactions and peace of mind, a design principle guiding product, process and communication development.

Transavia introduced a comprehensive brand refresh reinforcing its modernity, accessibility and customer centricity. Throughout 2025, Transavia innovated by enriching its product and services offerings, reaffirming its role as a key player in the European market.

Through these ongoing initiatives, Air France, KLM and Transavia reaffirm their commitment to excellence in customer service and sustainability, shaping the future of air travel in line with their respective brand promises:

- Air France, for excellent products, services and French art de vivre;
- KLM, for excellent, warm hospitality enabling responsible travel and seamless global connections; and
- Transavia, for excellent, joyful simplicity.

1.4.2 GROUND CUSTOMER JOURNEY

Airport experience

A redesigned check-in area for Air France SkyPriority customers at Terminal 2E, Paris-Charles de Gaulle

Air France and KLM customers with SkyPriority service now have a completely redesigned check-in area at Terminal 2E of Paris-Charles de Gaulle, offering greater comfort and smoother flow.

This redesigned area provides more space and supports the company's ambition to continuously move upmarket. Throughout the journey, Air France agents assist customers with check-in procedures. The expanded self-service area features an automatic eligibility gate for fully independent access. Additionally, customers with disabilities benefit from a simple, direct priority pathway. Flying Blue Ultimate customers and Air France concierge service subscribers now access the zone through a dedicated route.

Prioritizing customers with short connections at Paris-Charles de Gaulle

In August 2025, Air France-KLM and Groupe ADP announced the implementation of a system prioritizing customers based on available connection time at Paris-Charles de Gaulle.

Air France optimizes its flight schedule to ensure customers and their baggage successfully connect between flights.

When connection time falls below a certain threshold (for example, 45 minutes for a Toulouse to New York-JFK connection, arriving at Terminal 2F and departing from Terminal 2E Hall K), priority processing automatically triggers for affected customers, without requiring a request:

- Upon flight arrival at Paris-Charles de Gaulle, customers receive an SMS and email informing them that due to reduced connection time, they are eligible for priority access through security and border police; and
- When customers present their boarding passes at security and border police checkpoints, Groupe ADP's reception provider is automatically notified of the short connection, and offers priority access.

Called "Short Connection Pass", this initiative is the first concrete achievement of the Connect France partnership announced by Air France-KLM and Groupe ADP in June 2025.

These measures complement hub connectivity across Air France and KLM and contribute to more predictable connections for customers traveling through either hub.

Moving lounges upmarket

More space and comfort in the Air France lounge in Terminal 2E, Hall K of Paris-Charles de Gaulle

On April 2, 2025, Air France has unveiled its fully redesigned lounge in Terminal 2E, Hall K at Paris-Charles de Gaulle Airport. Spanning three levels with over 2,800 square meters and 638 seats, the lounge offers expanded space, comfort, and services to Business, Flying Blue Elite Plus, and eligible SkyTeam customers. Designed in collaboration with SGK Brandimage, the lounge features refined décor inspired by Air France's heritage, including its winged seahorse symbol and signature colors.

Amenities include a small relaxation lounge, dedicated workspaces, and an exclusive area for Flying Blue Ultimate members with private catering and runway views. Guests enjoy a high-quality French culinary experience, featuring seasonal, local products with a focus on sustainability. Additional features include Clarins facial treatments, complimentary Wi-Fi, multiple charging outlets, shower facilities, and access to digital and print media. The lounge delivers an elegant, comfortable, and eco-friendly experience before departure or during connections.

AF001, Air France's olfactory signature by Maison Francis Kurkdjian

In January 2025, Air France introduced its first-ever olfactory signature, AF001, created by renowned perfumer Francis Kurkdjian. Designed to embody French excellence, this unique fragrance is now diffused at the entrance of Air France lounges at Paris-Charles de Gaulle and will gradually extend to other lounges worldwide. AF001 features musky, floral, and mimosa notes, offering travelers a sense of space, calm, and brightness, while creating a refined olfactory journey. Named in reference to the legendary Concorde flights, AF001 enhances the Air France brand experience by adding a new sensory dimension to the French art of travel.

Amsterdam lounges upgrade

The KLM Crown Lounges at Schiphol underwent upgrades to offer enhanced comfort and a refreshed food and beverage selection. In a year marked by operational performance fluctuations, brand consistency mattered: customers are highly satisfied when service goes to plan, and they expect clarity, empathy and swift resolution when it does not.

Air France's redesigned Boston Airport lounge

On August 20, 2025, Air France reopened its redesigned lounge at Boston Logan International Airport, offering enhanced comfort and new spaces for Business, Flying Blue Elite Plus, and eligible SkyTeam customers. Spanning over 550 square meters with 126 seats, the lounge features elegant French-inspired design elements, a dedicated restaurant area with sustainable French cuisine, and exclusive amenities such as a private section for Flying Blue Ultimate members. Additional facilities include relaxation and work areas, all designed to provide a refined, comfortable, and eco-friendly experience before departure or during connections.

New lounge at Chicago Airport

On October 17, 2025, Air France inaugurated its first lounge at Chicago O'Hare International Airport, located in Terminal 5 and operated in partnership with Global Lounge Network. Covering nearly 470 square meters and offering 105 seats, the lounge provides an elegant, tranquil space for Air France Business, Flying Blue Elite Plus, and eligible KLM travelers. Designed with SGK Brandimage, the lounge features Air France's signature colors, refined furnishings, high ceilings, and large windows with natural light and runway views.

Guests enjoy a French culinary experience in a dedicated dining area, with a menu that evolves throughout the day and emphasizes local, seasonal products and sustainability. A Parisian-inspired bar serves champagnes, French wines, and spirits in a festive setting. Flying Blue Ultimate members can access a private, comfortable space. The lounge also offers relaxation zones, workspaces, TV screens, complimentary Wi-Fi, charging outlets, and digital media access. Overall, the lounge combines French elegance, comfort, and responsible practices to enhance the travel experience before departure or during connections.

City ticket offices in Africa

Keen to offer a personalized and premium experience throughout the customer journey, several agencies have been refurbished over the year. In Abuja, a brand new joint Air France and KLM ticket office has been unveiled, while in Lagos, the existing agency has undergone complete refurbishment. In Tunis, the Air France ticket office has relocated to new premises with a redesigned and functional space that welcomes customers into the airline's elegant and contemporary atmosphere.

Throughout the year, more than 10 ticket offices were refurbished across African outstations, The Lagos lounge also benefited from a complete renovation, enhancing customer satisfaction.

Through these investments, Air France and KLM strengthen their presence and remaining closely attuned to their customers' needs and expectations.

1.4.3 INFLIGHT

Air France La Première

Air France unveils its new La Première experience: The highest expression of travel

In March 2025, Air France unveiled its new La Première suite, redefining luxury air travel on select Boeing 777-300ERs. This exclusive cabin features four spacious, fully modular suites – each nearly 3.5 square meters – with adjustable seating, a chaise longue that transforms into a full bed, and privacy curtains.

Located at the front of the aircraft and exclusively reserved for La Première customers, this cabin offers a private experience. Air France attended to every detail in its design. Full-grain leather, soft wool, and the finest materials were carefully selected for these French-made suites by STELIA Aerospace. The unique design was developed by Air France in collaboration with the design studio Design Investment and agency SGK Brandimage.

The suite showcases premium materials, signature Air France colors, and thoughtful details such as personal storage, ambient lighting. Stretching over five windows to maximize natural light, this fully modular suite is exclusive to Air France.

Guests enjoy advanced technology, including dual 32-inch 4K screens, noise-cancelling headphones, wireless device pairing, multiple charging options, and complimentary Wi-Fi. The suite can be intuitively controlled via a wireless tablet for personalized comfort and entertainment. Currently available on routes between Paris-Charles de Gaulle and major international destinations, the La Première experience combines elegance, privacy, and cutting-edge connectivity, with additional destinations planned for 2026.

"Le Pyjama" by Jacquemus flies aboard Air France's La Première suites

To celebrate this major step in its upmarket strategy, Air France partnered with Maison Jacquemus to create a new comfort outfit, for each La Première guest during their flight. This exceptional collaboration showcases French craftsmanship for comfort and elegance at 35,000 feet.

Chef Mixologist Matthias Giroud creates cocktail collection for Air France's La Première customers

Air France partnered with Chef Mixologist Matthias Giroud to create a new collection of alcoholic and non-alcoholic cocktails served exclusively in the La Première cabin.

Matthias Giroud drew inspiration from values central to Air France; elegance, pleasure and respect. Made from French ingredients, the collection offers authentic flavors, combining tradition and modernity, satisfying the most demanding palates.

Each cocktail is served during the flight by the crew in a new glass specially designed to enhance the tasting experience.

French Bloom aboard La Première

Air France partnered with founders Maggie Frerejean-Taittinger and Constance Jablonski to offer La Première customers French Bloom, alcohol-free sparkling wines offered on board since October 2025.

Inside The Dream: A journey to the heart of La Première Air France

Air France, in collaboration with production company Terminal 9 Studios, unveiled "Inside the Dream: A journey to the heart of La Première Air France". For the first time, this original film offers an immersion into the creation of the company's most exclusive travel experience. The film is available on Canal + and onboard Air France's long-haul flights.

Cabin refurbishments and enhancements

Air France launches new cabin on board the Embraer 190

On September 1, 2025, Air France introduced its new cabin on the Embraer 190, operated by Hop. The upgraded cabin offers 110 new French-made seats in a 2-2 configuration for Business and Economy customers, providing greater comfort, lighter construction, and enhanced features such as ergonomic foams, adjustable headrests, ample storage, device stands, integrated USB ports, and double cup holders. Business class is located at the front, with increased privacy and guaranteed free adjacent seats.

All passengers benefit from complimentary, very high-speed Wi-Fi, a first for this aircraft model, accessible via the Flying Blue loyalty program. The cabin design reflects Air France's signature colors and Parisian-inspired details, with high-quality materials and elegant finishes.

The seats, produced in partnership with Expliseat and designer Andrea Mocellin, are made from ultra-light, robust, and recyclable materials, supporting Air France's sustainability goals. Each seat is 30% lighter, contributing to lower fuel consumption and reduced CO_2 emissions. By summer 2026, all Air France Embraer 190s will feature the new cabin, marking continued progress towards standardizing and elevating the onboard experience across the short- and medium-haul network.

New mattress topper by Sofitel MY BED in the long-haul Business cabin

Air France has launched a partnership with Sofitel, the Accor group's luxury hospitality brand, to introduce a new mattress topper on each long-haul Business seat. Since November 2025, this mattress topper has been available on the company's entire long-haul fleet, on day and night flights.

To design this mattress topper, Air France partnered with Sofitel MY BED, Sofitel's high-end bedding collection recognized for its expertise and excellence in comfort.

Economy Comfort seat option

In May 2025, Air France launched a new paid option in the long-haul Economy cabin called Economy Comfort.

Customers selecting this option, receive seats with more legroom (34 inches) and a more generous recline (6 inches). They also receive priority boarding.

This option can be purchased from booking through check-in completion. The fare varies based on flight duration and seat location.

Customers traveling with infants benefit from a significant discount of up to 50%.

By the end of 2025, this offer was available on 40% of the long-haul fleet: Boeing 777-200, Boeing 777-300, Boeing 787 and Airbus A350.

Gastronomy

High-profile chefs in 2025: 23 collaborations

In 2025, Air France continued elevating its culinary offerings by collaborating with 23 high-profile and Michelin-starred chefs, delivering exclusive and constantly renewed menus onboard and in its Parisian lounges. The airline partnered with renowned chefs including Anne-Sophie Pic and Claire Heitzler for refined dishes in the La Première cabin, and with François Adamski, Michel Roth, and Josselin Marie to create innovative menus for Business class and lounge guests. Alain Ducasse and his team maintained their prestigious dishes in the La Première lounge, while Ducasse Paris introduced plant-based options in Terminal 2E lounges.

Air France expanded its international collaborations, working with celebrated chefs Julien Royer in Singapore, Olivier Chaignon in Japan, Olivier Perret in Canada, Jofrane Dailly in the Reunion Island, Jean-Charles Bredas in the West Indies, and Michelin-starred chef Daniel Boulud in the United States. Best Worldwide 2023 Pastry Chef Nina Métayer and Yann Couvreur contributed signature desserts and pastries for long-haul Business cabins.

Committed to sustainability, Air France ensures its menus feature fresh, local, and seasonal French products, sustainable fish, and vegetarian options. Business cabin passengers can pre-select meals to guarantee their choice and help reduce food waste, reflecting the airline's ongoing dedication to responsible and innovative French gastronomy.

KLM is fully committed to shaping the future of air travel through continuous innovation, with even the smallest improvements crucial to achieving the company's ambitious goals. KLM is therefore proactively enhancing the onboard experience by reducing the weight of onboard items, making thoughtful meal selections, and maximizing recycling efforts. These initiatives collectively advance KLM's commitment to more sustainable air travel.

Wi-Fi and inflight entertainment (IFE)

Air France launches complimentary ultra-high-speed Wi-Fi on board its flights

Air France's ultra-high-speed Wi-Fi is now available onboard select flights. This complimentary service allows customers to enjoy stable, fast and secure connectivity throughout their journey. Air France is the first major European airline to offer this service.

This complimentary service, across all travel cabins, can be accessed by logging into a Flying Blue account, the Air France-KLM group's loyalty program. Customers without a Flying Blue account can create one onboard for free in a few clicks.

During the journey, customers on board the equipped aircraft can easily stay in touch with their loved ones, follow all the news from the world live, watch TV, movies and series via streaming and even play video games on the network.

As of December 31, 2025, Air France offers very high-speed Wi-Fi on 30% of its aircraft and will roll it out across its entire fleet by the end of 2026.

To deliver this exceptional service, Air France partnered with Starlink, the world leader in connectivity. Starlink provides low-latency high-speed internet through an extensive network of low-orbit satellites ensuring reliable connectivity during flight.

Long-haul flight entertainment

Air France offers an extensive in-flight entertainment program on long-haul flights, featuring 1,500 hours of high-definition content across 38,000 screens. Passengers can choose from over 340 films – including classics, new releases, French cinema, and international movies – as well as Disney, Pixar, Marvel, Star Wars, and National Geographic titles. The selection is enriched with themed categories, a growing library of Indian films, and a wide range of TV series, including full seasons and HBO productions.

Since May 2025, Air France partnered with CANAL+ to provide 150 hours of premium French content, including original series, films, and children's programming. The music offering, curated with Universal Music, features 60 albums and 70 playlists, complemented by new podcasts and BBC documentaries. Young travelers have access to tailored entertainment, games, and educational content.

Enriched experience for Transavia customers

Transavia enhanced its customer experience with several new initiatives:

Smart Fare: Launched on May 20, 2025, the Smart fare caters to passengers traveling short-haul with cabin baggage only. It includes one under-seat carry-on, one guaranteed cabin bag, standard seat selection, and priority boarding.

Ticket Resale Platform: Introduced on July 15, this innovative service allows customers to resell tickets directly via Transavia France's digital channels, a first in the French low-cost sector. Over 11,300 resales have been approved, with Transavia Netherlands joining in 2026.

Installment Payment: Since November 5, Transavia France customers can pay for tickets in installments through a partnership with Oney, offering greater flexibility and a simple, document-free process.

Enhanced Partnerships: Strengthened commercial partnerships drove a 30% increase in bookings with Hertz and Booking.com. Since November, customers can earn Flying Blue Miles for Uber trips by linking accounts, with bonus miles for frequent usage.

Expanded Cabin Luggage Allowance: In April 2025, Transavia increased permitted cabin luggage size from 55x35x25cm to 55x40x25cm.

"Ready for Summer '25": This strategic program focused on improving operational stability during the summer peak. Throughout summer Transavia Netherlands saw increases in cockpit availability, fleet availability, and reduced turnaround times versus previous years, ensuring increased on-time performance and completion factor, as well as a smoother travel experience.

These initiatives reflect Transavia's ongoing commitment to improving convenience, flexibility, and value for its customers.

Sustainability on board

Reduction of weight on board: Air France and KLM continue to reduce their emissions through ongoing efforts to decrease the weight of seats, trolleys, or other items loaded on board.

Elimination of single-use plastics: Since 2018, Air France has eliminated more than 90% of single-use plastics on board its flights, amounting to 2,233 tons of plastic avoided. After introducing wooden cutlery and cardboard cups, the company is now rolling out containers made from bio-sourced materials, such as wood cellulose bowls and bagasse casseroles.

Sorting and recycling of packaging: The sorting and recycling of packaging is being gradually implemented on board. In 2025, Air France recycled approximately 56 tons of plastic bottles, cartons, and cans, and about 675 tons of glass bottles. Transavia France also introduced onboard waste sorting in November. All aircraft have been equipped to make waste sorting easy for cabin crew. Whenever possible, empty cans, cups, plastic bottles, and carton bottles are collected.

1.4.4 INNOVATION

To offer an ever smoother travel experience, Air France and KLM are pursuing their strategy of innovation and digital transformation. At every stage of the journey, from booking to arrival the airlines deploy new solutions to anticipate customer needs.

On medium-haul routes, fare design changes and targeted communication improved offer relevance for customers. In 2025, KLM launched Airmail, an AI-powered newsletter tool that enables local teams to create tailored destination content at scale. Early results demonstrated strong reach.

For service recovery, KLM enabled Apple's "Share Item Location" integration so customers can securely share the location of their AirTag or Find My accessory to speed up baggage tracing.

In KLM's catering and operations, AI improved meal forecasting and reduced food waste, while dynamic pricing in direct channels supported revenue performance.

To promote fairer consumption and limit food waste while increasing customer satisfaction, passengers on certain long-haul Business cabins can pre-select their hot meal up to 24 hours before departure. This also guarantees their choice on board. In 2025, for example, Air France, service avoided loading more than 49,000 hot meals, representing over 10 tons of food waste avoided.

Transavia has fully enrolled in a new revenue management system, which optimizes ticket prices based on advanced AI algorithms and helps Transavia stay competitive in the market.

Easier connections with WhatsApp notifications: Since February 2025, Air France and KLM have been offering its customers step-by-step support via WhatsApp for certain connections at Paris-Charles de Gaulle and Amsterdam-Schiphol.

Dedicated care for customers with disabilities travelling in wheelchairs: Air France has long been committed to making travel accessible to all. Air France offers services dedicated to people with disabilities, including the SAPHIR service, which helps customers prepare and book their trips.

On the occasion of the Paris 2024 Paralympic Games, Air France launched a new system to allow customers travelling in wheelchairs to keep them as long as possible. Since March 2025, customers using a manual wheelchair can keep it until boarding and retrieve it immediately upon disembarking, giving them more autonomy and comfort.

A new tool to save documents online: Rather than manually entering the required passport data during online check-in, customers can now easily scan their passport or ID card with their smartphone camera. The information is then automatically read and added to their booking. Since the launch of this feature in March 2025, more than 3 million documents have been processed.

Real-time flight tracking on iOS: Since December 2024, iOS users have been able to use a new feature that displays all their flight information directly on their iPhone's lock screen or Apple Watch, as early as four hours before departure.

Key information such as the boarding gate, departure time, or countdown to arrival is thus visible on a continuous basis, without having to open or update the application. Available even without an on-board connection, this information disappears one hour after arrival. Every day, between 70,000 and 90,000 passengers benefit from this new feature.

Making recovery easier: In 2025, Transavia France launched TripSaver, a tool that enables smoother and more comprehensive disruption handling.

KLM expanded self service rebooking to more destinations and enabled customers to receive digital vouchers through KLM.com and the KLM app. Baggage information was surfaced directly in the app so customers could track progress without contacting support.

1.4.5 NPS

Improved Net Promotor Score

Air-France-KLM places customer satisfaction as a top priority and develops numerous measures to improve customer experience throughout the journey. The Group measures customer satisfaction, primarily through the Net Promoter Score (NPS), a customer recommendation indicator.

The NPS is an indicator given by customers as to whether they would recommend the products and services of an airline, by assigning a score ranging from 0 to 10 (0 corresponding to "I will definitely not recommend" and 10 to "I will definitively recommend"). The NPS 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).

Annual change in the NPS vs 2024	
Air France	+3
KLM	-2
Transavia France	+9
Transavia Netherlands	+10

For more details on NPS principles, please refer to Chapter 4, appendix 4.3.4.5.

1.4.6 BRANDS

Air France is a Union des marques member and a participant in the "FAIRe" program

"FAIRe" focuses on promoting more responsible communication practices and is a voluntary initiative created by the Union des marques in 2018. A key strengths of the program is its stakeholder credibility, with members reporting and sharing progress every year.

The program is built around five pillars that go beyond complying with regulations and ethical standards. Its purpose is to support brand teams by providing them with the right tools to further advance their responsible marketing and communications practices.

Since joining, Air France has consistently integrated environmental and social considerations into its communications activity. As a signatory, Air France has committed to 15 mandatory commitments and 10 voluntary commitments. The mandatory commitments specifically address three aspects of self-regulation in advertising the content, the broadcast environment, and limiting the environmental impact of production.

As part of this approach, Air France has implemented measures including: eliminating gender and ethnic stereotypes; encouraging sustainable consumption patterns; promoting combined train and air travel; designing communication materials with eco-friendly and socially responsible practices (resulting in certifications such as EcoVadis Gold); controlling carbon emissions through reduced film production teams, limited shoot durations, set element recycling, and charitable donation of styling items; and selecting environmentally committed digital partners.

The current cycle covers the 2024-2026 period.

Air France-KLM regularly informs customers of its sustainability actions to raise awareness of steps they can take, including supporting SAF investment, reducing on-board baggage weight, and accessing combined train and plane travel.

Air France integrates the message "For travel in the future, let's rethink how we get around today" into communications across all markets where the broadcast medium permits. The objective is to provide customers with clear and educational information on Air France's commitments, including SAF; new low-emission aircraft; and eco-piloting. These commitments are detailed at airfranceact.airfrance.com.

Air France's editorial offer

Air France's editorial offering EnVols features a wide variety of content (articles, photographs, videos, podcasts) around the art of living and escapism, including culture, travel, fashion and gastronomy. Travel guides covering more than 130 destinations feature cutting-edge addresses selected by the editorial team.

This bimonthly publication is available free of charge in the departure lounges, baggage claim areas, and Air France lounges at Orly and Paris-Charles de Gaulle, as well as digitally via en-vols.com and the Air France Press app. To develop EnVols, Air France relies on Reworld Media's expertise in technological innovation, digital content, brand magazines and advertising, as well as Michelin Editions's expertise in travel and destination content.

Air France Press offers a rich and varied catalog of over 200 French and international newspaper and magazine titles. This digital kiosk is available in 11 languages with more than 150 French titles and more than 60 international titles.

The e-reader offers many features to improve comfort and accessibility for users: audio playback of compatible articles, article mode for certain titles, screen brightness adjustment, choice of character size, etc. Customers can download their favorite news titles for free, up to 30 hours before departure by identifying themselves with their booking reference or Flying Blue member number. Once downloaded, these titles are available at any time before, during and after the flight, including offline. In 2025, more than 4.5 million titles were downloaded.

Partnerships to make the Air France brand shine

In 2025, Air France strengthened its brand visibility and celebrated French elegance through multiple partnerships and cultural initiatives.

At the CANNESERIES festival in April, Air France and CANAL+ partnered to showcase Air France's latest onboard entertainment, offering festival-goers the chance to explore the new screen interface and enter competitions to win flight tickets and CANAL+ subscriptions.

During the Cannes Film Festival in May, Air France reopened its private beach on the Croisette, featuring the newly unveiled La Première suite in a custom-designed setting. The beach offered a chic experience with a restaurant, lounge, and bar, all decorated in La Première's signature colors.

From June to August, Air France operated a pop-up restaurant at Galeries Lafayette Paris Haussmann, allowing visitors to sample business class menus crafted by renowned chefs, including Régis Marcon and Nina Métayer, in an elegant setting with panoramic views of Paris. The initiative served 2,000 guests, attracted 200,000 visitors, and generated over 28 million views across media channels.

A new exhibition, "Air France, a story of elegance," opened in February at L'Envol des Pionniers in Toulouse, highlighting Air France's history, heritage, and French travel experience through more than 170 rare objects.

For the holiday season, Air France launched a pop-up store at Le Bon Marché Rive Gauche in Paris, offering travel-inspired gifts and accessories that reflect the brand's spirit of French art de vivre and aviation heritage.

Finally, Air France partnered with the Monnaie de Paris for the Georges Mathieu exhibition, presenting the artist's influential work, including a series of posters commissioned by Air France in 1967 to promote the main destinations in its extensive network.

These diverse collaborations and events illustrate Air France's ongoing commitment to celebrating French culture, enhancing its brand, and sharing its rich heritage with a wider audience.

Transavia brand modernization

Transavia introduced a comprehensive brand refresh aimed at reinforcing its identity as a modern, accessible, and customer-centric airline. The update included a refined visual identity – featuring a refreshed logo, updated color palette, and more dynamic design language – alongside a renewed tone of voice that emphasizes warmth, simplicity, and clarity. This refresh supports Transavia's strategic ambition to attract both more leisure and business travelers.

The Brand Refresh launched in November and is visible in airports, on the website, and in commercial campaigns (on air in the Netherlands as of November 4, followed by France on January 4, 2026).

On November 5, Transavia France received its first Airbus A320neo with the new, robust and modern brand livery.

As a tribute to its rich history, Transavia Netherlands celebrated its 60th anniversary with a retro-livery on a new Airbus A321neo and received its 14th Airbus A321neo in the new branding mid-December 2025.

Holidays, flight + hotel packages

Air France Holidays is a new all-inclusive travel offer launched in January 2025, featuring dynamic packages to over 400 destinations at attractive prices. Customers can customize their trips by combining Air France flights, selected hotels (three stars and above), and exclusive activities, with the option to pay in installments.

Flying Blue loyalty members earn Miles on all bookings.

The launch campaign in early 2025, focused on original visuals was followed by a second campaign in December 2025.

Air France-KLM group now offers Air France Holidays, KLM Holidays and Transavia Holidays with attractive deals. These dynamic packages achieved strong growth.

1.4.7 AWARDS

Renowned throughout the world for the quality of their offerings, their digital innovation and their customer service, Air France, KLM and Transavia are regularly recognized:

AIR FRANCE

Skytrax World Airline Awards

- Best airline in Western Europe for the 5th consecutive year
- Best Dining Offer in a First Class Lounge
- Best Comfort Kit in First Class
- 8th best airline in the world (9th in 2024)

APEX Awards

- Air France is certified APEX five star global

Customer service

- Number 1 in customer relations (Podium de la relation client) in the transport sector for the 10th consecutive year
- Air France Holidays campaign has been awarded with six prizes, including a Lion at Cannes Lions International Festival

KLM

- KLM is certified APEX five star global
- APEX Best Award Europe: Best cabin service
- APEX Best / IFSA Award Europe: Best food and beverage
- KLM Cityhopper (KLC) was recognized at the annual Aviation Challenge Awards 2025 for testing 100% SAF tickets on two test routes, using the extra ticket cost to fully fund SAF and studying passengers' willingness to pay for it

TRANSAVIA

- Transavia France has been named Customer Service of the Year 2026 for the 6th consecutive year in the Passenger Transport category
- Transavia France has also received the Best Brand award for the 7th time from Capital magazine
- Transavia Netherlands was awarded the 'Short Haul Punctuality Award' at the Brussels Airport Aviation Awards

1.5 FLEET

At December 31, 2025, the Air France-KLM group fleet (hereafter, unless otherwise mentioned, the "Fleet") comprised 596 aircraft, of which 586 were in revenue service (compared to 574 and 564 respectively at December 31, 2024).

The "main fleet" consists of all Air France-KLM group aircraft, excluding aircraft from the regional fleets of HOP! and KLM Cityhopper.

The "main operational fleet" consisted of 493 aircraft (467 at December 31, 2024), consisting of:

- 189 long-haul aircraft (183 at December 31, 2024),
- 6 cargo (6 at December 31, 2024) and
- 298 medium-haul (278 at December 31, 2024), including 138 aircraft in the Transavia Group fleet (125 aircraft at December 31, 2024).

The "regional fleet in operation" comprised 93 aircraft (97 at December 31, 2024).

The Fleet comprises 204 new-generation aircraft, 34.6% of total fleet.

Fleet Age

At December 31, 2025, the average age of the aircraft in the operational Fleet was 11.5 years:

- Long-haul fleet: 12.9 years,
- Medium-haul fleet: 10.8 years,
- Cargo fleet: 22.8 years,
- Regional fleet: 10.5 years.

This compares with an average of 12.1 years at December 31, 2024 (long-haul: 12.7 years; medium-haul: 12.1 years; cargo: 21.8 years; regional: 10.3 years).

Fleet Ownership

At December 31, 2025:

- 33.9% of the total Group Fleet was fully owned (34.7% at December 31, 2024),
- 14.6% was under finance lease (13.8% at December 31, 2024) and
- 51.5% under operating lease (51.6% at December 31, 2024).

Orders and options

At December 31, 2025, there were firm orders outstanding for 215 aircraft (operational lease excluded), following deliveries of 29 owned aircraft. Options stood at 113 aircraft (166 at December 31, 2024).

Additional purchase options or rights accompany firm purchase contracts signed with manufacturers. These options or rights can be converted into firm orders according to the contractual terms and are therefore an important element of flexibility in the medium-term management of the Group's Fleet.

Change in the Air France-KLM group's order book[1]	December 31, 2024	Deliveries during the period	New orders	Option conversions	**December 31, 2025**
Main fleet	191	29	-1	44	205
Regional fleet	–	–	–	10	10
TOTAL	**191**	**29**	**-1**	**54**	**215**

(1) Excluding operating leases.

Change in the Air France-KLM group's option portfolio[1]	December 31, 2024	Exercize during the period	Options cancelled or expired	New options	**December 31, 2025**
Main fleet	156	44	–	1	113
Regional fleet	10	10	–	–	–
TOTAL	**166**	**54**	**–**	**1**	**113**

(1) Excluding operating leases. Purchase Rights included. If exercised, options could be converted into firm orders.

Fleet management

Air France-KLM is pursuing an active policy of Fleet renewal and modernization, contributing to improved energy efficiency and a reduced environmental footprint.

2025 Transactions

Air France:
- Delivery of six new Airbus A350-900s and 11 Airbus 220-300s,
- Exit of 12 Airbus A320 family aircraft, four Airbus 330s and two Airbus A380s.

HOP!:
- Exit of one Embraer 170,
- Delivery of four Embraer 190s.

Transavia France:
- Delivery of 13 Airbus A320neos?
- Removal of one Boeing 737-800.

KLM:
- Delivery of three Boeing 787-10 and eight new A321neos,
- Removal of one Boeing 737-800.

KLM Cityhopper:
- Delivery of three new Embraer 195 E2s,
- Removal of seven E190s.

Transavia Netherlands:
- Delivery of seven new A321neos,
- Removal of five Boeing 737-800s.

In 2025, the entire Air France-KLM group took delivery of 51 new-generation aircraft. This ambitious fleet modernization will continue in 2026 and subsequent years with deliveries of Airbus A321neo, A320neo and Airbus A220 aircraft to renew the medium-haul fleet, Embraer 195-E2 to renew the regional fleet, and Airbus A350 to renew the long-haul fleet.

The Air France-KLM fleet at December 31, 2025

	AF (incl. HOP!)	KL (incl. KLC & Martinair)	Transavia France	Transavia Netherlands	**Total**	Fully owned	Finance lease	Operating lease
Long-haul	**120**	**69**	**–**	**–**	**189**	**81**	**42**	**66**
777-300	43	16	–	–	59	32	10	17
777-200	18	15	–	–	33	29	1	3
A350-900	41	–	–	–	41	3	13	25
787-10	–	14	–	–	14	1	11	2
787-9	10	13	–	–	23	4	7	12
A380-800	–	–	–	–	–	–	–	–
A330-300	–	5	–	–	5	–	–	5
A330-200	8	6	–	–	14	12	–	2
Medium-haul	**107**	**53**	**91**	**49**	**300**	**87**	**29**	**184**
737-900	–	5	–	–	5	5	–	–
737-800	–	30	68	35	133	35	8	90
737-700	–	6	–	–	6	6	–	–
A321	12	–	–	–	12	5	–	7
A320	36	–	–	–	36	4	3	29
A319	3	–	–	–	3	2	–	1
A318	4	–	–	–	4	4	–	–
A220-300	52	–	–	–	52	23	10	19
A320neo	–	–	23	–	23	–	1	22
A321neo	–	12	–	14	26	3	7	16
Regional	**39**	**62**	**–**	**–**	**101**	**30**	**16**	**55**
Embraer 190	27	20	–	–	47	17	2	28
Embraer 175	–	17	–	–	17	3	14	–
Embraer 170	12	–	–	–	12	10	–	2
Embraer 195 E2	–	25	–	–	25	–	–	25
Cargo	**2**	**4**	**–**	**–**	**6**	**4**	**–**	**2**
747-400BCF	–	1	–	–	1	1	–	–
747-400ERF	–	3	–	–	3	3	–	–
777-F	2	–	–	–	2	–	–	2
TOTAL AF-KLM	**268**	**188**	**91**	**49**	**596**	**202**	**87**	**307**

1.5.1 THE AIR FRANCE GROUP FLEET

At December 31, 2025, the Air France Group fleet totaled 359 aircraft, of which 320 aircraft in the main fleet and 39 in the regional fleet. The average age of the aircraft in the operational fleet is 11.4 years (12.1 years at December 31, 2024).

Firm orders amounted to 124 aircraft. The fleet comprises 126 new-generation aircraft, 35.5% of its fleet.

Air France Group fleet	Fleet at December 31, 2024	Aircraft entering the fleet[1] during the period	Aircraft withdrawn from the fleet[1] during the period	**Fleet at December 31, 2025**
Long-haul fleet	120	6	6	**120**
Medium-haul fleet (including Transavia France)	187	24	13	**198**
Cargo	2	–	–	**2**
Regional fleet	36	4	1	**39**
TOTAL	**345**	**34**	**20**	**359**

(1) Owned or leased.

The Air France fleet

At December 31, 2025, the Air France fleet comprised 229 aircraft, with 229 in operation (230 and 226 respectively at December 31, 2024). The fleet includes 120 long haul aircraft, 107 medium-haul aircraft and two freighters.

At December 31, 2025, the average age of the fleet was 11.8 years, with 13.2 years for the long-haul fleet, 10.3 years for the medium-haul fleet, and 16.9 years for the cargo fleet. At December 31, 2024, the average age of the fleet was 12.5 years, with 13.1 years for the long-haul fleet, 11.7 years for the medium-haul fleet, and 15.9 years for the cargo fleet.

Within the fleet, 95 aircraft are fully owned (41.5%), 33 are under finance lease (14.4%), and 101 under operating lease (44.1%).

In 2025, the company took delivery of six Airbus A350-900s and 11 Airbus A220-300s, and parted with 12 Airbus A320 Family aircraft, four Airbus A330s and two Airbus A380s.

The regional fleet, Air France HOP!

At December 31, 2025, the regional fleet comprised 39 with a seat capacity of up to 110, of which 36 in operation.

The average age of the fleet was 14.0 years. Within the fleet, 35.9% are fully owned and 64.1% under operating lease.

During 2025, four E190 entered the fleet while one E170 exited the fleet.

The Transavia France fleet

At December 31, 2025, the Transavia France fleet comprises 91 aircraft, of which 90 in operation (79 aircraft at December 31, 2024). The average age of this fleet is 9.4 years. Within the fleet, 9.9% are fully owned, 5.5% under finance lease, and 84.6% under operating lease.

During 2025, 13 Airbus A320neo entered the Transavia France fleet and one Boeing 737-800 returned to its owner.

1.5.2 THE KLM GROUP FLEET

At December 31, 2025, the KLM Group fleet totaled 237 aircraft, of which 175 in the main fleet and 62 in the regional fleet.

The average age of the aircraft in the operational fleet was 11.6 years (12.2 years at December 31, 2024).

Firm orders stood at 100 aircraft.

The fleet comprises 78 new-generation aircraft, 33.2% of its fleet.

KLM group fleet	Fleet at December 31, 2024	Aircraft entering the fleet[1] during the period	Aircraft withdrawn from the fleet[1] during the period	**Fleet at December 31, 2025**
Long-haul fleet	66	3	–	69
Medium-haul fleet (including Transavia Netherlands)	93	15	6	102
Cargo (including Martinair)	4	–	–	4
Regional fleet	66	3	7	62
TOTAL	**229**	**21**	**13**	**237**

(1) Owned or leased.

The KLM fleet

At December 31, 2025, the KLM fleet comprised 122 aircraft (112 at December 31, 2024), of which 69 long-haul aircraft and 53 medium-haul aircraft. 49 aircraft are fully owned (40.2%), 29 aircraft are under finance lease (23.8%), and 44 under operating lease (36.1%). In this fleet, 122 aircraft are operational.

At December 31, 2025, the aircraft in the fleet had an average age of 13.5 years, with 12.4 years for the long-haul fleet and 14.8 years for the medium-haul fleet. At December 31, 2024, the aircraft in the fleet had an average age of 13.9 years, with 12.0 years for the long-haul fleet and 16.6 years for the medium-haul fleet.

During the year 2025, the fleet was modernized by the entry of three Boeing 787-10s and eight A321neo. One Boeing 737-800 exited the fleet.

The KLM Cityhopper regional fleet

At December 31, 2025, the KLM Cityhopper fleet comprises 62 aircraft, of which 57 were operational. The average age of the aircraft in operation in this regional fleet was 8.2 years. 25.8% of the fleet is fully owned, 25.8% is under finance lease, and 48.4% under operating lease.

In 2025, three E195-E2s entered the fleet and seven E190s exited.

The Transavia Netherlands fleet

At December 31, 2025, the Transavia Netherlands fleet comprises 49 aircraft, of which 48 were operational at December 31, 2025.

The average age of the aircraft in operation in this regional fleet was 9.9 years. 8.2% of the fleet is fully owned, 61.2% is under finance lease and 30.6% under operating lease.

During 2025, seven A321neo entered the fleet and five Boeing 737-800s exited.

The Martinair fleet

At December 31, 2025, the Martinair fleet comprised four aircraft, of which all were operational.

The average age of the aircraft in operation in this fleet was 25.7 years, and all the aircraft are fully owned.

1.6 SUSTAINABLE TRANSITION

Air France-KLM group recognizes aviation's contribution to global GHG emissions and the industry's inherent decarbonization challenges.

In this regard, Air France-KLM has set itself the ambition to reduce its greenhouse gas (GHG) emissions in line with the Paris Agreement's 1.5 °C target and ICAO's long-term net-zero carbon emissions goal by 2050.

This ambition is underpinned by a comprehensive Transition Plan, applicable across all Group activities, designed to effectively manage and reduce GHG emissions and mitigate climate-related risks. The Air France-KLM Transition Plan outlines a multifaceted approach to decarbonization, encompassing efforts to avoid emissions through route optimization and intermodality, reduce GHG emissions via continuous fleet renewal and operational efficiencies, and progressively replace fossil fuels with sustainable alternatives. It also addresses ground operations by enhancing energy efficiency, utilizing electric equipment, and maximizing renewable energy use.

The airline sector's pathway to Net Zero also requires 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.

For more information on the Air France-KLM Transition Plan, please refer to section 4.2.1.3.1 Transition Plan for climate change mitigation (E1-1) and, more generally on sustainability topics, to Chapter 4 of this Document.



We structure our organization around a solid governance framework. We ensure alignment with best practices in order to guarantee balanced oversight of decision-making, serving the interests of all our stakeholders.

We place governance at the heart of our organization



02

Corporate governance report

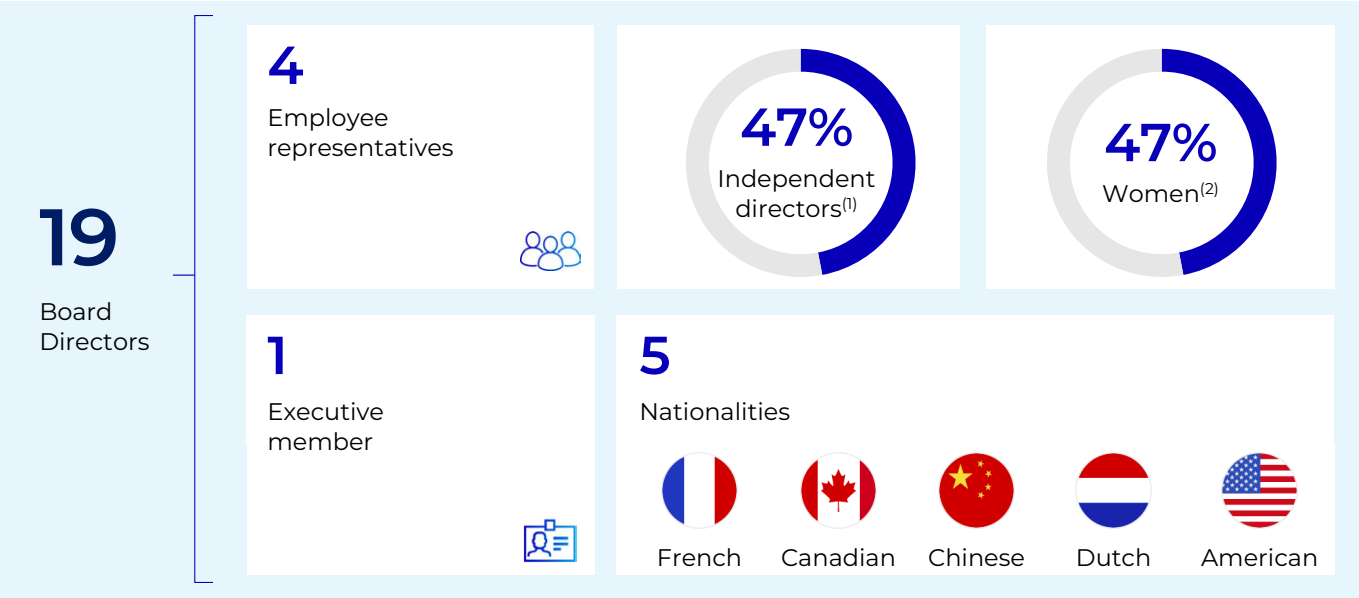
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This chapter constitutes the corporate governance report provided for in the last paragraph of Article L. 225-37 of the French Commercial Code and includes the information referred to in Articles L. 22-10-8 to L. 22-10-11 of the French Commercial Code. In accordance with the provisions of Article L. 225-37 of the French Commercial Code, this report will be presented to the shareholders at the next Annual General Meeting on June 4, 2025.

2.1 COMPOSITION OF THE BOARD OF DIRECTORS

2.1.1 COMPOSITION OF THE BOARD OF DIRECTORS ON DECEMBER 31, 2025

Board composition



(1) The proportion of independent directors as at December 31, 2025, is 47%. This situation is linked to the specific nature of Air France-KLM's shareholding structure and its contractual relationships (see section 2.2.4 "Independence of directors" and section 2.4 "Summary table of provisions deviating from the AFEP-MEDEF Code"). In accordance with the provisions of Article 10.3 of the AFEP-MEDEF Code, directors representing employee shareholders and directors representing employees are not included in the calculation of this percentage.

(2) Board directors representing employees and board 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 this calculation, in accordance with the provisions of said articles. Furthermore, as from the entry into force of the provisions resulting from Ordinance No. 2024-934 of October 15, 2024 transposing the Women on Boards Directive, gender balance within the group of directors appointed by the General Meeting, including directors representing employee shareholders, would amount to 41.18%. In accordance with Article R. 225-30-2 of the French Commercial Code, introduced by Decree No. 2025-744 of July 30, 2025, where there are two directors representing employees, no gender balance requirement applies to them.

In accordance with Article 17-1 of the Articles of Association, the Board of Directors is composed of between three and eighteen members, excluding directors representing employee shareholders and directors representing employees. Air France-KLM board directors are appointed by the Ordinary General Meeting, with the exception of the board director representing the French State (appointed by ministerial decree)[1] and the two board directors representing employees (appointed as applicable, by the French Group Committee or the Air France-KLM European Works Council) [2].

The Board of Directors, upon the recommendation of the Nomination and Governance Committee, submits to the General Meeting the appointment, ratification of co-optation, and renewal of directors. The proposals for appointment, co-optation, and renewal made by the Board of Directors are carried out in accordance with legal and regulatory provisions (including, in particular, gender parity rules) and the recommendations set out in the AFEP-MEDEF Code.

[1] Pursuant to Article 4 of Ordinance No. 2014-948 of August 20, 2014 relating to governance and to transactions involving the share capital of State-owned companies and Article 2 of the decree-law No. 2014-949 of August 20, 2014 in application of Ordinance No. 2014-948.

[2] Board directors appointed pursuant to Articles L. 225-27-1 and L. 22-10-7 of the Code of Commerce, in accordance with the modalities foreseen by Article 17-3 of Air France-KLM's Articles of Incorporation.

Pursuant to Article 8.2 of the Internal Rules of the Board of Directors referring to the provisions of the agreements signed on October 16, 2003 (Framework Agreement) within the framework of the business combination between Air France and KLM, the Appointments and Governance Committee submits to the Board of Directors proposals regarding:

a) the appointment as a Board director of the Chair of the KLM Supervisory Board;

b) the appointment or re-appointment as Board directors of two high-profile individuals residing in the Netherlands, chosen after consultation and on the recommendation of the KLM Supervisory Board; and

c) the appointment or re-appointment as a Board director of a high-profile individual residing in the Netherlands, chosen after consultation and on the recommendation of the Dutch State.

In addition, two Board directors are appointed by the Shareholders' Meeting as proposed by the French State, in application of Ordinance No. 2014-948 of August 20, 2014.

Pursuant to the stipulations of the Subscription Agreements signed on July 27, 2017 (outlined in section 2.7.4 "Partnerships with Air France-KLM") since October 2017 Delta Air Lines, Inc. and China Eastern Airlines have each had one representative on the Company's Board of Directors[1].

Furthermore, pursuant to Articles L. 225-23 and L. 22-10-5 of the *Code de commerce* (French Code of Commerce), L. 6411-9 of the *Code des transports* (French Code of Transport) and Article 17-2 of the Air France-KLM Articles of Incorporation, two Board directors representing the employee and former employee shareholders are appointed by the Shareholders' Meeting as proposed by the employee (and former employee) shareholders referred to in Article L. 225-102 of the *Code de commerce*:

- one representative belonging to the Flight Deck Crew category of staff; and
- one representative belonging to the Other Employee category of staff.

The employee and former employee shareholders are invited to select their candidates for each of the two colleges (Flight Deck Crew and Other Employees), with the appointments taking place based on a majority vote in two rounds of balloting. The candidate having obtained the absolute majority of the votes cast in each college, in either the first or second round, is then proposed to the Shareholders' Meeting[2].

Lastly, as the Air France-KLM Board of Directors is composed of more than eight Board directors, there are two directors representing the employees on the Board of Directors, pursuant to Articles L. 225-27-1 and L. 22-10-7 of the Code de commerce[3].

Pursuant to Article 17-3 of the Air France-KLM Articles of Incorporation, the first Board director representing the employees is appointed by the Comité de Groupe français as stipulated in Article L. 2331-1 of the Code du travail (French Employment Code), while the second is appointed by the European Works Council of Air France-KLM. Each Board director representing the employees is appointed for a two-year term of office, expiring at the end of the Annual General Shareholders' Meeting taking place during the year in which their mandates expire[4].

Pursuant to the corporate governance principles as stipulated by the AFEP-MEDEF Corporate Governance Code and to Article 18 of the Air France-KLM Articles of Incorporation, Board directors are elected to four-year terms[5]. Exceptionally, a term may be one, two or three years to enable the phased renewal of the mandates.

(1) Delta Air Lines, Inc. is a Board director of Air France-KLM with Mr. Alain Bellemare as its permanent representative. Mr. Qingchao Wan is a Board director appointed by the Shareholders' Meeting, as proposed by China Eastern Airlines.

(2) The Shareholders' Meeting of May 24, 2022 renewed the term of office of François Robardet and appointed Michel Delli-Zotti as director representing employee and former employee shareholders. After Mr. François Robardet stepped down as a Board director representing the employee shareholders effective July 27, 2023, Mr. Nicolas Foretz, deputy to Mr. François Robardet, was appointed as the latter's replacement for the remainder of his predecessor's term of office, i.e., until the end of the 2026 Shareholders' Meeting convened to approve the financial statements for the financial year ending December 31, 2025.

(3) Mr. Pierre Lichon, Senior Manager at Air France, appointed by the French Group Committee as the first director representing employees, and Mr. Terence Tilgenkamp, cabin crew manager on KLM flights, appointed by the Air France-KLM European Works Council as the second director representing employees, took up their positions following the General Meeting on June 4, 2025.

(4) The mandates of Mr. Lichon and Mr. Tilgenkamp will expire at the end of the 2027 Annual Shareholders' Meeting convened to approve the financial statements for the financial year ending December 31, 2026.

(5) With the exception of the Board directors representing the employees, whose term of office is two years pursuant to Article 17-3 of the Air France-KLM Articles of Incorporation.

Composition of the Board of Directors at December 31, 2025

	Board directors	Personal information: Gender	Nationality	Age	Number of shares
	BOARD DIRECTORS APPOINTED BY THE SHAREHOLDERS' MEETING				
●	**Florence Parly**	Female	French	62	110
	Benjamin Smith	Male	Canadian	54	122 014
●	**Gwenaëlle Huet**	Female	French	46	350
●	**Leni M.T. Boeren**	Female	Dutch	62	1 600
●	**Isabelle Guichot**	Female	French	61	100
	Delta Air Lines (represented by Alain Belemarre)	N/A	US	N/A	7 340 118
	Wiebe Draijer	Male	Dutch	60	110
	Dirk Jan Van Den Berg	Male	Dutch	72	400
●	**Anne-Marie Idrac**	Female	French	74	100
●	**Véronique Penchienati-Bosetta**	Female	French	58	500
	Qingchao Wan	Male	Chinese	53	110
●	**Alexander R. Wynaendts**	Male	Dutch	64	100
	BOARD DIRECTORS APPOINTED BY THE SHAREHOLDERS' MEETING AS PROPOSED BY THE STATE				
	Yann Leriche	Male	French	52	N/A
	Pascal Bouchiat	Male	French	65	N/A
	BOARD DIRECTORS ELECTED BY THE SHAREHOLDERS' MEETING REPRESENTING THE EMPLOYEE SHAREHOLDERS				
	Nicolas Foretz	Male	French	46	319
	Michel Delli-Zotti	Male	French	62	777
	BOARD DIRECTOR REPRESENTING THE STATE APPOINTED BY MINISTERIAL DECREE				
	Céline Fornaro	Female	French	49	N/A
	BOARD DIRECTOR REPRESENTING THE EMPLOYEES APPOINTED BY THE COMITÉ DE GROUPE FRANÇAIS				
	Pierre Lichon	Male	French	63	N/A
	BOARD DIRECTOR REPRESENTING THE EMPLOYEES APPOINTED BY THE EUROPEAN WORKS COUNCIL				
	Terence Tilgenkamp	Male	Dutch	42	N/A

● Independent Board directors.

Experience	Position within the Board			Participation in Committees			
Directorships in listed companies	Date appointed	Expiry of term of office	Board experience	Audit Committee	Remuneration Committee	Appointments & Governance Committee	Sustainable Development & Compliance Committee
2	7/12/2023	2026 AGM	2 years			Chair	
1	5/12/2018	2027 AGM	7 years				
2	5/26/2021	2027 AGM	4 years	x	x		
1	5/16/2017	2029 AGM	8 years	x			x
2	4/6/2025	2029 AGM	6 months	Chair	x		
2	10/30/2017	2029 AGM	8 years		x		
2	5/6/2024	2028 AGM	2 years				x
1	5/26/2020	2028 AGM	5 years				x
1	2/11/2017	2027 AGM	8 years				Chair
2	4/6/2025	2029 AGM	6 months				x
2	4/6/2025	2029 AGM	6 months				
2	5/19/2016	2028 AGM	9 years		Chair	x	
2	7/6/2023	2027 AGM	2 years				
2	3/10/2022	2027 AGM	3 years				x
1	7/27/2023	2026 AGM	2 years	x			
1	5/24/2022	2026 AGM	3 years	x			
4	9/10/2023	2027 AGM	2 years	x	x	x	
1	4/6/2025	2027 AGM	6 months				x
1	3/12/2021	2027 AGM	4 years		x		

Changes in the composition of the Board of Directors during the 2025 financial year

	Departure	Appointment	Re-appointment
Board of Directors	**Anne-Marie Couderc** [1] June 4, 2025	**Isabelle Guichot** [5] June 4, 2025	**Gwenaelle Huet** [9] June 4, 2025
	Isabelle Bouillot [2] June 4, 2025	**Véronique Penchienati-Bosetta** [6] June 4, 2025	**Leni Boeren** [10] June 4, 2025
	Jian Wang [3] June 4, 2025	**Qingchao Wan** [7] June 4, 2025	**Delta Air Lines (represented by Alain Bellemare)** [11] June 4, 2025
	Didier Dague [4] June 4, 2025	**Pierre Lichon** [8] June 4, 2025	**Anne-Marie Idrac** [12] June 4, 2025
			Terence Tilgenkamp [13] June 4, 2025
Audit Committee	**Isabelle Bouillot** **Chair** June 4, 2025	**Isabelle Guichot** **Chair** June 4, 2025	**Gwenaelle Huet** June 4, 2025
	Florence Parly June 4, 2025		**Leni Boeren** June, 4 2025
Remuneration Committee	**Isabelle Bouillot** June 4, 2025	**Isabelle Guichot** November 5, 2025	**Gwenaëlle Huet** June 4, 2025
			Alain Bellemare June 4, 2025
			Terence Tilgenkamp [13] June 4, 2025
Appointments & Governance Committee	**Anne-Marie Couderc** **Chair** June 4, 2025	**Florence Parly** **Chair** June 4, 2025	N/A
Sustainable Development & Compliance Committee	**Jian Wang** June 4, 2025	**Véronique Penchienati-Bosetta** July 30, 2025	**Anne-Marie Idrac** Chair June 4, 2025
	Didier Dague June 4, 2025	**Yann Leriche** December 4, 2025	**Leni Boeren** June 4, 2025
		Pierre Lichon December 4, 2026	

(1) The term of office of Ms. Anne-Marie Couderc as Director ended at the close of the Shareholders' Meeting on June 4, 2025.
(2) The term of office of Ms. Isabelle Bouillot as Director ended at the close of the Shareholders' Meeting on June 4, 2025.
(3) The term of office of Mr. James Wang as Director ended at the close of the Shareholders' Meeting on June 4, 2025.
(4) The term of office of Mr. Didier Dague as Employee Representative Director ended at the close of the Shareholders' Meeting on June 4, 2025.
(5) Ms. Isabelle Guichot was appointed as Director by the Air France-KLM Shareholders' Meeting on June 4, 2025, for a term of four years.
(6) Ms. Véronique Penchienati-Bosetta was appointed as Director by the Air France-KLM Shareholders' Meeting on June 4, 2025, for a term of four years.
(7) Mr. Qingchao Wan was appointed as Director by the Air France-KLM Shareholders' Meeting on June 4, 2025, for a term of four years.
(8) The French Group Committee appointed Mr. Pierre Lichon as Employee Representative Director of Air France-KLM on April 10, 2025, with effect from the close of the Shareholders' Meeting on June 4, 2025, for a term of two years.
(9) The term of office of Ms. Gwenaelle Huet as Director was renewed by the Air France-KLM Shareholders' Meeting on June 4, 2025, for a term of two years.
(10) The term of office of Ms. Leni Boeren as Director was renewed by the Air France-KLM Shareholders' Meeting on June 4, 2025, for a term of four years.
(11) The term of office of Delta Air Lines, represented by Mr. Alain Bellemare, was renewed by the Air France-KLM Shareholders' Meeting on June 4, 2025, for a term of four years.
(12) The term of office of Ms. Anne-Marie Idrac as Director was renewed by the Air France-KLM Shareholders' Meeting on June 4, 2025, for a term of two years.
(13) The term of office of Mr. Terence Tilgenkamp as Employee Representative Director was renewed by the Air France-KLM European Works Council on March 27, 2025, with effect from the close of the Shareholders' Meeting on June 4, 2025, for a term of two years.

2.1.2 PRESENTATION OF THE BOARD DIRECTORS ON DECEMBER 31, 2025

Board directors appointed by the Shareholders' Meeting



Florence Parly

Chair of the Board of Directors since June 4, 2025
Independent Board director
Chair of the Nomination and Governance Committee

Age
62 years

Nationality
French

First appointed as a Board director
December 7, 2023

Current term expires on
2026 Shareholders' Meeting

Number of shares held in the Company's stock
110

Professional address
Air France-KLM
7, rue du Cirque
75008 Paris

Professional experience & Expertise

Born on May 8, 1963, Florence Parly is a graduate of the Paris Institute of Political Studies and the National School of Administration (Fernand Braudel class).

In 1997, she joined the Prime Minister's office as an advisor on budgetary affairs. In 2000, she was appointed Secretary of State for the Budget, a position she held until 2002.

From 2003 to 2004, Florence Parly became a project manager at Agence France Trésor, then Chair of the Executive Board of the Île-de-France Regional Development Agency until 2006.

In 2006, she joined the Air France-KLM group, where she held the positions of Director of Investment Strategy at Air France (2006–2008), then Deputy Chief Executive Officer in charge of cargo at Air France (2008–2012) and Deputy Chief Executive Officer of short-haul operations at Air France (2013).

In 2014, Florence Parly joined SNCF as Deputy Chief Executive Officer and then, from 2016, as Chief Executive Officer of SNCF Voyageurs.

In June 2017, Florence Parly was appointed Minister of the Armed Forces until May 2022.

On April 29, 2025, the Air France-KLM Board of Directors, on the recommendation of the Nomination and Governance Committee, decided to appoint Ms Florence Parly as Chair of the Board of Directors, effective at the end of the General Meeting of June 4, 2025, succeeding Ms. Anne-Marie Couderc, whose term of office was coming to an end.

[1] Listed company.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- Board member of Eutelsat Communications of [1] since July 2023;
- Board member of Pierre Fabre SA since November 2023
- Member of the Senior Advisory Committee of Jolt Capital since July 2023.

Others

- Chair of the Board of Directors of the *Conservatoire national des arts et métiers* since May 2, 2023;
- Board member of Trustees and its Audit Committee, Chair of the Advisory Council of the British research institute "The International Institute for Strategic Studies" since 2023.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Board member of Ipsos[1] until May 2025;
- Member of the Supervisory Board of the Caisse des Dépôts until February 28, 2024.

Non-French companies

- Board director of CIC Banque (SA) Switzerland until May 2025;
- Board director of Newcleo until May 2025.

Others

- Minister of the French Armed Forces until May 2022.



Benjamin Smith

Chief Executive Officer

Age
54 years

Nationality
Canadian

First appointed as a Board director
December 5, 2018

Current term expires on
2027 Shareholders' Meeting

Number of shares held in the Company's stock
122,014

Professional address
Air France-KLM
7, rue du Cirque
75008 Paris

Professional experience & Expertise

Born on August 27, 1971, Benjamin Smith is an internationally recognized leader in air transport. He spent twenty years at Air Canada, where he was President of Airlines and Chief Operating Officer.

In 1990, he started out as a sales and customer service agent at Air Ontario, a regional airline and subsidiary of Air Canada, while continuing his studies.

In 1992, he pursued an entrepreneurial path and created his own corporate travel agency, successfully running the business for eight years. In 1999, he worked as a consultant before joining Air Canada in 2002.

Since his arrival in 2002, Benjamin Smith has held several senior positions at Air Canada. He was Managing Director of Air Canada Tango and then Director of Network Planning for Air Canada before joining Air Canada's executive management team in 2007 as Executive Vice-President and Chief Commercial Officer.

In 2014, he was appointed President of Airlines (Air Canada, Rouge, Express, Cargo) and Chief Operating Officer of Air Canada.

On August 16, 2018, Benjamin Smith was appointed Chief Executive Officer of the Air France-KLM Group. On December 5, 2018, he was appointed to the Board of Directors of Air France-KLM.

On March 31, 2022, the Air France-KLM Group renewed Benjamin Smith's term as Chief Executive Officer for a period of five years.

(G) Company in the Air France-KLM Group.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- Chair of the Supervisory Board of Transavia France(G) since July 16, 2024;
- Chair of the Board of Directors of Société Air France(G) since July 8, 2024.

Non-French companies

- Member of the Board of Directors of WestJet Airlines Ltd since October 2021 and non-executive Vice Chair of the Board of Directors of WestJet Airlines Ltd. since September 2023;
- Member of the Supervisory Board of KLM(G) since April 2019.

Others

- President of Airlines for Europe (A4E) since March 27, 2025
- Member of the International Air Transport Association's (IATA) Board of Governors since 2018.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

N/A



Isabelle Guichot

Chair of the Audit Committee
Member of the Remuneration Committee

Age
61 years

Nationality
French

First appointed as a Board director
June 4, 2025

Current term expires on
2029 Shareholders' Meeting

Number of shares held in the Company's stock
100

Professional address
SMCP SA
49, rue Étienne Marcel
75001 Paris

Professional experience & Expertise

A graduate of HEC Paris, Isabelle Guichot began her career with the Richemont Group, from 1988 to 2005, where she notably held the following positions: Chargée de mission then Deputy General Secretary of Cartier Incorporated in New York (1988–1991), Commercial Director of Cartier International (1992–1995), CEO of Cartier SA France (1996–1999), Chairman and CEO of Van Cleef & Arpels International (1999–2005) and Lancel (2003-2005).

In 2005, she joined the Pinault Printemps Redoute Group (now Kering). She held the positions of Development Director of Gucci Group and Chairman and CEO of Sergio Rossi between 2005 and 2007. She was then appointed Chairman and CEO of Balenciaga (2007–2017) and holds a seat on the Board of Directors of the Kering Foundation.

In 2017, she joined the SMCP Group as CEO of Maje. In August 2021, she was appointed Chief Executive Officer and Board director of the Group.

She is a Knight of the Legion of Honor and an Officer of the Order of Merit.

(1) Listed company.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- CEO and Board director of SMCP SA(1) since August 2021;
- Offices held within the SMCP Group: CEO of SMCP Group :
  - President of Claudie Pierlot SAS and SMCP Logistique SAS,
  - Chair of the Board of Directors of Fursac SA,
  - CEO of SMCP Deutschland GmbH,
  - Chair of the Board of Directors of SMCP Switzerland SA, Managing director of SMCP Portugal,
  - Chair of the Board of Directors of SMCP Sweden,
  - Managing Director of SMCP Denmark,
  - Director of SMCP Norway, SMCP Ireland Ltd, SMCP UK, Maje Stores Ltd, SMCP Luxembourg RGSA, SMCP Belgique SARL, SMCP Netherlands BV
  - Board director and Vice-President of SMCP USA Inc., SMCP Retail East Coast Inc., SMCP Retail West Coast Inc. and SMCP Canada Inc., Board director of SMCP Asia Ltd., SMCP Hong Kong Ltd., SMCP Shanghai Trading Co. Ltd., SMCP Taiwan Trading Co. Ltd., SMCP Japan GK,
  - SMCP Malaysia SDN.BHD, AZ Retail Ltd., SMCP Fashion Ltd. and SMCP APAC PTE Ltd.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Board director of Chargeurs SA(1) until April 29, 2025;
- Deputy CEO of Maje SAS until February 9, 2022;
- Chair of SMCP Holding SAS until November 4, 2022;
- Chair of 341 SMCP SAS;
- CEO of Fursac SA.



Véronique Penchienati-Bosetta

Independent Board director
Member of the Sustainable Development and Compliance Committee

Age
58 years

Nationality
French

First appointed as a Board director
June 4, 2025

Current term expires on
2029 Shareholders' Meeting

Number of shares held in the Company's stock
500

Professional address
Danone S.A.
59-61, rue Lafayette
75009 Paris

Professional experience & Expertise

Véronique Penchienati-Bosetta graduated from the *École Supérieure de Commerce de Rouen* (NEOMA) with a Master's degree in business and management. She began her career in Hong Kong in 1989 with Annick Goutal parfums. In 1991, she joined Procter & Gamble France, where she held various marketing positions in the Hygiene and Beauty division.

In 1999, she joined the Danone group as Marketing Director for Lu in France, before working internationally from 2002. From 2004 to 2008, she was VP Marketing for the Dairy Products business in France. In 2009, she was appointed CEO of Danone Eaux France and then President of Evian Volvic Monde (2014–2017).

She became a member of Danone's Executive Committee in February 2018 as CEO "Growth and Innovation" then President of the global Specialized Nutrition division based in Amsterdam. In November 2020, she was appointed Executive Vice President International, and from March to September 2021 she was Interim CEO of the group.

Véronique Penchienati-Bosetta is Deputy Chief Executive Officer of the Danone Group. In this role, she oversees the three geographical zones (Americas, Europe Middle East Africa, Asia Pacific), the three categories (Specialized Nutrition, Dairy and Plant-Based Products, Waters and Beverages), as well as the global marketing, digital, and commercial functions.

(1) Listed company.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- Group Deputy CEO of Danone Group[1],
- Independent director of Adeo Group since December 19, 2022.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Interim Chief Executive Officer of Danone [1] from March to September 2021.



Gwenaëlle Huet

Independent Board director
Member of the Audit Committee and of the Remuneration Committee

Age
46 years

Nationality
French

First appointed as a Board director
May 26, 2021

Current term expires on
2027 Shareholders' Meeting

Number of shares held in the Company's stock
350

Professional address
Air France-KLM
7, rue du Cirque
75008 Paris

Professional experience & Expertise

Born on November 16, 1979, Ms. Huet is a graduate of the *École normale supérieure de Cachan* (agrégation in physics and chemistry), an engineer of the *Corps des ponts et chaussées* and a graduate of the *École Polytechnique* (DEA in molecular chemistry).

She began her career in 2006 with the Saint-Gobain Group in the United States, as a project manager in the energy field, before working as an analyst at the World Bank in Washington D.C., where she co-published a book dedicated to urban infrastructure.

From 2007 to 2010, she started working in the administration, first at the General Secretariat for European Affairs (Prime Minister's department) and then as an advisor in various Ministerial cabinets where she notably took part in international climate negotiations.

In 2010, she joined the Engie Group (formerly GDF-Suez), where she held the position of Director of European and Regulatory Affairs and advised the Group's General Management until 2015. In 2016, she was appointed CEO of Engie France Renouvelables and contributed to the industrial transformation that was to position Engie as the leader in wind and solar energy in France.

As of 2019, she held the positions of Deputy Chief Executive Officer of the Engie Group in charge of renewable energies and CEO of Engie North America (Houston, USA). She is a member of the Engie Group Executive Committee.

Since March 2021, Gwenaëlle Huet has been with Schneider Electric, where she initially led global corporate strategy. In April 2022, she was appointed Chief Strategy and Sustainability Officer and became a member of the Executive Committee. From September 2023 to September 2025, she served as CEO, Europe Operations. On October 1, 2025, she was appointed Chief Executive Officer, Industrial Automation, and continues to serve on the Executive Committee.

Gwenaëlle Huet is a World Economic Forum Young Global Leader and a Knight of the National Order of Merit.

(1) Listed company.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- Chief Executive Officer of Industrial Automation at Schneider Electric[1] since October 2025 and member of the Executive Committee;
- Member of the Board of Directors of ANSA (National Association of Joint-Stock Companies).

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Chief Executive Officer, Europe Operations at Schneider Electric until October 2025;
- Chief Strategy & Sustainability Officer of Schneider Electric[1] until September 2023;
- SVP of Schneider Electric until April 2022;
- Deputy CEO of Engie North America until March 2021;
- CEO of Engie North America until March 2021;
- CEO of Engie France Renouvelables until January 2021;
- Member of the Board of Directors of the Hydrogen Council until March 2021;
- Member of the Board of Directors of the WindEurope association until March 2021;
- Member of the Board of Directors of the Franco-American Chamber of Commerce of Houston until March 2021.



Leni M.T. Boeren[1]

Independent Board director
Member of the Audit Committee and of the Sustainable Development and Compliance Committee

Age
62 years

Nationality
Dutch

First appointed as a Board director
May 16, 2017

Current term expires on
2029 Shareholders' Meeting

Number of shares held in the Company's stock
1,600

Professional address
Air France-KLM
7, rue du Cirque
75008 Paris

Professional experience & Expertise

Born on December 23, 1963, Leni M.T. Boeren holds a Master's degree in Business Management from Erasmus University in Rotterdam (the Netherlands).

Ms. Boeren started her career in the financial sector at Paribas in 1983. She went on to work for Rabobank, where she held various positions through to 1992. She then moved to Robeco as head of the marketing and product management department from 1992 to 1997. She subsequently became a member of the Board of Directors of Amsterdam Exchanges followed, in 2000, by her appointment as a member of the Executive Committee of Euronext N.V.[2] as a result of the merger of the Paris (ParisBourse), Brussels (Brussels Exchanges) and Amsterdam (Amsterdam Exchanges) stock exchanges.

In 2005, she joined the Robeco Group, an international asset management firm, where she was successively a member, Vice-Chair and Chair of the Management Board. She was also responsible for Robeco Group's subsidiaries and held several Board positions in the U.S. and Switzerland until December 2016. She also served as a member and Chair of the Board of DUFAS, the Dutch Fund and Asset Management Association (2009–2016) and as a member of the Board of FCLTGlobal in the United-States (2019–2020).

Ms. Boeren has served as Chair and CEO of the Management Board of Kempen Capital Management N.V. and been a member of the Executive Board of Van Lanschot Kempen N.V. [2] (from February 2018 to March 2020).

OTHER DIRECTORSHIPS AND OFFICES

Non-French companies

- Vice-Chair of the Supervisory Board, member of the Audit Committee, and member of the Remuneration Committee of Mollie B.V. and Mollie Group Ltd. since 2024;
- Member of the Capital Markets Committee of the AFM (Dutch Authority for the Financial Markets) since January 2022;
- Member of the Supervisory Board, Audit Committee, Sustainability and Technology Committee, and Remuneration and Nomination Committee, and Chair of the Sustainability and Technology Committee of NIBC Bank N.V. since October 2021;
- Member of the Advisory Board of Keyser & Mackay since September 2021;
- Chair of the Supervisory Board of Ohpen Expeditions B.V. since March 2021;

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

Non-French companies

- Member of the Board of Directors of Stichting Administratiekantoor Koninklijke Brill until June 2025;
- Member of the Board of Directors of Renovaro Biosciences, Inc. until June 2024;
- Member of the Supervisory Board of Tata Steel Nederland BV until October 2023.

(1) Ms. Leni Boeren was appointed by the Shareholders' Meeting as proposed by the KLM Supervisory Board pursuant to the agreements concluded on October 16, 2003 (Framework Agreement) within the framework of the business combination between Air France and KLM (see section 2.1.1 "Composition of the Board of Directors").
(2) Listed company.

Delta Air Lines, Inc.

Board director / Member of the Remuneration Committee
Incorporated in the State of Delaware (USA) with its registered office at Delta Bld, Atlanta, GA, USA 30354.

Nationality
U.S.

First appointed as a Board director
October 3, 2017

Current term expires on
2029 Shareholders' Meeting

Number of shares held in the Company's stock
7,340,118

Professional address
1030 Delta Boulevard
Atlanta, GA, USA 30354



Alain Bellemare

Permanent representative of Delta Air Lines, Inc.
Member of the Remuneration Committee

Age
64 years

Nationality
U.S. and Canadian

Professional address
1030 Delta Boulevard
Atlanta, GA, USA 30354

Professional experience & Expertise

Born on June 14, 1961, Alain Bellemare is the permanent representative on Air France-KLM's Board of Directors of Delta Air Lines, Inc.(1), a corporation formed under the laws of the State of Delaware having its registered office at 1030 Delta Blvd. Atlanta, GA, USA 30354.

Alain Bellemare is a highly accomplished business executive with extensive experience in leading multi-billion dollar organizations across the aerospace, aviation, transportation, and industrial sectors. He has a proven track record of creating substantial value by developing innovative business strategies, leading large-scale operations, building enduring customer and partner relationships, and inspiring people to excel and perform. Throughout his career, he has successfully managed complex restructurings and transformations, game-changing mergers and acquisitions, and leading-edge engineering programs.

(1) Listed company.

OTHER DIRECTORSHIPS AND OFFICES

Others

- Executive Vice President and President-International of Delta Air Lines, Inc.(1) since January 2021;
- Member of the International Advisory Board of McGill University's Desautels Faculty of Management;
- Member of the Wings Club Foundation.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

Non-French companies

- Operating Executive of The Carlyle Group until January 2021;
- President-CEO and Board director of Bombardier Inc.(1) until March 2020.

Professional experience & Expertise continued

Since 2021, he has served as Executive Vice President and President – International at Delta Air Lines (with $55 billion revenues for 2023), overseeing international operations that account for $17 billion. At the heart of Delta's international strategy, he leads a portfolio of global airline partners through equity investments and joint ventures. During the pandemic, he worked closely with partners, supporting them throughout restructuring and refinancing processes, reinvesting in equity, developing financial plans, and strengthening Delta's international network. In collaboration with Delta's cross-functional teams, he spearheads the development and execution of long-term growth strategies by expanding the international network, launching new alliances, optimizing profitability, deepening partner relationships, and delivering an industry-leading customer experience.

Prior to joining Delta Air Lines, Mr. Bellemare served as President and Chief Executive Officer of Bombardier, a global company in the aerospace and rail transportation sectors with revenues of $16 billion. During his five-year tenure, he successfully led the company's critical transformation. He repositioned Bombardier as a profitable business aviation company by divesting non-core and underperforming assets, streamlining operations, and completing the development of two advanced new aircraft: the C Series (now Airbus A220) and the Global 7500.

Prior to joining Bombardier, Mr. Bellemare spent 18 years at United Technologies Corporation. From 2011 to 2015, he served as President and Chief Executive Officer of Pratt & Whitney and UTC Aerospace Systems, a $30 billion enterprise. His strategic decisions—including the acquisition and integration of Goodrich Corporation—significantly enhanced value through synergies and organic growth. Mr. Bellemare's tenure at UTC was also distinguished by the successful execution of numerous complex aerospace programs, including advanced aircraft systems for the Boeing 787, Pratt & Whitney's Geared Turbofan (GTF) engine, and the F135 engine for Lockheed Martin's F-35 fighter jet.

He also serves on various Boards of Directors, including Air France-KLM SA, Virgin Atlantic Ltd, and Wheels Up, where he contributes valuable insights and leadership. Previously, he acted as an advisor to The Carlyle Group, focusing on the aerospace, defense, and government services sectors.

Mr. Bellemare holds a Bachelor's degree in Mechanical Engineering from the Université de Sherbrooke and an MBA from McGill University. He is a dual American and Canadian citizen.



Anne-Marie Idrac

Independent Board director
Chair of the Sustainable Development and Compliance Committee

Age
74 years

Nationality
French

First appointed as a Board director
November 2, 2017

Current term expires on
2027 Shareholders' Meeting

Number of shares held in the Company's stock
100

Professional address
Air France-KLM
7, rue du Cirque
75008 Paris

Professional experience & Expertise

Born on July 27, 1951, Anne-Marie Idrac is a graduate of the *Institut d'études politiques*, the *École nationale d'administration* and the *Institut des hautes études de défense nationale*. Ms. Idrac has spent most of her career in the fields of the environment, housing, urban development, and transport.

She was Chief Executive Officer at the Public Development Agency of Cergy-Pontoise, Director of Land Transportation at the Ministry of Equipment and Transport, and subsequently Secretary of State for Transport. She occupied the positions of Chair and CEO of the RATP (Paris Public Transport Authority) from 2002 to 2006, and Chair and CEO of the SNCF (French State Railways) from 2006 to 2008. She was a member of Parliament from 1997 to 2002 and Secretary of State for Foreign Trade from 2008 to 2010.

Anne-Marie Idrac has been Chairwoman of the Board of Directors of SANEF since December 2023, as well as a company director and consultant.

(1) Listed company.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- Chair of the Board of Directors of SANEF since December 2023.

Others

- Senior representative of the French government for the development of autonomous vehicles since October 2017;
- President of the France Logistics Association since January 2020;
- President of the Alliance for International Medical Action (ALIMA Foundation) since 2020.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Vice President of the Robert Schuman Foundation until May 2024;
- Board director of TotalEnergies(1) until May 2024;
- Board director of Bouygues(1) until May 2021;



Wiebe Draijer

Board director
Member of the Sustainable Development and Compliance Committee

Age
60 years

Nationality
Dutch

First appointed as a Board director
June 5, 2024

Current term expires on
2028 Shareholders' Meeting

Number of shares held in the Company's stock
110

Professional address
Koninklijke Luchtvaart Maatschappij N.V.
Amsterdamseweg 55
Amstelveen 1182 GP Pays-Bas

Professional experience & Expertise

Born on August 27, 1965, Wiebe Draijer is an experienced professional in both the public and private sectors who holds an MBA from INSEAD Business School and a Master's in mechanical engineering from Delft University of Technology.

In 1989, he started his career as a consultant at McKinsey & Company before being appointed, in 2004, as Managing Partner for The Netherlands and for the Benelux countries, in 2006. On September 1, 2012, he was appointed as President of the Social and Economic Council of The Netherlands (SER). From October 2014 to September 2022, he served as Chairman of Rabobank's Managing Board.

Until 2022, he was a Member of the Dutch Cyber Security Council (CSR) and Board Member of the Dutch Banking Association. He currently sits on the Royal Palace Committee.

Wiebe Draijer is also Chair of the Supervisory Board of the Dutch Cancer Society (KWF) and formerly a Member of the Supervisory Board of Staatsbosbeheer ("State Forest Management"). He is the cofounder of NL2025, aiming to enhance the Netherlands. Wiebe Draijer is currently the Chair of the Supervisory Board of KLM and Chair of the Ahold Delhaize Board of Directors [1].

(G) Company in the Air France-KLM Group.
(1) Listed company.

OTHER DIRECTORSHIPS AND OFFICES

Non-French companies

- Chair of the Supervisory Board of Ahold Delhaize [1] since October 2025;
- Chair of the Supervisory Board of KLM[G] since 2024.

Others

- Chair of the Supervisory Board of the Dutch Cancer Society (KWF);
- Member of the Royal Palace Committee of the Netherlands.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

Non-French companies

- Chair of the Managing Board of Rabobank until September 2022.

Others

- Member of the Supervisory Board of the Dutch Forestry - Staatsbosbeheer until 2024;
- Co-Founder and Board member of NL2025 of the Netherlands until 2024;
- Member of the Executive Committee of the World Business Council for Sustainable Development (WBCSD) until 2022;
- Member of the Dutch Cyber Security Council (CSR) until 2022;
- Member of the Board of the Dutch Council for Cooperatives (NCR) until 2022;
- Member of the Board of the Dutch Banking Association until 2022.



Dirk Jan van den Berg

Board director appointed by the Shareholders' Meeting as proposed by the Dutch State
Member of the Sustainable Development and Compliance Committee

Age
72 years

Nationality
Dutch

First appointed as a Board director
May 26, 2020

Current term expires on
2028 Shareholders' Meeting

Number of shares held in the Company's stock
400

Professional address
Zorgverzekeraars Nederland
Sparrenheuvel 16
3708 JE Zeist, The Netherlands

Professional experience & Expertise

Born on December 18, 1953, Dirk Jan van den Berg is a graduate of Groningen State University (Netherlands), the *École nationale d'administration* (Paris), and the *Academie voor Bank en Verzekeringen (*Amsterdam). He began his career as a Research Assistant in the Faculty of Economics (Groningen State University). He joined the Ministry of Economic Affairs (Netherlands) in 1980 where he was appointed Policy Advisor on macroeconomics before becoming the Head of the Medium Term Bureau of the Macro Economic Policy Directorate and Director Industrial Policy in the Directorate General for Industry at the Ministry of Economic Affairs from 1987 to 1989. During those two years, he was also Director of the "BOFEB" (Netherlands), a one-year professional training program for young economists aspiring for government jobs. In 1989 he was appointed as Deputy Director General for Foreign Economic Relations at the Ministry of Economic Affairs (Netherlands).

In 1992, he was appointed Deputy Director General for Industry at the Ministry of Economic Affairs and, from 1992 to 2001, he was appointed Secretary General of the Ministry of Foreign Affairs. From 2001 until 2005, he was the Permanent Representative of the Netherlands to the United Nations in New York. From 2005 to 2008, he was Ambassador of the Kingdom of the Netherlands to the People's Republic of China and Mongolia, before becoming President of the Executive Board of Delft University of Technology (Netherlands) in 2008. From 2015 until 2020, he was Chairman of the Executive Board of Sanquin Blood Supply. Since 2020, Mr. van den Berg has been President of the Association of Health Insurance Companies in the Netherlands (ZN, Zorgverzekeraars Nederland). Since June 1, 2025, Mr. van den Berg has been appointed Chairman of the Supervisory Board of KPMG Netherlands.

OTHER DIRECTORSHIPS AND OFFICES

Non-French companies

- Chair of the Supervisory Board of KPMG Netherlands since June 1, 2025.
- Chair of the Dutch Association of Health Insurance Companies (Zorgverzekeraars Nederland) since 2020;
- Chair of the Supervisory Board of the National Science Organization in the Netherlands (NWO);
- Member of the General Governance Council of the Employer's Organization in the Netherlands (VNO-NCW);
- Chair (non-executive) of the Board of Directors of StrasQ B.V. (RadarRadar)

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

Non-French companies

- Chairman of the Supervisory Board of FMO, the Dutch entrepreneurial development bank, until May 2025
- Member of the Academic Council for Technology and Innovation in the Netherlands (AcTI) until 2023;
- Vice Chair of the Supervisory Board of the N.V. Nederlandse Gasunie until 2023;
- President of the Atlantic Committee of the Netherlands until 2023;
- Chair of the Governing Board of the European Institute of Technology and Innovation until 2020;



Qingchao Wan

Board director appointed as proposed by China Eastern Airlines

Age
53 years

Nationality
Chinese

First appointed as a Board director
June 4, 2025

Current term expires on
2029 Shareholder's Meeting

Number of shares held in the Company's stock
110

Professional address
China Eastern Airlines
36 Hongxiangsan Road
Shanghai, 200335 P.R. China

Professional experience & Expertise

Wan Qingchao graduated from the School of Management Engineering of Tianjin University with a major in industrial management, and Guanghua School of Management of Peking University holding a postgraduate degree in business administration and is a qualified senior engineer.

Mr. Wan joined the civil aviation industry in 1995. From March 2011 to March 2017, he was appointed as Deputy General Manager of the Operation Control Center and Operating Officer of Air China. From April 2018 to May 2023, he served as President of Air China Inner Mongolia Co., Ltd., while holding the position of Safety Director from March 2017 to January 2019. From May 2023 to August 2023, Mr. Wan served as Director and President of Shenzhen Airlines Co., Ltd.

In September 2023, Qingchao Wan was appointed Vice-President of China Eastern Airlines Holding Company and China Eastern Airlines Co., Ltd.

(1) Listed company.
(G) Company in the China Eastern Air Holding Company Limited Group.

OTHER DIRECTORSHIPS AND OFFICES

Non-French companies

- Vice-President of China Eastern Airlines Holding Company and China Eastern Airlines Corporation Limited[(1)(G)] since September 2023.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

Non-French companies

- Director and President of Shenzhen Airlines Co., Ltd., until August 2023;
- President of Air China Inner Mongolia Co., Ltd. until May 2023.



Alexander R. Wynaendts[1]

Independent Board director
Chair of the Remuneration Committee and member of the Appointments and Governance Committee

Age
65 years

Nationality
Dutch

First appointed as a Board director
May 19, 2016

Current term expires on
2028 Shareholders' Meeting

Number of shares held in the Company's stock
100

Professional address
Air France-KLM
7, rue du Cirque
75008 Paris

Professional experience & Expertise

Born on August 1, 1960, Alexander Wynaendts holds a degree in Electrical Engineering from the *École supérieure d'électricité* (1984) and a degree in Economics from the University of Paris-Sorbonne (1983). He has more than thirty years of experience in insurance and international finance.

He began his career at ABN AMRO Bank in 1984, where he was responsible for commercial and investment banking operations in Amsterdam and London. Between 1992 and 1997, he held various positions at ABN AMRO in London. He subsequently joined Aegon in 1997 within the Group Business Development division. He became a member of Aegon's Executive Committee in 2003 and was appointed Chief Operating Officer of Aegon in 2007.

Mr. Wynaendts then served as Chief Executive Officer of Aegon NV[1] from April 2008 to May 2020.

Since 2022, he has served as Chairman of the Supervisory Board of Deutsche Bank Aktiengesellschaft.

OTHER DIRECTORSHIPS AND OFFICES

Non-French companies

- Chair of the Supervisory Board of Deutsche Bank AG since May, 2022 ;
- Board member of 'Uber Inc.[2], United States, since 2021 ;
- Supervisory Board member of Puissance BV, Netherlands, since 2017.

Others

- Member of the Supervisory Board of the Het Nationale Park de Hoge Veluwe, Netherlands, since January 2021;
- Chair of the Supervisory Board of the Rijks museum in Amsterdam, The Netherlands.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

Non-French companies

- Member of the Salesforce[2] Advisory Board in Europe, the Middle East and Africa until May 2023;
- Board director of Citigroup, Inc.[2], United States, until 2022.

Others

- Member of the Advisory Committee for the Vumc Cancer Center in Amsterdam, the Netherlands, until December 2022;
- Member of the Board of Directors of the Geneva Association, Switzerland.

(1) Mr. Alexander Wynaendts was appointed by the Shareholders' Meeting as proposed by the KLM Supervisory Board pursuant to the agreements concluded on October 16, 2003 (Framework Agreement) within the framework of the business combination between Air France and KLM (see section 2.1.1 "Composition of the Board of Directors").
(2) Listed company.

Board directors appointed by the Shareholders' Meeting as proposed by the French State

Pursuant to Article 6 of French Ordinance No. 2014-948 of August 20, 2014 on governance and transactions involving the share capital of public sector companies, and as the French State has a direct holding of between 10% and 50% in the Air France-KLM share capital, one or several seats are reserved within the Board of Directors for members potentially proposed by the French State.



Yann Leriche

Board director appointed by the Shareholders' Meeting as proposed by the French State
Member of the Sustainable Development and Compliance Committee

Age
52 years

Nationality
French

First appointed as a Board director
June 7, 2023

Current term expires on
2027 Shareholders' Meeting

Professional address
Getlink
39, rue de la Bienfaisance
75008 Paris

Professional experience & Expertise

Born on June 18, 1973, Yann Leriche is a graduate of the *École polytechnique* and an engineering graduate of the *Corps des ponts et chaussées*. He is also a graduate of the *Collège des ingénieurs* and ESCP.

He began his career in 2000 in the public sector as Director of road infrastructure projects, then Director responsible for the construction and operation of public transport networks. He was then appointed Head of the Light Guided Transportation Systems Division at Bombardier Transportation.

In 2008, he joined the Transdev Group and held a number of management positions before becoming Managing Director of Transdev North America in 2017. Since 2020, he has been Chief Executive Officer of Getlink, a group specializing in the carriage of people, goods and energy, which notably holds the Channel Tunnel concession.

(1) Listed company.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- Chief Executive Officer of Getlink[1] since July 2020 and member of the Board of Directors;
- Positions held in companies belonging to the Getlink group: (i) since 2020: Chairman and Chief Executive Officer of France Manche, Chairman of Eurotunnel Holding, Director of CTG and ESL; and (ii) since 2025: Director of Getlink Services UK.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Position in a company belonging to the Getlink group: Chairman of Getlink Services SAS (formerly known as Get Finances).



Pascal Bouchiat

Board director appointed by the Shareholders' Meeting as proposed by the French State
Member of the Sustainable Development and Compliance Committee

Age
65 years

Nationality
French

First appointed as a Board director
October 3, 2022

Current term expires on
2027 Shareholders' Meeting

Professional address
Thales, Campus Meudon
4, rue de la Verrerie
92190 Meudon

Professional experience & Expertise

Born on May 30, 1960, Pascal Bouchiat is a graduate of the *Ecole supérieure de chimie industrielle de Lyon* (1983), holds an MBA from EM Lyon (1985) and an Executive MBA Trium from NYU Stern School of Business, the London School of Economics and HEC Paris (2004).

Pascal Bouchiat began his career in 1985 with Rhône-Poulenc as a research and development engineer, then as an industrial supervisor before being named Head of Management Control of the Specialty Chemicals Sector.

From 1998 to 2012, he worked for the Rhodia Group, which was to become Solvay. He occupied various functions in the finance divisions between 1998 and 2005 before being appointed Group Financial Controller in charge of Finance and Information Systems, and Supervisor of the Acetow and Eco Services from 2005 to 2011. From 2011 to 2012, he was Head of Integration for the Rhodia and Solvay Groups.

Since April 2012, he has been Senior Executive Vice President, Chief Financial Officer at Thales Group[1] where he is General Director of Finance and Information Systems. In this role he is in charge of management control, international financing, tax, risk and insurance, investor relations, treasury, and information systems.

(1) Listed company.

OTHER DIRECTORSHIPS AND OFFICES

Non-French companies

- Member of the Executive Committee of the Thales Group[1];
- Offices in the companies belonging to the Thales Group:
  - Board director of Thales Corporate Ventures SAS since July 2017,
  - Member of the Supervisory Board of Thales Alenia Space since May 2012;
- Board director of Naval Group since May 2012.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

N/A

Board director representing the French State appointed by ministerial decree

Pursuant to Article 4 of Ordinance No. 2014-948 of August 20, 2014 on governance and transactions involving the share capital of public sector companies and Article 2 of the decree-law No. 2014-949 of August 20, 2014 enforcing Ordinance No. 2014-948, and as the French State holds more than 10% of Air France-KLM's share capital, a seat may be reserved for the State within the Board of Directors.



Céline Fornaro

Board director appointed by the French State
Member of the Audit Committee, of the Appointments and Governance Committee and of the Remuneration Committee

Age
49 years

Nationality
French

First appointed as a Board director
October 9, 2023

Current term expires on
2027 Shareholders' Meeting

Professional address
Agence des Participations de l'État,
Ministère de l'Économie, des Finances
et de la Souveraineté industrielle et numérique
139, rue de Bercy
75572 Paris Cedex 12

Professional experience & Expertise

Céline Fornaro holds a Master's of Science from the College of Aeronautics at Cranfield University (UK) and is a graduate engineer from the *École nationale de l'aviation civile*.

Céline Fornaro began her career as a marketing and product manager in aircraft sales at Embraer in 2000. She joined Bank of America Merrill Lynch in 2004, in the equity research team, specializing in strategic and financial analysis of the aerospace, defense, and satellite sectors. In 2010, she was promoted to Managing Director of the Aerospace, Defense and Satellite team.

From 2016 to 2022, Céline Fornaro was Head of Equity Market Research for the industrial sector (aerospace, capital goods, renewable energy suppliers, and transportation) at UBS.

On June 1, 2022, she joined the Agence des participations de l'État as Head of the Finance division, in charge of strategic and financial operations for the State shareholding portfolio and dialog with the various debt and equity stakeholders (rating agencies, advisors, investment funds, etc.).

Céline Fornaro was promoted to Deputy Managing Director of the Agence des participations de l'État on October 1, 2023.

(1) Listed company.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- Representative of the State on the Safran[1] Board of Directors and member of Safran's Audit and Risks Committee and Appointments and Remuneration Committee since February 2023;
- Representative of the State on the Orange[1] Board of Directors and member of Orange's Audit Committee since March 2023;
- Representative of the State in the Engie[1] Board of Directors and member of Engie's Audit Committee, Strategy, Investment and Technologies Committee and Appointments, Remuneration and Governance Committee since March 2023.

Non-French companies

- Member of Chatham House, The Royal Institute of International Affairs;
- Member of The Royal Aeronautical Society;
- Member of Women on Boards (United Kingdom)

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Board director representing the State on the RATP Board of Directors until November 2023;
- Board director representing the State on the EDF Board of Directors until October 2022.

Board directors representing the employee shareholders

Pursuant to Articles L. 22-10-5 of the French Code of Commerce (*Code de commerce*), L. 6411-9 of the French Transport Code (*Code des transports*) and 17-2 of the Air France-KLM Articles of Incorporation, and as the employees of Air France-KLM subsidiaries hold more than 3% of Air France-KLM's share capital, there are two representatives of the employee shareholders within the Board of Directors:

- one representative belonging to the Flight Deck Crew category of staff; and
- one representative belonging to the Other Employee category of staff.

These Board directors representing the employee shareholders are elected by the Shareholders' Meeting having been proposed by the shareholders referred to in Article L. 225-102 of the Code de commerce. The employee and former employee shareholders are invited to choose their candidates for each of the two colleges (Flight Deck Crew and Other Employees). The appointment is based on a majority vote in two rounds of balloting. The candidate who obtains the absolute majority of the votes cast in each college, in either the first or second round, is then proposed to the Shareholders' Meeting.



Michel Delli-Zotti

Board director representing the Flight Deck Crew employee and former employee shareholders
Member of the Audit Committee

Age
62 years

Nationality
French

First appointed as a Board director
May 24, 2022

Current term expires on
2026 Shareholders' Meeting

Number of shares held in the Company's stock
777

Professional address
Air France
45, rue de Paris
95747 Roissy Charles-de-Gaulle Cedex

Professional experience & Expertise

Born August 30, 1963, Michel Delli-Zotti graduated as a professional pilot in 1987.

After a period in business aviation and then in regional transportation, he joined Air France in 1989 as an Airline Pilot Officer. He initially flew B727s before moving to the B747 400. Promoted to Flight Captain on the A320 in 2003, he has been operating long-haul flights on the B777 since 2007.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- Chair of the Supervisory Board of the Concorde employee shareholding FCPE;
- Chair of the Supervisory Board of the Majoraction employee shareholding FCPE.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Full member (elected) of the Air Operations Social & Economic Committee until 2022;
- Deputy Treasurer (elected) of the Air Operations Social & Economic Committee until May 2022;
- Full member (elected) of the Central Social & Economic Committee until May 2022.



Nicolas Foretz

Board director representing the ground staff and cabin crew employee and former employee shareholders
Member of the Audit Committee

Age
46 years

Nationality
French

First appointed as a Board director
July 27, 2023

Current term expires on
2026 Shareholders' Meeting

Number of shares held in the Company's stock
319

Professional address
Air France
5, avenue Maxwell
31109 Toulouse Cedex

Professional experience & Expertise

Born on March 21, 1979, Nicolas Foretz began his career in 1999 as a member of the Air Liberté ground staff. In 2004, he joined Régional as a flight attendant, before moving to Air France in 2005.

An Air France staff representative since 2017, he has participated in several commissions, including the central economic, employment, and training commission.

Over the past 25 years, Nicolas has deepened his skills and knowledge of the aviation industry, progressing to the position of Purser at Air France. In this role, he manages cabin crew teams, flight safety, the customer experience, and implements the strategic priorities of the Air France-KLM Group.

He brings his operational experience to the Board of Directors and the Audit Committee, and serves as a link between General Management and the current and former employee shareholders of the Air France-KLM Group.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- Chairman of the Supervisory Board of FCPE for the Future since December 2025;
- Full member of the Supervisory Board of FCPE HET (horizon épargne taux);
- Alternate member of the Supervisory Board of FCPE HEA (horizon épargne action) and HEM (horizon épargne mixte);
- Elected full member at the General Assembly of MNPAF;
- Chairman of the PERO Supplemental Savings Committee for Flight Crew and Management Staff.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Full member (elected) of the Supervisory Board of the Economy, Employment and Training Commission within the Air France CSEC and CSE OA;
- Full member (elected) of the Board of the Central Market Commission for the supervision of the common fund accommodation for Flight Deck Crews;
- Investment representative for the Air France Air Operations CSE.

Board directors representing the employees

Pursuant to Article 17-3 of the Air France-KLM Articles of Incorporation and Article L. 22-10-7 of the French Code of Commerce (*Code de commerce*), there are two Board directors representing the employees within the Air France-KLM Board of Directors:

- Mr. Pierre Lichon, an executive manager at Air France, was appointed on April 10, 2025, by the French Group Committee referred to in Article L.2331-1 of the French Labor Code as the first director representing employees, for a term of two years, until the conclusion of the 2027 Annual General Meeting ;
- on October 5, 2021, Air France-KLM's European Works Council appointed Mr. Terence Tilgenkamp, a Chief Purser KLM Flight Operations, as a second Board director representing the employees. He was reappointed by the European Works Council at its meeting of March 27, 2025, for a two-year term of office, i.e., until the end of the 2027 Shareholders' Meeting.

Board directors representing the employees are appointed for a two-year term of office expiring at the end of the Air France-KLM Annual Shareholders' Meeting taking place during the year in which their mandates expire.



Pierre Lichon

Board director representing the employees
Member of the Sustainable Development and Compliance Committee

Age
63 years

Nationality
French

First appointed as a Board director
June 4, 2025

Current term expires on
2027 Shareholders' Meeting

Professional address
Air France
45, rue de Paris
95747 Roissy Charles-de-Gaulle Cedex

Professional experience & Expertise

Pierre Lichon was hired by Air France in May 1983 as an administrative employee. He has gradually advanced within the company and now holds the position of N12 Manager.

Throughout his career, he has worked in several departments: Headquarters, Maintenance, Flight Operations, as well as Cross-Functional Roles. He has held various positions there, both in support and operations activities, as well as in administrative areas.

Pierre Lichon has also held numerous union mandates at Air France, both as an appointed representative and as an elected official.

Outside Air France, he was an entrepreneur and manager of an SME in the metallurgy sector from 1994 to 1997, and then Sales Manager for a group of holiday villages from 2010 to 2011.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- Board Member of the Regional Health Agency of Ile-de-France
- Board Member and Executive Committee Member of the Mutualité d'Ile-de-France (MUFIF)
- Advisor to the National Health Insurance Fund
- Advisor to the Regional Health Insurance Fund of Ile-de-France
- Advisor to the Primary Health Insurance Fund of Seine-et-Marne
- Elected Member of the Financial Council of MNPAF (Mutuelle Nationale des Personnels d'Air France)
- Board Member and Vice President of the Air France Pension Fund

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

N/A



Terence Tilgenkamp

Board director representing the employees
Member of the Remuneration Committee

Age
42 years

Nationality
Dutch

First appointed as a Board director
December 3, 2021

Current term expires on
2027 Shareholders' Meeting

Professional address
KLM, AMS/AF
PO Box 7700
1117 ZL Schiphol Airport
The Netherlands

Professional experience & Expertise

Born on January 30, 1983, Terence Tilgenkamp is an experienced non-executive director with expertise in corporate governance, financial oversight, and stakeholder engagement. With nearly two decades in aviation, he combines operational leadership as a purser with strategic boardroom decision-making.

Since joining KLM in 2006, he has developed deep sector knowledge, advancing to purser in 2018, where he leads crew operations, passenger experience, and in-flight safety. He has served on the KLM Works Council (2010–2021), including as president (2019–2021), contributing to financial, IT, and strategic advisory committees.

His financial governance expertise includes a decade as a non-executive director of the KLM Cabin Crew Pension Fund (2010–2019), overseeing risk management, asset liability strategies, and regulatory compliance. As part of the Communication Committee, he worked to enhance transparency and stakeholder trust.

As a Board member and member of the Remuneration Committee, Terence Tilgenkamp helps shape executive compensation strategies that align with performance, governance best practices, and stakeholder interests. With expertise in corporate finance, risk management, and digital transformation, he ensures that governance structures remain resilient, future-proof, and financially sound.

A strong advocate of collaborative leadership, he bridges perspectives between employees, management, and institutional stakeholders, ensuring long-term value creation in a complex global environment.

OTHER DIRECTORSHIPS AND OFFICES

N/A

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

Others

N/A

Board director whose mandate ended during the 2025 financial year



Anne-Marie Couderc

Chair of the Board of Directors
Independent Director
Chair of the Nomination and Governance Committee

Age
75 years

Nationality
French

First appointed as a Board director
May 19, 2016

Board and Director
2025 Shareholders' Meeting

End of term
June 4, 2025

Number of shares held in the Company's stock
400

Professional address
Air France-KLM
7, rue du Cirque
75008 Paris

Professional experience & Expertise

Born February 13, 1950, Anne-Marie Couderc is a graduate in private law and holds a French professional lawyer's certificate (*certificat d'aptitude à la profession d'avocat*).

Ms. Couderc began her career in 1972 as a lawyer with the Paris Bar. From 1979 to 1995, she held various management positions within Hachette and Lagardère Group.

In parallel, Anne-Marie Couderc has pursued a political career: having been elected to the Paris Council in 1983, until 2001 she successively served as Advisor then Deputy to the Mayor of Paris between 1989 and 2001. Having been elected as a member of Parliament in 1993, she subsequently joined the government in 1995 where she was appointed Secretary of State to the Prime Minister, responsible for Employment, then Minister for Employment and Social Affairs, responsible for employment, until 1997.

At the end of 1997, she was named Chief Executive Officer of Hachette Filipacchi Associés followed, from 2006 to 2010, by Secretary-General of Lagardère Active (press and audiovisual). From 2011 to 2017, she was Chair of Presstalis group (press distribution), Since June 30, 2017, Ms. Couderc has been a company director.

Anne-Marie Couderc served as Chairwoman of the Board of Directors of Air France-KLM from May 15, 2018, to June 4, 2025. On July 1, 2025, she was appointed Honorary President of Air France-KLM. This appointment is a mark of the Group's recognition for her overall contribution to its governance.

(G) Company in the Air France-KLM Group.
(1) Listed company.

OTHER DIRECTORSHIPS AND OFFICES

French companies

- Honorary Chair of the Air France - KLM(1) Board of Directors since July 1, 2025 ;
- Board member of Directors of Ipsos(1) and Chair of the Nomination and Remuneration Committee since June 2024 ;
- Board director of Ramsay Générale de Santé(1) since 2014, Chair of the Appointments and Remuneration Committee. Member of the Audit Committee and of the Risks Committee;
- Board director of Transdev since 2012, Chair of the ESG Committee and member of the Audit Committee of Transdev;
- Board director of OPM(1) since 2010, Chair of the Appointments and Sustainability Committee and member of the Remuneration Committee.

Others

- Board director of the Veolia Foundation;
- Member of the Economic, Social and Environmental Council (CESE) since 2015;
- Member of the High Committee on Corporate Governance (HCGE) since November 28, 2024

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Chair of the Société Air France(G) Board of directors and Board director until 2024;
- Member of the AYMING Supervisory Board until 2021.



Isabelle Bouillot

Independent Board director
Chair of the Audit Committee and member of the Remuneration Committee

Age
76 years

Nationality
French

First appointed as a Board director
May 16, 2013

Current term expires on
2025 Shareholders' Meeting

End of term date
June 4, 2025

Number of shares held in the Company's stock
102

Professional address
IB Finance
12, impasse de Guittard
85100 Les Sables-d'Olonne

Professional experience & Expertise

Born on May 5, 1949, Isabelle Bouillot holds a postgraduate diploma (DESS) in Public Law, is a graduate of the *Institut d'études politiques de Paris*, and a former student of the *École nationale d'administration*.

After holding various positions within the French public administration—including serving as Economic Adviser to the President of the Republic from 1989 to 1991 and as Budget Director at the Ministry of Economy and Finance from 1991 to 1995—she was appointed Deputy Chief Executive Officer responsible for financial and banking activities at the *Caisse des Dépôts et Consignations* from 1995 to 2000, and then Chairwoman of the Management Board of the CDC IXIS group's investment bank from 2000 to 2003. She has also served as Chairwoman of China Equity Links (SAS).

OTHER DIRECTORSHIPS AND OFFICES

French companies

- President of IB Finance since 2004.

Others

- President of CELPartners Ltd, Hong Kong.

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Member of the Supervisory Board of Gimar & Cie;
- Chairwoman of China Equity Links.

Non-French companies

- Director of Yafei Dentistry Limited(1);
- Member of the Board of Directors of Saint-Gobain China.

(1) Non-listed company registered outside of France in which China Equity Links holds or has held an interest.



Didier Dague

Board director representing the employees
Member of the Sustainable Development and Compliance Committee

Age
66 years

Nationality
French

First appointed as a Board director
April 7, 2023

Current term expires on
2025 Shareholders' Meeting

End of term date
June 4, 2025

Professional address
Air France
45, rue de Paris
95747 Roissy Charles-de-Gaulle Cedex

Professional experience & Expertise

Born on May 12, 1959, Mr. Didier Dague joined Air France in 1987 as a commercial services agent within the Commercial France division, now known as Economic Management.

In the mid-1990s, he became actively involved in trade union activities. He has held various union positions both within his division and at the central level, and has represented his organization at the European Transport Federation. He served three terms as a director representing employees on the Board of Directors of Air France, until May 2022. Since April 2023, he has been a director representing employees, appointed by the French Group Committee to the Board of Directors of Air France-KLM.

OTHER DIRECTORSHIPS AND OFFICES

N/A

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

French companies

- Board director representing the employees within the Air France Board of Directors until May 2022.



Jian Wang

Board director appointed as proposed by China Eastern Airlines
Member of the Sustainable Development and Compliance Committee

Age
51 years

Nationality
Chinese

First appointed as a Board director
July 30, 2019

Current term expires on
2025 Shareholders' Meeting

End of term date
June 4, 2025

Number of shares held in the Company's stock
800

Professional address
China Eastern Airlines
36 Hongxiangsan Road
Shanghai, 200335 P.R. China

Professional experience & Expertise

Born August 18, 1973, Jian Wang graduated from Shanghai Jiao Tong University with a Bachelor degree in Engineering. He also holds MBA degree from East China University of Science and Technology and EMBA degree from Tsinghua University.

Jian Wang began his career in the aviation industry in 1995 and has extensive experience of corporate governance, strategic investment, capital operations and management. He has designed and facilitated a number of strategic projects within China Eastern.

Between April 2012 and September 2024, Jian Wang was appointed Corporate Secretary of China Eastern Airlines(1), a subsidiary of China Eastern Air Holding Company Limited. Between November 2016 and February 2019, he was a Board director and President of Eastern Airlines Industry Investment Company Limited, a wholly-owned subsidiary of China Eastern Air Holding Company Limited.

(1) Listed company.
(G) Company in the China Eastern Air Holding Company Limited Group.

OTHER DIRECTORSHIPS AND OFFICES

Non-French companies

N/A

DIRECTORSHIPS AND OFFICES HELD IN THE LAST FIVE YEARS AND HAVING EXPIRED

Non-French companies

- CEO of Sichuan Branch of China Eastern Airlines Corporation Limited(G) (1) until 2025;
- General Secretary of China Eastern Airlines Corporation Limited(G) (1) until September 2024 ;
- Director of the Board Office of China Eastern Air Holding Company Limited until September 2024 ;
- Board director of Eastern Air Logistics Corporation Limited(G) until September 2024.

2.2 ORGANIZATION AND FUNCTIONING OF THE BOARD OF DIRECTORS

2.2.1 FUNCTIONING OF THE BOARD OF DIRECTORS

a) Regulatory Framework Corporate Governance Code

The Board of Directors operates in accordance with the principles of corporate governance in force in France, as set out in the AFEP-MEDEF Corporate Governance Code (hereinafter the "AFEP-MEDEF Code"), updated on December 20, 2022, and available on the AFEP (www.afep.com) and MEDEF (www.medef.com) websites.

In application of Article L. 22-10-10, of the Code de commerce (French Code of Commerce) and in line with the recommendations of the AFEP-MEDEF Code, this section identifies in a summary table the recommendations of the AFEP-MEDEF Code that have not been adopted and explains the reasons for this choice (see section 2.4 "Summary table of the AFEP-MEDEF's Comply or Explain recommendations not applied").

Internal Rules of the Board of Directors

On June 17, 2004, the Air France-KLM Board of Directors adopted a set of Internal Rules based on the corporate governance principles established by the AFEP-MEDEF Code.

In addition to the respective duties and responsibilities of the Board of Directors, the Chair of the Board, and the Chief Executive Officer, these internal regulations specify the organizational and operational procedures of the Board of Directors, set out the rights and obligations of Board members regarding information, the sharing of documents, confidentiality, and conflicts of interest, and also define the responsibilities of each of the Board's specialized committees.

During the 2025 financial year, the Board of Directors made several updates to its internal rules:

- At its meeting on March 5, 2025, the Board of Directors amended its internal rules to incorporate the provisions of Law No. 2024-537 of June 13, 2024 ("Attractiveness Law"), which simplifies the procedures for holding meetings, notably written consultations (with right of opposition), postal voting, and the inclusion of videoconferencing in the quorum, including for decisions relating to the annual financial statements;
- At its meeting on July 1, 2025, the Board of Directors introduced the honorary title of Honorary Chairman into its internal rules; and
- At its meeting on November 5, 2025, the Board of Directors also amended its internal rules to expand the responsibilities of the Nomination and Governance Committee, as well as the Remuneration Committee.

The Internal Rules of the Board of Directors are available on the Air France-KLM website at http://www.airfranceklm.com (Governance section).

b) Separation of the functions of Chair of the Board of Directors and Chief executive officer

On May 15, 2018, the Board of Directors of Air France-KLM decided to separate the roles of Chair of the Board of Directors and Chief Executive Officer. This decision followed the resignation of Mr. Jean-Marc Janaillac from his position as Chairman and Chief Executive Officer of Air France-KLM and the establishment of transitional governance in order, notably, to allow Ms. Anne-Marie Couderc, then Chair of the Board, to focus on the proper functioning of the Board of Directors and the search for candidates for the position of Chief Executive Officer of Air France-KLM.

On August 16, 2018, the Board of Directors confirmed the separation of the roles of Chair of the Board and Chief Executive Officer as part of the establishment of permanent governance with the appointment of Mr. Benjamin Smith as Chief Executive Officer of Air France-KLM. The Board of Directors considered that this form of governance was the best choice for the Company at this stage of its development, as it enabled the Company to benefit from a new dynamic with a Chair of the Board dedicated to governance matters and a Chief Executive Officer, a recognized expert in air transport, focused on the Group's operations. The complementarity of their roles optimizes the Group's governance and ensures a balanced and respectful distribution of their respective duties. It also allows for efficient management of the Board of Directors thanks to the presence of a Chair exclusively dedicated to its functioning and guarantees a better separation between supervisory and executive functions.

On March 30, 2022, the Board of Directors, upon recommendation of the Nomination and Governance Committee, decided to renew Mr. Benjamin Smith's mandate as Chief Executive Officer ahead of schedule, for a new five-year term effective as of the General Meeting of May 24, 2022, expiring at the close of the General Meeting ruling on the financial statements for the fiscal year ending December 31, 2026.

On April 29, 2025, the Board of Directors of Air France-KLM, upon recommendation of the Nomination and Governance Committee, decided to appoint Ms. Florence Parly as Chair of the Board of Directors. She succeeds Ms. Anne-Marie Couderc, Chair of the Board of Directors of Air France-KLM since May 2018, whose term was coming to an end. This appointment took effect at the close of the General Meeting on June 4, 2025. Ms. Florence Parly's term of office will expire at the conclusion of the 2026 Annual General Meeting, and its renewal will be proposed to that Meeting. Information regarding the renewal of Ms. Florence Parly's mandate will be provided in the documentation made available for the 2026 Annual General Meeting.

The role and duties of the Chair of the Board remain unchanged and in accordance with the provisions of the Articles of Association and the internal regulations of the Board of Directors of Air France-KLM.

Powers and missions of the Chair of the Board of Directors

The Chair of the Board of Directors organizes and leads the work of the Board, and ensures the protection of the company's interests as well as the proper functioning of the corporate bodies (Board of Directors, Committees, and General Meeting), in compliance with the principles of good governance. She also ensures that the Board of Directors devotes the necessary time to matters concerning the future of the Group, and in particular its strategy.

She does not hold any executive responsibilities, but may represent the Group in high-level relations, notably with public authorities, major clients, and partners, both nationally and internationally, and in close collaboration with the Chief Executive Officer. She devotes her best efforts to promoting the Group's values and image in all circumstances. She is also kept regularly informed by the Chief Executive Officer of significant events and situations relating to the Group's activities, and may request any information relevant to enlightening the Board and its Committees.[1] Ms. Florence Parly, Chair of the Board of Directors and independent director, also chairs the Nomination and Governance Committee.

Powers and missions of the Chief Executive Officer

As Chief Executive Officer of Air France-KLM, Mr. Smith is vested with the broadest powers to act in all circumstances on behalf of the Company, within the limits of its corporate purpose and subject to those powers expressly attributed by law to the General Meeting and the Board of Directors.

Furthermore, without prejudice to the legal provisions concerning authorizations that must be granted by the Board of Directors (regulated agreements, guarantees, endorsements and securities, disposals of shareholdings or real estate assets, etc.), the provisions of the Board of Directors' internal regulations require the prior authorization of the Board of Directors for transactions carried out by the Company and its Main Subsidiaries in an amount equal to or exceeding €150 million, as referred to in points (i), (ii), and (iii) of paragraph (d) on the powers and duties of the Board of Directors below.

The Chief Executive Officer of Air France-KLM also leads the CEO Committee and chairs the Group Executive Committee (see section 2.6 "Group Management Bodies: Group Executive Committee and CEO Committee").

c) Honorary Chair

Since July 1, 2025, the internal rules of the Board of Directors of Air France-KLM provide for the possibility of appointing an Honorary Chair from among former Chair of the Board. In this respect, Article 1 (2) of the internal rules sets out the procedures for appointment, the missions, and the resources made available to the Honorary Chair. The Board of Directors may thus appoint a former Chair of the Board as Honorary Chair; although not a member of the Board, the Honorary Chair may be invited to attend meetings, share their experience, and represent Air France-KLM with partners and key stakeholders, at the request of the Chair of the Board. Air France-KLM will provide the Honorary Chair with the necessary resources to perform these duties on a voluntary basis (such as part-time assistant services, communication and transport facilities, etc.), and reasonable mission-related expenses incurred by the Honorary Chair will be reimbursed upon presentation of the corresponding supporting documents.

[1] Article 1.2 of the Internal Rules of the Board of Directors.

In this context, the Board of Directors appointed Ms. Anne-Marie Couderc, who served as Chair of the Board until the close of the Annual General Meeting on June 4, 2025, as Honorary Chairman effective July 1, 2025. The decision was made to select the former Chair of the Board of Directors in order to express the Group's appreciation for the years she dedicated to its service. Should the Honorary Chair participate in the work of the Board, she will be subject to the same code of conduct as Directors, particularly regarding confidentiality and the prevention of conflicts of interest. In addition, Ms. Anne-Marie Couderc has been informed of the current regulations on market abuse, in particular the rules on abstention and disclosure of inside information, as well as the prohibition of trading in securities when in possession of inside information.

Furthermore, since the end of her term as Chair of the Board of Directors following the General Meeting of June 4, 2025, Ms. Anne-Marie Couderc has not attended any meetings of the Board of Directors or its committees.

d) Powers and missions of the Board of Directors

The Board of Directors deliberates on any matters falling within the powers devolved to it by law and those stipulated by the Internal Rules of the Board of Directors or in application of the AFEP-MEDEF Code.

In particular, prior to any decision or deployment by the Company or principal subsidiary (Air France, KLM, and any other subsidiary, as may be decided by the Board of Directors, hereinafter known as the "Principal Subsidiaries" or individually "Principal Subsidiary"), the Board of Directors:

a) approves the Group's strategic directions, including its social and environmental policies, and reviews them as a whole at least once a year;

b) approves the budget including the capex plan;

c) without prejudice to the provisions of paragraph (d) below, approves any significant operations that are liable to affect the Group's strategy or modify its financial structure or scope of activity; the Chief Executive Officer being responsible for determining whether or not an operation is significant in nature;

d) approves the following operations by the Company and its Principal Subsidiaries when their amount is equal to or exceeds €150 million:

   i) operating lease contracts, investments, the acquisition or sale of any assets including, specifically, the fleet, interests in companies formed or to be formed, participation in the formation of all companies, groups or organizations, subscriptions to all issues of shares, units or bonds,

   ii) borrowings, issues of bonds and aircraft financing,

   iii) granting of all exchanges with or without balancing cash adjustments involving the Company's assets, stocks or securities;

e) as recommended by the Appointments and Governance Committee (as provided in Article 8 of the Internal Rules of the Board of Directors), approves the appointment of the Chair and Chief Executive Officer or Chief Executive Officer of any of the Principal Subsidiaries; and

f) as recommended by the Remuneration Committee (as provided in Article 9 of the Internal Rules of the Board of Directors), approves the compensation of the Chair and Chief Executive Officer or Chief Executive Officer of any of the Principal Subsidiaries.

The Board of Directors is informed of the proper running of the company and its Principal Subsidiaries, and of the main acquisitions or disposals of any equity interests when their amount is inferior to €150 million.

2.2.2 DIVERSITY POLICY APPLICABLE TO THE BOARD DIRECTORS

The Board of Directors, at its meeting of 5 March 2025 and upon the recommendation of the Nomination and Governance Committee, reviewed the criteria of the diversity policy applicable to the composition of the Board of Directors. This review took into account the results of the Board evaluation and the skills matrix of the directors. The Board decided to maintain the diversity policy implemented in 2024, in light of the findings of the Board evaluation conducted in 2025.

The Board of Directors, at its meeting held on 18 February 2026, decided to confirm this policy, while specifying certain skills and areas of expertise to be further strengthened within the Board as identified in the latest evaluation, namely digital technology, cybersecurity and artificial intelligence.

Selection criteria for Board directors

As part of the appointment and renewal of directors, and in order to preserve the balance of its composition, the Board of Directors prioritizes the following selection criteria:

- international openness, professional experience abroad, and diversity of nationalities. Air France-KLM was created from the merger of two companies of different nationalities, with global operations that entail numerous international challenges;
- experience in general management acquired within major international companies, whether French or foreign: the Group employs approximately 78,000 staff members across three main activities—Passenger, Cargo, and Maintenance—operating in more than 100 countries;
- knowledge and practical experience in the transport, aviation, and tourism sectors: these are the fields in which the Group conducts its core business activities;
- In-depth understanding and mastery of issues related to digital technology, cybersecurity, and artificial intelligence;
- the Board of Directors also ensures that expertise aligned with the Group's strategic focus areas is represented within its membership, particularly in the fields of brand strategy and corporate social and environmental responsibility (CSR).

Implementation of the diversity policy

In implementing this diversity policy, the Board of Directors has endeavored to:

- maintain a balance among the various stakeholders of the Company and ensure equitable representation of both men and women;
- seek appropriate and varied representation in terms of experience, age, and nationality;
- prioritize the independence of mind among directors;
- promote adherence to the Group's core values; and
- ensure the availability of the directors.

Changes in the composition of the Board of Directors during the 2025 financial year

Changes in the composition of the Board of Directors during the financial year ended 31 December 2025 reflect the continued implementation of the Board's diversity policy, notably by maintaining the Board's international openness and the representation of expertise in the areas of management (general management), digital technology, customer relations, and brand strategy.

Balance of nationalities and international openness

The appointment of Mr. Wan, as well as the renewal of the mandates of Ms. Boeren and Delta Air Lines, represented by Mr. Bellemare, at the 2025 General Meeting, enabled the Board to maintain the diversity of its nationalities.

As a result, five different nationalities are represented on the Board of Directors, which, in addition to directors of French nationality, included eight directors of foreign nationality as of December 31, 2025 (one Canadian director, five Dutch directors, one Canadian-American director, and one Chinese director). These directors bring to the Board of Directors an in-depth knowledge of their respective markets.

Thus, five directors—Ms. Boeren, and Messrs. Tilgenkamp, Draijer, Wynaendts, and Van den Berg—are of Dutch nationality. Mr. Wan, a director appointed on the proposal of China Eastern Airlines, is a Chinese national. Finally, Mr. Smith, Chief Executive Officer and director of the Company, is a Canadian national, as is the American company Delta Air Lines, Inc., represented by Mr. Alain Bellemare, who holds both Canadian and American nationalities.

An adapted and varied representation in terms of age and parity

The Board of Directors ensures, based on criteria such as balanced representation between men and women, professional qualifications and experience, age, and nationality, that a composition conducive to the effective performance of each Committee's missions is maintained.

As of December 31, 2025, the composition of the Board of Directors is balanced in terms of age, with directors ranging from 42 to 74 years old, an average age of 58, and only two directors over the age of 70[1].

Gender representation is also balanced. As of December 31, 2025, out of 15 directors[2] seven are women, representing a rate of 47%. In addition, three out of four Board Committees are chaired by women.

Balance of experiences and competencies within the Board of Directors at December 31, 2025

For 2025, the Board continued to prioritize the appointment and renewal of directors with recognized experience in general management, gained within major French and international groups. The renewals and new appointments have made it possible to maintain expertise in the fields of transport and aviation, as well as to ensure a balanced representation of experience and skills relevant to the company's strategic challenges, notably brand strategy, digital, and customer relations. The Nomination and Governance Committee reviewed the updated skills matrix as part of the Board evaluation.

This matrix, set out below, shows for each director the key areas of expertise considered essential to ensuring the Board's effective operation in relation to its areas of responsibility.

The directors' skills matrix has been supplemented by a table presenting, for each declared skill, the main supporting elements attesting to proficiency (professional experience, positions held, specific training, etc.), it being specified that this list of supporting elements is not exhaustive.

(1) Pursuant to Article L. 225-19 of the Code of Commerce, the number of Board directors having reached 70 years of age may not be more than one-third of the Board directors in office.

(2) 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 included in the calculation of gender balance, in accordance with the provisions of these articles. It should be noted, however, that the new provisions resulting from the transposition into French law of Directive (EU) 2022/2381 of 23 November 2022 on improving gender balance among directors of listed companies will only apply to the Air France-KLM Board of Directors as of January 1, 2027. In accordance with Article R. 225-30-2 of the French Commercial Code, as introduced by Decree No. 2025-744 of 30 July 2025, where there are two directors representing employees, no parity requirement applies to them.

Competencies of the Board of Directors at December 31, 2025

Board director	Current main function	GENERAL MANAGEMENT	TRANSPORT (GICS 2030)[1]	AIR TRANSPORT (GICS 2030)[1]	DIGITAL	BRAND STRATEGY
Florence Parly	Chair of the Air France-KLM Board of Directors	✓	✓	✓		
Benjamin Smith	Chief Executive Officer of Air France-KLM	✓	✓	✓	✓	✓
Gwenaëlle Huet	Deputy Chief Executive Officer, Industrial Automation, Schneider Electric	✓			✓	
Leni M.T. Boeren	Chair and Vice-Chair, member of Supervisory Boards, and company director	✓			✓	✓
Isabelle Guichot	Chief Executive Officer and Director of SMCP Group	✓			✓	✓
Delta Air Lines, Inc. (represented by Alain Bellemare)	Executive Vice President and President International of Delta Air Lines	✓	✓	✓	✓	✓
Wiebe Draijer	Chair of the KLM Supervisory Board (Netherlands)				✓	✓
Dirk Jan van den Berg	Chairman of the Association of Health Insurance Companies of the Netherlands and Chairman of the Supervisory Board of KPMG Netherlands	✓			✓	
Anne-Marie Idrac	Chair of the Board of Directors of SANEF, company director, and consultant	✓	✓	✓	✓	
Véronique Penchienati-Bosetta	Deputy Chief Executive Officer of Danone Group	✓			✓	✓
Qingchao Wan	Vice President of China Eastern Airlines Holding Company and China Eastern Airlines Corporation Limited	✓	✓	✓	✓	✓
Alexander R. Wynaendts	Chair of the Supervisory Board of Deutsche Bank	✓			✓	
Céline Fornaro	Deputy Chief Executive Officer of the Agence des participations de l'État (APE)		✓	✓		
Yann Leriche	Chief Executive Officer of Getlink	✓	✓		✓	✓
Pascal Bouchiat	Chief Financial Officer and Chief Information Officer of the Thales Group	✓			✓	
Nicolas Foretz	Air France cabin crew			✓		
Michel Delli-Zotti	Air France Flight Captain			✓		
Pierre Lichon	Employee director			✓		
Terence Tilgenkamp	Chief Purser, KLM Flight Operations			✓	✓	✓
Total Number of Board Directors		**13**	**7**	**10**	**14**	**9**

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

RISK MANAGEMENT	CRISIS MANAGEMENT	GOVERNANCE	GEOPOLITICS	INTERNATIONAL	PUBLIC AFFAIRS	FINANCIAL EXPERTISE	ETHICS AND COMPLIANCE	ARTIFICIAL INTELLIGENCE	CYBERSECURITY	HUMAN RESOURCES	CLIMATE CHANGE	CUSTOMER RELATIONS
✓	✓	✓	✓	✓	✓	✓			✓			✓
✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓
		✓	✓	✓	✓	✓		✓	✓		✓	✓
✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
	✓	✓		✓		✓	✓			✓		✓
✓				✓	✓	✓	✓			✓	✓	✓
✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	
✓	✓	✓	✓	✓	✓		✓			✓		
✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	
✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
✓	✓	✓		✓				✓	✓			✓
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		✓		✓	✓	✓						
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
✓		✓		✓		✓	✓	✓	✓			✓
						✓				✓		✓
✓						✓			✓		✓	✓
✓	✓	✓	✓					✓		✓		✓
✓	✓	✓			✓		✓			✓		✓
15	**13**	**16**	**10**	**15**	**13**	**14**	**12**	**9**	**11**	**13**	**10**	**15**

In addition to the skills matrix, the table below presents, for each skill declared, the main supporting evidence used to demonstrate proficiency (it should be noted that this list is not exhaustive). These criteria are based in particular on the directors' professional experience, positions held and specific training.

Competency	Criteria for validating the competency
Executive Management	Executive officer or member of executive committees within major French and international groups, listed companies, as well as leading entities in the financial sector.
Transport sector (GICS 2030)	Executive officer, member of executive committees, or Chair within major transportation groups; holding a position within the State Secretariat for Transport. Professional experience in the transportation sector, including public transport at the Ministry of Transport, in local government, and in the aeronautics sector, as well as within major French and international groups. Graduate engineer from the French National School of Civil Aviation (École nationale de l'aviation civile).
Air transport sector (GICS 2030)	Executive officer, member of executive committees, or Chair within airlines, airports, or banking divisions dedicated to aeronautics. Airline pilot/captain and commercial flight crew member. Specialized training in civil aviation and aeronautics.
Digital	Experience in managing information systems and industrial automation projects within major international groups. Expertise in digital transformation, artificial intelligence, and operational optimization. Professional certifications or training in information systems and digital transformation.
Brand strategy	General management, brand management, or marketing management of international brands within luxury, retail or service groups, and the agri-food sector; management of investment strategy; commercial management of several airline brands. Professional certifications or training in marketing and business management.
Risk management	Executive officer, member of executive committees, or Chair within major groups operating in sectors exposed to risk management (finance, transport, industry, defense). Captain: management of operational and safety risks inherent to air transport.
Crisis management	Executive officer, member of executive committees, or Chair within major national and international organizations. Captain / cabin crew chief: management of operational safety during critical events.
Governance	Directorships, membership of supervisory boards, membership of specialized committees, Chairmanship of boards of listed and unlisted companies, both French and international, Vice-Chairmanships; management of companies. Professional training and certifications of directors: membership of the French Institute of Directors (IFA); AASTRA certification in progress.
Geopolitical	Executive officer, member of executive committees, or Chair within major groups operating in sectors exposed to international geopolitical challenges.
International	Professional experience as an executive officer, member of executive committees, or Chair within major international groups.
Public affairs	Institutional, ministerial, or executive positions involving relations with the State, public authorities, or regulators. Board mandate as State representative. Strong relations with French and British authorities due to the management of major infrastructure.
Financial expertise	Proven experience in management and strategic analysis within the financial sector, gained through roles in various financial institutions and capital markets committees. Participation in audit committees of listed and unlisted companies.

Competency	Criteria for validating the competency
Ethics and compliance	Executive positions in highly regulated sectors (banking, finance, energy, industry, agri-food, luxury). Direct involvement in ethics, compliance, or audit committees. Ongoing professional training in anti-corruption.
Cybersecurity	Executive responsibility for cybersecurity within industrial groups, financial institutions, and institutional, ministerial, or executive positions.
Artificial intelligence	Executive management or oversight of artificial intelligence programs within major industrial or service groups, indicating familiarity with artificial intelligence. Corporate office within a technology committee, in highly digitized companies or banking institutions. Creation of an AI Factory. Professional certifications or training.
Human resources	General management roles involving the supervision of large employee populations, often in unionized environments. Expertise in matters related to social dialogue, relations with social partners, diversity, equity, and inclusion (DEI). Union mandates.
Climate change	Executive officer, member of executive committees, Chair, or member of a sustainability committee within major groups operating in sectors particularly exposed to environmental challenges. Creation of a platform dedicated to corporate climate action.
Customer relations	Experience in general, commercial, or operational management within B2C-oriented or service sectors, with a strong focus on customer relations. Professional background characterized by responsibilities in customer relations, commercial functions, marketing, product management, and investor relations.

2.2.3 INDEPENDENCE OF THE BOARD DIRECTORS

At its meeting on February 18, 2026, the Board of Directors conducted the annual review of the situation of each director as of December 31, 2025, with regard to all the criteria set out by the AFEP-MEDEF Code. On the recommendation of the Nomination and Governance Committee, the Board adopted the following position:

- Seven Board directors (Ms. Huet, Ms. Boeren, Ms. Guichot, Ms. Penchienati-Bosetta, Ms. Idrac, Ms. Parly and Mr. Wynaendts) are independent in that:
  - none of these seven Board directors has a direct or indirect relationship, either with the Company, its Group or its management, that is such as to color their judgement;
  - in her capacity as Chair of the Board of Directors, Ms. Florence Parly receives only a fixed compensation and no variable compensation in the form of either cash or shares.

Although they were appointed as proposed by the Supervisory Board of KLM in accordance with the 2003 agreements relating to the business combination between Air France and KLM, Ms. Boeren and Mr. Wynaendts are independent with respect to §10.2 of the AFEP-MEDEF Code insofar as they have no direct or indirect relationship of any kind whatsoever with KLM, the Company, its Group or its management[1] that could compromise the exercise of their freedom of judgement. Ms. Boeren and Mr. Wynaendts have no special interest (significant shareholder, employee, or other) in the Company or its Group. Ms. Boeren and Mr. Wynaendts have been independent directors of Air France-KLM since, respectively, May 2017 and May 2016.

Furthermore, based on the work conducted by the Appointments and Governance Committee, the Board also analyzed the presence of business relationships between the directors qualified as independent and the Group. Business relationships are identified based on the financial flows that occurred during the financial year between Air France-KLM and the entity or Group in which the director holds a position. In accordance with the recommendations of the AFEP-MEDEF Code and the AMF, the Board of Directors conducted a quantitative and qualitative analysis to identify the significance of the business relationship. This included a quantitative criterion relating to the business flows between Air France-KLM and each entity or Group in which a director holds a position, as well as qualitative criteria relating to the duration and continuity of the business relationship, the importance of the business relationship for the Group, the position of the concerned director in the contracting company, the director's direct decision-making power over the contract(s) constituting the business relationship, or the director's receipt of compensation related to the contract.

Mr Alexander Wynaendts, a member of the Board of Directors of Air France-KLM since 19 May 2016, was appointed Chairman of the Supervisory Board of Deutsche Bank AG in 2022, a bank involved in certain financial transactions with the Group. In accordance with AMF recommendations, the Board of Directors carried out both a quantitative and qualitative analysis of the business relationships between Air France-KLM and Deutsche Bank AG. The Board determined that these relationships are not material, due to the absence of economic dependence between Air France-KLM and Deutsche Bank AG, the lack of any direct decision-making power by Mr Alexander Wynaendts over the contracts constituting the business relationship, and the absence of any remuneration received by him in respect of these contracts

Following this analysis, the Board of Directors concluded that there are no significant business relationships between Air France-KLM and the entities or Groups in which these independent directors hold positions.

The other non-independent Board directors are:

- a representative of the French State appointed by ministerial decree: Ms. Fornaro;
- Board directors appointed by the Shareholders' Meeting as proposed by the French State: Mr. Leriche and Mr. Bouchiat;
- a Board director appointed by the Shareholders' Meeting as proposed by the Dutch State: Mr. Dirk Jan van den Berg[2];
- Delta Air Lines, Inc[3], whose permanent representative is Mr. Bellemare;
- a Board director whose candidature was proposed by China Eastern Airlines: Mr. Wan[4];
- representatives of the employee shareholders: Mr. Delli-Zotti and Mr. Foretz;
- representatives of the employees: Mr. Lichon and Mr. Tilgenkamp; and
- executive officers of the Air France-KLM Group: Mr. Smith, Chief Executive Officer of Air France-KLM, Chair of the Air France Board of Directors, member of the Supervisory Board of KLM and Chair of the Transavia France Supervisory Board, and Mr. Draijer, Chair of the KLM Supervisory Board.

[1] Regarding Mr. Alexander Wynaendts, the analysis of the significance of the business relationships between Deutsche Bank AG, where he serves as Chair of the Supervisory Board, and Air France-KLM is detailed below.
[2] Pursuant to the agreements of October 16, 2003 concluded between the Dutch State, Air France and KLM.
[3] Pursuant to the provisions of the Memoranda of Understanding concluded, inter alia, between Delta Air Lines Inc. and Air France-KLM on July 27, 2017.
[4] Pursuant to the provisions of the Marketing Agreement concluded between China Eastern Airlines and Air France-KLM on July 27, 2017.

Given the above and in application of the provision of the AFEP-MEDEF Code by which Board directors representing employee shareholders and Board directors representing the employees are not counted in the calculation of the percentages of independent shareholders within the Board of Directors and its Committees (§10.3 and 16.1 of the AFEP-MEDEF Code), the percentages of independent directors as of December 31, 2025 are:

- 47% in the Board of Directors;
- 75% in the Audit Committee (chaired by an independent director);
- 67% in the Appointments and Governance Committee (chaired by an independent director); and
- 60% in the Remuneration Committee (chaired by an independent director).

The proportion of independent directors at December 31, 2025 (47%) is thus below the 50% threshold recommended by the AFEP-MEDEF Code for non-controlled companies.

This divergence is due to the specificity of Air France-KLM's shareholder structure, which notably includes the French State (28%) and the Dutch State (9.1%) as well as its contractual relationships, particularly with its commercial partners China Eastern Airlines and Delta Air Lines. The Board directors appointed as proposed by these shareholders and commercial partners may not be considered to be independent.

Furthermore, the 28% shareholding held by the French State enables the latter, pursuant to the provisions of Ordinance No. 2014-948 of August 20, 2014, to have a seat on the Board reserved for a Board director representing the French State and to propose Board directors to the Shareholders' Meeting. Two Board directors have been proposed by the French State. They represent the interests of the French State in its capacity as a shareholder (Article 6-III of the aforementioned decree).

Aware of the importance of having a significant proportion of independent members on its Board of Directors, Air France-KLM continually pursues the objective of increasing the independence ratio of its Board, particularly in the context of mandate renewals and appointments submitted to its General Meeting. Furthermore, all Committees as well as the Board of Directors are chaired by independent members.

Description of the Selection Process for an Independent Non-Executive Director

The Nomination and Governance Committee regularly reviews the terms of current mandates, taking into account the results of the evaluation of the functioning of the Board of Directors and the skills matrix, which make it possible to identify the expertise present within the Board and those that require strengthening.

In the event of the appointment of one or more independent directors, the Nomination and Governance Committee determines, in light of these elements and the Company's diversity policy, the profiles to be sought. Where appropriate, it appoints a recruitment firm to assist in the process of identifying and selecting candidates.

The Nomination and Governance Committee reviews applications with regard to the applicable independence criteria, the required professional skills and experience, as well as the identified needs of the Board of Directors, while ensuring balanced representation between men and women. Shortlisted candidates are interviewed by the Chairwoman, the members of the Nomination and Governance Committee, and the Chief Executive Officer.

At the conclusion of this process, the Nomination and Governance Committee submits the selected candidates to the Board of Directors, providing reasons for its recommendations based on their key strengths, for approval.

Independence of the Board directors

Criteria to be evaluated pursuant to paragraphs 10.5 to 10.7 of the AFEP-MEDEF Code	Criterion 1[1]	Criterion 2[2]	Criterion 3[3]	Criterion 4[4]	Criterion 5[5]	Criterion 6[6]	Criterion 7[7]	Criterion 8[8]	Independent director
Gwenaëlle HUET	√	√	√	√	√	√	√	√	Yes
Leni M.T. BOEREN	√	√	√	√	√	√	√	√	Yes
Pascal BOUCHIAT	√	√	√	√	√	√	√	X	No
Michel DELLI-ZOTTI	X	√	√	√	√	√	√	√	No
Wiebe DRAIJER	X	√	√	√	√	√	√	√	No
Nicolas FORETZ	X	√	√	√	√	√	√	√	No
Céline FORNARO	√	√	√	√	√	√	√	X	No
Isabelle GUICHOT	√	√	√	√	√	√	√	√	Yes
Dirk Jan VAN DEN BERG	√	√	√	√	√	√	√	X	No
Delta Air Lines, Inc.	√	√	X	√	√	√	√	X	No
Anne-Marie IDRAC	√	√	√	√	√	√	√	√	Yes
Yann LERICHE	√	√	√	√	√	√	√	X	No
Pierre LICHON	X	√	√	√	√	√	√	√	No
Florence PARLY	√	√	√	√	√	√	√	√	Yes
Véronique PENCHIENATI-BOSETTA	√	√	√	√	√	√	√	√	Yes
Benjamin SMITH	X	√	√	√	√	√	√	√	No
Terence TILGENKAMP	X	√	√	√	√	√	√	√	No
Qingchao WAN	√	√	X	√	√	√	√	X	No
Alexander R. WYNAENDTS	√	√	√	√	√	√	√	√	Yes

(1) Employee, executive officer or Board director of a consolidated company within the past five years.
(2) Cross-directorships.
(3) Significant business relationships.
(4) Family ties.
(5) Statutory Auditors.
(6) Term of office exceeding 12 years.
(7) Non-executive officer status.
(8) Significant shareholder status.

2.2.4 TRAINING FOR BOARD DIRECTORS

Onboarding of New Board Members

Upon their appointment, new members of the Board of Directors participate in an onboarding program that includes (i) the provision of a number of key documents relevant to their duties as directors, notably including the stock market code of conduct , as well as (ii) the organization of meetings with the Chair of the Board, the Chief Executive Officer, or certain members of the Group Executive Committee. In addition, individual meetings are specifically arranged with the Group Sustainability Director, aimed at providing a detailed overview of relevant regulations (Paris Agreement, GHG Protocol, SBTI, IPCC), the Group's decarbonization strategy, and the main challenges and protocols in place, while also offering dedicated time for exchanges and questions from the directors.

Training Program for Directors Representing Employees and Employee Shareholders

In accordance with Articles L.225-30-2 and R.225-34-3 of the French Commercial Code, directors representing employees and employee shareholders benefit from a training program tailored to the performance of their duties, funded by the Company. The content of this program is determined and approved by the Board of Directors, following consultation with the directors. The purpose of these training sessions is to provide a better understanding of the functioning of the Board of Directors, as well as the role, rights, and obligations of a director.

At its meeting held on 30 July 2025, the Board of Directors adopted and updated the training program, a portion of which is delivered internally, in both French and English, with a notable enhancement of sustainability-related training. The program covers, in particular, the following topics:

- Governance and Role of Directors: including governance principles and best practices, the conduct and responsibilities of directors, strategic leadership, crisis management, cybersecurity, business ethics, and international strategic and economic challenges.
- Finance and Management Control: covering financial fundamentals, analysis of consolidated financial statements, review and approval of accounts, and financial analysis.
- ESG: covering the Group's climate-related challenges, carbon accounting, climate risks, the role of SAF, sustainability reporting (CSRD), the Transition Plan, and responsible procurement.
- Compliance and Shareholder Relations: deployment of the anti-corruption program and the importance of shareholder dialogue.

Ongoing training for all members of the Board of Directors

In accordance with Article 4 of the Board of Directors' internal regulations, each director benefits, upon appointment and throughout their term of office, from any training they deem necessary for the performance of their duties. In addition, the training program proposed and organized by the Group as part of the appointment of directors representing employees and employee shareholders is made available to all directors in the context of their mandates. Furthermore, each member of the Board of Directors is also registered with the French Institute of Directors (IFA), thereby granting them access to ongoing updates on governance best practices, working group publications, and thematic conferences. Meetings may also be arranged between directors and members of the Group Executive Committee (GEC) or certain senior executives, to promote dialogue and understanding of the Group's operational and strategic activities.

Particular attention is paid to social and environmental responsibility issues (see section 4.1.3.1. 2) "Development of Directors' Expertise"). In this context:

- A collective information session on SAF was organized on 17 April 2025 for the Sustainability and Compliance Committee. The purpose of this session was to explain to directors the role of SAF in the decarbonization of air transport, the emerging nature of the market, and the challenges related to high costs, limited supply, and regulatory constraints. It also highlighted the need for a balanced sourcing strategy to achieve the 2030 objectives, particularly in light of uncertainties surrounding SAF.
- A second collective session dedicated to the Group's decarbonization trajectory was organized on 29 September 2025 for the Sustainability and Compliance Committee. This session, following the presentation by the Sustainability Director at the Board's strategic seminar in July 2025, was open to all directors.

Site visits

Visits are regularly organized to enable directors to deepen their understanding of the Group's businesses, operational challenges, and the diversity of its activities. For example, during the financial year, directors had the opportunity to visit the engine workshops and aircraft hangars of the Industrial General Management (DGI) at Roissy and Orly, the Air France Operations Control Center, as well as the Air France La Première customer journey.

2.2.5 OTHER RULES APPLICABLE TO BOARD DIRECTORS

Situation of conflict of interests

In accordance with the recommendations of the AFEP-MEDEF Code and Article 11 of the Board of Directors' internal regulations (as amended by a decision of the Board on November 5, 2025), any director who is in a situation of conflict of interest, even a potential one, notably due to positions held in another company, must inform the Board of Directors and refrain from attending discussions and participating in the vote on the relevant resolution. Each year, the Company sends directors a questionnaire regarding situations of conflict of interest, enabling directors to confirm the absence of such situations or to report any potential conflict.

To the Company's knowledge, there are no family relationships between the directors, nor are there any conflicts of interest between the directors' duties to the Company and their private interests or other obligations. Ms. Florence Parly had declared that she was a member of the board of the French international solidarity organization Acting for Life, of which Air France is one of the main financial partners; however, she resigned from this position as of June 16, 2025.

With the exception of the agreements listed below, there are no arrangements or agreements between the main shareholders, customers, suppliers or other parties, in accordance with which a member of the Board of Directors has been selected:

a) the agreements signed on October 16, 2003 between Air France, KLM and the Dutch government pursuant to which four Board directors are appointed to the Board of Directors as proposed by KLM and the Dutch government (see section 2.1 "Composition of the Board of Directors"); and

b) the agreements signed on July 27, 2017 between, firstly, Air France-KLM and Delta Air Lines, Inc. and, secondly, between Air France-KLM and China Eastern Airlines pursuant to which Delta Air Lines, Inc. and Mr. Wang were appointed to the Board of Directors (see section 2.7.4 "Partnerships with Air France-KLM").

As a recent example of conflict of interest management, during Air France-KLM's acquisition of a minority stake in Westjet Airlines Ltd., purchased from Delta Air Lines, Mr. Benjamin Smith, CEO of Air France-KLM and Non-Executive Vice-Chairman of the Board of Directors of Westjet Airlines Ltd., as well as Mr. Alain Bellemare, Executive Vice President and President International of Delta Air Lines Inc. and permanent representative of Delta Air Lines Inc. on the Board of Directors of Air France-KLM, found themselves in a potential conflict of interest situation. In accordance with the recommendations of the AFEP-MEDEF Code and the provisions of Article 11 of the internal regulations, they abstained from participating in the discussions and the vote relating to this resolution.

Furthermore, pursuant to the provisions of Ordinance No. 2014-948 of August 20, 2014 on governance and transactions involving the share capital of public sector companies and to application decree-law No. 2014-949 of August 20, 2014, a Board director representing the French State is appointed by ministerial decree and two Board directors are appointed by the Shareholders' Meeting as proposed by the French State. In addition, pursuant to Articles L. 225-23 and L. 22-10.5 of the Code de commerce (French Code of Commerce), L. 6411-9 of the Code des transports (French Transport Code) and 17.2 of the Air France-KLM Articles of Incorporation, as proposed by the employee (and former employee) shareholders referred to in Article L. 225-102 of the Code de commerce, two Board directors representing the employee and former-employee shareholders are appointed by the Shareholders' Meeting. Lastly, in that the Board of Directors is composed of more than eight directors, two Board directors representing the employees have seats on the Board of Directors pursuant to the provisions of Article L. 22-10-7 of the Code de commerce and Article 17-3 of the Air France-KLM Articles of Incorporation (see section 2.1 "Composition of the Board of Directors").

As at December 31, 2025, there were no service level contracts binding any member of the Board of Directors to Air France-KLM or to one of its subsidiaries and foreseeing the granting of benefits under the terms of the contract.

With the exception of Delta Air Lines, Inc. (see the subscription agreement entered into on July 27, 2017, detailed in section 2.7.4 "Partnerships with Air France-KLM"), subject to compliance with the rules relating to the prevention of insider trading and the obligation foreseen in the Internal Rules of the Board of Directors (as amended by a decision of the Board of Directors of March 5, 2025), Board directors are required to own at least one hundred shares in the Company for the duration of their terms of office[1]; none of the Board directors have accepted restrictions on the sale of their holdings in the share capital of Air France-KLM.

Compliance code regarding securities trading

The Code of Ethics adopted by the Board of Directors on March 25, 2004, as amended on April 29, 2025, notably reminds that corporate officers, company executives, persons with close personal ties to them, and certain employees must refrain from carrying out transactions in the Company's securities due to their position within Air France-KLM, during a period of (i) at least thirty calendar days prior to the publication of the full annual and half-yearly financial statements, and (ii) at least fifteen calendar days prior to the publication of the full quarterly financial statements, with the day of publication included in these periods. The code also includes a detailed reminder of the obligations (notably relating to the possession of inside information) that apply to executives, directors, and any person holding privileged information regarding Air France-KLM, concerning the use of such information and their dealings in Air France-KLM securities, in accordance with applicable laws and regulations on market abuse.

[1] This obligation to hold at least one hundred shares in the Company for the duration of their terms of office is not applicable to Board directors representing the employee shareholders, Board directors elected by the employees and Board directors representing the employees (Article L. 225-25 paragraph 3 of the Code de Commerce), nor to Board directors appointed by the State or appointed by the Shareholders' Meeting as proposed by the State (Articles 5 paragraphs 5 and 6 VI of Ordinance No. 2014-948 of August 20, 2014).

To the Company's knowledge, over the past five years no director has been subject to a conviction for fraud or an official public sanction imposed by statutory or regulatory authorities, has been associated with any bankruptcy, receivership, or administration of companies, or has been prevented by a court from acting as a member of the administrative or supervisory body of an issuer or from participating in the management or conduct of the affairs of an issuer. This information is confirmed annually through a questionnaire sent to the directors.

Agreements referred to in Article L. 225-38 of the Code de commerce

Agreements and commitments authorized during the 2025 financial year (signed during the 2026 financial year)

Amendment to the transatlantic joint venture agreement between Air France-KLM, Air France, KLM, Delta Air Lines Inc., and Virgin Atlantic Airways Ltd.

On January 16, 2026, Air France-KLM ("the Company") has entered into an amendment ("the Amendment") with Société Air France, Koninklijke Luchtvaart Maatschappij ("KLM"), Delta Air Lines Inc. ("Delta") and Virgin Atlantic Ltd. ("Virgin") ("the Parties") to the Transatlantic joint-venture agreement entered into by the Parties on May 15, 2018 (as amended twice, on January 1, 2020 and December 10, 2024) ("the Transatlantic Agreement") governing their commercial cooperation on transatlantic routes ("the Joint Venture").

Mr. Benjamin Smith could be deemed to be directly interested in the conclusion of the Amendment, as Mr. Benjamin Smith is (i) Chief Executive Officer and member of the Board of directors of the Company, (ii) Chairman of the Board of directors of Société Air France and (iii) member of the supervisory board of KLM.

Delta Air Lines Inc., represented by Mr. Alain Bellemare, could be deemed directly interested in the conclusion of the Amendment, in particular due to (i) its position as member of the Board of Directors of the Company and (ii) its status as a shareholder of the Company and Virgin, with a representative on Virgin's board of directors.

Mr. Wiebe Draijer could be deemed to be directly interested in the conclusion of the Amendment, as Mr Wiebe Draijer is (i) member of the Board of directors of the Company and (ii) Chairman of the supervisory board of KLM.

On November 5, 2025, the Board of directors of the Company has approved the main terms and conditions of the Amendment. This development aims to establish a financial settlement mechanism (Financial Settlement Mechanism; FFM) designed to value the seats used, within the framework of the Joint Venture, by the Parties' frequent flyer programs. This new mechanism applies retroactively as from January 1, 2025.

Pursuant to article L. 225-28 of the French Commercial Code, the Board of directors of the Company has authorized the conclusion of the Amendment at its meeting of November 5, 2025. Mr. Benjamin Smith, Mr. Alain Bellemare, and Mr. Wiebe Draijer did not take part in the deliberation and the vote with respect to the Amendment.

The Amendment will not introduce any changes to the scope of the Joint Venture. This cooperation will continue to generate customer benefits and synergies.

Agreements and commitments concluded and signed in previous financial years and which remained in force in 2025

Conclusion of an amendment to the subscription agreement executed on May 22, 2022, between Air France-KLM and CMA CGM

As part of a strategic partnership project relating to the development of freight activity, the Air France-KLM group and the CMA CGM group entered into a subscription agreement on May 22, 2022, as modified by two amendments dated November 28, 2022, and April 19, 2023, (the **"Subscription Agreement"**).

In respect of the Subscription Agreement:

- CMA CGM had agreed to a lock-up undertaking as of the settlement-delivery of the new shares and until the expiry of a three-year period following that date, it being specified that CMA CGM could sell a maximum of 50% of the shares acquired within the framework of the capital increase during an additional period of three years; and
- CMA CGM undertook, for a ten-year period, not to purchase or subscribe to any shares issued by Air France-KLM except if this acquisition does not lead to an increase of the percentage held in Air France-KLM's share capital, subject to certain exceptions (the **"Standstill Commitment"**). The Standstill Commitment stipulates that, at the end of a five-year period as of the settlement-delivery of the new shares issued by Air France-KLM, the Air France-KLM Board of Directors can modify this Standstill Commitment to enable CMA AGM to increase its shareholding in Air France-KLM.

It is specified that, pursuant to this Subscription Agreement, as of December 31, 2025, CMA CGM holds 8.8% of the Company's share capital and 12.3% of its voting rights.

Furthermore, on December 9, 2022, the Company entered into a commercial cooperation agreement in air freight on the basis of the principal terms set in May 2022 with Air France, KLM, CMA CGM Air Cargo and CMA CGM (the **"Cooperation Agreement"**), the initial aim of the parties being to be able to launch business cooperation in the 2023 second quarter, subject to obtaining the required authorizations from the relevant legal and regulatory authorities.

However, owing to the tight regulatory environment in certain important markets, the cooperation was unable to function optimally.

Consequently, on January 15, 2024, the Company entered into a termination agreement of the Cooperation Agreement entered into on December 9, 2022, and ancillary agreements relating to air cargo activities with Air France, KLM, CMA CGM, CMA CGM Air Cargo and CMA CGM Air Cargo 9, with effect from March 30, 2024.

In the context of the termination of the commercial cooperation, the Parties entered into an amendment to the Subscription Agreement on January 15, 2024 (the **"Amendment to the Subscription Agreement"**) which provides that the CMA CGM's lockup undertaking to retain all the shares in the Company subscribed by CMA CGM as part of the share capital increase of the Company announced on May 24, 2022, initially due to expire upon termination of the commercial cooperation agreement or on June 15, 2025 (in the case of all the Company's shares subscribed to by CMA CGM in the rights issues, and on June 15, 2028 in the case of 50% of such shares), has been modified to expire on February 28, 2025, without condition on the existence of the commercial cooperation agreement between the Company and CMA CGM. It is specified that the Amendment to the Subscription Agreement does not alter the Standstill Commitment provided for in the Subscription Agreement, which therefore remains in effect.

Conclusion of a new joint venture agreement between Air France-KLM, Air France, KLM, and China Eastern Airlines

The Board of Directors of Air France-KLM ("the Company") has concluded on June 1, 2024, a new joint venture agreement for air transport services between Europe and China ("the Agreement") with Air France, KLM and China Eastern Airlines ("CEA"). It recalled that CEA is a shareholder of the Company for 4.6% of its share capital and has a representative on the Board in accordance with the undertakings given by the Company on June 23, 2021, in connection with the transactions to strengthen its shareholders' equity.

The main purpose of the Agreement is to strengthen the existing cooperation between the Company and CEA on air transport services between Europe and China. The Agreement is concluded for an initial period until December 31, 2028. It follows on from a previous joint venture agreement between the Company, Air France, KLM, and CEA on November 26th, 2018. This agreement was established for a period of five (5) years, initially ending on December 31, 2023.

The Agreement shall maximize synergies between the parties, especially by extending the scope of the joint venture, developing joint commercial initiatives (with, for instance, stimulation of connecting traffic in China) and, more generally, implementing certain commitments made by the Company on June 23, 2021, in the context of its capital strengthening operations. The agreement also confirms CEA's exclusivity commitments between Europe and China. The financial mechanism for sharing the joint venture revenues between the parties has also been modernized and shall notably incentivize network connectivity.

Transatlantic partnership between Air France-KLM, Delta Air Lines, Inc., and Virgin Atlantic

On October 30, 2019, the Board of Directors mandated the Air France-KLM management to finalize the discussions and negotiate amendments to the agreements authorized during the Board meetings of March 14 and May 15, 2018, so as not to proceed with the planned acquisition by Air France-KLM of a 31% equity interest in Virgin Atlantic Limited as initially provided in that this impacts the position of Air France-KLM in the commercial joint-venture between Delta, Virgin Atlantic, and Air France-KLM.

As a result, the agreements entered into on March 14 and May 15, 2018, were amended and an agreement was signed between Air France-KLM, Delta, and Virgin Group (signed and effective as of January 30, 2020) granting Air France-KLM, subject to specific conditions, a right to acquire shares in Virgin Atlantic Limited in the event of a sale by Virgin Group of shares in Virgin Atlantic Limited to a third party.

Conclusion of an amendment to the transatlantic joint venture agreement with Delta Air Lines Inc. and Virgin Atlantic Airways Ltd., and ancillary agreements

(i) The Amendment

On December 6, 2024, the Company has entered into with Société Air France, KLM, Delta Air Lines Inc. ("Delta") and Virgin Atlantic Ltd. ("Virgin") ("the Parties") an amendment ("the Amendment") to the Transatlantic joint venture agreement entered into by the Parties on May 15, 2018 (as amended by a first amendment between the Parties on January 1, 2020) ("the Transatlantic Agreement") governing their commercial cooperation on transatlantic routes ("the Joint Venture").

The Amendment is aimed to modernize the Joint Venture, subject to obtaining the applicable regulatory clearances, including (i) some elements of governance, in particular with respect to network planning process and additional flexibility granted to the Parties to open new routes, and (ii) the financial settlement mechanism for sharing revenues and costs generated by the Joint Venture between the Parties.

The Amendment does not introduce any changes to the scope of the Joint Venture. This cooperation will continue to generate customer benefits and synergies.

In addition, the Amendment aims to rebalance the Company's future exposure through a revision of the financial mechanism.

(ii) The Financial Statement

On November 6, 2024, the Board of Directors of the Company has approved the main terms and conditions of the Financial Settlement, whereby the Company and Virgin settle their claims with respect to any amount payable by the Company to Virgin in relation to the financial settlement of the Transatlantic Agreement prior to the date of signature of the Financial Settlement, for a total amount of $125,000,000, as already disclosed in the Company's H1 consolidated financial statements, to be paid by the Company to Virgin in two installments. The Financial Settlement will only enter into force, inter alia, upon (and subject to) the effectiveness of the Amendment.

The Company agrees to pay an exceptional compensation of $125,000,000 to be paid by the Company to Virgin in two installments, thereby settling their claims with respect to any amount payable by the Company to Virgin under the financial settlement mechanism of the Transatlantic Agreement prior to the date of signature of the Financial Settlement. The payment of the first 100m$ has been made in 2025.

(iii) The Amendment to the Supplemental Agreement

On November 6, 2024, the Board of directors of the Company has approved the main terms and conditions of the Amendment to the Supplemental Agreement, whereby the Company, Société Air France, KLM, and Delta (i) modify the distribution surcharges in respect of the tickets sold via a global distribution system for travel on flight using the relevant Party's applicable codes and (ii) fix a new amount for the interline service charges. The Amendment to the Supplemental Agreement will only enter into force, inter alia, upon (and subject to) the effectiveness of the Amendment.

The Amendment to the Supplemental Agreement adjusts the interline sales commission of the Company and parties.

Commitments relating to the severance payment to the benefit of Mr. Benjamin Smith, Chief Executive Officer of Air France-KLM

On August 16, 2018, pursuant to the provisions of the former Article L. 225-42-1 of the Code de Commerce (repealed by Ordinance No.2019-1234 of November 27, 2019), the Air France-KLM Board of Directors authorized the granting of a severance payment to the benefit of Mr. Benjamin Smith, Chief Executive Officer of Air France-KLM, in some instances of forced termination and, namely, dismissal, non-renewal of his mandate as Chief Executive Officer or forced resignation linked to a change of control.

It is stipulated that the instances of forced termination enabling the implementation of this severance payment exclude any situation of serious misconduct on the part of the Chief Executive Office.

In accordance with the recommendations of the AFEP-MEDEF Code, the basis of the severance payment is equivalent to two years of his annual fixed and variable compensation (according to specific calculation modalities based, as applicable, on the target variable compensation in the event of a termination during the first 24 months).

A coefficient (between 0 and 100% inclusive) will be applied to the basis of the severance payment based on the achieved performance criteria relating to the annual variable component of his compensation over the two last financial years of his mandate. The Board will assess the achievement of these performance criteria.

Conclusion of a framework agreement between Air France-KLM, KLM, and the Dutch State

On August 7, 2020, within the framework of the financial support package granted by the Dutch State to KLM, a subsidiary of Air France-KLM, Air France-KLM entered into a Framework Agreement with KLM and the Dutch State, a shareholder in the Company with 14% of its share capital, to enable KLM to meet its urgent need for liquidity following the crisis linked to the COVID-19 pandemic and prepare for the future.

This financial support package, approved on June 25, 2020, by the Company's Board of Directors in the total amount of €3.4 billion, was structured as follows:

- a revolving credit facility in the amount of €2.4 billion, granted to KLM by eleven banks and up to 90% guaranteed by the Dutch State; and
- a direct loan in the amount of €1 billion, granted by the Dutch State to KLM, with subordination to the revolving credit facility.

A number of conditions were associated with the granting of these loans, including respect by the company of the commitments on sustainability and the restored performance and competitiveness of KLM, including a comprehensive restructuring plan and a contribution made by employees. KLM also undertook to suspend dividend payments to its shareholders until such time as these two loans had been repaid in full.

During the 2022 first half, KLM repaid amounts made available with the framework of the revolving credit line (€665 million) and the subordinated loan (€277 million), without however terminating the framework agreement.

KLM also cancelled the revolving credit facility guaranteed by the Dutch State and the direct loan granted by the Dutch State.

Following this cancellation, the conditions attached to this aid were no longer applicable.

The framework agreement remains however applicable mostly as concerns the stipulations relating to the assurances given to the Dutch State which provide, in particular, for the extension from nine months to five years of the notice period to terminate these assurances.

Conclusion of a Shareholders' Agreement relating to Flying Blue Miles, between Air France-KLM, Air France, KLM, AP Fides Holdings I LLC, and AP Fides Holdings II LLC, in the presence of Flying Blue Miles

On November 30 2023, the Company entered into, with Air France, KLM, AP Fides Holdings I LLC ("the Bond Investor") and AP Fides Holdings II LLC ("the Share Investor"), in the presence of Flying Blue Miles S.A.S. (formerly known as BlueTeam VII), a société par actions simplifiée (simplified joint stock company) incorporated under French Law, with its registered office located at 45, rue de Paris, 95747 Roissy Charles-de-Gaulle Cedex 93290 Tremblay-en-France, and registered with the Bobigny Trade and Companies Registry under number 921,540,258 ("Flying Blue Miles"), a shareholders' agreement ("the

Shareholders' Agreement") in the context of the financing of €1.5 billion raised by Flying Blue Miles, to which have been transferred certain assets of the Flying Blue loyalty program relating to the Miles-issuing business on an exclusive basis with the program's third-party partners ("the Transaction").

It is recalled that (i) on July 27, 2023, the Board of Directors authorized the entry into exclusive discussions with Apollo Capital Management, L.P. to negotiate and finalize the transaction documents relating to the Transaction and (ii) on October 26, 2023, the Board of Directors approved the signature of a definitive agreement on the Transaction and the corresponding contractual documentation, including the signature of the Shareholders' Agreement.

The Shareholders' Agreement defines the terms and conditions, inter alia, of the governance of Flying Blue Miles, the covenants of Air France-KLM as majority shareholder of Flying Blue Miles, certain covenants of Air France and KLM, the rights attached to the preferred shares issued by Flying Blue Miles and subscribed by the Share Investor, the terms and conditions of Air France-KLM's call option on the preferred shares held by the Share Investor in Flying Blue Miles, and the Share Investor's contractual remedies in the event of a breach by Air France-KLM, Air France and/or KLM of certain material obligations under the agreements (including, in this case, (i) the right of the Share Investor to appoint the President of Flying Blue Miles and of the SPVs, and to terminate the operational agreements relating to the Transaction, and (ii) the right of Flying Blue Miles to claim for liquidated damages for a total amount of €1.5 billion upon such termination).

The Shareholders' Agreement also includes specific provisions whereby:

- Air France-KLM shall be jointly and severally liable with Air France and KLM with respect to the payment of any liquidated damages owed, as the case may be, by them in the event of a breach of their material obligations, to Flying Blue Miles for the total amount of €1.5 billion;
- Air Franc-KLM shall procure that neither Air France nor KLM shall take any action that would result in a breach of their material covenants in the Shareholders' Agreement; and
- Air France-KLM shall indemnify Flying Blue Miles for any liability it may incur, if applicable, in respect of the processing of personal data in accordance with the Joint Controller Agreement, an agreement entered into on November 30, 2023, between Air France, KLM and Flying Blue Miles, the purpose of which is to set out the respective rights, obligations and liabilities of Air France, KLM and Flying Blue Miles as joint controllers in respect of the processing of personal data within the framework of Flying Blue.

Procedure for the qualification and regular evaluation of the current agreements signed in normal conditions

At its meeting of December 11, 2019, as recommended by the Audit Committee, the Board of Directors established a procedure enabling the qualification and regular evaluation of the agreements relating to current operations entered into under normal terms and conditions pursuant to the provisions of Article L. 22-10-12 of the Code de commerce. The current and normal nature of an agreement is evaluated on a case-by-case basis during the signature, renewal or amendment of the said agreement, on the basis of objective criteria defined in the procedure.

Within the framework of this annual evaluation procedure, the Company:

- compiles an inventory of all the agreements referred to in Article L. 22-10-12 of the Code de commerce;
- reviews all the elements and documents having enabled the qualification of the agreements; and
- as necessary, reviews the qualification of any agreements with interested parties (regulated agreement or free agreement, depending on the case).

Anyone who has an interest in one of these agreements, entered into either directly or through an intermediary, does not participate in their evaluation.

A presentation on the results of the inventory of the agreements referred to in Article L. 22-10-12 of the Code de commerce, in respect of the financial year ended December 31, 2024, was made to the Audit Committee on February 17, 2026, and was reviewed by the Board of Directors within the framework of the corporate governance report.

2.3 ACTIVITIES AND FUNCTIONING OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

2.3.1 ACTIVITIES AND FUNCTIONING OF THE BOARD OF DIRECTORS

Board activity during the 2025 financial year

7
meetings

91%
average attendance of Board directors (95% in 2024)

4H17 average duration per meeting*

* The annual strategic seminar of the Board of Directors, which takes place over two days, has not been taken into account in the calculation.

The minimum number of Board of Directors meetings is set at seven per year. Prior to Board meetings, a dossier is circulated containing the agenda for the meeting together with any summaries or, where appropriate, full documentation on any issues requiring special analysis and/or prior consideration. The matters raised in meetings are usually the subject of presentations, followed by discussion.

Board of Directors meetings are conducted in French and English; however, individual directors may speak in French and in English with simultaneous interpretation. During these meetings, the following matters were notably addressed:

- annual, half-year and quarterly results;
- regular status reports on the Group's activity, financial situation and outlook;
- budget including the capex plan and the financial trajectory;
- financing plan and debt management;
- strategic projects including, in particular, consolidation transactions (particularly the acquisition of an equity interest and a commercial cooperation with SAS AB, and the acquisition of a minority stake in Westjet);
- regular information on significant financing operations (bank financing, including in particular an update on the revolving credit facility, or in the financial markets, with the conclusion of a liquidity contract);
- presentation of the financial, legal, operational, social and environmental risks;
- the Group's sustainable development strategy (targets in compliance with the Science-based Targets initiative or SBTi);
- approval of material topics and their IROs within the framework of the double materiality assessment (see Chapter 4 of the 2025 Universal Registration Document below);
- report on compliance;
- regular information on the activity and development of Air France and KLM, including on the situation of the Group's employees and employee relations within the Group;
- regular information on State aids;
- the Air France and KLM transformation plans;
- Air France and KLM fleet plans and monitoring of the investments;
- flight safety;
- regular updates and approval of the alliance and partnership projects;
- governance of the Group and, in particular: changes in the Group's governance, creation of the honorary President status, independence of the Board directors, the diversity policy for the Board of Directors, the diversity targets for the management bodies, the evaluation of the Board of Directors, appointment and training of the new Board directors, composition of the Board of Directors and its Committees, compensation of the top executives and the succession plan for the executive officers and company officers and succession plan for executive corporate officers and non-executive corporate officers; and
- remuneration components of executive corporate officers (deliberations are held in their absence).

In addition, the Audit Committee has been made aware of, and has regularly informed the Board of Directors about, the use of artificial intelligence within the Group, as well as about cybersecurity, particularly regarding the Group's achievements in information security.

In accordance with Article 11.3 of the AFEP-MEDEF Code and following a recommendation made during the Board evaluation, the directors had the opportunity to meet twice, in March and December 2025, in the absence of executive corporate officers.

Furthermore, every year, a two-day meeting of the Board of Directors is devoted to Air France-KLM's strategic objectives and a presentation of the plans for its businesses and airlines. In 2025, the strategic meeting of the Board of Directors was organized around the six pillars of the Group's strategy and the related priorities in the different businesses.

Board directors attendance

The attendance records for individual Board directors at meetings of the Board of Directors in 2025 are presented below:

Board director	Board meeting attendance
Florence Parly Chair of the Board of Directors and of the Nomination and Governance Committee	100%
Gwenaëlle Huet	100%
Leni M.T. Boeren	100%
Pascal Bouchiat	100%
Isabelle Bouillot[1]	100%
Anne-Marie Couderc[2]	100%
Didier Dague[3]	100%
Dirk Jan van Den Berg	100%
Wiebe Draijer	100%
Delta Air Lines, Inc. (represented by Alain Bellemare)	100%
Céline Fornaro	100%
Nicolas Foretz	100%
Isabelle Guichot[4] Chair of the Audit Committee	100%
Anne-Marie Idrac Chair of the Sustainability and Compliance Committee	100%
Yann Leriche	100%
Pierre Lichon[5]	100%
Véronique Penchienati-Bosetta[6]	75%
Benjamin Smith	100%
Terence Tilgenkamp	100%
Qingchao Wan[7]	25%
Jian Wang[8]	—%
Alexander R. Wynaendts Chair of the Remuneration Committee	86%
Total average % of attendance	**91%**

(1) Board member until June 4, 2025.
(2) Board member until June 4, 2025.
(3) Board member until June 4, 2025.
(4) Board member since June 4, 2025.
(5) Board member since June 4, 2025.
(6) Board member since June 4, 2025, it being specified that Ms. Penchienati-Bosetta was unable to attend a Board of Directors meeting due to commitments made prior to her appointment.
(7) Board member since June 4, 2025, it being specified that Mr. Wan was unable to attend certain Board of Directors meetings due to commitments made prior to his appointment.
(8) Board member until June 4, 2025.

Evaluation of the functioning of the Board of Directors and its Committees

At least once a year, pursuant to the provisions of Article 11 of the AFEP-MEDEF Code and Article 2 of the Internal Rules of the Board of Directors, the Board of Directors discusses its functioning and organization. To inform this discussion, a formalized evaluation is conducted via a questionnaire. This evaluation is steered by the Appointments and Governance Committee. Furthermore, a formal evaluation with the help of an external consultant is realized every three years.

In respect of the 2024 financial year, the Board of Directors realized a self-evaluation in the form of a questionnaire submitted to each Board director. The following topics were addressed through the evaluation questionnaire:

- the composition, organization, functioning and dynamic of the Board of Directors and its Committees;
- the relationship between the Board of Directors and the General Management;
- the effectiveness of the Board of Directors and its Committees;
- the individual contributions of the Board directors to the work of the Board of Directors and the areas of expertise to be developed within the Board;
- the integration of the new Board directors and the proposed training;
- the main changes and areas requiring improvement.

The results of the self-assessment were handled under the seal of anonymity and gave rise to a presentation and discussion during the Board of Directors meeting on February 18, 2025.

In 2025, the Board specifically devoted its work to monitoring the Group's financial performance, regularly reviewing its activities and outlook, the budget and investment plans, as well as strategic projects, notably including the Group's acquisition of a stake in SAS AB and the acquisition of a minority interest in the capital of Westjet.

As a general rule, the Board directors considered that the functioning of the Board of Directors had improved over the course of 2025 since the last evaluation. The evaluation revealed the following positive points:

- a high overall level of performance by the Board in its functioning and organization, fostering high-quality exchanges among directors as well as the efficient management of meetings;
- a balanced composition of the Board and its Committees, tailored to the Board's needs, with a strong complementarity of directors' expertise and a recognized added value contributed by new members;
- the quality of information provided to directors regarded as relevant and well-structured, offering a clear overview of the Group's activities, its environment, and strategic challenges; interim communications on current topics are also commended;
- greater clarity and improved readability of the reports on the committees' work, whose structure and conciseness have advanced, thereby facilitating the understanding of their preparatory work;
- the conduct and leadership of the Chair of the Board of Director, appointed following the General Meeting of 4 June 2025, were deemed effective, promoting open, balanced, and well-structured discussions.

The results of the 2025 evaluation made it possible to pinpoint a number of areas for improvement to be monitored during 2026, notably:

- continue to optimize meeting time by seeking a better balance between presentations—particularly financial ones—and strategic discussions, as well as by avoiding duplication with the work of the Committees;
- continue the efforts to circulate information earlier so that directors have time to assimilate it, thus allowing only a summary to be presented at the meeting, leaving more time for discussion;
- increase the Board's involvement in key strategic issues by integrating technological challenges—including, in particular, digitalization, artificial intelligence, and cybersecurity—in a more structured manner, as well as developments in customer expectations, transformations in the Group's business model, and changes within the aviation ecosystem;
- enhance the quality of interactions between Executive Management and the Board in order to enable better consideration of the Board's feedback and to foster even more interactive and constructive dialogue during meetings;
- continue to promote and strengthen interactions between Executive Management and the Board, including outside of Board meetings.

2.3.2 ACTIVITIES AND FUNCTIONING OF THE COMMITTEES

Audit Committee

8 meetings

6 members

75% independent directors, including an independent Chair(1)

98% average Board director attendance

2H58 average duration per meeting

(1) Pursuant to the provisions of Article 10.3 of the AFEP-MEDEF Code, the Board directors representing the employee shareholders and the Board directors representing the employees are not taken into account for the calculation of this percentage.

Composition

At December 31, 2025, the Audit Committee was composed of the following six members: Ms. Isabelle Guichot (Chair of the Committee), Ms. Gwenaëlle Huet, Ms. Leni M.T. Boeren, Mr. Michel Delli-Zotti, Mr. Nicolas Foretz and Ms. Céline Fornaro.

At its meeting on November 9, 2011, the Board of Directors adopted the position whereby, pursuant to the provisions of Article L. 821-67 of the Code de commerce, the Company's Audit Committee includes at least one independent member with specific financing and accounting skills. On June 4, 2025, the Board of Directors decided to appoint Ms. Guichot as a member and Chairwoman of the Audit Committee, succeeding Ms. Isabelle Bouillot. Indeed, in accordance with Article L.823-19 of the French Commercial Code, she possesses both academic training and professional experience, in particular general management of a listed company, which attest to her specific expertise in financial matters. She does not maintain any relationship with the Company, its Group, or its Management that could hinder the exercise of her independent judgment or compromise her independence. The other members of the Committee also possess financial and/or accounting expertise, as well as sustainability competencies, enabling them to carry out their duties.

The principal executives responsible for accounting, legal affairs, finance, internal control and internal audit at Air France-KLM also attend meetings in an advisory capacity.

The Statutory Auditors attended all the meetings of the Audit Committee. At the request of the Chair of the Committee and pursuant to Article 17.3 of the AFEP-MEDEF Code, they were able to consult with Committee members outside the presence of the Group's senior executives on the occasion of the review of the annual financial statements.

Missions

The Audit Committee reviews the interim and annual consolidated financial statements and when required quarterly earnings, and reviews the sustainability information to be published, in order to provide explanations to the Board of Directors as to their content and to ensure the completeness, reliability and quality of the information, including forecasts, that is provided to shareholders and the markets. The Committee also oversees the auditing of the annual financial statements and the certification of sustainability information. In particular, the Audit Committee reviews:

- the consolidation scope;
- relevance and consistency of the accounting methods used to draw up the financial statements;
- principal estimates made by the General Management of Air France-KLM;
- principal financial risks with the General Management of Air France-KLM and the material off-balance-sheet commitments;
- comments and recommendations made by the Statutory Auditors and, if applicable, any significant adjustments resulting from audits;
- the reliability of the information system that contributes to the process of developing sustainability information.

As necessary, the Audit Committee makes recommendations to guarantee the integrity of the financial and sustainability reporting process.

The Audit Committee monitors the effectiveness of the Internal Control and risk management procedures and, as necessary, the Internal Audit, in terms of the processes relating to the establishment and treatment of the accounting and financial information and sustainability information, with no compromise to its independence. In this capacity, it reviews in particular the program and results of Internal Audit to ensure, notably, that, in the event of any malfunction, the appropriate action plans and follow-up monitoring have been implemented. The Committee discusses with the Statutory Auditors and reviews their conclusions on the half-year and annual financial statements. It also exchanges views with the experts responsible for auditing the sustainability information and examines their conclusions on the sustainability statement. The Committee pays particular attention to the audit points identified by the Statutory Auditors or by the Sustainability Auditors and ensures compliance with the legal and regulatory requirements for financial and accounting information and sustainability information.

The Audit Committee is responsible for steering the procedure to select the Statutory Auditors and the Sustainability Auditors. It submits a recommendation to the Board of Directors when their appointment or re-appointment by the Shareholders' Meeting is envisaged pursuant to Article L. 821-45 of the Code de commerce. It proposes the selection procedure to the Board of Directors and, in particular, considers whether a call to tender is appropriate. It verifies the independence and quality of the Statutory Auditors' and the Sustainability Auditors' work, examines issues relating to their amount of fees for the execution of statutory audit assignments, reviews and approves the fees submitted by each of the Statutory Auditors and by each of the Sustainability Auditors on an annual basis. The Committee ascertains whether the joint system of Statutory Auditors and the control carried out by the Sustainability Auditors are effective.

The Committee also oversees the realization by the Statutory Auditors and by the Sustainability Auditors of their assignments and notes the comments and conclusions of the High Audit Authority (Haute Autorité de l'audit) following the verification carried out pursuant to Articles L. 820-14 and L. 820-15 of the Code de commerce.

The Committee approves the supply of services other than the certification of the financial statements and the sustainability information pursuant to the applicable regulation. It rules on this point having first analyzed the risks of any compromise to the independence of the Statutory Auditors and the safeguarding measures applied by the latter.

The Committee is also responsible for reviewing the Group's overall financial, accounting and fiscal policy and its implementation. It issues an opinion on the Group's significant financial operations.

The Audit Committee has access to the resources required to fulfill its mission and may, in particular, be assisted by persons from outside the Company. Lastly, the Committee regularly reports to the Board of Directors on the execution of its missions. It also reports back on events subsequent to the certification of the financial statements, on the manner in which this certification process contributed to the integrity of the financial information and on the role it has played in this process.

Activity

Board of director	Audit Committee attendance
Isabelle Guichot[1] Chair of the Audit Committee	100%
Isabelle Bouillot[2]	100%
Gwenaëlle Huet	100%
Leni M.T. Boeren	100%
Michel Delli-Zotti	88%
Nicolas Foretz	100%
Céline Fornaro	100%
Florence Parly[3]	100%
Average attendance	**98%**

(1) Member of the Audit Committee since June 4, 2024.
(2) Chair and member of the Audit Committee until June 4, 2025.
(3) Member of the Audit Committee until June 4, 2025.

During the 2025 financial year, the Audit Committee met eight times) with an attendance record for its members of 98% (100% in 2024). The duration of the meetings averaged three hours and thirty-eight minutes.

The following matters were notably reviewed by the Audit Committee during the 2025 financial year:

- **Review of the financial statements**
  The Committee reviewed the quarterly, half-year and annual financial statements, and the budget, prior to their presentation to the Board of Directors. It conducted a detailed examination of the Statutory Auditors' summary reports on the half-year and annual financial statements as well as the significant points noted in audits. The main accounting options adopted were the subject of a special presentation every quarter. The review of the financial statements by the Audit Committee usually takes place a day or two before their review by the Board of Directors.
- **Review and monitoring of the budget**
  The Audit Committee reviewed the budget prior to its presentation to the Board of Directors and oversaw its tracking on a quarterly basis.
- **Sustainability information**
  The Audit Committee examines the issues relating to the preparation, control and publication of extra-financial information and, in particular, to the preparation of the sustainability statement, in accordance with the new provisions of the French Commercial Code resulting from the transposition of the CSRD Directive (EU) 2022/2464 into French law. This year, a benchmark on sustainability statements was presented to the Audit Committee. In this context, joint meetings between the Audit Committee and the Sustainable Development and Compliance Committee were organized to review sustainability information prior to the approval of the sustainability statement.

- **Internal control, risk management and internal audit**
  During the Audit Committee meetings, Internal Audit gave a presentation of its half-year activity report. The Company applies high standards of financial disclosure and corporate governance, and maintains a rigorous level of internal control across the Group. The Audit Committee reviewed the summary sheet of the main operational and/or strategic risks on a half-yearly basis. The Audit Committee also reviewed the financial risks (fuel, currency exchange rates, financing, transformation plan). The ESG certified extra-financial risks were submitted by internal audit to the Sustainable Development and Compliance Committee and to the Audit Committee for review.
- **Statutory Auditors**
  The Audit Committee approved the budget for the Statutory Auditors' fees prior to the opening of the financial year together with their final amount as of the closing date. The Committee also oversaw the selection process for a new Statutory Auditor.
- **Approval of non-audit services**
  To execute this mission, the Audit Committee relies on an internal procedure deployed within the Group in 2004 and updated in 2016, pursuant to the provisions of Ordinance No. 2016-315 of March 17, 2016 relating to Statutory Auditors, which came into force on June 17, 2016.
- **Financing and Capex**
  The Audit Committee monitored the Group's cash position and reviewed the financing plan, Capex, and the Group's financing strategy. The Committee was regularly informed of significant financing operations (bank financing, including in particular an update on the revolving credit facility, or in the financial markets, with the signing of a liquidity contract).
- **Other matters**
  As foreseen by its annual work schedule, the Audit Committee also reviewed the following matters in 2025:
  - monitoring of the Group's transformation plans;
  - review of the principal litigation, fiscal risks and financial risks;
  - fraud detection and prevention;
  - review of the Group's cybersecurity strategy;
  - monitoring of activity in the Group's subsidiaries; and
  - review of matters linked to the fleet (ongoing fleet renewal, operating leases, engines).

The Committee is also responsible for reviewing the Group's overall financing, accounting and fiscal strategy and its implementation. It comments on the Group's material financial transactions.

Remuneration Committee

5 meetings

6 members

60% independent directors, including an independent Chair[1]

100% average Board director attendance

(1) Pursuant to the provisions of Article 10.3 of the AFEP-MEDEF Code, the Board directors representing the employee shareholders and the Board directors representing the employees are not taken into account for the calculation of this percentage.

Composition

As of December 31, 2025, the Remuneration Committee is composed of the following six members: Mr. Alexander R. Wynaendts (Chairman of the Committee), Ms. Isabelle Guichot, Ms. Gwenaëlle Huet, Ms. Céline Fornaro, Mr. Terence Tilgenkamp, and Delta Air Lines, Inc., represented by Mr. Alain Bellemare.

Mr. Alexander Wynaendts, independent director, has served as Chairman of the Remuneration Committee since July 1, 2021.

Mr. Wiebe Draijer has been a permanent invitee to the meetings of the Remuneration Committee since June 5, 2024.

Missions

The Remuneration Committee is notably responsible for making proposals to the Board of Directors regarding the amount and evolution of the remuneration of the Company's executive corporate officers, the executive corporate officers of the Principal Subsidiaries (upon recommendation from the competent body of the relevant Principal Subsidiary), as well as other executives who are members of the CEO Committee (or equivalent). The Remuneration Committee may be consulted to give its opinion on the remuneration of senior executives who are members of the Executive Committee and on the level of remuneration allocated to individuals hired for limited periods when such remuneration is exceptionally high. The Remuneration Committee reviews and issues its opinion on the policies regarding stock option or share purchase plans, or any other long-term incentive program.

The Remuneration Committee, like all committees of the Board, has the possibility to commission external technical studies on matters within its competence.

Activity

The Remuneration Committee met five times during the 2025 financial year (compared to five times in 2024), with a 100% attendance rate by its members (95% in 2024).

	Remuneration Committee attendance
Alexander R. Wynaendts Chair of the Remuneration Committee	100%
Gwenaëlle Huet	100%
Isabelle Bouillot [1]	100%
Isabelle Guichot [2]	100%
Delta Air Lines, Inc. (represented by M. Alain Bellemare)	100%
Céline Fornaro	100%
Terence Tilgenkamp	100%
AVERAGE ATTENDANCE	**100%**

(1) Member of the Remuneration Committee until June 4, 2025.
(2) Member of the Remuneration Committee since June 4, 2025.

During the 2025 financial year, the Remuneration Committee made recommendations to the Board of Directors regarding:

- the 2024 remuneration and the 2025 remuneration policy for the Company's Directors;
- the 2024 remuneration and the 2025 remuneration policy for the Chief Executive Officer of Air France-KLM;
- the 2024 remuneration and the 2025 remuneration policy for the Chief Executive Officer of Air France and the President of the KLM Management Board;
- the 2024 remuneration and the 2025 remuneration policy for the Chief Financial Officer of Air France-KLM;
- the 2024 remuneration and the 2025 remuneration policy for the members of the KLM Management Board;
- the 2024 remuneration and the 2025 remuneration policy for the Chair of the Board of Directors of Air France-KLM; and
- the analysis of votes, as well as feedback provided by proxy advisors and investors.

Appointments and Governance Committee

8 meetings

3 members

67% independent directors, including an independent Chair

100% average Board director attendance

Composition

At December 31, 2025, the Appointments and Governance Committee was composed of the following three members: Ms. Florence Parly (Chair of the Committee), Ms. Céline Fornaro and Mr. Alexander R. Wynaendts.

Missions

The Appointments and Governance Committee is responsible for making proposals to the Board of Directors regarding the appointment and replacement of the Chair of the Board of Directors, other Directors, and executive corporate officers of Air France-KLM, as well as the succession of executive corporate officers, particularly in the event of an unexpected vacancy. The Nomination and Governance Committee makes all proposals to the Board of Directors concerning its composition, after conducting any necessary investigations as required. Furthermore, the Appointments and Governance Committee makes recommendations to the Board of Directors regarding the appointment of the Chief Executive Officer (CEO) of the Principal Subsidiaries. The Appointments and Governance Committee is also consulted by the Chief Executive Officer of Air France-KLM on the appointment of other executive corporate officers (Deputy CEOs or Management Board members), Directors or Supervisory Board members of the Principal Subsidiaries. The Appointments and Governance Committee also makes proposals to the Board of Directors regarding the diversity and nomination policy for Directors as well as gender diversity objectives within the governing bodies.

The Appointments and Governance Committee is responsible for making proposals to the Board for the appointment and replacement of the Company's executive corporate officers and, in this context, establishes a succession plan for executive corporate officers in accordance with the AFEP-MEDEF Code provisions. The Appointments and Governance Committee is also responsible for reviewing the succession plan for other executives who are members of the CEO Committee (or equivalent), and for the Corporate Secretary.

The Appointments and Governance Committee makes recommendations on the Group's governance principles and reviews the consistency of governance between the Company and its Principal Subsidiaries.

The Appointments and Governance Committee oversees the annual evaluation of the functioning of the Board of Directors.

Finally, prior to review by the Board of Directors, the Appointments and Governance Committee makes proposals regarding the independence of Directors in light of the criteria set out in the AFEP-MEDEF Code.

The Chief Executive Officer may be involved in the work of the Appointments and Governance Committee.

Activity

The Appointments and Governance Committee met eight times during the 2025 financial year (compared to six times in 2024), with a 100% attendance rate by its members (as in 2024).

Board director	Appointments and Governance Committee attendance
Florence Parly Chair of the Appointments and Governance Committee	100%
Anne-Marie Couderc [1]	100%
Céline Fornaro	100%
Alexander R. Wynaendts	100%
AVERAGE ATTENDANCE	**100%**

[1] Chair and member of the Appointments and Governance Committee until June 4, 2025.

During fiscal year 2025, the Appointments and Governance Committee addressed, in particular, the following matters:

- proposals regarding changes to the composition of the Board of Directors submitted to the General Meetings of June 4, 2025, and June 3, 2026;
- the succession of the Chair of the Board of Directors;
- the composition of the Committees;
- the introduction of the honorary status of Honorary Chair in the Board's internal regulations and the appointment of Mrs. Anne-Marie Couderc, Chair of the Board of Directors of Air France-KLM until the close of the General Meeting of June 4, 2025;
- the review of the succession plan for the Chief Executive Officer, the Chair of the Board of Directors, and other executives who are members of the Group's CEO Committee (or equivalent): this was carried out twice, at the beginning and end of the financial year, ensuring follow-up of the action plan and updates of identified profiles. The Chair of the Board and the Chief Executive Officer were closely involved in the Committee's work, except for deliberations concerning their own succession (the Committee also reports on its work to the Board of Directors);
- recommendations on the appointment and renewal of directors of Air France and of the KLM Supervisory Board;
- the implications of the new provisions arising from the transposition into French law of Directive (EU) 2022/2381 of November 23, 2022, on improving the gender balance among directors of listed companies, for the Air France-KLM Board of Directors and for the boards of subsidiaries falling within the scope of Ordinance No. 2024-934 of October 15, 2024, implementing this Directive and to be applicable as from 1 January 2027 for Air France-KLM;
- the independence of Air France-KLM directors;
- the diversity and non-discrimination policy within the Board of Directors;
- the setting of gender balance objectives within the management bodies;
- the preparation and follow-up of an action plan addressing the key points identified during the most recent assessments of the functioning of the Board of Directors and its committees;
- the assessment of the functioning of the Board of Directors and the Committees, conducted from December 2025 to January 2026 (for more details, see section 2.3.1 "Activities and functioning of the Board of Directors").

Sustainable Development and Compliance Committee

5 meetings

8 members

80% average Board director attendance

Composition

At December 31, 2025, the Sustainable Development and Compliance Committee was composed of the following eight members: Ms. Anne-Marie Idrac (Chair of the Committee), Ms. Leni Boeren, Ms. Véronique Penchienati-Bosetta, Mr. Pascal Bouchiat, Mr. Wiebe Draijer, Mr. Dirk Jan van den Berg, Mr. Pierre Lichon and M. Leriche.

Missions

The Sustainable Development and Compliance Committee assists the Board of Directors in reviewing the Group's policies on compliance and sustainable development. It ensures that the Group promotes long-term value creation and takes the social and environmental issues involved in its activities into account in the establishment of the Group's strategy by submitting recommendations to the Board of Directors.

The Sustainable Development and Compliance Committee's mission is thus to:

- review the Group's CSR policy and its implementation;
- examine the extra-financial risks and specifically those relating to environmental, social and societal matters;
- review the Group's compliance program and monitor its implementation pursuant to the AFEP-MEDEF Code.

The Sustainable Development and Compliance Committee may also deal with any matters deemed appropriate by the Board of Directors.

Activity

During the 2024 financial year, the Sustainable Development and Compliance Committee met five times with an attendance record for members of 80% (83% in 2024).

Board director	Sustainable Development and Compliance Committee attendance
Anne-Marie Idrac Présidente du Comité de développement durable et de conformité	100%
Wiebe Draijer	80%
Leni Boeren	100%
Pascal Bouchiat	60%
Véronique Penchienati-Bosetta (1)	100%
Dirk Jan van den Berg	100%
Didier Dague(2)	100%
James Wang(3)	—%
Pierre Lichon(4)	N/A
Yann Leriche(5)	N/A
AVERAGE ATTENDANCE	**80%**

(1) Member of the Sustainable Development and Compliance Committee since June 4, 2025.
(2) Member of the Sustainable Development and Compliance Committee until June 4, 2025.
(3) Member of the Sustainable Development and Compliance Committee until June 4, 2025.
(4) Member of the Sustainable Development and Compliance Committee since December 4, 2025.
(5) Member of the Sustainable Development and Compliance Committee since December 4, 2025.

The Sustainable Development and Compliance Committee notably addressed the following subjects during the 2024 financial year:

- the Group's sustainable development strategy (targets in compliance with the Science-Based Targets initiative (SBTi), SAF program, development of the diversity program);
- monitoring of diversity objectives and the measures implemented to achieve them;
- the Group's lobbying strategy on sustainability topics;
- the Group's corporate, social and environmental ambitions;
- monitoring of the implementation of the CSRD Directive (EU) 2022/2464 within the Group;
- review of the Group's compliance program (in particular, the Group's anti-bribery plan);
- review of the ESG certified extra-financial risks.

2.4 SUMMARY TABLE OF THE AFEP-MEDEF CODE'S COMPLY OR EXPLAIN RECOMMENDATIONS NOT APPLIED

The following table shows the recommendations of the AFEP-MEDEF Code which have not been applied and the reasons for this:

Provisions of the AFEP-MEDEF Code not applied	Reasons
PROPORTION OF INDEPENDENT DIRECTORS WITHIN THE BOARD OF DIRECTORS	
"The independent directors should account for half the members of the Board in widely held corporations without controlling shareholders." (paragraph 10.3 of the AFEP-MEDEF Code)	The proportion of independent directors as of December 31, 2025, is 47%, which is below the 50% threshold recommended by the AFEP-MEDEF Code for listed companies that are not under control. This gap is due to the specific nature of Air France-KLM's shareholding structure, which notably includes the French State (28%) and the Dutch State (9.1%) among its shareholders, as well as its contractual relationships, particularly with its commercial partners China Eastern Airlines and Delta Air Lines. Directors appointed on the proposal of these shareholders and commercial partners cannot be considered independent. Furthermore, the French State's 28% stake entitles it, pursuant to Ordinance No. 2014-948 of August 20, 2014, to a seat reserved for a director representing the French State, appointed by ministerial decree, and to propose directors at the General Shareholders' Meeting. Two directors have been proposed by the French State. They represent the interests of the French State in its capacity as a shareholder (Article 6-III of the aforementioned ordinance). Air France-KLM, aware of the benefits of having a significant proportion of independent Board members, continuously seeks to increase the independence ratio of its Board of Directors, particularly in the context of the renewal of terms and appointments submitted to its General Meeting. As such, all Committees as well as the Board of Directors are chaired by independent members.

2.5 COMPENSATION OF CORPORATE OFFICERS

2.5.1 GENERAL PRINCIPLES

Pursuant to Article L. 22-10-8 of the *Code de Commerce* (French Code of Commerce), the compensation of Air France-KLM's corporate officers is set by the Board of Directors, as recommended by the Compensation Committee, in accordance with the provisions of the AFEP-MEDEF Code. The Company's Board of Directors thus establishes a compensation policy in line with the company's corporate interest, which is aligned with its commercial strategy and contributes to its sustainability. It describes all components of the fixed and variable compensation of corporate officers and explains the decision-making process followed for the determination, revision and implementation thereof. This compensation policy is the subject of a draft resolution submitted for approval at the Shareholders' Meeting on an annual basis and upon any significant change in the compensation policy, under the conditions provided for in Article L. 22-10-32 of the *Code de Commerce*.

Pursuant to Articles L. 22-10-9 and L. 22-10-34 of the Code de Commerce, the Shareholders' Meeting must also vote on an annual basis, firstly, on the information mentioned in Article L. 22-10-9 of the *Code de Commerce*, including in particular the total compensation and benefits of any kind paid in respect of their mandate during the past financial year or awarded in respect of their mandate in the same financial year to all corporate officers, and, secondly, the total compensation and benefits of any kind paid during the past financial year or awarded for the same financial year to each executive officer.

The Shareholders' Meeting of June 3, 2026 is thus called upon to approve:

- the information relating to the compensation of each of the Company's corporate officers, pursuant to Articles L. 22-10-9 and L. 22-10-34 of the *Code de Commerce*. This information is presented hereinafter in section 2.5.2 ("Compensation of corporate officers in 2025");
- the fixed and variable elements comprising the total compensation and benefits of any kind paid during the 2025 financial year or awarded in respect of this financial year to Ms. Anne-Marie Couderc, Chair of the Board of Directors up to June 4, 2025, Mrs. Florence Parly, Chair of the Board of Directors from June 4, 2025 and Mr. Benjamin Smith, Chief Executive Officer, pursuant to Article L. 22-10-34 of the *Code de Commerce*. This information is presented hereinafter in section 2.5.2.2 ("Compensation elements paid or awarded during the 2025 financial year to the executive officers and submitted for approval at the Shareholders' Meeting of June 3, 2026"); and
- the compensation policy for corporate officers for 2026, i.e. the directors, the Chair of the Board of Directors and the Company's Chief Executive Officer, as established by the Board of Directors, pursuant to Article L. 22-10-8 of the *Code de Commerce*. This policy is presented hereinafter in section 2.5.3 ("2026 Corporate Officer Compensation Policy").

It is specified, pursuant to Article L. 22-10-8 of the *Code de Commerce* that under penalty of nullity, no compensation element, of any nature whatsoever, may be determined, awarded or paid by the Company, nor any commitment corresponding to compensation elements, indemnification or benefits due or likely to be due as a result of the assumption, cessation or change of their functions or subsequent to the exercise of these functions, may be made by the Company if it does not comply with the approved compensation policy or, in its absence, with previous compensation or practices.

Furthermore, if the Shareholders' Meeting of June 3, 2026 does not approve the draft resolution mentioned in Article L. 22-10-34, I of the *Code de Commerce*, the Board of Directors must submit a revised compensation policy, taking into account the shareholders' vote, for approval by the next Shareholders' Meeting. In such a situation, payment of the sum awarded for the 2026 financial year to the directors would be suspended until approval of the revised compensation policy. Once reinstated, it would include the arrears incurred since the Shareholders' Meeting of June 3, 2026.

In addition, the variable or extraordinary compensation elements awarded for the 2025 financial year to the Chief Executive Officer may only be paid after approval, by the June 3, 2026 Shareholders' Meeting, of these compensation elements under the conditions provided for in the first paragraph of Article L. 22-10-34-II of the *Code de Commerce*.

2.5.2 COMPENSATION OF THE CORPORATE OFFICERS IN 2025

The information mentioned in Article L. 22-10-9 of the *Code de Commerce* and the compensation elements and benefits of any kind paid during the 2025 financial year or awarded for this financial year to the various corporate officers of Air France-KLM, which will be submitted to shareholder vote at the Shareholders' Meeting of June 3, 2026 pursuant to Article L. 22-10-34 of the *Code de Commerce*, are detailed hereinafter and concern:

- the directors of the Company (section 2.5.2.1);
- the Chair of the Company's Board of Directors (sections 2.5.2.2 a and 2.5.2.2 b); and
- the Company's Chief Executive Officer (section 2.5.2.2 c).

2.5.2.1 COMPENSATION ELEMENTS PAID OR AWARDED DURING THE 2025 FINANCIAL YEAR TO THE DIRECTORS AND SUBMITTED FOR APPROVAL BY THE SHAREHOLDERS' MEETING OF JUNE 3, 2026

The compensation elements paid during the 2025 financial year or awarded for this financial year to the directors of Air France-KLM comply with the compensation policy adopted by the Board of Directors after consultation with the Compensation Committee, and approved by the Shareholders' Meeting of June 4, 2025. These compensation elements, which will be submitted to shareholder vote at the Shareholders' Meeting of June 3, 2026 pursuant to Article L. 22-10-34 of the Code de Commerce, are detailed hereinafter.

	Attendance record at Board and Committee meetings and at the Shareholders' Meeting (2025 financial year)(*)	Compensation for the 2025 financial year (in €)	Compensation for the 2024 financial year (in €)
MEMBERS OF THE BOARD OF DIRECTORS IN OFFICE AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT			
Florence Parly [1]	100%	37,500	42,833
Benjamin Smith [2]	100%	N/A	N/A
Gwenaëlle Huet	100%	95,000	49,667
Leni M.T. Boeren	100%	102,000	60,000
Pascal Bouchiat	87%	71,000	45,000
Michel Delli-Zotti [3]	96%	78,125	45,500
Delta Air Lines Inc. (permanent representative, Alain Bellemare)	100%	82,000	49,500
Wiebe Draijer [4]	93%	67,000	27,000
Nicolas Foretz [3]	100%	80,000	48,000
Céline Fornaro	100%	110,000	53,000
Isabelle Guichot [5]	100%	55,625	N/A
Anne-Marie Idrac	100%	90,000	45,000
Yann Leriche	100%	60,000	37,500
Pierre Lichon [3]	100%	30,000	N/A
Véronique Penchienati-Bosetta [5]	83%	31,625	N/A
Terence Tilgenkamp [6]	100%	82,000	52,000
Dirk Jan van den Berg	100%	82,000	49,500
Qingchao Wan [5]	25%	23,875	N/A
Alexander R. Wynaendts	93%	107,625	59,500
FORMER MEMBERS OF THE BOARD OF DIRECTORS DURING THE 2024 AND 2025 FINANCIAL YEARS NO LONGER SERVING AS DIRECTOR AS OF THE DATE OF THE UNIVERSAL REGISTRATION DOCUMENT			
Anne-Marie Couderc [7]	100%	N/A	N/A
Isabelle Bouillot [8]	100%	50,625	57,000
Didier Dague [3][8]	100%	36,000	45,000
Jian Wang [8]	0%	21,500	36,500
CMA CGM (permanent representative, Ramon Fernandez) [9]	N/A	N/A	8,000
Cees 't Hart [10]	N/A	N/A	27,000
TOTAL	**90%**	**1,393,500**	**837,500**

(*) Attendance record calculated over the term of each director pro rata temporis.
(1) Mrs. Florence Parly, received attendance fees for her duties as a director until her appointment as Chair of the Board of Directors of Air France-KLM.
(2) Mr. Benjamin Smith, Chief Executive Officer of Air France-KLM does not receive compensation for his duties on the Board.
(3) Directors representing employee shareholders and the director representing French employees appointed by the French Group Committee receive compensation under their employment contract with Air France, unrelated to their corporate mandate within Air France-KLM. Their compensation in respect of their duties as directors is also paid to their union.
(4) Director since June 5, 2024.
(5) Director since June 4, 2025.
(6) Mr. Terence Tilgenkamp receives compensation under his employment contract with KLM, unrelated to his status on the Air France-KLM Board.
(7) Ms Anne-Marie Couderc, Chair of the Board of Directors of Air France-KLM until June 4, 2025, did not receive any compensation for her duties as director.
(8) Director until June 4, 2025.
(9) Director until March 31, 2024. As indicated in the press release of January 16, 2024, CMA CGM no longer has a representative on the Company's Board of Directors as of March 31, 2024, under the Investment Agreement as amended by the Addendum to the Investment Agreement signed on January 15, 2024
(10) Director until June 5, 2024.

The directors were awarded for the 2025 financial year and paid during this financial year, compensation in the total amount of €1,393,500 as part of the annual budget of €1,550,000 voted on at the Shareholders' Meeting of June 4, 2025.

Pursuant to the decision of the Board of Directors of March 5, 2025, the compensation of the directors consists of a fixed compensation to which is added compensation based on the respective attendance of the directors, the terms of distribution and award of which are decided by the Board of Directors, as proposed by the Compensation Committee. Additional compensation is also awarded to non-resident directors. The number of meetings of the Board of Directors and its Committees held during the 2025 financial year and the attendance record of each director at said meetings are provided in section 2.3 of this Universal Registration Document.

The Board of Directors on March 5, 2025 decided to allocate the compensation of directors according to the following distribution rules:

- Related to their term on the Board of Directors:
  - €25,000 in fixed compensation;
  - €35,000 in compensation based on attendance at Board meetings and General Shareholders' Meetings; and
  - €7,000 of additional compensation awarded to non-resident directors.
- If applicable, during their term within the Audit Committee:
  - the Chair will receive a fixed compensation of €35,000;
  - the members each receive a fixed compensation of €5,000, to which is added, for each, compensation in the maximum amount of €15,000 based on their attendance at Committee meetings.
- Related to their term within the other Committees:
  - the Chair will receive a fixed compensation of €30,000;
  - the members each receive a fixed compensation of €5,000, to which is added, for each, compensation in the maximum amount of €10,000 based on their attendance at Committee meetings.

2.5.2.2 COMPENSATION ITEMS PAID OR AWARDED DURING THE 2025 FINANCIAL YEAR TO EXECUTIVE OFFICERS AND SUBJECT TO APPROVAL BY THE SHAREHOLDERS' MEETING OF JUNE 3, 2026

A. Compensation of Ms. Anne-Marie Couderc, Chair of the Board of Directors, for the period from January 1 to June 4, 2025

Presentation of the 2025 compensation structure for the Chair of the Board of Directors

Pursuant to the decision of the Board of Directors of March 5, 2025, the gross annual fixed compensation of the Chair of the Board of Directors was set at €350,000.

As a reminder, the mandate of Ms. Anne-Marie Couderc ended at the end of the Shareholders' Meeting of June 4, 2025.

Thus, for the 2025 financial year, and pursuant to the pro rata temporis compensation policy, the Chair of the Board of Directors received an annual fixed compensation of €150,000.

It is specified that the Chair of the Board of Directors will not benefit from variable or multi-year compensation. She receives no additional compensation related to her mandate as director. However, she receives in-kind benefits and a mandatory retirement plan with defined contributions (PERO) available to all employees located in France.

The compensation policy for the Chair of the Board of Directors for the 2025 financial year was approved by the Shareholders' Meeting of June 4, 2025.

For more details on the Chair's compensation policy for the 2025 financial year, see section 2.5.3.2 of the 2024 Universal Registration Document.

Compensation elements paid during or awarded for the 2025 financial year

The compensation elements paid during the 2025 financial year or awarded for this financial year to Ms. Anne-Marie Couderc, Chair of the Board of Directors, for the period from January 1 to June 4, 2025, are in accordance with the compensation policy adopted by the Board of Directors after consultation with the Compensation Committee, and approved by the Shareholders' Meeting of June 4, 2025. These compensation elements are detailed hereinafter:

Compensation elements subject to voting	Amounts paid during the 2025 financial year	Amounts awarded for the 2025 financial year	Presentation
Fixed compensation	€150,000	€150,000	The gross annual fixed compensation of Ms Anne-Marie Couderc, Chair of the Board of Directors for the 2025 financial year was set at €350,000 by the Board of Directors at its meeting on March 5, 2025. Her mandate having ended at the end of the Shareholders' Meeting of June 4, 2025, the amount awarded for the 2025 financial year is €150,000, calculated *pro rata temporis*.
Annual variable compensation	N/A	N/A	The Chair does not receive any annual variable compensation.
Multi-year variable compensation	N/A	N/A	The Chair does not receive any multi-year variable compensation.
Extraordinary compensation	N/A	N/A	The Chair does not receive any extraordinary compensation.
Stock options, performance shares or any other long-term benefit (stock subscription warrants, etc.)	N/A	N/A	No such award occurred during the 2025 financial year. The Chair does not receive any long-term compensation.
Compensation in respect of director mandate	N/A	N/A	The Chair does not receive compensation due to her mandate as director.
Benefits of any kind	€4,212	€4,212	The Chair have had a company car with driver.
Severance benefit	N/A	N/A	The Chair does not benefit from any severance compensation.
Non-competition compensation	N/A	N/A	The Chair does not benefit from any non-competition compensation.
Supplementary pension plan	€7,852	€7,852	The Chair benefits from a mandatory defined contribution pension plan (PERO) set up as of January 1, 2024 and the contributions represent a maximum of 5% of gross compensation within the limit of 8 annual social security ceilings, covered 100% by the Company.

B. Compensation of Mrs. Florence Parly, Chair of the Board of Directors for the period from June 4, 2025 to December 31, 2025

Presentation of the 2025 compensation structure for the Chair of the Board of Directors

The Board of Directors decided, at its meeting of March 5, 2025, that the compensation policy for the Chair of the Board of Directors for the 2025 financial year will also be applicable to the future Chair of the Board of Directors, pro rata temporis.

Pursuant to the decision of the Board of Directors of March 5, 2025, the gross annual fixed compensation of the Chair of the Board of Directors was set at €350,000.

Thus, for the 2025 financial year, and pursuant to the pro rata temporis compensation policy, the Chair of the Board of Directors received an annual fixed compensation of €201,389.

It is specified that the Chair of the Board of Directors will not benefit from variable or multi-year compensation. She receives no additional compensation related to her mandate as director. However, she receives in-kind benefits and a mandatory retirement plan with defined contributions (PERO) available to all employees located in France.

For more details on the Chair's compensation policy for the 2025 financial year, approved by the Shareholders' Meeting of June 4, 2025, see section 2.5.3.2 of the 2024 Universal Registration Document.

Compensation elements paid during or awarded for the 2025 financial year

The compensation elements paid during the 2025 financial year or awarded for this financial year to Mrs. Florence Parly, Chair of the Board of Directors, for the period from June 4, 2025 to December 31, 2025, are in accordance with the compensation policy adopted by the Board of Directors after consultation with the Compensation Committee, and approved by the Shareholders' Meeting of June 4, 2025. These compensation elements are detailed hereinafter:

Compensation elements subject to voting	Amounts paid during the 2025 financial year	Amounts awarded for the 2025 financial year	Presentation
Fixed compensation	€201,389	€201,389	The gross annual fixed compensation of Mrs Florence Parly, Chair of the Board of Directors for the 2025 financial year was set at €350,000 by the Board of Directors at its meeting on March 5, 2025. In application of the compensation policy pro rata temporis, the Chair of the Board of Directors received an fixed annual compensation of €201,389.
Annual variable compensation	N/A	N/A	The Chair does not receive any annual variable compensation.
Multi-year variable compensation	N/A	N/A	The Chair does not receive any multi-year variable compensation.
Extraordinary compensation	N/A	N/A	The Chair does not receive any extraordinary compensation.
Stock options, performance shares or any other long-term benefit (stock subscription warrants, etc.)	N/A	N/A	No such award occurred during the 2025 financial year. The Chair does not receive any long-term compensation.
Compensation in respect of director mandate	N/A	N/A	The Chair does not receive compensation due to her mandate as director.
Benefits of any kind	0 €	0 €	The Chair is eligible to a company car with driver, but she did not benefit from any benefits in-kind during the 2025 financial year.
Severance benefit	N/A	N/A	The Chair does not benefit from any severance compensation.
Non-competition compensation	N/A	N/A	The Chair does not benefit from any non-competition compensation.
Supplementary pension plan	€9,688	€9,688	The Chair benefits from a mandatory defined contribution pension plan (PERO) set up as of January 1, 2024 and the contributions represent a maximum of 5% of gross compensation within the limit of 8 annual social security ceilings, covered 100% by the Company.

C. Compensation of the Chief Executive Officer for the period from January 1 to December 31, 2025

Presentation of the 2025 compensation structure for the Chief Executive Officer

As for the 2024 financial year, the compensation of the Chief Executive Officer in respect of the 2025 financial year is mainly composed of the following elements:

- a fixed annual compensation;
- a variable annual compensation related to the performance of the past financial year of up to 150% of the fixed compensation with objectives achieved and up to 180% in the event of exceeding the objectives;
- a long-term variable compensation;
- an additional pension scheme: after analyzing the compensation practices of comparable companies in terms of pension plans, the Board of Directors decided, as part of the 2024 compensation policy, to implement for the benefit of the Chief Executive Officer an additional pension scheme consisting of, firstly, the mandatory defined contribution pension scheme in accordance with Article 83 of the French General Tax Code (mandatory retirement savings plan known as PERO) and, secondly, an optional defined contribution pension scheme in accordance with Article 82 of the French General Tax Code, implemented as of January 1, 2024.

As part of this policy, and as in previous years, the Chief Executive Officer also benefits from in-kind benefits and severance compensation.

The Chief Executive Officer's compensation policy for the 2025 financial year was approved by the Shareholders' Meeting of June 4, 2025.

At the Shareholders' Meeting of June 4, 2025, the resolution on the fixed, variable and exceptional elements comprising the total compensation and benefits of any kind paid during the 2024 financial year to the Chief Executive Officer (15th resolution) was approved by 79.9% (compared to 82.9% the previous year) while the 2025 compensation policy for the Chief Executive Officer (18th resolution) was approved by 80.7% (compared to 80.2% the previous year).

For more details on the Chief Executive Officer's compensation policy for the 2025 financial year, see section 2.5.3.2 of the 2025 Universal Registration Document.

As every year, the Company's representatives have proactively engaged in dialogue with shareholders and voting advisory agencies to better understand their views and expectations. Feedback from shareholders and voting advisory agencies was specifically taken into account in the context of the process for the development of the Compensation Policy and Report, ahead of the 2025 Shareholders' Meeting.

When analyzing the voting results of the 2025 Annual General Meeting and shareholder feedback, the Compensation Committee noted that the level of opposition recorded on the Report on the Chief Executive Officer's Compensation for the 2024 financial year is primarily attributable to the consistent position of principle adopted by a significant shareholder. It also emerged that the main source of reluctance among some institutional shareholders was related to their increasing focus on transparency and performance requirements, which the Compensation Committee duly noted. The Compensation Committee remains committed to ongoing dialogue between the company and its shareholders, and is vigilant in pursuing constructive exchanges aimed at taking their views into consideration.

In this context, several developments will be implemented:

- strengthening the requirement of performance conditions linked to variable long-term compensation.
- improved transparency in the evaluation process for the "Individual Performance and Leadership" criterion of the annual variable compensation.
- clarification concerning the adjustment clause (i) in no circumstances could it allow for exceeding the limit of the ceilings provided for by the Compensation Policy, and (ii) any use of this clause will be justified, in light of the circumstances that led to its use, including with regard to the interests of shareholders.

For more details on the Chief Executive Officer's compensation policy for the 2026 financial year, see section 2.5.3.2.

Compensation elements paid during or awarded for the 2025 financial year

The compensation elements paid during the 2025 financial year or awarded for this financial year to the Chief Executive Officer were decided by the Board of Directors during the meetings of March 5, 2025 and February 18, 2026 on the recommendation of the Compensation Committee.

All of these compensation elements, for the period from January 1 to December 31, 2025, comply with the compensation policy adopted by the Board of Directors after consultation with the Compensation Committee, and approved by the Shareholders' Meeting of June 4, 2025. It is specified that for the 2025 financial year, the Board of Directors has not made use of the adjustment clause provided for by the above-mentioned compensation policy. These compensation elements are detailed hereinafter:

Compensation elements subject to voting	Amounts paid during the 2025 financial year	Amounts awarded for the 2025 financial year	Presentation
Fixed compensation	€1,044,000	€1,044,000	The gross annual fixed compensation of the Chief Executive Officer was set at €1,044,000 by the Board of Directors at its meeting of March 5, 2025. The ratio between the fixed compensation and the variable compensation awarded to Mr. Benjamin Smith for the 2025 financial year, as required pursuant to Article L. 22-10-9-I-2° of the *Code de commerce,* is 359.57%.
Annual variable compensation	€1,524,760	€1,753,920	**For the 2025 financial year** At its meeting of February 18, 2026, the Board of Directors, at the suggestion of the Remuneration Committee, decided to award the Chief Executive Officer for the 2025 financial year, in accordance with the 2025 compensation policy adopted by the Board of Directors on March 5, 2025 and approved by the Shareholders' Meeting of June 4, 2025, an annual variable compensation which, as a reminder, may vary from 0% to 150% of the annual fixed compensation in the case of partially or fully achieved objectives, and from 150% to 180% of the annual fixed compensation in the event of exceeding the objectives. The amount of the Chief Executive Officer's annual variable compensation for the 2025 financial year was set by the Board of Directors at its meeting on February 18, 2026, on recommendation by the Remuneration Committee, at 168% of the annual fixed compensation, i.e. €1,753,920.

Rate of achievement of the performance criteria for the annual variable portion for the 2025 financial year

expressed as a percentage of the annual fixed compensation:

		Weight %	Target % of fixed compensation	Maximum % of fixed compensation	2025 performance compared to the target	Achievement rate as % of fixed compensation
Financial criteria		**60%**	**90%**	**108%**	**106.7%**	**96%**
Absolute Current Operating Income (COI)		40%	60%	72%	100%	60%
Recurring Adjusted Operating Free Cash Flow (FCF)		20%	30%	36%	120 %	36%
Non-financial criteria		**40%**	**60%**	**72%**	**120%**	**72%**
Decarbonization	SAF	10%	15%	18%	120 %	18%
	Initiatives	10%	15.0%	18%	120 %	18%
Leadership and individual performance		20%	30%	36%	120%	36%
TOTAL		**100%**	**150%**	**180%**	**112%**	**168%**

It is specified that the objectives of the financial criteria have been precisely set by the Board but are not communicated for reasons of confidentiality.

The amount of the Chief Executive Officer's annual variable compensation was capped by the Board of Directors at its meeting of February 18, 2026, on recommendation by the Compensation Committee, at 168% of the annual fixed compensation, i.e. €1,753,920. This amount consists of:

- **Quantitative criteria related to the Group's financial objectives:** i.e., an achievement of 96% of its gross annual fixed compensation determined according to the following distribution:
  - COI (Current Operating Income) in absolute value:
    - 60% (of a target at 60% and a maximum at 72%) of the fixed compensation, or an achievement rate of 100% of the target. This percentage takes into account the level of COI achieved by the Group as of December 31, 2025 compared to the level of COI as provided for in the 2025 budget;
  - Recurring Adjusted Operating Free Cash Flow:
    - 36% (of a target at 30% and a maximum at 36%) of the fixed compensation, or an achievement rate evaluated at the maximum of the target. This percentage takes into account the level of Recurring Adjusted Operating Free Cash Flow achieved by the Group as of December 31, 2025 compared to the level of Recurring Adjusted Operating Free Cash Flow provided for in the 2025 budget.
- **Criteria related to the Group's non-financial objectives:** i.e. achievement of 72% of its gross annual fixed compensation determined according to the following distribution:
  - SAF:
    - 18% (of a target of 15% and a maximum of 18%) of the fixed compensation, or an achievement rate evaluated at the maximum of the target.

The quantitative performance relative to the SAF criterion is evaluated on the basis of the following rules: 0% if < threshold; between 0% and 14.99% = under target; 15% = on target; between 15% and 17.99% = above target; 18% maximum;

- Measures taken at the initiative of the airlines:
  - 18% (of a target at 15% and a maximum at 18%) of the fixed compensation in respect of initiatives, or an achievement rate evaluated at the maximum of the target. The Group achieved a result above expectations for the initiatives contributing to the decarbonization plan roadmap, such as the implementation of ambitious SAF commercial measures that are more favorable than those practiced by the industry. In its assessment, the Board of Directors took into account the identification of new levers to increase the contributions to the decarbonization roadmap;
- Individual performance and leadership:
  - 36% (on a target of 30% and a maximum of 36%) of the fixed compensation for individual performance and leadership. Pursuant to the 2025 compensation policy, the Board of Directors, on the proposal of the Compensation Committee, decided at the beginning of the 2025 financial year that the evaluation of the Individual Performance and Leadership criterion would be based on a review of the actions and results obtained on five previously defined priorities. At the end of the 2025 financial year, the Chair of the Board of Directors and the Compensation Committee reviewed the performance of the Chief Executive Officer on the various objectives, based on both the qualitative and quantitative elements presented below:
    - Maintaining social stability
    - Strategic vision of the market
    - Break in transformation
    - Inspiring external communication
    - Management of leadership teams
    - Assessment of the Employee Promoter Score (EPS) and Net Promoter Score (NPS).

On the basis of a detailed analysis that cannot be made public for reasons of confidentiality, in accordance with AMF Recommendation No. 2012-02, the Board of Directors considered that this objective was exceeded with an evaluation at Maximum.

Pursuant to Article L. 22-10-34 of the Code de Commerce, payment in the amount of €1,753,920 corresponding to 168% of the fixed compensation (on a target of 150%) is subject to prior approval at the Shareholders' Meeting of June 3, 2026.

In the event of a positive vote by the shareholders at the Shareholders' Meeting of June 3, 2026 authorizing payment of the variable compensation to Mr. Benjamin Smith, the Company will not have the possibility of requesting it be returned.

Compensation elements subject to voting	Amounts paid during the 2025 financial year	Amounts awarded for the 2025 financial year	Presentation
	€1,524,760		**For the 2024 financial year** As a reminder, the amount of the Chief Executive Officer's annual variable compensation for the 2024 financial year was set at 146.05% of his annual fixed compensation, i.e., €1,524,760 by the Board of Directors at its meeting of March 5, 2025. This amount was approved at the Shareholders' Meeting of June 4, 2025 and was paid to the Chief Executive Officer during the 2025 financial year (for more details, see section 2.5.2.2 of the 2024 Universal Registration Document).

Compensation elements subject to voting	Amounts paid during the 2025 financial year	Amounts awarded for the 2025 financial year	Presentation
Multi-year variable compensation	N/A	N/A	The Chief Executive Officer does not receive any multi-year variable compensation.
Extraordinary compensation	N/A	N/A	The Chief Executive Officer does not receive any extraordinary compensation.

Compensation elements subject to voting	Amounts paid during the 2025 financial year	Amounts awarded for the 2025 financial year	Presentation
Long-term variable compensation (performance shares)	72,922 units of the LTI 2022-2024 performance plan x 9,894€, i.e. circa €721,490	232,558 performance units payable in shares, valued at €2,000,000 and calculated in relation to the opening stock price of the Air France-KLM share as of April 1, 2025.	**For the 2025 financial year** The Board of Directors has, at the recommendation of the Remuneration Committee, decided to award the Chief Executive Officer for the 2025 financial year, in accordance with the 2025 compensation policy adopted by the Board of Directors of March 5, 2025 and approved at the Shareholders' Meeting of June 4, 2025, a long-term variable compensation composed of 232,558 units relating to performance, payable in Air France-KLM shares at the stock price as of April 1, 2025, i.e. €8.60 (one performance unit conferring entitlement to one share) in 2028 subject to the achievement of financial and extra-financial performance conditions and a three-year presence condition. It is also specified that the Chief Executive Officer did not use and has committed not to use risk hedging operations under this plan until the performance units are paid. The main terms and conditions of this long-term compensation plan are specified in section 2.5.3.2 c) of the 2024 Universal Registration Document.

Compensation elements subject to voting	Amounts paid during the 2025 financial year	Amounts awarded for the 2025 financial year	Presentation
Compensation in respect of director mandate	N/A	N/A	The Chief Executive Officer does not receive compensation due to his mandate as director.
Supplementary pension plan (PERO)	€18,840	€18,840	The Chief Executive Officer benefits from an additional mandatory collective defined contribution pension plan (PERO) set up as of January 1, 2024 and the contributions represent a maximum of 5% of gross compensation within the limit of 8 annual social security ceilings, covered 100% by the Company. For the 2025 financial year, the amount of the Company's shareholding amounted to €18,840.
	€22,000	N/A	Additionally, an exceptional specific net contribution of €22,000 was allocated in the case of this supplementary retirement plan which had been agreed in 2018 when the Chief Executive Officer took office and was only regularized in 2024. This exceptional contribution, which consists of an exceptional compensation element, has been paid after approval of this compensation element by the Shareholders' Meeting of June 4, 2025 (vote ex-post), in accordance with Article L. 22-10-34-II of the Code de Commerce.
Optional defined contribution pension plan (Article 82)(1)	€269,720	€274,050	The Chief Executive Officer benefits from an additional pension system in which the company pays an annual contribution half composed of contributions paid to a third-party organization under an optional defined contribution pension plan (Article 82 of the General Tax Code) and half of a sum in cash, taking into account the immediate taxation at the initiation of this system. The total contribution corresponds to a coefficient of 21% of the sum of the fixed compensation and the actual variable compensation due for the year in question. It also depends on the performance of the company since the calculation base includes the variable portion related to the Group's results. For the 2025 financial year, the amount of contributions by Air France-KLM to the insurer on behalf of the executive officer amounts to €269,720.
	€269,720	€274,050	As indicated above, the Chief Executive Officer receives a cash payment to compensate the fiscal impact and related charges for 2025 contributions in an amount equal to that of the contribution paid on his behalf to the insurer. The cash payment is made at the same time as the contribution to the insurer and amounts to €269,720 for the 2025 financial year.
Benefits of any kind	€311,710	€311,710	The Chief Executive Officer benefits from a company car with driver, a health plan, and a pension plan. Due to his need to travel in France, he also benefits from housing compensation, air tickets, tuition, and agent fees.
Severance compensation	N/A	N/A	Pursuant to 2025 compensation policy approved by the Shareholders' Meeting of June 4, 2025, the Chief Executive Officer continues to benefit from severance compensation awarded to him by the Board of Directors of August 16, 2018 in certain cases of forced departure, in particular in the event of dismissal, non-renewal of his term as Chief Executive Officer, or departure following a change of control (excluding any situation of serious misconduct by the Chief Executive Officer). Pursuant to the recommendations of the AFEP-MEDEF Code, the basis of the severance compensation is equivalent to two years of annual fixed and variable compensation (according to specific calculation methods referring to the target variable in the case of departure in the first 24 months, as applicable). The basis of the compensation will be affected by a coefficient (between 0 and 100%) based on the performance of the person in question, measured by reference to the rate of achievement of the performance criteria relating to the annual variable portion of their compensation during the last two financial years of their term of office (or since their appointment, in the event of a departure occurring during the first two years). It will be the responsibility of the Board of Directors of Air France-KLM to verify the achievement of these performance criteria.
Non-competition compensation	N/A	N/A	The Chief Executive Officer does not benefit from any non-competition compensation.

(1) See section supplementary pension plan.

Long-term compensation elements awarded for years prior to 2025 and not yet paid

Regarding the *2021–2023 Phantom Shares* plan

For the 2021 financial year: 195,313 performance units were awarded to the Chief Executive Officer, valued at €1,000,000, payable in cash in 2024 subject to performance conditions and a three-year attendance requirement, unless the Chief Executive Officer exercises his right to postpone payment by a maximum of three years. It is specified that pursuant to the decision of the Board of Directors of October 27, 2022, the number of performance units awarded in 2021 was multiplied by 2.5. Pursuant to the decision of the Chief Executive Officer dated August 31, 2023 confirming the consolidation of Air France-KLM shares, the number of performance shares awarded in 2021 was then divided by 10. Consequently, the number of performance units acquired for the 2021 financial year is 48,828.

The Board of Directors on February 28, 2024, on the recommendation of the Compensation Committee, capped the number of performance units acquired by the Chief Executive Office related to this 2021-2023 Phantom Shares plan to 25,795 units.

It is specified that, in accordance with the option that was offered to him with regards to this plan, the Chief Executive Officer exercised his right to postpone payment by a maximum of three years

Regarding the 2023-2025 Performance Shares long-term plan

For the 2023 compensation policy adopted by the Board of Directors of March 16, 2023 and approved at the shareholders' meeting of June 7, 2023, the Board of Directors has, at the suggestion of the Compensation Committee, decided to award the Chief Executive Officer a long-term variable compensation composed of 1,178,550 units relating to performance, payable in Air France-KLM shares at the stock price as of April 1, 2023, i.e. 1.697 euro (one performance unit conferring entitlement to one share) in 2026 subject to the achievement of financial and extra-financial performance conditions and a three-year attendance requirement.

In accordance with the terms and conditions of the regulations of the long-term compensation plans, and pursuant to the decision of the Chief Executive Officer dated August 31, 2023 recording the consolidation of the Air France-KLM shares, this 2023–2025 Performance Shares long-term plan has been adjusted to take into account the consolidation of the number of shares comprising the share capital from ten old shares to one new share, effective as of August 31, 2023, by dividing the number of shares to which the said plans are entitled by ten.

It is also specified that the Chief Executive Officer did not use and has committed not to use risk hedging operations under this plan until the performance units are paid.

The main terms and conditions of this long-term compensation plan are specified in section 2.5.3.2 c) of the 2022 Universal Registration Document.

The number of performance units acquired from the 2023-2025 performance shares is 117,855. The Board of Directors, at its meeting of February 18, 2026, at the recommendation of the Compensation Committee, noted the level of achievement of the plan's performance conditions, which overall stands at 66%, broken down as follows:

	Criteria	Weight %	Criterion achievement rate	Payment rate pursuant to the conditions of the performance plan (in % of allocation)
Financial criteria	Net debt/EBITDA	25%	105.6%	26.4%
	Relative TSR	20%	0%	0%
	Relative COI margin	25%	100%	25%
Non-financial criteria	Environment	10%	25%	2.5%
	Human capital (EPS)	5%	100%	5%
	Customer relationship (NPS)	10%	50%	5%
	Diversity	5%	42.5%	2.1%
TOTAL		**100%**		**66.0%**

In accordance with AMF Recommendation No. 2012-02, the specific objectives of these criteria cannot be disclosed for reasons of confidentiality.

Pursuant to Article L. 22-10-34 of the Code de Commerce, the payment of these 77,801 performance units is subject to prior approval by the Shareholders' Meeting of June 3, 2026.

- **Quantitative criteria related to the Group's financial objectives:** the 73.4% achievement rate is determined as follows:
  - Net debt/EBITDA: for this criterion, the Group has a performance of 105.6% of the target, i.e. 26.4% achievement rate. This percentage takes into account the level of Net Debt/EBITDA achieved by the Group as of December 31, 2025 compared to the Net Debt/EBTDA level provided for in the budget for the 2023–2025 period.

    The Group achieved a result of 105.6% with a Net Debt/EBITDA ratio of 1.7x in 2025 compared to the original budget set at 1.8 in 2023 for the 2023–2025 period.
  - Relative TSR: for this criterion (relative TSR position compared to Lufthansa Group and IAG), the Group has a result of 0% of the target, i.e. 0% achievement rate;
  - Relative COI Margin: the Group reduced the COI Margin gap by more than one (1) point with one of its two main competitors in Europe between 2022 and 2025, which corresponds to a performance of 100% of the target, i.e. 25% achievement rate.
- **Criteria related to the Group's non-financial objectives:** the 48.75% achievement rate is determined as follows:
  - Environment: for this criterion, the Group has a result of 25% of the target, i.e. 2.5% achievement rate.

    For 2025, the performance is 912 gCO_2eq per tonne-kilometer-transported (TKT). This represents a reduction of 5% compared to 2019, where emissions were 957 gCO_2eq per tonne-kilometer-transported (TKT) with a target of -10%.
  - EPS: with regard to the Employer Promoter Score (EPS) criterion, the Group has a result of 100% of the target, i.e. 5% achievement rate for 2025. Performance is assessed in comparison to 2022.
  - NPS (Net Promoter Score): the Group overall improved its Net Promoter Score between 2022 and 2025, which allowed it to achieve 50% of the target, i.e. 5% achievement rate for 2025.
  - Diversity: for the Diversity criterion, the Group has a result of 42.5% of the target, i.e. 2.1% achievement rate.

Regarding the 2024-2026 Performance Shares long-term plan

For the 2024 financial year, the Board of Directors, at the suggestion of the Compensation Committee, decided to award the Chief Executive Officer, in accordance with the 2024 compensation policy adopted by the Board of Directors of February 28, 2024 and approved at the shareholders' meeting of June 5, 2024, a long-term variable compensation composed of 196,078 units relating to performance, payable in Air France-KLM shares at the stock price as of April 2, 2024, i.e. 10.20 euro (one performance unit conferring entitlement to one share) in 2027 subject to the achievement of financial and extra-financial performance conditions and a three-year attendance requirement.

It is also specified that the Chief Executive Officer did not use and has committed not to use risk hedging operations under this plan until the performance units are paid.

The main terms and conditions of this long-term compensation plan are specified in section 2.5.3.2 c) of the 2023 Universal Registration Document.

The below table summarizes the characteristics of the long-term compensation elements awarded to the Chief Executive Officer for prior financial years and no longer paid:

Summary table of long-term variable compensation plans	2021 Phantom Shares Plan [1]	2023 Performance Share Plan[2]	2024 Performance Share Plan	**2025 Performance Share Plan**
Plan characteristics	Payable in cash	Payable in shares	Payable in shares	**Payable in shares**
Date of the Board of Directors meeting which awarded the performance units	March 17, 2021	March 16, 2023	February 28, 2024	**March 5, 2025**
Date of the Shareholders' Meeting that approved these awards	May 24, 2022 (14th resolution)	June 7, 2023 (14th resolution)	June 5, 2024 (20th resolution)	**June 4, 2025 (15th resolution)**
Number of performance units awarded	195,313	1,178,550	196,078	**232,558**
Valuation on award date	€1,000,000	€2,000,000	€2,000,000	**€2,000,000**
Year from which payment may occur[2]	2024	2026	2027	**2028**
Presence conditions	3 years	3 years	3 years	**3 years**
Number of performance units awarded after application of the coefficient of 2.5 linked to neutralization of the recapitalization effect then divided by 10 following the consolidation of shares	48,828	117,855	196,078	**232,558**
Overall plan performance	52.8%[3]	66.0 %	N/A	**N/A**
Number of performance units acquired	25,795	77,801	N/A	**N/A**
Valuation of long-term variable compensation based on a stock market price of €10.75 (opening on February 1, 2026)	€277,296.25	End of vesting phase	Plan in the vesting phase	**Plan in the vesting phase**

(1) The 2021 "Phantom Shares" plan offers the option to postpone payment of performance units by up to three years. The Chief Executive Officer will use this option of postponement.

(2) The Board of Directors, at its meeting of February 16, 2022, decided, upon expiry of the Specific Long-Term Plan at the end of 2021, to replace the two long-term compensation plans (one payable in cash and one payable in shares) with a single long-term compensation plan (payable in shares), without changing the overall amount of the long-term compensation of the Chief Executive Officer. The objective of this change is to simplify the long-term compensation policy and to add consistency, in accordance with market practices, as well as to strengthen the alignment of the beneficiary's interests with the interests of the shareholders. This change makes it possible to strengthen the beneficiaries' equity interests. It contributes to talent retention and shows alignment with Air France-KLM Group strategy and transformation (for more details, see section 2.5.3.2 b) of the 2021 Universal Registration Document).

(3) Given the challenges faced by the airline industry in the wake of the Covid crisis, the Phantom Shares 2021, Specific Long Term 2021 and Performance Shares 2022 plans reflected low achievement rates (52.,8%, 48% and 59.5% respectively, in overall performance). Since the Chief Executive Officer's appointment in 2018, his total compensation per year of grant has always been significantly below the target value.

Supplementary pension plan

The 2025 compensation policy adopted by the Board of Directors on March 5, 2025 provides that the Chief Executive Officer benefits from a supplemental pension plan composed of a share of the mandatory pension plan with defined contributions in accordance with Article 83 of the French General Tax Code (Mandatory Retirement Savings Plan known as PERO), as well as the optional pension plan with defined contributions in accordance with Article 82 of the French General Tax Code implemented as of January 1, 2024.

- PERO: mandatory pension plan with defined contributions (Article 83 of the French General Tax Code):

  The Chief Executive Officer benefits from the defined contribution pension plan (Article 83 of the French General Tax Code) implemented as of January 1, 2024 for the benefit of executive officers and members of the Group Executive Committee.

  Contributions represent:

  - an annual component as described hereinafter:
    - within 5% of gross annual compensation, limited to eight annual social security ceilings, which is 100% covered by the Company,
    - for the 2025 financial year, the amount of the Company's contribution amounted to 18,840 euros.

- Optional defined contribution pension plan (Article 82 of the French General Tax Code):

The Chief Executive Officer benefits from an additional pension system in which the company pays an annual contribution, half composed of contributions paid to a third-party organization under an optional defined contribution pension plan (Article 82 of the French General Tax Code), and half cash sum, taking into account the immediate taxation upon entry into this scheme. The total contribution corresponds to 21% of the sum of the fixed compensation and the actual variable compensation due for the year in question. It also depends on the company's performance since the calculation base includes the variable portion related to the Group's results.

For the 2025 financial year, the amount of contributions by Air France-KLM to the insurer on behalf of the executive officer amounts to 269,720 euros.

Contributions paid in this respect do not benefit from any preferential social and tax regime. For this reason, the Chief Executive Officer receives a cash payment to compensate for the tax impact and charges related to the 2025 contributions in an amount equal to that of the contribution paid on his behalf to the insurer. Payment of this compensation is made at the same time as the contribution to the insurer and amounts to 269,720 euro for the 2025 financial year.

2.5.2.3 RATIOS ON THE MULTIPLES OF COMPENSATION PAID TO THE EXECUTIVE OFFICERS IN 2025

This section was produced pursuant to the provisions of Article L. 22-10-9-I-6° of the Code de Commerce and in accordance with the AFEP guidelines updated in February 2021. It presents, for the last five financial years of the Company, the ratios between executive officer compensation and, on the one hand, the average compensation of non-officer employees of the Company on a full-time equivalent basis, and on the other hand, the median compensation of non-officer employees of the Company on a full-time equivalent basis.

The ratios below were calculated on the basis of the annualized fixed and variable compensation paid during the stated financial years.

As Air France-KLM did not include a representative number of employees during the observed period (less than 20% of the workforce in France), a wider scope was selected ("relevant scope"), including permanent employees of Air France in France (excluding expatriates and seconded employees), present and paid full-time throughout the year, representing more than 80% of the workforce in France.

	2021 Financial Year	2022 Financial Year	2023 Financial Year	2024 Financial Year**	**2025 Financial Year**
CHAIR OF THE BOARD OF DIRECTORS*					
Ratio with average employee compensation in the relevant scope	3.68	3.36	2.99	2.83	**4.57**
Ratio with median employee compensation in the relevant scope	4.72	4.35	3.95	3.68	**5.96**
CHIEF EXECUTIVE OFFICER (BENJAMIN SMITH) Gross data					
Ratio with average employee compensation in the relevant scope	20.24	18.31	56.12	45.66	**46.32**
Ratio with median employee compensation in the relevant scope	25.96	23.69	74.23	59.38	**60.33**

* Anne-Marie Couderc until June 4, 2025 and Florence Parly since June 4, 2025.
** The data relating to the 2024 financial year have been modified compared to the version previously published in the 2024 Universal Registration Document in order to incorporate corrective adjustments.

Clarifications on the elements used to calculate the ratios presented above:

- 2021, 2022 and 2023 financial years:
  - the gross fixed annual compensation of the Chair of the Board of Directors was €200,000 due to the Covid-19 crisis, first by the decision of the Chairwoman to decline the application of her new fixed annual compensation, then in accordance with European Commission decision SA.59913 of April 5, 2021 relating to the recapitalization of Air France and Air France-KLM which provided that the compensation of the Chair of the Board of Directors could not exceed the fixed portion of her compensation as of December 31, 2019. The Chairwoman reiterated her renunciation in 2023 despite the State aids having been reimbursed.
  - As a reminder, pursuant to European Commission decision SA.59913 of April 5, 2021 related to the recapitalization of Air France and Air France-KLM, no variable compensation could be paid to the Chief Executive Officer until at least 75% of the recapitalization measures had been repaid. As the repayment of 75% of State aid occurred on March 17, 2023, the Chief Executive Officer's annual variable compensation for the 2021 financial year as well as the long-term variable compensation for the 2020 financial year for the Specific Long Term 2020–2022 plan were paid to the Chief Executive Officer during the 2023 financial year. Consequently, the ratio with average and median employee remuneration for the relevant scope is significantly higher in respect of the 2023 financial year given the lifting of restrictions associated with the repayment of State aid on March 17, 2023 having enabled the payment of remunerations awarded for previous financial years (cf. section 2.5.2.2 of this Universal Registration Document).
- 2024 financial year:
  - The gross annual fixed compensation of the Chair of the Board of Directors for the 2024 financial year was set at €350,000 by the Board of Directors at its meeting of February 28, 2024 and approved at the Shareholders' Meeting of June 5, 2024. However, it is noted that the Chair of the Board of Directors notified the Board of Directors of her decision to decline this increase for the 2024 financial year. Thus, her gross annual fixed compensation was €200,000 for the year 2024.
  - As a reminder, the Board of Directors decided to change certain components of the Chief Executive Officer's compensation, on the recommendation of the Compensation Committee.
- 2025 financial year
  - The gross annual fixed compensation of the Chair of the Board of Directors for the 2025 financial year was set at €350,000 by the Board of Directors at its meeting of March 5, 2025 and approved at the Shareholders' Meeting of June 4, 2025. This remuneration has remained unchanged since 2024.
  - The components of the Chief Executive Officer's compensation remained unchanged in 2025. The 2025 compensation policy for the Chief Executive Officer can be found in section 2.5.3.2 of the 2024 Universal Registration Document.

2.5.2.4 EVOLUTION IN THE COMPENSATION POLICY

This section was produced pursuant to the provisions of Article L. 22-10-9-I-7° of the Code de Commerce and in accordance with the AFEP guidelines updated in February 2021. It presents the annual evolution of compensation, the performance of Air France-KLM, the average compensation on an equivalent full-time basis of non-executive employees of Air France-KLM, as well as the ratios mentioned in section 2.5.2.3, during the last five financial years.

It is noted that, as Air France-KLM did not include a representative number of employees during the observed period (less than 20% of the workforce in France), a wider scope was selected ("relevant scope"), including permanent employees of Air France (excluding expatriates and seconded employees), present and paid full-time throughout the year, representing more than 80% of the workforce in France:

Annual compensation	2021 financial year	2022 financial year	2023 financial year	2024 financial year[10]	**2025 financial year**
CHAIR OF THE BOARD OF DIRECTORS* [1]					
Compensation	€215,984	€215,984	€215,984	€212,208	**€355,601**
Change/N-1	+13.18%	0%	0%	(1.75%)	**+67.57%**
Ratio with average compensation	3.68	3.36	2.99	2.83	**4.57**
Change/N-1	+0.46	(0.32)	(0.38)	(0.16)	**1.74**
Ratio with median compensation	4.72	4.35	3.95	3.68	**5.96**
Change/N-1	0.54	(0.37)	(0.40)	(0.27)	**2.28**
CHIEF EXECUTIVE OFFICER (BENJAMIN SMITH) GROSS DATA					
Compensation	€1,187,113[2]	€1,175,380[2]	€ 4,058,968[3]	€3,425,959	**€3,601,968**
Change/N-1	(34.35)%	(1.00)%	+245.33 %	(15.60%)	**+5.14%**
Ratio with average compensation	20.24	18.31	56.12	45.66	**46.32**
Change/N-1	(10.27)	(1.93)	37.81	(10.46)	**0.66**
Ratio with median compensation	25.96	23.69	74.23	59.38	**60.33**
Change/N-1	(13.68)	(2.27)	50.54	(14.85)	**0.95**
BOARD DIRECTORS[4]					
Compensation (formerly directors' fees)	€637,772[5]	€836,321[6]	€848,432	€837,500	**€1 393 500 [7]**
Change/N-1	(9.68)%	+31.13%	+1.45%	(1.29%)	**+66.39%**
EMPLOYEES IN THE RELEVANT SCOPE[8]					
Average compensation	€58,656	€64,206	€72,331	€75,030	**€77,767**
Change/N-1	(1.02)%	+9.46%[9]	+12.65%	+3.73%	**+3.65%**

*Anne-Marie Couderc until June 4, 2025 and Florence Parly since June 4, 2025.

(1) The compensation of the Chair of the Board of Directors and Chief Executive Officer presented above were calculated based on the fixed and variable compensation over the financial years specified. These elements have been annualized to allow their comparison.
(2) The amount of the Chief Executive Officer's annual variable compensation for the 2021 financial year was set by the Board of Directors at its meeting of February 16, 2022 at 121.1% of his annual fixed compensation, i.e. €1,089,984. This amount may be paid to the Chief Executive Officer once 75% of the recapitalization measures have been repaid.
(3) It is specified that pursuant to European Commission decision SA.59913 of April 5, 2021 on the recapitalization of Air France and Air France-KLM, no variable compensation could be paid to the Chief Executive Officer until at least 75% of the recapitalization measures had been repaid. As the repayment of 75% of State aid occurred on March 17, 2023, the Chief Executive Officer's annual variable compensation for the 2021 financial year as well as the long-term variable compensation for the 2020 financial year (for the Specific Long Term plan) were paid to the Chief Executive Officer during the 2023 financial year.
(4) It is specified that the Board of Directors, at their meeting of December 11, 2019, decided to introduce a variable portion based on attendance into the compensation awarded to the directors for their duties carried out within Committees.
(5) The directors of Air France-KLM took the decision on February 17, 2021, to reduce their remuneration paid for the year 2021 by 25%, until the Group's Current Operating Income had returned to a positive amount, in view of the crisis context linked to the Covid-19 pandemic.
(6) Following the deliberations of the Board of Directors on 8 December 2022, after noting that the interim accounts for June 30, 2022 and the accounts for the third quarter predicted that the Group's annual Current Operating Income would be positive for December 31, 2022, it was decided to lift the 25% reduction in the compensation of directors paid for the 2022 financial year.
(7) An increase in the overall remuneration of the Board of Directors was approved at the General Meeting of June 4, 2025, in order to align with market practices at a level close to the median, reflect the increased level of responsibility within the Board and committees, and enhance the attractiveness of the position in order to attract new profiles and retain them. Details of the reasons for this change are provided in the 2024 Universal Registration Document in section 2.5.3.1.
(8) The increase in the compensation of employees in the relevant scope is explained by the resumption of Air France's activity, including the decrease in partial activity.
(9) The retired numbers include the change in accounting principles for pensions (interpretation of IAS 19).
(10) The data relating to the 2024 financial year have been modified compared to the version previously published in the 2024 Universal Registration Document in order to incorporate corrective adjustments.

	2021 Financial Year	2022 Financial Year	2023 Financial Year	2024 Financial Year	**2025 Financial Year**
PERFORMANCE OF THE COMPANY BASED ON THE REPORTED FIGURES					
Net Results *(in € million)*	(3,292)	728	934	317	**1,593**
Change/N-1 *(in € million)*	3,808	4,020	206	(617)	**+1,276**
Current Operating Income (COI) *(in € million)*	(1,626)	1,193	1,712	1,601	**2,004**
Change/N-1 *(in € million)*	2,928	2,819	519	(111)	**+403**
Net debt/EBITDA ratio	11.03x	1.75x	1.20x	1.73x	**1.66x**
Change/N-1	17.5	(9.28)	(0.56)	0.53	**(0.07)**

2.5.2.5 ADDITIONAL INFORMATION REGARDING THE COMPENSATION PAID OR AWARDED TO ALL CORPORATE OFFICERS IN 2025

During the 2025 financial year, the overall amount of compensation paid to directors did not exceed the maximum budget of €1,550,000 approved by the shareholders at the Shareholders' Meeting of June 4, 2025.

Compensation elements for executive officers in accordance with AMF position-recommendation DOC-2021-02:

SUMMARY TABLE OF THE COMPENSATION OF EACH EXECUTIVE OFFICER (TABLE 2 – AMF POSITION-RECOMMENDATION – DOC-2021-02 (APPENDIX 2))

(In euros)	2023 Financial Year		2024 Financial Year		**2025 Financial Year**	
Ms. Anne-Marie Couderc, Chair of the Board of Directors until June 4, 2025	Amounts granted	Amounts paid	Amounts granted	Amounts paid	**Amounts granted**	**Amounts paid**
Fixed compensation	200,000 (2)	200,000 (2)	200,000 (1)	200,000 (1)	**150,000**	**150,000**
Annual variable compensation	N/A	N/A	N/A	N/A	**N/A**	**N/A**
Extraordinary compensation	N/A	N/A	N/A	N/A	**N/A**	**N/A**
Compensation granted in respect of a Board director's mandate	N/A	N/A	N/A	N/A	**N/A**	**N/A**
Benefits in kind	15,984 (3)	15,984 (3)	12,208 (3)	12,208 (3)	**4,212 (3)**	**4,212 (3)**
TOTAL	**215,984**	**215,984**	**212,208**	**212,208**	**154,212**	**154,212**

(1) This amount does not include the increase in the gross annual fixed compensation of the Chair of the Board of Directors (from €200,000 to €350,000) which had been decided by the Board of Directors on February 28, 2024. Note that the Chair of the Board of Directors decided to decline this increase for the 2024 financial year.
(2) This amount does not include the increase in the gross annual fixed compensation of the Chair of the Board of Directors (from €200,000 to €220,000) which had been decided by the Board of Directors on February 19, 2020. Note that the Chair of the Board of Directors decided to decline this increase for the 2023 financial year.
(3) Ms. Anne-Marie Couderc has a company car with driver.

(In euros)	2023 Financial Year		2024 Financial Year		**2025 Financial Year**	
Mrs Florence Parly, Chair of the Board of Directors since June 4, 2025	Amounts granted	Amounts paid	Amounts granted	Amounts paid	**Amounts granted**	**Amounts paid**
Fixed compensation	N/A	N/A	N/A	N/A	**201,389**	**201,389**
Annual variable compensation	N/A	N/A	N/A	N/A	**N/A**	**N/A**
Extraordinary compensation	N/A	N/A	N/A	N/A	**N/A**	**N/A**
Compensation granted in respect of a Board director's mandate	N/A	N/A	N/A	N/A	**N/A**	**N/A**
Benefits in kind	N/A	N/A	N/A	N/A	**€0**	**€0**
TOTAL	**N/A**	**N/A**	**N/A**	**N/A**	**201,389**	**201,389**

(in euros)	2023 Financial Year		2024 Financial Year		**2025 Financial Year**	
Mr. Benjamin Smith, Chief Executive Officer	Amounts granted	Amounts paid	Amounts granted	Amounts paid	**Amounts granted**	**Amounts paid**
Fixed compensation	900,000	900,000	1,044,000	1,044,000	**1,044,000**	**1,044,000**
Annual variable compensation	985,880 (1)	1,059,769 (2) 1,089,984 (1) in respect of 2021	1,524,760	985,880	**1,753,920**	**1,524,760**
Extraordinary compensation	N/A	N/A	N/A	N/A	**N/A**	**N/A**
Compensation granted in respect of a Board director's mandate	N/A	N/A	N/A	N/A	**N/A**	**N/A**
Benefits in kind	284,074 (3)	284,074 (3)	291,226 (3)	291,226 (3)	**311,710 (3)**	**311,710 (3)**
TOTAL	**2,169,954**	**3,333,827**	**2,859,986**	**2,321,106**	**3,109,630**	**2,880,470**

(1) It is specified that, pursuant to the European Commission's decision of April 5, 2021 on case No. SA.59913 relating to the recapitalization of Air France and Air France-KLM, no long-term variable compensation could be paid to the Chief Executive Officer until such time as at least 75% of the recapitalization measures had been repaid. As the repayment of 75 % of the State Aid took place on March 17, 2023, the annual variable compensation for the Chief Executive Officer in respect of the 2021 financial year and the long-term variable compensation in respect of 2020 (for the Specific Long-Term Incentive Plan 2020-2022) was paid to the Chief Executive Officer during the 2023 financial year.
(2) The details concerning the annual variable compensation of the Chief Executive Officer for 2022 are outlined in section 2.5.5.2.b of the 2022 Universal Registration Document.
(3) The Chief Executive Officer benefits from a chauffeur-driven company car and a supplementary health and disability scheme. Given his relocation to France, he also benefits from an accommodation allowance, free airline tickets, school fees and advisory services.

SUMMARY TABLE OF THE COMPENSATION, OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE OFFICER (TABLE 1 – AMF POSITION-RECOMMENDATION – DOC-2021-02 (APPENDIX 2))

(in euros)	2023 Financial Year	2024 Financial Year	**2025 Financial Year**
MS. ANNE-MARIE COUDERC, CHAIR OF THE BOARD OF DIRECTORS			
Compensation granted in respect of the financial year (table 2)	215,984 (2)	212,208 (1)	**154,212**
Valuation of multi-year variable compensation granted during the financial year	N/A	N/A	**N/A**
Valuation of the options granted during the financial year	N/A	N/A	**N/A**
Valuation of free shares granted during the financial year	N/A	N/A	**N/A**
Valuation of other long-term compensation plans	N/A	N/A	**N/A**
Valuation of performance shares granted during the year	N/A	N/A	**N/A**
TOTAL	**215,984**	**212,208**	**154,212**

(1) The gross annual fixed compensation of the Chair of the Board of Directors for the 2024 financial year was set at €200,000 by the Board of Directors at its meeting on February 28, 2024 upon request of the Chair of the Board of Directors. This amount does not include the increase to her gross annual fixed compensation (from €200,000 to €350,000) which had been decided by the Board of Directors on February 28, 2024 (table 2).
(2) The gross annual fixed compensation of the Chair of the Board of Directors for the 2023 financial year was set at €200,000 by the Board of Directors at its meeting on February 16, 2023 upon request of the Chair of the Board of Directors. This amount does not include the increase to her gross annual fixed compensation (from €200,000 to €220,000) which had been decided by the Board of Directors on February 19, 2020.

(in euros)	2023 Financial Year	2024 Financial Year	**2025 Financial Year**
MRS. FLORENCE PARLY, CHAIR OF THE BOARD OF DIRECTORS			
Compensation granted in respect of the financial year (table 2)	N/A	N/A	**201,389**
Valuation of multi-year variable compensation granted during the financial year	N/A	N/A	**N/A**
Valuation of the options granted during the financial year	N/A	N/A	**N/A**
Valuation of free shares granted during the financial year	N/A	N/A	**N/A**
Valuation of other long-term compensation plans	N/A	N/A	**N/A**
Valuation of performance shares granted during the year	N/A	N/A	**N/A**
TOTAL	**N/A**	**N/A**	**201,389**

(in euros)	2023 Financial Year	2024 Financial Year	**2025 Financial Year**
MR. BENJAMIN SMITH, CHIEF EXECUTIVE OFFICER			
Compensation granted in respect of the financial year (table 2)	2,169,954 (4)	2,859,986 (3)	**3,109,630 (1)**
Valuation of multi-year variable compensation granted during the financial year	N/A	N/A	**N/A**
Valuation of stock options granted during the financial year	N/A	N/A	**N/A**
Valuation of free shares granted during the financial year	N/A	N/A	**N/A**
Valuation of other long-term compensation plans	N/A	N/A	**N/A**
Valuation of performance shares granted during the year (table 6)	2,000,000	2,000,000	**2,000,000 (2)**
TOTAL	**4,169,954**	**4,859,986**	**5,109,630**

(1) This amount is detailed in the summary table of the Chief Executive Officer's compensation in section 2.5.2.5 of the present Universal Registration Document (table 2).
(2) For more details on the long-term compensation granted for the 2025 financial year, see section 2.5.2.5 of the present Universal Registration Document (table 6).
(3) This amount is detailed in the summary table of the Chief Executive Officer's compensation in section 2.5.2.5 of the 2024 Universal Registration Document.
(4) This amount is detailed in the summary table of the Chief Executive Officer's compensation in section 2.5.2.5 of the 2023 Universal Registration Document.

SUMMARY TABLE OF PERFORMANCE SHARES ATTRIBUTED TO EACH EXECUTIVE OFFICER (TABLE 6 – AMF POSITION-RECOMMENDATION DOC-2021-02 (APPENDIX 2))

	Plan date	Number of shares awarded	Valuation of shares	Acquisition date	Availability date	Performance conditions
Mr. Benjamin Smith, Chief Executive Officer	04/06/2025 2025 Performance Shares Plan	232,558	€2,000,000	Shareholders' Meeting 2028	Shareholders' meeting 2028	The final acquisition of these performance shares will depend on the achievement of the following performance criteria: • Net debt/EBITDA by 30%; • Relative TSR by 30%; • RSE performance target by 20%; and • Improved airline brand image by 20%. (For more details, see Chapter 2.5.3.2 of the 2024 Universal Registration Document)

SUMMARY TABLE OF PERFORMANCE SHARES ATTRIBUTED TO EACH EXECUTIVE OFFICER AND BECOMING AVAILABLE DURING THE 2025 FINANCIAL YEAR (TABLE 7 – AMF POSITION-RECOMMENDATION DOC-2021-02 (APPENDIX 2))

	Plans	Total number of shares to become available
Mr. Benjamin Smith, Chief Executive Officer	Long Term 2022-2024 performance plan Date: March 12, 2019	72,922

A summary of the long-term variable compensation is presented in section 2.5.2.2 of the present Universal Registration Document.

SUMMARY TABLE OF THE SITUATION OF THE EXECUTIVE OFFICERS (TABLE 11 – AFEP-MEDEF CODE)

	Employment contract		Supplementary pension scheme (see above)		Indemnities or benefits due or potentially due on a cessation or change of function		Indemnity relating to a non-compete clause	
Executive officers	Yes	No	Yes	No	Yes	No	Yes	No
Ms. Anne-Marie Couderc *Chair of the Board of Directors* Start date of mandate: May 15, 2018 Expiry date of mandate: 2025 Ordinary Shareholders' Meeting[1]		√	√[2]			√		√
Mrs Florence Parly *Chair of the Board of Directors* Start date of mandate: June 4, 2025 Expiry date of mandate: 2026 Ordinary Shareholders' Meeting		√	√[2]			√		√
Mr. Benjamin Smith *Chief Executive Officer* Start date of mandate: September 17, 2018 Expiry date of mandate: 2027 Ordinary Shareholders' Meeting[3]		√	√[4]		√[5]			√

(1) Ms. Anne-Marie Couderc was appointed Chair of the Board of Directors starting May 15, 2018. Her term as Chair of the Board of Directors ended at the end of the Shareholders' Meeting of June 4, 2025.
(2) The Board of Directors, at their meeting on February 28, 2024, decided to implement a supplementary pension plan for the chair of the Board of Directors. For more details on the supplementary pension plan for the Chair of the Board of Directors, see section 2.5.2.2.
(3) The Chief Executive Officer has also been an executive of Air France-KLM since December 5, 2018. His term as executive was renewed, for a period of 4 years, i.e., until the end of the 2027 Ordinary Shareholders' Meeting by decision of the shareholders at the Shareholders' Meeting on June 7, 2023. Chief Executive Officer Benjamin Smith's term was renewed early on March 30, 2022, for a new period of five years, with effect from the Shareholders' Meeting on May 24, 2022, and expiring at the end of the Shareholders' Meeting ruling on the accounts for the financial year ending December 31, 2026.
(4) The Board of Directors, at their meeting on February 28, 2024, decided to implement a supplementary pension plan for the Chief Executive Officer. For more details on the supplementary pension plan for the Chief Executive Officer, see section 2.5.2.2.
(5) For more details on the Chief Executive Officer's severance compensation, see section 2.5.2.2.

Loans and guarantees granted in favor of the Company's corporate officers

Nil.

Options to subscribe or purchase shares granted to Air France-KLM's corporate officers

Air France-KLM has not implemented a plan for options to subscribe or purchase shares for the benefit of its corporate officers during this financial year or during previous financial years.

Options to subscribe or purchase shares granted to Air France-KLM corporate officers and employees of the Air France-KLM group by subsidiaries

Air France and KLM have not recently implemented a stock option plan for the benefit of their employees and no stock option plan is currently in force.

Information on the options to subscribe or purchase shares granted to employees of the Air France-KLM group and exercised by them during the financial year

Nil.

2.5.3 2026 COMPENSATION POLICY FOR CORPORATE OFFICERS

This section was produced pursuant to Articles L. 22-10-8 and R. 22-10-14 of the Code de Commerce, and presents the elements composing the 2026 compensation policy for corporate officers.

The Board of Directors, on the recommendation of the Compensation Committee, has taken into account the vote at the Shareholders' Meeting of June 4, 2025 concerning compensation of executive officers for the 2025 financial year to determine the 2026 compensation policy for corporate officers.

The corporate officers' compensation policy for 2026 describes all components of fixed compensation and, where applicable, variable compensation, for directors (section 2.5.3.1 below); for the Chair of the Board of Directors (section 2.5.3.2 a. below); for the Chief Executive Officer (section 2.5.3.2 b. below), and explains the decision-making process followed for its determination, revision and implementation.

This 2026 compensation policy for corporate officers will be the subject of a draft resolution submitted for approval at the Shareholders' Meeting of June 3, 2026 under the conditions provided for in Article L. 22-10-8 of the Code de Commerce and upon any significant change to the compensation policy.

General principles:
Established by the Board of Directors on the recommendation of the Compensation Committee, and in accord with the AFEP-MEDEF code, the compensation policy for Air France-KLM corporate officers for the 2026 financial year is:

- in line with the corporate interest in that it makes it possible to attract competent corporate officers and retain them, while being adapted to the responsibilities of the beneficiary and aligned with the practices of comparable companies;
- in line with its commercial strategy, in that it comprises a long-term variable component linked to the company's performance and adjusted according to strategic priorities; and
- contributes to its sustainability in that it is always aligned with the interests of shareholders.

This policy is reviewed annually by the Compensation Committee. The work of the Compensation Committee takes into account the benchmark study carried out with the help of external consultants to compare this policy with the practices of comparable companies. The Committee also ensures that the compensation policy is aligned with the Company's strategy. On the basis of this work, the Committee makes recommendations to the Board of Directors, which adopts the compensation policy each year.

When drawing up the compensation policy for corporate officers, the Board of Directors, on the recommendation of the Compensation Committee, takes into account the compensation and employment conditions of Air France-KLM employees. Indeed, just as with all Air France-KLM employees, the Board of Directors ensures that it implements a simple, understandable and consistent policy for the compensation of corporate officers, while respecting fairness. The Board of Directors is particularly attentive to ensuring that all employees and corporate officers have the appropriate level of material resources necessary to carry out their respective functions.

The rules of procedure of the Board of Directors provide that any director in a situation of even potential conflict of interest must inform the Board of Directors and must refrain from attending the debate and from participating in the vote on the corresponding deliberation. Thus, the executive officers are not present during the discussions about their own compensation by the Board of Directors and the Compensation Committee.

In the event that a new Chair of the Board of Directors or a new Chief Executive Officer are appointed, the compensation elements provided for in the compensation policy for corporate officers would also be applicable to them. The Board of Directors, on the recommendation of the Compensation Committee, will then determine, by adapting them to the situation of the interested parties, the objectives, performance levels, parameters, structure and maximum percentages in relation to their fixed annual compensation, which cannot be greater than those approved by the shareholders.

2.5.3.1 COMPENSATION OF DIRECTORS FOR 2026

Subject to approval of the 2026 compensation policy for corporate officers at the Shareholders' Meeting of June 3, 2026, the Board of Directors of Air France-KLM will receive compensation in respect of their mandate (formerly "attendance tokens") in a maximum amount which has been set at €1,550,000, for the entire Board of Directors (without the remuneration of the Chair of the Board of Directors).

Compensation of the directors consists of a fixed compensation to which is added compensation based on the respective attendance of the directors, the terms of distribution and award of which are decided by the Board of Directors, as proposed by the Compensation Committee.

These distribution rules have remained unchanged since the Board of Directors' meeting of March 5, 2025. The distribution rules are as follows:

- Related to their term on the Board of Directors:
  - €25,000 in fixed compensation;
  - €35,000 in compensation based on attendance at Board meetings and General Shareholders' Meetings; and

- €7,000 of additional compensation awarded to non-resident directors.
- If applicable, during their term within the Audit Committee:
  - the Chair will receive a fixed compensation of €35,000;
  - the members each receive a fixed compensation of €5,000, to which is added, for each, compensation in the maximum amount of €15,000 based on their attendance at Committee meetings.
- Related to their term within the other Committees:
  - the Chair will receive a fixed compensation of €30,000;
  - the members each receive a fixed compensation of €5,000, to which is added, for each, compensation in the maximum amount of €10,000 based on their attendance at Committee meetings.

As a result, it is requested to maintain the overall compensation budget for directors at €1,550,000. This level reflects the Company's positioning in relation to market practices, as well as the evolution of the level of responsibility of the Board of Directors and its committees, and strengthens its attractiveness in order to attract new profiles and retain them, in a context of increased requirements in terms of governance, non-financial performance, and strategic supervision.

For any director entering or leaving office during the financial year: the amount of compensation is calculated pro rata according to the number of meetings of the Board of Directors, Committees and Shareholders' Meetings held over the period during which the director was in office.

Under the aforementioned distribution, all directors, with the exception of the Chair of the Board of Directors and Chief Executive Officer, will receive compensation in accordance with the allocation procedures established by the Board of Directors.

It is also specified that in the event of a significant number of extraordinary meetings of the Board of Directors, the Board of Directors may decide on an exceptional and additional allocation, within the limit of the budget allocated by the shareholders. The additional amount allocated will be calculated in proportion to the attendance of each director at these extraordinary meetings.

Directors (non-executive corporate officers) may not benefit from:
- any long-term compensation plan;
- any benefits in kind that are not related to their function;
- any employment contract;
- any non-competition compensation;
- any stock-option or free share allocation.

Methods of awarding and paying compensation to representatives of the State and directors appointed on the proposal of the French State

The rules for the distribution of compensation paid to directors presented above are applicable to representatives of the State and to directors appointed on the proposal of the French State.

Pursuant to Order No. 2014-948 of August 20, 2014 and Article 1 of the Ministerial Order of December 18, 2014, as amended by the Ministerial Order of January 5, 2018, the following rules apply:
- for directors appointed directly by the French State, 100% of compensation is paid to the French State (Article 5 of the order);
- for directors appointed at the Shareholders' Meeting on the proposal of the French State (Article 6 of the order), two cases must be distinguished:
  - for public servants of the French State, 100% of compensation is paid to the State,
  - For those who are not state public servants, payment of the compensation is divided as follows:
    - 15% paid to the State, and
    - 85% paid directly to the director (with application of social security and tax charges).

2.5.3.2 COMPENSATION OF THE EXECUTIVE OFFICERS IN RESPECT OF 2026

Compensation for the Chair of the Board of Directors and the Chief Executive Officer are set by the Board of Directors on recommendation of the Compensation Committee, in accordance with the AFEP-MEDEF Code.

In accordance with the internal regulations, the Board of Directors also approves the compensation of the managing directors of the main subsidiaries (Air France and KLM) on the recommendation of the Compensation Committee. The Compensation Committee also makes recommendations to the Chief Executive Officer regarding the compensation of the Chief Financial Officer and reviews the compensation of the members of the KLM Board of Directors.

The compensation policy for corporate officers for fiscal year 2026 is consistent with a policy of continuity and stability, while incorporating the lessons learned from dialogue with shareholders and the results of the votes at the General Meeting of June 4, 2025. It aims to ensure a fair balance between attractiveness, sustainable performance, and fairness, in line with the Company's corporate interests and the long-term interests of shareholders.

The compensation policies define the principles and criteria of determination, distribution and allocation of fixed, variable and exceptional elements composing the total compensation and benefits in kind, awarded to the Chair of the Board of Directors, and to the Chief Executive Officer. Each of these elements are detailed in this section, in point a), covering the term of the Chair of the Board of Directors, and in point b), covering the term of the Chief Executive Officer, in accordance with Articles L. 22-10-8 and R. 22-10-14 of the Code de Commerce.

2026 compensation policy for the Chair of the Board of Directors

Mrs. Florence Parly has been a member of the Board of Directors of Air France-KLM since December 7, 2023 and Chair of the Board of Directors since June 4, 2025. The Chair of the Board of Directors may be dismissed at any time by the Board of Directors. Mrs. Florence Parly is not bound by any employment contract with the Company or any other Group company.

The Board of Directors, at its meeting of February 18, 2026, on the recommendation of the Compensation Committee, defined the compensation policy for the Chair of the Board of Directors of Air France-KLM for the 2026 financial year.

Annual compensation (fixed and variable)

Description of annual fixed and variable elements

On the recommendation of the Compensation Committee, the Board of Directors decided on February 18, 2026 to restate its compensation policy and award the Chair of the Board of Directors an annual gross fixed compensation of €350,000 for her 2026 duties.

Extraordinary annual compensation

The Chair of the Board of Directors will not benefit from extraordinary annual compensation.

Long-term compensation plan

The Chair of the Board of Directors will not benefit from any long-term compensation plan.

Compensation as director

The Chair of the Board of Directors will not receive compensation for her duties as director.

Severance compensation

The Chair of the Board of Directors does not benefit from any severance compensation.

Benefits in kind

The Chair of the Board of Directors will have material resources (car with driver) that are not, in practice, dissociable from the performance of her duties.

Supplementary pension plan

The Chair of the Board of Directors will benefit from a plan with defined contributions (Mandatory Retirement Savings Plan known as PERO) available to all employees located in France, but will not benefit from the new optional pension plan with defined contributions (Article 82 of the French General Tax Code).

Mandatory pension plan with defined contributions (Article 83) known as PERO (Plan d'Épargne Retraite Obligatoire [Mandatory Retirement Savings Plan])

The Chair of the Board of Directors benefits from the defined contribution pension plan (PERO) implemented as of January 1, 2024 for the benefit of executive officers and members of the Group Executive Committee:

- maximum 5% of gross compensation, limited to eight annual social security ceilings, which is 100% covered by the Company;
- The Chair of the Board of Directors benefits from this plan under the same conditions as other executive officers and members of the Group's Executive Committee.

Others

The Chair of the Board of Directors will not benefit from any employment contract, top hat pension, non-competition compensation, or stock option or free shares.

2026 Compensation policy for the Chief Executive Officer

Mr. Benjamin Smith was appointed Chief Executive Officer effective September 17, 2018 and Director on December 5, 2018. His term as director was renewed at the Shareholders' Meeting of June 7, 2023 for a period of four years, i.e. until the end of the Shareholders' Meeting called to rule on the accounts for the financial year ending December 31, 2026. The duration of his term as Chief Executive Officer is five years. It was renewed early on March 30, 2022, i.e. until the end of the Shareholders' Meeting ruling on the accounts for the financial year ending December 31, 2026. However, the Chief Executive Officer may be dismissed at any time by the Board of Directors. Mr. Benjamin Smith is not bound by any employment contract with the Company or any other Group Company.

It is specified that, to determine the compensation elements of the Chief Executive Officer, the Board of Directors of Air France-KLM relies on a sample of compensation offered by comparable international groups.

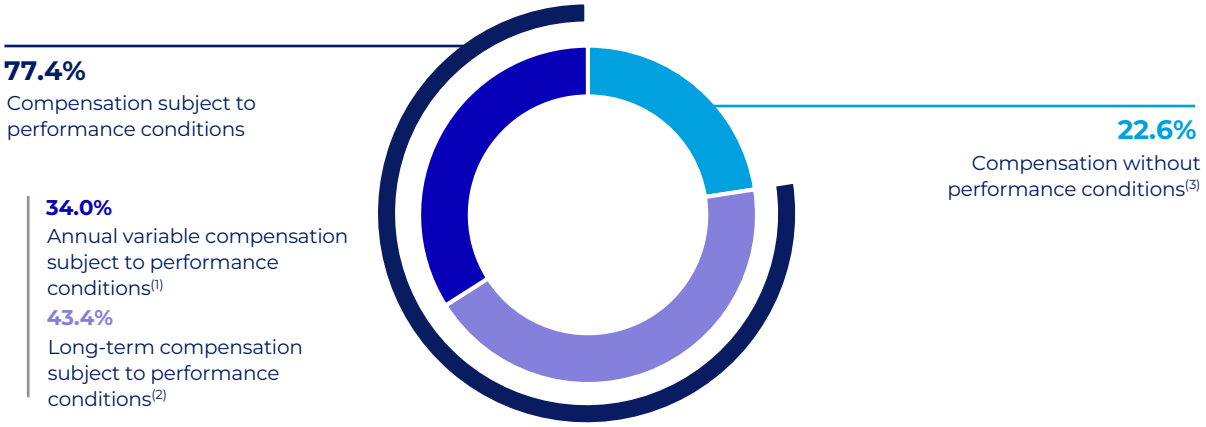
As a reminder, the compensation structure for the Chief Executive Officer, having remained unchanged since 2018, was modified for the 2024 financial year.

This compensation structure, as amended during the 2024 financial year, remains the same for the 2026 financial year. This is detailed in section 2.5.2.2 b).

The Board of Directors, at its meeting of February 18, 2026, on the recommendation of the Compensation Committee, also defined the compensation structure applicable to the Chief Executive Officer of Air France-KLM for the 2026 financial year. This compensation structure consists of fixed compensation representing 22.6% of Mr. Benjamin Smith's total compensation, annual variable compensation representing 34% of his total compensation and long-term variable compensation representing 43.4% of his total compensation. More than 75% of Mr. Benjamin Smith's total annual compensation depends on meeting demanding performance conditions.

The performance criteria related to variable compensation within the framework of the 2026 compensation, as well as the performance levels and percentages for achievement of these criteria, were established in accordance with the decisions of the Board of February 18, 2026, on the recommendations of the Compensation Committee.

COMPENSATION STRUCTURE FOR THE CHIEF EXECUTIVE OFFICER OF AIR FRANCE-KLM FOR FINANCIAL YEAR 2026



(1) 150% of fixed compensation with objectives achieved and up to 180% in the event of exceeding the objectives.
(2) A long-term compensation plan giving entitlement to the allocation of performance units corresponding to an amount of €2,000,000.
(3) Amount of €1,044,000.

Annual compensation (fixed and variable)

Description of annual fixed and variable elements

The Chief Executive Officer will benefit from an annual gross fixed compensation of €1,044,000 and an annual gross variable compensation of 0% to 150% of the annual gross fixed compensation depending on objectives being partially met or met (calculated linearly) and may achieve a maximum of 180% of annual fixed compensation in the event of exceeding objectives (calculated linearly).

The performance criteria, which were decided by the Board of Directors at its meeting of February 18, 2026, are 60% criteria linked to the Group's performance and financial objectives, and 40% criteria linked to non-financial objectives, of which half are quantitative. The Board of Directors decided on ambitious performance levels and percentages for the 2026 financial year.

The performance criteria for the annual variable compensation were established by the Board of Directors at its meeting of February 18, 2026 with the objective of limiting their number, simplifying the structure and presenting quantitative objectives for one of the non-financial criteria. It is nevertheless specified that the "Individual Performance and Leadership" criterion will be subject to a qualitative assessment, in addition to a quantitative evaluation.

	Breakdown of the variable portion	
	Target: 150% of the fixed compensation	Maximum: 180% of the fixed compensation
QUANTITATIVE FINANCIAL PERFORMANCE		
COI (Current Operating Income) in absolute value (40%) Air France-KLM COI on December 31, 2026 compared to the COI as provided for in the 2026 budget	60%	72%
Recurring Adjusted Operating Free Cash Flow (20%) Recurring Adjusted Operating Free Cash Flow of Air France-KLM as of December 31, 2026 compared to the Recurring adjusted operating Free Cash Flow as provided for in the 2026 budget	30%	36%
NON-FINANCIAL QUANTITATIVE PERFORMANCE		
Decarbonization (decarbonization action plan) (20%) Use of the SAF (10 %) and measures taken at the initiative of the airlines (10 %)	30%	36%
Individual performance & Leadership (20%)(1)	30%	36%

(1) The "individual Performance and Leadership" criterion will be assessed partly through a qualitative assessment and partly through a quantitative assessment.

Assessment of 2026 performance criteria

Financial quantitative performance

The quantitative performance relative to the financial criteria (COI in absolute value, Air France-KLM free cash flow) will be evaluated on the basis of the following rules:

Air France-KLM COI in absolute value	Performance	% attainment of the criterion
Air France-KLM COI on December 31, 2026 compared to the COI as provided for in the 2026 budget	Level 1 Result between trigger threshold and target	From 0% to the target proportionally
	Level 2 On target	100%
	Level 3 Between target and max limit	100% to maximum proportionally
	Level 4 Max limit	Maximum

RECURRING ADJUSTED OPERATING FREE CASH FLOW

Recurring Air France-KLM Adjusted Operating Free Cash Flow as of December 31, 2026 compared to the Recurring Adjusted Operating Free Cash Flow as shown in the 2026 budget	% attainment of the criterion
Level 1. Result between trigger threshold and target	From 0% to the target proportionally
Level 2. On target	100%
Level 3. Between target and max limit	100% to maximum proportionally
Level 4. Max limit	Maximum

Non-financial performance

Use of the SAF	% attainment of the criterion
Level 1. Below target	0%
Level 2. Target result	50% of the target
Level 3. Between target and max limit	50% of the target to maximum proportionally
Level 4. Max limit	Maximum

Measures taken at the airline initiative	% attainment of the criterion
Level 1. Result between trigger threshold and target	From 0% to the target proportionally
Level 2. On target	100%
Level3. Between target and max limit	100% to maximum proportionally
Level 4. Max limit	Maximum

It is specified that, in accordance with AMF Recommendation No. 2012-02, the precise objectives of these criteria cannot be communicated for reasons of confidentiality.

Individual & Leadership	The evaluation will examine actions and outcomes, in light of the following core priorities: (1)Maintained social stability; (2) Strategic vision of the market; (3) Transformation and/or consolidation; (4) Inspirational external communication; (5) Management of the management teams; (6) Assessment of the Employee Promoter Score (EPS) and of the Net Employer Score (NPS). The performance will be evaluated by the Board of Directors (percentage attainment of between 0 and the maximum).

In line with the expectations expressed by certain shareholders and proxy advisory firms, the evaluation process for the "Individual Performance and Leadership" criterion will be based on a structured, documented, and multi-factor analysis as described above.

In any event, this annual variable compensation would be approved at the Shareholders' Meeting in the year in which the Board of Directors decided to award it, pursuant to Article L. 22-10-8 of the *Code de Commerce* (ex ante vote), and the year in which it was paid, pursuant to Article L. 22-10-34 of the *Code de Commerce* (ex post vote).

Long-term compensation

The Chief Executive Officer's compensation policy consists in a major part of long-term variable compensation elements in order to align the Group's performance and compensation from a long-term perspective, thus contributing to the Company's strategy and sustainability.

These compensation elements correspond to a long-term plan subject to the achievement of demanding performance conditions assessed over a period of three years and covering the interests of the Group, its employees and its shareholders. It is noted that the payment and acquisition of these compensation elements will only be received at the end of this three-year period.

Long-term Compensation System For Air France-KLM



Long-term compensation plan 2026–2028

The Group intends to initiate targeted strategic actions aimed at improving operational performance in the medium and long term to match the best practices of major international airlines, while taking into account the environmental and societal challenges of its development. In this context, a new long-term compensation plan applicable to the Chief Executive Officer has been implemented in accordance with the Board of Directors' decision of February 18, 2026, including other Group managers and employees. The long-term compensation plan applicable to the Chief Executive Officer has the same main characteristics as the long-term compensation plan implemented in 2022.

Thus, the Chief Executive Officer is awarded performance units annually under this plan corresponding to an amount of two million euros, payable in shares at the end of a three-year period following the award, subject to the achievement of specific performance conditions, assessed over the whole of this period, and with a maximum of 100% over three years. The payment of performance units is also subject to a three-year attendance requirement, except (i) in the event of death or disability (if applicable, without performance condition), or (ii) in the event of dismissal, non-renewal of term or even retirement (if applicable, associated with performance conditions), it being specified that in these exceptional cases the payment will be made pro rata temporis.

The number of performance units awarded each year is calculated in relation to the opening stock price of the Air France-KLM share on April 1 of the year of allocation (i.e. April 1, 2026 for the 2026-2028 plan). Payment of these performance units, contingent on performance and attendance conditions, will be made in Air France-KLM shares. It is specified that one performance unit will give entitlement to one Air France-KLM share.

Consequently, the Board of Directors, at its meeting of February 18, 2026, established demanding performance conditions in order to assess, where applicable, the long-term performance of the Chief Executive Officer, for the possible allocation of this long-term variable compensation described below, as well as the performance levels and percentages of achievement of these criteria.

In an environment characterized by high volatility and marked cyclicality, as well as structural challenges of retaining executives in a highly competitive sector, the Board of Directors conducted an in-depth review of the long-term compensation system. Long-term compensation plans are an essential lever for alignment with the interests of shareholders, by encouraging the achievement of strategic financial and non-financial objectives, as evidenced by the historical level of achievement of performance conditions, reflecting their particularly demanding nature (66% for the 2023-2025 plan, 59.5% for the 2022-2024 plan, 52.8% for the 2021-2023 "Phantom Shares" plan and 48% for the 2021-2023 "Specific Long Term" plan).

The Board of Directors wished, to maintain high standards for the 2026-2028 plan by maintaining Relative TSR as a key indicator of long-term value creation (representing 30% of the plan), which remains the most relevant indicator to measure the relative performance of the Company compared to its direct competitors. However, the necessarily restricted size of the peer group, linked to the limited number of only three strictly

comparable actors in Europe, accentuates the threshold and discontinuity effects in the TSR acquisition scale, which can lead to significant acquisition gaps for marginal variations in performance. In this context, it appeared necessary to introduce, at the intermediate level (Position 3), greater elasticity in the Relative TSR acquisition scale, in order to better reflect real economic performance in a volatile market, to avoid any significant acquisition in the case of performance close to the minimum threshold (Position 4) and, conversely, to appropriately recognize performance close to the level above the median (Position 2).

At the same time, other performance conditions have also been strengthened. In particular, regarding the objective of improving the brand image of airlines, the acquisition scale has been reviewed to ensure that no acquisition is possible in the event of a decline in performance given the particularly strategic nature of the criteria.

The Board of Directors believes that these adjustments represent an appropriate balance between the requirements, relevance and clarity of the system, while preserving its effectiveness as a tool for incentivizing sustainable performance and retaining key managers, for the benefit of all shareholders and in line with the expectations expressed during the discussion. The Board will also continue to ensure that acquisition levels remain aligned with the Company's performance and stakeholder experience.

	Performance	Final acquisition (vesting) of a % of the allocation with a maximum of 100% over 3 years
1. Net debt/EBITDA (30%)[1] Comparison of the net debt/EBITDA ratio with that of the budget at the end of the 2026-2028 period	Level 1. Below target	0%
	Level 2. Target	100%
	Level 3. Max limit	130%
2. Relative TSR position (30%) Relative TSR position (Total Shareholder Return) compared to IAG, Lufthansa and Easy Jet (2026, 2027, 2028)	Position 4	0%
	Position 3	0% to 100% proportionally
	Position 2	100%
	Position 1	130%
3. CSR performance targets (20%) (Environment (1/3), Employees (1/3), Compliance (1/3))		See the evaluation rules below
4. Improved image of the airline company's brand (20%)	Level 1. Decrease	0%
	Level 2. Stable	50%
	Level 3. Increase	100%
	Level 4. Significant increase	130%

(1) Net debt not calculated in IFRS (including hybrid securities).
(2) Proportional acquisition according to the difference measured between the fourth and second positions.

The RSE performance criterion will be evaluated in the following manner:

Assessment of the Environment criterion	Performance	Allocation percentage
Intensity of greenhouse gas emissions in tonnes of CO_2 (per ton-km transported (TKT)gCO_2eq/TKT)	Between 2025 performance and target	0%-100% proportionally
	On target	100%
	Between the target and the max	100%-130% proportionally

The employee and compliance criteria will be evaluated as follows:

Evaluation of employee criteria and compliance	Performance	Allocation percentage
	Low performance	0%
	Stability or improvement but below target	50% to 100% proportionally
	Objective achieved	100%
	Much higher than the objective	100% to 130% proportionally

It is specified that, in accordance with AMF Recommendation No. 2012-02, the precise objectives of these criteria cannot be communicated for reasons of confidentiality.

It is specified that the Chief Executive Officer did not use and has committed not to use risk hedging operations under this plan until the performance units are paid.

Long-term compensation plans in force

In 2026, the Chief Executive Officer will continue to benefit from the long-term compensation plans awarded in 2023, 2024 and 2025 as well as from the 2021 Phantom Shares plan, which offers the option to postpone the payment of these performance units by up to three years.

For more details on the long-term compensation plans, see section 2.5.2.2 c of this Universal Registration Document.

Severance compensation and benefits in kind

The Chief Executive Officer will continue to benefit from the severance compensation awarded to him by the Board of Directors on August 16, 2018, as approved by the Shareholders' Meeting of May 28, 2019.

The Board of Directors on August 16, 2018 authorized granting the Chief Executive Officer severance in certain cases of forced departure, in particular in the event of dismissal, non-renewal of his term as Chief Executive Officer, or departure following a change of control. It is specified that, in the case of forced departure, claiming this compensation is excluded by any situation of serious misconduct by the Chief Executive Officer.

Pursuant to the recommendations of the AFEP-MEDEF Code, the basis of the severance compensation is equivalent to two years of annual fixed and variable compensation (according to specific calculation methods referring to the target variable in the case of departure in the first 24 months, as applicable).

The basis of the compensation will be affected by a coefficient (between 0 and 100%) based on the performance of the person in question, measured by reference to the rate of achievement of the performance criteria relating to the annual variable portion of their compensation during the last two financial years of their term of office (or since their appointment, in the event of a departure occurring during the first two years). It will be the responsibility of the Board of Directors of Air France-KLM to verify the achievement of these performance criteria.

The Chief Executive Officer also enjoys the usual benefits (car with driver, additional health and disability pension, provision of air tickets, manager's civil liability insurance) as well as benefits related to the policy in force within the Group in terms of expatriation and mobility of its executive officers.

Supplementary pension plan

The Chief Executive Officer will continue to benefit from a supplemental retirement benefit.

The application of this pension plan is unchanged for the 2026 financial year.

- **PERO: mandatory pension plan with defined contributions**

  The Chief Executive Officer will continue to benefit from the defined contribution pension plan (Article 83 of the French General Tax Code) implemented January 1, 2024 for the benefit of executive officers and members of the Group Executive Committee.

  Contributions represent:

  - a maximum of 5% of gross annual compensation and limited to eight annual Social Security ceilings; they are 100% covered by the Company. The Chief Executive Officer benefits from this plan under the same conditions as the other executive officers and members of the Group's Executive Committee.

- **Optional defined contribution pension plan**

  The Chief Executive Officer will continue to benefit from an additional pension system in which the company pays an annual contribution, half composed of contributions paid to a third-party organization under an optional defined contribution pension plan (Article 82 of the French General Tax Code), and half of a cash sum, taking into account the immediate taxation upon entry into this scheme. The total contribution corresponds to a coefficient of 21% of the sum of the fixed compensation and the actual variable compensation due for the year in question. It also depends on the company's performance since the calculation base includes the variable portion related to the Group's results.

  Contributions paid in this respect do not benefit from any preferential social and tax regime. For this reason, the Chief Executive Officer receives a cash payment to compensate for the tax impact and charges related to the contributions in an amount equal to that of the contribution paid on his behalf to the insurer.

  The Chief Executive Officer benefits from this plan under the same conditions as the members of the Group Executive Committee who have a French employment contract.

Adjustment clause in case of exceptional circumstances

In the event of exceptional circumstances, such as a change in accounting standards, a significant change in scope related to the consolidation or completion of a transformative operation, a substantial change in market conditions or a change in the competitive context with significant and unforeseeable consequences for the Group at the time of approval of this compensation policy by the Board of Directors for presentation at the Shareholders' Meeting, the Board of Directors reserves the right to exercise its discretion to adjust, both upwards (to a maximum of the ceilings provided for by the compensation policy) and downwards, one or more of the parameters attached to the performance criteria (weight, trigger thresholds, objectives, targets, etc.) for the variable annual or long-term compensation of the Chief Executive Officer.

This adjustment clause makes it possible to ensure that the results of the application of said criteria reflect both the performance of the Chief Executive Officer and that of the Group.

These adjustments will be decided by the Board of Directors on recommendation by the Compensation Committee, then will be made public on the Company's website. The Board of Directors must explain and justify its decision with regard to the circumstances that led to the use of this clause, including with regard to the interests of shareholders.

It should be noted that this option differs from that provided for in Article L. 22-10-8 III paragraph 2 of the Code de Commerce.

It is not anticipated that the Board of Directors will be able to deviate from this compensation policy in the event of exceptional circumstances other than those mentioned above.

Others

The Chief Executive Officer does not benefit from any employment contract, any top hat pension, any non-competition compensation, or any stock-option or free shares.

2.6 GROUP MANAGEMENT BODIES: GROUP EXECUTIVE COMMITTEE AND CEO COMMITTEE

2.6.1 GROUP EXECUTIVE COMMITTEE

Chaired by the Chief Executive Officer of Air France-KLM, the Group Executive Committee is composed of eleven (11) members and a secretary of the Executive Committee.

Members at December 31, 2025
Benjamin Smith *Chief Executive Officer, Air France-KLM*
Steven Zaat *Chief Financial Officer, Air France-KLM*
Marjan Rintel *President & Chief Executive Officer, KLM*
Anne Rigail *Chief Executive Officer, Air France*
Oltion Carkaxhija *Executive Vice President Chief Operating Officer, Air France-KLM*
Adriaan den Heijer *Executive Vice President Chief Commercial Officer, Air France-KLM*
Pierre-Olivier Bandet *Executive Vice President Cargo, Air France-KLM*
Alexandre Boissy [1] *Executive Vice President Corporate Secretary, Air France-KLM*
Anne Brachet *Executive Vice President Engineering & Maintenance, Air France-KLM*
Caroline Hadrbolec *Executive Vice President Human Resources, Air France-KLM*
Henri de Peyrelongue *Executive Vice President SAS Integration, Air France-KLM*

[1] Mr. Alexandre Boissy's duties ended on January 9, 2026.

Secretarial services to the Group Executive Committee are provided by the Air France-KLM Chief Executive Officer's Chief of Staff.

Information on the diversity targets within the management bodies

At its February 18, 2026 meeting, the Board of Directors set targets for diversity within the management bodies and reviewed the action plan on the way in which the Company is seeking to achieve a balanced representation between men and women.

Within this framework, Air France-KLM has set itself a long-term target of reaching parity between men and women within the Group Executive Committee and the top 10% of the positions with the highest level of responsibility. Furthermore, medium-term targets of a minimum of 40% women within the Group Executive Committee and 40% women within the top 10% of the positions with the highest level of responsibility by 2030 have been set by the Board of Directors, it being understood that the Group's French entities will attain their diversity targets in respect of the time limits set by French legislation.

Concretely, when recruiting and/or appointing new members and considering candidates with equal skills, expertise and management qualities, preference is given to female candidates. An action plan has been deployed to accelerate the consideration of female profiles at all levels of management.

At its February 18, 2026 meeting, the Board of Directors was informed of the results achieved during the 2024 financial year. This information is detailed in section 4.3.1.5. "Diversity, equity and inclusion".

2.6.2 CEO COMMITTEE

The CEO Committee is chaired by Mr. Benjamin Smith, Chief Executive Officer of Air France-KLM, and has three other members: Ms. Anne Rigail (Chief Executive Officer of Air France), Ms. Marjan Rintel (President & Chief Executive Officer of KLM) and Mr. Steven Zaat, Chief Financial Officer of Air France-KLM.

The CEO Committee defines the strategic direction of all of the Group's airlines and operational entities.

2.7 SHARE CAPITAL AND SHAREHOLDER STRUCTURE

2.7.1 SHARE CAPITAL

At December 31, 2025, the Air France-KLM share capital comprised 262,769,869 fully paid-up shares with a nominal value of one euro, held in registered or bearer form according to shareholder preference. Until April 2, 2016, each share had one voting right attached. In application of the Florange Act[1] as from April 3, 2016, in the absence of a provision to the contrary in the Air France-KLM Articles of Incorporation, all fully paid-up shares held in registered form in the name of the same shareholder for at least two years automatically benefit from a double voting right. There are no other specific rights attached to the shares.

Changes in the share capital over the last three financial years

The change in the share capital over the last three financial years is as follows:

Financial year ended	Amount of capital *(in €)*	Number of shares
December 31, 2023	2,570,536,136	2,570,536,136
December 31, 2024	262,769,869	262,769,869
December 31, 2025	262,769,869	262,769,869

[1] Furthermore, there are no securities not representing the share capital. Article 7 of Act No.2014-384 of March 29, 2014 for the Reconquest of the Real Economy.

Change in the share capital during the financial year ended December 31, 2023

Reverse share split and simultaneous reduction in the share capital

On August 31, 2023, the Air France-KLM Group announced the realization of the reverse split in all the outstanding shares in the Company and the simultaneous capital reduction by decreasing the nominal value of each share, as decided by the Board of Directors at its meeting on July 4, 2023 and pursuant to the extraordinary 36th and 37th resolutions of the Combined Ordinary and Extraordinary Shareholders' Meeting of June 7, 2023. The realization of these operations was reflected in:

- the exchange of 10 ordinary shares in the Company each with a nominal value of €1 for one new share with a nominal value of €1 (taking into account the simultaneous capital reduction reducing the nominal value of each new share from €10 to €1, i.e., a reduction of €9 per share allocated to the "share premium" account);
- the Company's new share capital of €257,053,613 divided into 257,053,613 shares (ISIN code FR0014007J770) each with a nominal value of €1.

Shareholders who did not hold a number of shares making a multiple of ten were compensated for their remaining fractional shares by their financial intermediaries within a maximum 30-day period, i.e., before October 2, 2023.

Following the reverse share split, and as decided by the Chief Executive Officer on August 31, 2023, the conversion ratios (i) for the undated deeply subordinated unsecured bonds convertible into new shares and/or exchangeable for existing shares in a nominal amount of €305.3 million by way of a placement with qualified investors on November 16, 2022 (the "Hybrid Convertible Bonds") and (ii) the bonds convertible into and/or exchangeable for new or existing shares (OCEANEs) issued in the amount of €500 million in March 2019 and maturing in 2026 (the "OCEANEs 2026"), were adjusted in accordance with the following terms, which were set out in a notice of adjustment published in the *Bulletin des annonces légales obligatoires*:

- adjustment in the conversion ratio for the Hybrid Convertible Bonds: the new conversion ratio is 6,549.6463 new shares per Hybrid Convertible Bond, it being specified that all of them were reimbursed on November 24, 2025;
- adjustment in the exercise parity for the OCEANEs 2026: the new ratio is 0.178 new shares for each Océane 2026, it being specified that they were all reimbursed on May 13, 2024 (see section 2.7.2 of the 2024 Universal Registration Document).

Capital increase reserved to the Group's employees

On December 12, 2023, the Air France-KLM Group finalized the "Partners for the Future" share offer, a capital increase reserved to around 75,000 eligible employees of the Group[1], launched in November 2023.

Within the framework of this transaction, around 17,000 employees from 19 countries, representing nearly 22% of the relevant employees, subscribed to the "Partners for the Future" offer, enabling them to invest in Air France-KLM shares under preferential conditions.

The total amount subscribed stood at €46,073,029 corresponding to the issuance of 5,716,256 new shares each with a nominal value of one euro. The Company's share capital was thus de facto increased by €5,716,256 from €257,053,613 to €262,769,869.

At the end of this issue, the employee shareholding in the Air France-KLM share capital within the meaning of Article L. 225-102 of the French Code de commerce amounted to 3.2%. Employee shareholding is a strong sign of employee confidence in the Group's future and strategy. By becoming a shareholder, employees benefit from a unique status: they are both contributors to and beneficiaries of the Company's value creation. As of December 31, 2024, the employee shareholding in the Air France-KLM share capital within the meaning of Article L. 225-102 of the French Code de commerce amounted to 3.1%.

Share capital as of December 31, 2025

In 2025, the share capital remained unchanged with 262,769,869 shares with a par value of €1.

No authorization given to the Board of Directors to increase the share capital was used in 2025.

Authorizations granted to the Board of Directors to increase the share capital

To give the Air France-KLM Group the flexibility and agility required for the Group's financial management while taking into account the diversity of interests and expectations of Air France-KLM's shareholders, a number of financial resolutions were adopted by the Annual Shareholders' Meeting of June 4, 2025 (resolutions 22 to 30).

No authorization given to the Board of Directors to increase the share capital was used in 2025.

These authorizations enable the Board of Directors, in compliance with the legal and regulatory provisions and under certain conditions, to increase the capital of Air France-KLM by various means (issuance of shares and/or securities conferring access to the capital and/or giving the right to the allocation of debt securities, with or without shareholders' preferential subscription rights, as the case may be, with or without a priority subscription period, outside the period of a public offering with specific caps) and depending on the market opportunities at the time of the issue and the financing needs of the Air France-KLM Group. The authorizations currently in force are summarized in the following table. It is specified that all of them can only be used outside public tender offer periods.

[1] Conditions of employee eligibility for this offer (i) all employees benefiting from an employment contract with an Air France-KLM company participating in the offer with at least 3 months' seniority, consecutive or not, between January 1, November 24, 2023 and still present on the last day of the subscription period, November 24, 2023, and (ii) retired Air France Group employees still holding assets in the PEE.

Resolution	Delegation	Maximum amount of issuance in nominal	Balance available at December 31, 2025	Term of validity
AUTHORIZATIONS GRANTED BY THE COMBINED ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING OF JUNE 4, 2025				
No. 22	Capital increase maintaining preferential subscription rights	€131 million in nominal (i.e. c.50% of the current share capital)	Available in full	26 months (i.e. until August 4, 2027)
No. 23	Capital increase without preferential subscription rights but with a mandatory priority subscription period	€52 million in nominal (i.e. c.20% of the current share capital) [charged against the cap in the 22th resolution]	Available in full	26 months (i.e. until August 4, 2027)
No. 24	Capital increase without preferential subscription rights but with an optional priority subscription period	€39 million in nominal (i.e. c.15% of the current share capital) [charged against the cap in the 22th resolution]	Available in full	26 months (i.e. until August 4, 2027)
No. 25	Capital increase through a private placement with qualified investors/limited circle of investors	€39 million in nominal (i.e. c.15% of the current share capital) [charged against the cap in the 22th and 24th resolutions]	Available in full	26 months (i.e. until August 4, 2027)
No. 26	Increase in the number of securities to be issued in the event of a capital increase with or without preferential subscription rights ("greenshoe")	15% of the initial issue (not to exceed the cap amounts set under resolutions 22, 23, 24 and 25)	Available in full	26 months (i.e. until August 4, 2027)
No. 27	Capital increase to compensate contributions in kind granted to the Company	10% of the share capital (i.e. c. €26.2 million based on the current share capital) [charged against the cap of the 22th resolution]	Available in full	26 months (i.e. until August 4, 2027)
No. 28	Capital increase by capitalization of reserves, profits, issuance premiums, or other amounts eligible for capitalization	€131 million in nominal (i.e. c.50% of the current share capital) [charged against the cap in the 22th resolution]	Available in full	26 months (i.e. until August 4, 2027)
No. 29	Capital increases reserved for members of a company or Group savings scheme	3% of the share capital at the time of each issuance [common cap to 29th and 30th resolutions, not to exceed the cap amount indicated under the 22nd resolution]	Available in full	26 months (i.e. until August 4, 2027)
No. 30	Capital increase reserved to employees not resident in France	3% of the share capital at the time of each issue [common cap to 29th and 30th resolutions, not to exceed the cap amount indicated under the 22nd resolution]]	Available in full	18 months (i.e. until December 4, 2026)

A common cap of €131 million, available in full, applies to resolutions 22 to 30 of the Combined Ordinary and Extraordinary Shareholders' Meeting of June 4, 2025. A common sub-cap of €39 million applies to resolutions 24 to 26 of the Combined Ordinary and Extraordinary Shareholders' Meeting of June 4, 2025.

Amendment to Air France-KLM's Articles of Incorporation

The Extraordinary Shareholders' Meeting, deliberating with a majority of two-thirds of the votes held by the shareholders present or represented, is the only entity authorized to amend the Articles of Incorporation in all their provisions pursuant to Article L. 22-10-31 of the Code de commerce.

The Air France-KLM Articles of Incorporation can be found on the website at http://www.airfranceklm.com (The Group/governance).

Modalities for shareholders wishing to participate in the Shareholders' Meeting

The modalities for shareholders wishing to participate in Shareholders' Meetings are those stipulated by the regulation in force. They are set out in Article 30 of the Air France-KLM Articles of Incorporation and the detailed conditions can be found in the documentation made available to shareholders ahead of the Shareholders' Meeting.

2.7.2 SECURITIES CONFERRING ENTITLEMENT TO SHARES

Issue of undated deeply subordinated unsecured bonds convertible into new shares and/or exchangeable for existing shares in the nominal amount of €305.3 million - fully redeemed on November 24, 2025

On November 16, 2022, the Company issued undated deeply subordinated unsecured bonds convertible into new shares and/or exchangeable for existing shares (the "Hybrid Convertible Bonds"), for a nominal amount of €305.3 million representing around 20 million underlying shares by way of a placement limited to qualified investors (the "Offering"), after updating the conversion/exchange ratio following the reverse stock-split on August 31, 2023.

The net proceeds of the Offering were allocated in full to the redemption of the deeply subordinated bonds held by the French State that were issued in April 2021. The Hybrid Convertible Bonds will be accounted as quasi-equity under IFRS.

The Hybrid Convertible Bonds were issued at par and have a nominal value per Hybrid Convertible Bond of €100,000 with a conversion/exchange premium of 22.5% over the Company's reference share price, i.e., €1.2464 (corresponding to the Company's average volume-weighted share price on the Euronext Paris regulated market ("Euronext Paris") on November 16, 2022).

From the issue date until November 23, 2025 (exclusive), the Hybrid Convertible Bonds will bear interest at a nominal annual rate of 6.5% payable quarterly in arrears on November 23, February 23, May 23 and August 23 of each year (each an "Interest Payment Date"), subject to any interest payment suspension by the Company.

From November 23, 2025, the Hybrid Convertible Bonds were to bear interest at a rate equal to 1,300 basis points above the applicable three-year Mid-Swap Rate in Euro as a reference rate. The reference rate was subject to a reset every three years thereafter. Interest was payable quarterly in arrears on each Interest Payment Date and, as the case may be, for the first time on February 23, 2026, subject to any interest payment suspension.

In the event of a change of control, the annual rate for the fixed coupon or the reset reference rate coupon, as the case may be, was to be increased by 500 basis points.

On each Interest Payment Date, the Company could decide, subject to certain conditions, to suspend payment of interest in respect of the Hybrid Convertible Bonds for the relevant interest period, subject to having notified the holders of the Hybrid Convertible Bonds at least 15 business days prior to the relevant Interest Payment Date. All interest in respect of the Hybrid Convertible Bonds that was not paid at an optional Interest Payment Date constituted "Deferred Interest." Any amount of Deferred Interest was to bear interest (to the full extent permitted by law) from the interest payment suspension date for any period exceeding 12 months at the interest rate applicable to the Hybrid Convertible Bonds over the relevant period. The amount of accrued interest (the "Additional Interest") in respect of Deferred Interest would have become due and payable in the same manner as Deferred Interest. Deferred Interest (as well as the corresponding amount of Additional Interest) could be paid in full or in part at any time at the Company's discretion, but all Deferred Interest (as well as the corresponding amount of Additional Interest) in respect of all the Hybrid Convertible Bonds would have become payable in full in specific cases, particularly if the Company decided to pay a dividend or an interim dividend or on the repurchase of any equity securities or upon redemption of all the outstanding Bonds.

The Hybrid Convertible Bonds are undated, subject to cases of early redemption at the Company's option and are only repayable in the event of the liquidation of the Company or upon the expiry of the term indicated in the Company's Articles of Incorporation (unless extended in accordance with the applicable legislation).

Holders of Hybrid Convertible Bonds could exercise their conversion/exchange rights at any time from 40 calendar days after the issue date (inclusive) until the tenth business day (exclusive) preceding the earlier of the two following dates: November 23, 2025, or, as the case may be, the date set for any early redemption.

The conversion/exchange ratio was initially set at the principal amount divided by the prevailing initial conversion/exchange price, i.e., 65,496.4632 shares per Hybrid Convertible Bond, subject to subsequent adjustments. Following the reverse stock-split on August 31, 2023, the conversion and/or exchange ratio has been adjusted to 6,549.6463 shares for one Hybrid Convertible Bond.

The Company could, at its discretion, proceed with the early redemption of all, but not a portion, of the Hybrid Convertible Bonds at par plus accrued interest, Deferred Interest and, as the case may be, Additional Interest (the "Early Redemption Price"):

a) for the first time on November 23, 2025, then on each Interest Payment Date;

b) in the event of a change of control;

c) from December 14, 2024 until November 23, 2025 (exclusive), if the arithmetic average, calculated over any period of ten consecutive trading days falling within any period of 20 consecutive trading days preceding the publication of the early redemption notice, of the daily products of the Company's closing share price on Euronext Paris and the conversion/exchange ratio in effect on each trading day during such period exceeds 130% of the principal amount of the Bonds; and

d) if the total number of the Hybrid Convertible Bonds outstanding is less than 15% of the number of Bonds originally issued.

Pursuant to the above, the holders of the Hybrid Convertible Bonds were informed on October 15, 2025, that the Company intended to exercise its option to redeem all outstanding Convertible Hybrid Bonds as of the First Hard Call Date at a price per bond equal to par (€100,000) together with accrued interest of €1,625 (the redemption price).

The redemption of all Hybrid Convertible Bonds thus took place on November 24, 2025.

2.7.3 AUTHORIZATION TO BUY BACK AIR FRANCE-KLM'S OWN SHARES

Share buy-back program

Every year, the Air France-KLM Board of Directors asks the Shareholders' Meeting for the authorization to buy back the company's own shares on the stock market, subject to a number of conditions. This authorization was again proposed at the 2025 Shareholders' Meeting.

Accordingly, the Company initiated a share buyback program during the 2025 financial year, making use of the 19th resolution adopted at the Shareholders' Meeting of June 4, 2025.

Pursuant to Article 241-2 of the General Regulations of the *Autorité des marchés financiers* (AMF), the description of the Air France-KLM share buyback program, published on the Group's website, presented the objectives as well as the terms and conditions of the share buyback program authorized by the Ordinary Shareholders' Meeting of June 5, 2024 and contained the following information:

- **securities concerned:** ordinary shares issued by Air France-KLM;
- **maximum amount of the share capital that may be acquired by the Company:** 10%;
- **maximum number of shares that may be acquired by the Company, based on the number of shares composing the share capital as of June 30, 2025:** 26,276,986, but considering the 148,204 treasury shares, only 26,128,782 shares may be purchased;
- **allocation of the treasury shares as of June 30, 2025:** the 148,204 treasury shares as of June 30, 2025 will be allocated to meet the obligations arising from share allotment plans in respect of the remuneration of Company officers;
- **maximum purchase price per share:** €40 (excluding fees);
- **objective:** The objectives of the share buyback program under the terms of the 19th resolution of the Shareholders' Meeting of June 4, 2025 are as follow:
  - a) to cancel them by way of a capital reduction,
  - b) to allow an investment firm to coordinate stock liquidity within the framework of a liquidity contract in accordance with the Compliance Charter recognized by the AMF,
  - c) to allocate shares upon exercise of the rights to shares attached to securities issued by the Company or by companies in which it holds, either directly or indirectly, more than half of the share capital and that grant the right to allocation of Company shares via conversion, exercise, repayment, exchange, presentation of a warrant or any other means,
  - d) to carry out any allocation or sale of shares to employees and/or corporate officers of the Company and companies, located in France or internationally, related to it under the conditions set forth in Article L. 225-180 of French Commercial Code, any allocation of free shares, any employee shareholding scheme, any Company compensation scheme, within the context of, in particular, the relevant provisions set forth under the French Commercial Code and/or French Labor Code or French or foreign legal and regulatory provisions and the execution of any hedging transaction associated with these related party transactions and commitments of the Company, under the conditions provided for by the market authorities and at the times at which the Board of Directors or the person acting pursuant to a delegation of power granted by the Board of Directors takes action,
  - e) to hold or remit shares in order to use them as payment or in an exchange offer within the framework of external growth transactions,
  - f) and, more generally, to engage in any market practice that may be admissible by law or by the AMF and to execute any transaction in compliance with the applicable regulations, it being specified that, in such a case, the Company would inform its shareholders by means of a press release;
- **duration of the program:** 18 months as of the Shareholders' Meeting of June 5, 2024.

This program ended the previous share buyback program authorized by the General Meeting of Shareholders on June 5, 2024 (21st resolution), which had set the same objectives. In 2025, apart from the liquidity program defined below, share buyback operations were carried out on a single day, namely April 14, 2025:

Issuer	Issuer Identifier code	Transaction date	Financial instrument identifier code	Total daily volume (in number of shares)	Weighted average daily acquisition price of shares	Market
AIR FRANCE-KLM	969500AQW31GYO8JZD66	14 April 2025	FR0014000J770	114,319	7.5924	XPAR

As of December 31, 2025, Air France-KLM held 36,562 Air France-KLM shares and KLM held 111,642 Air France-KLM shares under various stock option plans. The total portfolio value was €1,714,720 as of December 31, 2025.

Liquidity Contract

In July 2025, the Company entered into a new liquidity contract with Rothschild Martin Maurel, for a term of 12 months, renewable annually by tacit agreement.

Under this liquidity contract, as of December 31, 2025, the following assets were held in the liquidity account:

- 0 securities
- €9,942,376

During the period from August 1, 2025 to December 31, 2025, there was a total amount of transactions of:

	Number of transactions performed	Number of shares traded	Transaction amount in €
Purchase	19,770	6,715,379	80,103,544.01
Sale	23,921	6,715,379	79,962,657.33

It should be noted that upon its implementation on August 1, 2025, the following assets were held in the liquidity account:

- 0 securities
- €10,000,000

2.7.4 PARTNERSHIPS WITH AIR FRANCE-KLM

Strategic partnerships with, firstly, Delta Air Lines, Inc. and Virgin Atlantic Airways Limited and, secondly, with China Eastern Airlines Co. Ltd

Throughout the 2023 financial year, Air France-KLM continued to execute its strategic partnerships entered into in 2017, firstly, Delta Air Lines, Inc. (Delta) and Virgin Atlantic Airways Ltd (Virgin Atlantic) and, secondly, China Eastern Airlines (CEA).

By way of reminder, on July 27, 2017, Air France-KLM had announced, firstly, the planned creation of a joint-venture between Air France-KLM, Delta and Virgin Atlantic and, secondly, the intensification of its partnership with CEA. These two commercial alliances were consolidated, in 2017, by equity links: on October 3, 2017, Delta and CEA each acquired equity interests in Air France-KLM within the framework of reserved capital increases authorized by the Combined Ordinary and Extraordinary Shareholders' Meeting of September 4, 2017 for a total of €751 million.

Within this framework, on July 27, 2017, Air France-KLM and CEA on one hand, and Air France-KLM, Delta and Virgin Atlantic on the other, signed partnership agreements aimed at defining the principles of their closer cooperation:

- On July 27, 2017, Air France-KLM, Delta and Virgin Atlantic signed Memoranda of Understanding laying the foundations for a future integration of the existing joint-ventures between Air France-KLM, Delta and Alitalia, and between Delta and Virgin Atlantic, within a single joint-venture. These agreements foresaw specific conditions intended to protect the interests of Air France-KLM in the event of any deterioration in the joint-venture's operating conditions linked to the United Kingdom's exit from the European Union).
- Air France-KLM and CEA also stepped up their commercial cooperation and reinforced their partnership within the framework of the existing joint-venture, through the signature on July 27, 2017, of a Marketing Agreement aimed at defining the principles of their closer cooperation. A new joint-venture agreement (the CEA Joint-Venture Agreement) incorporating these principles, was concluded on November 26, 2018 between Air France-KLM and CEA.

Furthermore, to proceed with the reserved capital increases, on July 27, 2017 CEA and Delta signed two Subscription Agreements with Air France-KLM, wherein both investors agreed to subscribe to the reserved capital increases. These subscription agreements include an approval clause under which CEA and Delta undertake, for the term of the subscription agreement, to obtain the formal approval of the Company's

Board of Directors if they wish to sell their Air France-KLM shares to another airline company. These subscription agreements initially included, for CEA and Delta, lock-up undertakings each covering 37,527 Air France-KLM shares (as adjusted for any stock splits or reverse stock splits), as well as standstill commitments, which, however, expired on October 3, 2022. In the event of the sale of Air France-KLM shares over the counter to a third party, CEA and Delta have undertaken to offer Air France-KLM priority to acquire these shares at the same price conditions.

On October 3, 2017, Eastern Airlines Industry Investment (Luxembourg) Company Limited, a wholly-owned subsidiary of CEA Global Holdings (Hong Kong) Limited, and Delta subscribed in cash to capital increases without shareholders' preferential subscription rights, each for a total (including issue premium) of €375,274,100, at a subscription price of €10 per share (including issue premium). The acquisition of these shareholdings was accompanied by the appointment of two Board directors to the Air France-KLM Board of Directors designated, firstly, by CEA and secondly, by Delta.

On March 14 and May 15, 2018, within the framework of the implementation of the future single joint-venture between Air France-KLM, Delta and Virgin Atlantic, and following authorization by the Air France-KLM Board of Directors (see section 2.3.1 "Activities and functioning of the Board of Directors"), several agreements were signed:

- agreements aimed at enabling Air France-KLM to acquire 31% of Virgin Atlantic);
- a joint-venture agreement (Blue Skies Joint-Venture Agreement) aimed at the implementation of a commercial joint-venture between Air France-KLM, Delta, Virgin, Air France and KLM together with the related bilateral Transition Agreement signed with Delta; and
- an Implementation Agreement between Air France-KLM, Air France-KLM Finance SAS, Air France, KLM, Delta, Virgin Atlantic Limited, Virgin Atlantic and Sir Richard Branson, concerning the realization of the transaction.

On November 21, 2019, the US Department of Transportation granted Anti-Trust Immunity (ATI) within the framework of the extension of the transatlantic joint-venture between Air France-KLM, Delta and Virgin Atlantic. This regulatory step enabled the airlines to move forward with their transatlantic partnership.

In parallel, the partners finalized the governance of the commercial joint-venture between Air France-KLM, Delta and Virgin Atlantic, agreeing on simplified decision-making processes enabling the joint-venture to deliver its full synergy potential. As a result, Air France-KLM and Virgin Atlantic negotiated an agreement wherein Air France-KLM would not acquire an equity interest in Virgin Atlantic with no impact on Air France-KLM's position in the commercial joint-venture between Delta, Virgin Atlantic and Air France-KLM. As a result, the agreements concluded between March 14 and May 15, 2018 were amended and, following the mandate given to the Air France-KLM management by the Board of Directors on October 30, 2019, an agreement was signed between Air France-KLM, Delta and Virgin Group (concluded and entering into force on January 30, 2020), giving Air France-KLM, subject to certain conditions, the right to acquire Virgin Atlantic Limited shares in the event of a sale by Virgin Group of Virgin Atlantic Limited shares to a third party.

The overall joint-venture between Air France, KLM, Delta and Virgin Atlantic was launched in early February 2020, offering customers a wider choice of routes and loyalty options for travel between Europe, the United Kingdom and North America.

Within the context of the Covid-19 pandemic and in view of the impact on the implementation of the Air France-KLM Group's existing joint-ventures, in December 2020 the partners reviewed the financial conditions of their agreements and amended the provisions relating to the financial "settlement" mechanisms provided in the Group's joint-venture agreements signed, on one hand, with Delta and Virgin Atlantic and, on the other, with CEA.

On December 4, 2020, pursuant to the provisions of Article L. 225-38 of the Code de commerce, the Air France-KLM Board of Directors thus authorized the adjustment of the provisions concerning the financial settlement mechanism (to share the revenues and costs generated by the joint-venture) in the Blue Skies Joint-Venture Agreement for the 2020 calendar year. In this respect, the parties waived all rights they may have had with respect to the amounts due to them under the joint-venture agreement for the 2020 calendar year, and agreed to waive them permanently. This waiver avoided uncertain and potentially material financial exposure for all the partners given the context linked to the public health crisis. The duration of this waiver was extended to the 2021 and 2022 financial years by mutual agreement of the parties due to the duration of the impacts of the Covid-19 pandemic on the Blue Skies joint-venture operations. On December 31, 2023, an agreement was reached between the parties providing for new "settlement" caps applicable solely in respect of the 2023 calendar year.

On November 6, 2024, the Board of Directors of Air France-KLM authorized the modernization of the Blue Skies Joint-Venture Agreement. Following this decision, several agreements were concluded on December 6, 2024:

- an amendment to the Blue Skies Joint-Venture Agreement, aimed at modernizing the cooperation, particularly its governance aspects and the "settlement" mechanism, subject to obtaining the necessary regulatory approvals, which were obtained in June 2025;
- a financial settlement agreement with Virgin Atlantic, settling claims regarding amounts owed under the Blue Skies Joint-Venture Agreement; and
- an amendment to the supplemental agreement with Delta, modifying the amounts of (i) distribution surcharges for tickets sold through indirect distribution systems, and (ii) the interline service fee.

On November 5, 2025, the Board of Directors of Air France-KLM approved the main terms and conditions of a new amendment to the Blue Skies Joint Venture Agreement. On January 16, 2026, Air France-KLM, together with Société Air France, KLM, Delta, and Virgin, entered into this amendment. This development aims to establish a financial settlement mechanism (FFP Financial Settlement Mechanism) to value the seats used, within

the framework of the Joint Venture, by the parties' loyalty programs. This new mechanism applies retroactively as from January 1, 2025. The amendment will not introduce any changes to the scope of the Joint-Venture. This cooperation will continue to generate customer benefits and synergies.

Additionally, on December 4, 2020, the Air France-KLM Board of Directors also authorized the suspension of the provisions concerning the financial settlement mechanism (to share the revenues generated by the joint-venture) foreseen in the CEA Joint-Venture Agreement. In this respect, the parties waived all payments under the CEA Joint-Venture Agreement as of February 1, 2020 for a period that was to be mutually agreed between the parties depending on the duration of the effects of the Covid-19 pandemic on the joint-venture. This waiver avoided uncertain and potentially material financial exposure for both parties linked to the impacts of the public health crisis on the joint-venture. The other provisions of the CEA Joint-Venture Agreement remained unchanged. The parties entered into a new agreement, effective July 1, 2023, terminating the parties' waivers of all payments in respect of the CEA Joint-Venture (decided in 2020) and providing for a new transitional settlement cap applicable solely for the period from July 1, 2023 until December 31, 2023. In December 2023, the parties extended the term (initially due to expire on December 31, 2023) of the CEA Joint-Venture Agreement until March 31 to enable the parties to continue their cooperation while actively negotiating the terms of a new joint-venture agreement in 2024. By a first agreement dated January 1, 2024, followed by a second agreement dated April 1, 2024, the term of the CEA Joint-Venture Agreement was extended until March 31, 2024, and then until May 31, 2024.

On June 1, 2024, Air France-KLM entered into a new joint-venture agreement with CEA regarding air transport services between Europe and China. This new CEA Joint-Venture Agreement, approved by the Air France-KLM Board of Directors on April 29, 2024, replaces the previous agreement and runs until December 31, 2028. Its objectives are to strengthen existing cooperation, modernize the financial revenue-sharing mechanism, and optimize synergies, notably by expanding the scope of the joint-venture and developing joint commercial initiatives.

Lastly, within the framework of the Group's recapitalization plan announced on April 6, 2021, on June 23, 2021, Air France-KLM entered into an agreement with CEA aimed at accelerating their efforts to deepen and expand the existing and future cooperation and further reinforce their partnership for air transport services between China and Europe. This agreement enables the Group to reinforce its commercial cooperation with CEA and its position in the Chinese market (see section 2.3.1 "Activities and functioning of the Board of Directors"; "Agreements referred to in Article L. 225-38 of the Code de commerce"). CEA also subscribed to the Company's capital increase realized on April 19, 2021 and, following this participation, held 9.6% of the Company's share capital.

CEA and Delta also participated in the capital increase with maintained preferential subscription rights realized on June 14, 2022 on a cash-neutral basis, for an aggregate amount of approximately €110.7 million, by subscribing to a respective 58,763,343 and 35,873,772 new shares using the net proceeds from selling part of their DPS Rights to CMA CGM (see hereinafter). This brought their respective shareholdings to 4.7% and 2.9% of the Company's share capital.

Conclusion of a strategic air cargo partnership with CMA CGM on May 18, 2022, terminated March 31, 2024

As announced in a press release dated May 18, 2022, the Air France-KLM and CMA CGM groups entered into a long-term strategic partnership in the air freight sector aimed, notably, at pooling their cargo networks, all-cargo aircraft capacities and dedicated services.

The agreement had initially been established for a period of ten years and provided that Air France-KLM and CMA CGM would pool and exclusively operate the full freighter capacity of their respective companies, i.e., 10 full-freighter aircraft in revenue service and 12 more aircraft on order by the two groups.

This commercial agreement also covered the belly capacity in Air France-KLM passenger aircraft, including more than 160 long-haul aircraft.

Within the framework of this partnership, and in accordance with the subscription agreement entered into on May 22, 2022 between the Company and CMA AGM (the "Subscription Agreement"), CMA CGM acquired an equity interest in Air France-KLM amounting to 231,348,252 new shares on an irreducible basis (via the exercise of preferential subscription rights acquired from China Eastern Airlines, Delta Airlines and the FCPEs, as well as on the market, corresponding to 9.0% of Air France-KLM's share capital following the capital increase with preferential subscription rights carried out on June 14, 2022.

In respect of the Subscription Agreement:

a) at the Shareholders' Meeting of May 24, 2022, Mr. Rodolphe Saadé was appointed as a Board director for a four-year term of office, effective July 15, 2022;

b) CMA CGM had agreed to a lock-up undertaking as of the settlement-delivery of the new shares and until the expiry of a three-year period following that date, it being specified that CMA CGM could sell a maximum of 50% of the shares acquired within the framework of the capital increase during an additional period of three years; and

c) CMA CGM undertook, for a ten-year period, not to purchase or sell any shares issued by Air France-KLM except if this acquisition did not lead to an increase of the percentage held in Air France-KLM's share capital, subject to certain exceptions (the "Standstill Commitment"). The Standstill Commitment stipulates that, at the end of a five-year period as of the settlement-delivery of the new shares issued by Air France-KLM, the Air France-KLM Board of Directors can modify this Standstill Commitment to enable CMA AGM to increase its shareholding in Air France-KLM.

Furthermore, within the framework of the issue of undated subordinated unsecured bonds convertible into new and/or exchangeable into existing shares realized on November 16, 2022 by the Company for the nominal amount of €305.3 million through a placing limited to qualified investors (representing around 200 million underlying shares), CMA CGM, which holds 9.0% of Air France-KLM, subscribed in proportion to its holding in the Company's share capital, corresponding to a nominal amount of around €27 million.

On December 9, 2022, the Company entered into a commercial cooperation agreement in air freight on the basis of the principal terms set in May 2022 with Air France, KLM, CMA CGM Air Cargo and CMA CGM (the "Cooperation Agreement"). The initial aim of the parties was to be able to launch business cooperation in the 2023 second quarter, subject to obtaining the required authorizations from the relevant legal and regulatory authorities.

On April 19, 2023, the Board of Directors authorized the signature by the Company of an amendment to the Subscription Agreement enabling the nomination by CMA CGM of a legal person as Board member. The other stipulations of the Subscription Agreement remained unchanged.

However, owing to the tight regulatory environment in certain important markets, the cooperation was unable to function optimally.

As a result, in a press release dated January 16, 2024, Air France-KLM and CMA CGM announced their decision to terminate the existing agreements effective March 31, 2024. Air France-KLM and CMA CGM opened discussions covering the new terms and conditions of a commercial relationship in which each group would operate independently as of March 31, 2024.

Within this framework, on January 15, 2024, the Company entered into a term sheet agreement (the "Term Sheet") with Air France, KLM, CMA CGM, CMA CGM Air Cargo and CMA CGM Air Cargo 9, providing for the terms and conditions of the termination of the commercial cooperation between the entities of the Air France-KLM Group and the entities of the CMA CGM group concerning their air freight activities, effective March 30, 2024. The Term Sheet provides notably for the termination of the commercial cooperation agreement between the parties and the ancillary agreements relating to their cooperation in the air freight sector.

CMA CGM remains a reference shareholder in Air France-KLM.

In the context of the termination of the Commercial Agreement, on January 15, 2024, the parties also concluded an Amendment to the Subscription Agreement (the "Amendment to the Subscription Agreement") henceforth providing that the period of the lock-up undertaking on all the shares in the Company held by CMA CGM having been subscribed by the latter in the Company's capital increase announced on May 24, 2022, which was initially due to expire on June 15, 2025 (for all the shares in the Company subscribed by CMA CGM and on June 15, 2028 for 50% of these shares), has been reduced and has expired on February 28, 2025, without condition regarding the existence of the commercial relationship between the Company and CMA CGM. The Standstill Commitment has not been changed by this amendment.

Furthermore, in accordance with the Amendment to the Subscription Agreement, CMA CGM can no longer have a representative on the Company's Board of Directors since March 31, 2024.

2.7.5 AIR FRANCE-KLM SHAREHOLDER STRUCTURE

Changes in the shareholder structure

The following table shows the changes in the Company's shareholder structure at December 31, 2025 relative to December 31, 2024 and December 31, 2023.

	% of the capital			% of exercisable voting rights[1]			% of theoretical voting rights[2]		
	Dec 31, 2025	Dec 31, 2024	Dec 31, 2023	**Dec 31, 2025**	Dec 31, 2024	Dec 31, 2023	**Dec 31, 2025**	Dec 31, 2024	Dec 31, 2023
Number of shares or voting rights	**262,769,869**	262,769,869	262,769,869	**374,999,734**	360,705,547	289,980,447	**375,259,580**	360,482,263	290,241,859
French State	**28.0%**	28.0%	28.0%	**28.9%**	27.5%	28.5%	**28.9%**	27.5%	28.4%
Dutch State	**9.1%**	9.1%	9.1%	**12.8%**	13.3%	10.3%	**12.8%**	13.3%	10.3%
CMA CGM	**8.8%**	8.8%	8.8%	**12.3%**	12.8%	8.0%	**12.3%**	12.8%	8.0%
China Eastern Airlines[3]	**4.6%**	4.6%	4.6%	**6.4%**	6.7%	6.3%	**6.4%**	6.7%	6.3%
Employees (FCPE)	**3.0%**	3.1%	3.2%	**4.2%**	3.0%	3.4%	**4.2%**	3.0%	3.4%
Delta Air Lines, Inc.[4]	**2.8%**	2.8%	2.8%	**3.9%**	4.1%	3.8%	**3.9%**	4.1%	3.8%
Spaak	**0.9%**	0.9%	0.9%	**1.2%**	1.2%	1.0%	**1.2%**	1.2%	1.0%
Treasury stock	**0.1%**	0.1%	0.1%	**—%**	0.0%	0.0%	**0.0%**	0.0%	–%
Other	**42.8%**	42.7%	42.6%	**30.3%**	31.4%	38.8%	**30.3%**	31.4%	38.8%

(1) The exercisable voting rights do not include the voting rights on treasury shares or shares that have been stripped of their voting rights due, in particular, to late notification of exceeding a threshold.
(2) The theoretical voting rights calculation takes into account all of the voting rights including double voting rights.
(3) Through Eastern Airlines Industry Investment (Luxembourg) Company Limited.
(4) Acting in the capacity of general partner of the partnership under Dutch law, DAL Foreign Holdings C.V. The company Delta Air Lines, Inc. controls DAL Foreign Holdings C.V. and, as general partner of DAL Foreign Holdings C.V. is the legal owner of the Air France-KLM shares.

Since April 3, 2016, in application of French law, shareholders holding registered shares for more than two years have benefited from a double voting right.

Shareholder analysis

Pursuant to the obligation for air transport companies to monitor and control their shareholders, Air France-KLM has implemented a procedure for their identification on a quarterly basis.

The TPI (identifiable bearer shares) analysis was carried out on December 31, 2025. Based on the responses obtained under the SRD II regime, as of December 31, 2024, Air France-KLM is more than 75.7% owned by nationals of Member States of the European Union or of States party to the Agreement on the European Economic Area.

	Number of shares			% of the share capital		
	Dec 31, 2025	Dec 31, 2024	Dec 31, 2023	**Dec 31, 2025**	Dec 31, 2024	Dec 31, 2023
French State	**73,520,630**	73,520,630	73,520,630	**28.0%**	28.0%	28.0%
Dutch State	**24,000,000**	24,000,000	24,000,000	**9.1%**	9.1%	9.1%
CMA CGM	**23,134,825**	23,134,825	23,134,825	**8.8%**	8.8%	8.8%
China Eastern Airlines[1]	**12,023,544**	12,023,544	12,023,544	**4.6%**	4.6%	4.6%
Employees (FCPE)	**7,797,528**	8,101,493	8,461,524	**3.0%**	3.1%	3.2%
Delta Air Lines, Inc[2]	**7,340,118**	7,340,118	7,340,118	**2.8%**	2.8%	2.8%
Spaak	**2,241,065**	2,241,065	2,241,065	**0.9%**	0.9%	0.9%
Treasury stock	**148,204**	111,642	143,608	**0.1%**	–%	0.1%
Other European shareholders[3]	**80,676,166**	92,425,019	83,310,755	**30.7%**	35.2%	31.7%
Other non-European shareholders	**31,887,789**	19,871,533	28,593,800	**12.1%**	7.6%	10.9%
TOTAL NUMBER OF SHARES	**262,769,869**	**262,769,869**	**262,769,869**	**100.0%**	**100.0%**	**100.0%**

(1) Held through Eastern Airlines Industry Investment (Luxembourg) Company Limited.
(2) Acting in the capacity of general partner of the partnership under Dutch law, DAL Foreign Holdings C.V. The company Delta Air Lines, Inc. controls DAL Foreign Holdings C.V. and, as general partner of DAL Foreign Holdings C.V. is the legal owner of the Air France-KLM shares.
(3) The shares held by UK nationals have been included in "Other European shareholders".

Shareholder pacts

Air France-KLM is not aware of the existence of any shareholder pacts or agreements whose implementation could lead to a change of control.

Dividend policy

In the past three financial years. Air France-KLM distributed no dividends.

Financial year	Earnings per share (in euros)	Dividend paid (in euros)
2023	0.43	–
2024	0.93	–
2025	**5.83**	**–**

2.7.6 A REGULAR DIALOGUE WITH INDIVIDUAL SHAREHOLDERS AND INVESTORS

According to the TPI shareholder analysis of December 31, 2025, Air France-KLM is more than 75.7% owned by citizens of the European Union Member States and States party to the European Economic Area Agreement. The Air France-KLM Group keeps the market informed of its activity through quarterly updates on the trend in its results and strategic orientations. All its regulated information is available on the www.airfranceklm.com website in French and English.

Relations with investors

The Investor Relations department maintains a dialogue with financial analysts and institutional investors. In addition to conference calls and information meetings scheduled to coincide with results announcements, the Group's management regularly meets with financial analysts and institutional investors during roadshows and conferences in Europe, the United States and Asia.

Relations with individual shareholders

The Individual Shareholder Relations Department has a pro-active policy on engaging with individual shareholders. The website dedicated to the Shareholders' Club was redesigned in January 2023 and the shareholders' newsletter, with updates on the Group's business activity and objectives, is circulated by email and is available on the website in French and English.

Shareholders' Club members are also invited to events related to the Group's activities. For example, in June 2025, a prize draw was held to give Shareholders' Club members the opportunity to meet the Group's management at the Group's booth at the Paris Air Show at Le Bourget.

The Shareholder Relations department is always ready to listen to shareholders and can be reached by e-mail at mail.actionnaire@airfranceklm.com.

Lastly, since 2000, the Individual Shareholders' Consultative Committee has set up a forum for work, discussion and suggestions on Air France-KLM's communication aimed at individual shareholders. Composed of twelve members, the Committee meets several times a year including a meeting devoted to planning the Shareholders' Meeting. It also participates in major company events. Its members were renewed in March 2023 for a term of three (3) years and will therefore be subject to a partial renewal in 2026.

2.7.7 LEGAL AND STATUTORY INVESTMENT THRESHOLDS

Pursuant to the option provided in Article L. 233-7 of the Code de commerce (French Code of Commerce), Article 13 of the Air France-KLM Articles of Incorporation stipulates that any private individual or corporate body, acting alone or in concert, acquiring directly or indirectly at least 0.5% of Air France-KLM's capital or voting rights or any multiple thereof, must notify Air France-KLM by certified return receipt mail no later than four stock market trading days from the date on which this threshold is exceeded. The declaration must include all the information required to be submitted to the French Financial Market Authority (Autorité des marchés financiers) if a legal threshold is exceeded, as well the information referred to in Article 10 of the Air France-KLM Articles of Incorporation.

Notice must again be given under the same conditions each time the capital or voting rights threshold is exceeded by a further 0.5%, up to 50%.

These declarations are made whenever the above thresholds are exceeded, whether this involves an increase or a decrease in the shareholding.

To determine these thresholds, the shares and voting rights defined by the provisions of Article L. 233-9 of the Code de commerce and those of the relevant AMF General Regulation are assimilated in the share capital and voting rights.

In the event of failure to comply with this notification obligation and at the request of one or more shareholders holding at least 0.5% of the Air France-KLM capital or voting rights, shares exceeding the reporting thresholds will be stripped of their voting rights at all Shareholders' Meetings for a period of two years following compliance with the notification procedures.

Furthermore, any shareholder, whether acting alone or in concert, acquiring more than 5% of Air France-KLM's share capital or voting rights is required to register these securities within the legal limit of no more than four stock market trading days from the date on which the threshold is exceeded (Article 9.2 of the Articles of Incorporation).

The above requirements under the Articles of Incorporation do not preclude the legal obligation to inform Air France-KLM and the AMF within four stock market trading days of exceeding the legal thresholds of 5%, 10%, 15%, 20%, 25%, $33^{1/3}$%, 50%, $66^{2/3}$%, 90% and 95% of the share capital or voting rights.

Furthermore, if the 10%, 15%, 20% and 25% thresholds of the share capital or voting rights are exceeded, the shareholder must notify Air France-KLM and the AMF within five stock market trading days thereof of their intentions for the next six months. Any failure to comply with this declaration requirement will incur the sanctions set forth in Article L. 233-14 of the Code de commerce.

SUMMARY OF THE LEGAL THRESHOLDS EXCEEDED DURING THE 2025 FINANCIAL YEAR AND AT THE BEGINNING OF THE 2026 FINANCIAL YEAR

Shareholders	Declaration date	**Number of shares[1]**	% of the capital[2]	Number of voting rights	**% of theoretical voting rights**	Increase or Reduction
UBS Group AG	March 26, 2025	**14,477,514**	5.51%	14,477,514	**4.01%**	I
UBS Group AG	April 2, 2025	**14,173,801**	5.39%	14,173,801	**3.93%**	I
UBS Group AG	April 4, 2025	**787,918**	0.30%	787,918	**0.22%**	R
The Goldman Sachs Group, Inc.	August 22, 2025	**14,125,057**	5.38%	14,125,057	**3.82%**	I
The Goldman Sachs Group, Inc.	August 25, 2025	**11,536,810**	4.39%	11,536,810	**3.12%**	R
The Goldman Sachs Group, Inc.	August 27, 2025	**14,158,452**	5.39%	14,158,452	**3.83%**	I
UBS Group AG	August 28, 2025	**13,967,601**	5.32%	13,967,601	**3.77%**	I
The Goldman Sachs Group, Inc.	August 29, 2025	**11,353,016**	4.32%	11,353,016	**3.07%**	R
UBS Group AG	August 29, 2025	**551,096**	0.21%	551,096	**0.15%**	R
UBS Group AG	September 9, 2025	**14,672,426**	5.58%	14,672,426	**3.97%**	I
UBS Group AG	September 17, 2025	**13,804,373**	5.25%	13,804,373	**3.73%**	I
UBS Group AG	September 19, 2025	**652,447**	0.25%	652,447	**0.18%**	R
UBS Group AG	September 22, 2025	**14,585,618**	5.55%	14,585,618	**3.94%**	I
UBS Group AG	September 25, 2025	**643,542**	0.24%	643,542	**0.17%**	R
UBS Group AG	December 22, 2025	**13,942,506**	5.31%	13,942,506	**3.77%**	I
UBS Group AG	December 23, 2025	**11,078,716**	4.22%	11,078,716	**2.99%**	R
UBS Group AG	December 29, 2025	**9,345,817**	3.56%	9,345,817	**2.53%**	R

(1) "Number of shares" represents the total number of shares held by the declaring shareholder following the declaration.
(2) "% of the capital" represents the percentage of the share capital held by the declaring shareholder following the declaration.

2.7.8 IDENTIFICATION OF SHAREHOLDERS AND STATUTORY PROVISIONS CONCERNING SHAREHOLDERS

Identification of holders of bearer shares

Pursuant to Articles L. 6411-2 to L6411-5 and L. 6411-8 of the Code des transports (French Transport Code), from Ordinance No. 2010-1307 of October 28, 2010, listed French air transport companies are authorized to include a provision in their Articles of Incorporation allowing them to monitor and control their shareholders and to require certain shareholders to sell all or part of their interests in the event of a risk relating to their nationality. This is because, over time, changes in the shareholder structure of an air transport company whose shares are listed for trading on a regulated market could jeopardize its operating license as an EU air transport carrier, the retention thereof being conditional on EU interests holding a majority of the shares and maintaining effective control, or the traffic rights held by the Company as a French air transport company, pursuant to bilateral international agreements concluded between France and other States outside the European Union.

Shareholder identification and monitoring

Articles 9 et seq. of the Air France-KLM Articles of Incorporation set the conditions under which the Board of Directors can or must decide either to reduce the 5% threshold above which shares held must be registered to 10,000 shares, or to require all shares in Air France-KLM to be held in registered form. Thus, when the 40% share capital or voting right threshold has been exceeded by non-French shareholders, the Board of Directors can decide to reduce this 5% threshold to 10,000 shares.

Air France-KLM publishes a notice informing the shareholders and the public that non-French shareholders as defined by Article 14 of the Articles of Incorporation own, directly or indirectly, 45% of Air France-KLM's share capital or voting rights. If it appears that non-French shareholders as defined by Article 14 of the Articles of Incorporation represent, directly or indirectly, more than 45% of Air France-KLM's capital or voting rights on a long-term basis, the Board of Directors must decide to make it mandatory for all Air France-KLM shares to be registered. Pursuant to a 2014 amendment to the Articles of Incorporation, within the meaning of Article 14 of Air France-KLM's Articles of Incorporation, citizens of the European Union Member States and States party to the European Economic Area Agreement are considered to be French nationals.

Article 10 of the Air France-KLM Articles of Incorporation specifies the information that must be provided to Air France-KLM by shareholders, whether private individuals or corporate bodies, who are required to register their shares. This information includes the shareholder's nationality. Article 11 of the Articles of Incorporation specifies the conditions under which the Board of Directors may exercise its right to approve new shareholders.

Formal notice to sell and mandatory sale of shares

Article 14 of the Air France-KLM Articles of Incorporation stipulates the information that Air France-KLM must publish and circulate to inform the public that over 45% of the capital or voting rights is held by shareholders who are not French nationals. Based on this threshold, Air France-KLM will be entitled to undertake procedures requiring the sale of shares in order to safeguard its nationality. Articles 15 and 16 of the Articles of Incorporation, respectively, relate to formal notices to sell and the mandatory sale of shares held in breach of regulations pursuant to the Code de l'aviation civile (French Civil Aviation Code) and the Code des transports (French Transport Code). The terms for setting the sale price (market price) are outlined in the Code des transports.

2.7.9 INFORMATION ON TRADING IN THE STOCK

2.7.9.1 AIR FRANCE-KLM IN THE STOCK MARKET

Air France-KLM shares are listed for trading on the Paris and Amsterdam Stock Markets (Euronext Paris and Amsterdam) under ISIN code FR001400J770. The stock is a component of the SBF 120.

Since February 2008, Air France-KLM's ADR program (American Depositary Receipt) has been traded on the OTCID Marketplace under the ticker AFLYY.

The Reuters code for the stock is AIRF.PA or AIRF.AS and the Bloomberg code is AF FP.

Pursuant to Article 222-1 of the Autorité des marchés financiers (AMF) General Regulation, since the registered office for Air France-KLM SA is located in France, its Home Member State, as defined by Directive 2004/109/EC of December 15, 2004, as amended (Transparency Directive), is France. The AMF is consequently its competent market authority as regards ensuring compliance with its regulated information obligations.

2.7.9.2 STOCK MARKET PERFORMANCE

Over the 2025 financial year, the Air France-KLM share price increased by 42% (based on the share price of €11.57 on December 31, 2024).

Note: The values listed below are those of the closing price.

	January-December 2025	January-December 2024
Share price high *(in euros)*	**14.93**	13.48
Share price low *(in euros)*	**7.05**	7.19
Number of shares in circulation	**262,769,869**	262,769,869
Market capitalization at December 31 *(in billions of euros)*	**3,124,333,808**	2.1

2.7.9.3 TRANSACTIONS IN AIR FRANCE-KLM SHARES IN THE LAST 12 MONTHS

Air France-KLM Shares

Euronext volumes 2025	Trading days	Closing prices Average (in €)	High (in €)	Low (in €)	Volumes	Amount (in € m)
January	22	7.51	8.08	7.05	42,251,737	318
February	20	8.42	8.81	7.85	26,642,894	224
March	21	9.86	12.16	8.53	59,416,259	617
April	20	7.66	8.53	7.33	36,057,160	276
May	21	8.61	9.68	8.09	29,500,501	254
June	21	8.83	9.86	7.75	35,884,746	311
July	23	10.82	11.58	9.58	30,505,984	329
August	21	13.70	14.93	11.12	32,052,440	432
September	22	12.43	13.41	11.43	21,682,175	269
October	23	11.50	12.04	10.96	23,255,807	267
November	20	10.24	12.07	9.26	40,068,086	408
December	21	11.24	11.90	10.12	33,411,321	369

Note: The values listed above are those of the closing price.

Transactions in the Company's shares realized by the company officers

Summary of the transactions referred to in Article L. 621-18-2 of the Code monétaire et financier (French Monetary and Financial Code) realized during the 2025 financial year.

Relevant individual	Function	Date of the transaction	Nature of the transaction	Number of securities	Unit price (in €)
Benjamin Smith	Chief Executive Officer, Air France-KLM	June 25, 2025	Free acquisition of shares[1]	48,683	–
Anne Rigail	Chief Executive, Air France	June 25, 2025	Free acquisition of shares[2]	9,063	–
Steven Zaat	Chief Financial Officer, Air France-KLM	June 25, 2025	Free acquisition of shares[3]	7,292	–
Oltion Carkaxhija	EVP Chief Operating Officer, Air France-KLM	June 25, 2025	Free acquisition of shares [4]	1,364	–
Angus Clarke	EVP Chief Commercial Officer, Air France-KLM	June 25, 2025	Free acquisition of shares [5]	9,997	–
Anne Rigail	Chief Executive, Air France	August 1, 2025	Sale of shares [6]	9,000	11.46

(1) Shares acquired under the 2022-2024 Long-Term Incentive Plan as of June 4, 2025, with an effective delivery date of June 25, 2025.
(2) Shares acquired under the 2022-2024 Long-Term Incentive Plan as of June 4, 2025, with an effective delivery date of June 25, 2025.
(3) Sale of free shares from the 2022-2024 Long-Term Incentive Plan as of June 4, 2025, with an effective delivery date of June 25, 2025
(4) Shares acquired under the 2022-2024 Long-Term Incentive Plan as of June 4, 2025, with an effective delivery date of June 25, 2025.
(5) Shares acquired under the 2022-2024 Long-Term Incentive Plan as of June 4, 2025, with an effective delivery date of June 25, 2025.
(6) Sale of free shares from the 2021-2023 LTI plan granted on February 17, 2021 and acquired on July 31, 2024, and from the 2022-2024 LTI plan granted on February 12, 2022 and acquired on June 25, 2025.



03

Risks and risk management

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We identify, assess, and mitigate risks in a rapidly changing environment. We strengthen our resilience through robust internal controls and proactive risk management practices.

We anticipate and manage risk

3.1 RISK FACTORS

This section outlines the main risks to which Air France-KLM considers itself exposed – macroeconomic and geopolitical risks, risks linked to air transportation activity, risks linked to the Group's processes, and legal and market risks – together with the management procedures implemented to mitigate these risks. Other risks of which the Group is currently not aware, or risks that as of the date of this document are not considered to be among the most material, could also negatively affect its activities.

This section includes the main risks that, as of the date of this document, could potentially impact the Group's activity, financial situation, reputation, results, and outlook, as notably identified within the framework of the Group's risk mapping, which evaluates their criticality (i.e., their gravity and probability of occurrence) as well as the mitigation plans in place. In accordance with the provisions of Article 16 of Regulation (EU) No. 2017-1129 of the European Parliament and the European Council, within each of the risk categories mentioned below, the risk factors considered to be the most significant (indicated by an asterisk) are presented first.

Description of the risk	Most significant risks	Section
Geopolitical and macro-economic risks		3.1.1
International tensions: closed borders, wars, terrorist attacks, political and social unrest, health crises, etc.	*	3.1.1.1
Economic uncertainty	*	3.1.1.2
Risks relating to changes in oil and fuel prices	*	3.1.1.3
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Description of the risk	Most significant risks	Section
Risks relating to the Group's processes		3.1.3
Operational performance and customer risks	*	3.1.3.1
Failure of a critical IT system, IT risks and cyber criminality		3.1.3.2
Cyber criminality	*	
Data security		
Business continuity and regulatory compliance		
Working conditions and human capital development		3.1.3.3
Social stability and employee engagement	*	
Key competencies and attractivity		
Non-compliance with regulations, including competition, data protection, trade compliance and export control, anti-corruption and duty of vigilance laws		3.1.3.4
Legal risks related to litigation		3.1.4
Financial market risks		3.1.5
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3.1.1 GEOPOLITICAL AND MACRO-ECONOMIC RISKS

3.1.1.1 GEOPOLITICAL INSTABILITY AND PROTECTIONISM*

Description of the risk

Multiple geopolitical factors can affect appetite to travel by air and access to destinations for airlines, passengers and cargo, such as wars, conflicts, terrorist attacks, border closures, airspace closures, immigration restrictions, import restrictions, and tariffs.

The names of carriers in the Group associate them with the respective states' policies and therefore these carriers can be a source of specific tensions with worldwide and local communities and authorities.

Impact

Airspace and border closures impact airline operations and networks. Operations may need to be canceled or modified because of rapidly changing rules and conditions, causing inconveniences for passengers, additional operational complexity, and higher operating costs.

Terrorist attacks, immigration restrictions, import restrictions, and tariffs may impact the appetite or ability to travel, which could cause a decline in demand for air travel on certain routes.

In 2025, conflicts caused temporary suspension of destinations and several countries' airspaces were inaccessible to Group airlines. Several passengers and cargo customers faced new immigration rules and tariffs. Looking forward, travelers who do not require visa may be required to provide more information before being permitted entry within the US, which could impact demand for air travel.

Mitigation plan

Faced with these risks, the policy of each company within the Group is based on several parameters:

- Constant operational monitoring and anticipation of conflicts, continuous assessment of the ability to safely use airspaces, and interaction with authorities as well as allied airlines in order to define safety/security measures to control the risk.
- Crisis management organization to deal with emergencies.
- Continuous monitoring of financial performance of routes and reallocation of capacity to routes less impacted by decline in demand due to geopolitical instability and protectionism.

Group airlines are insured for the consequences of an attack on aircraft and have taken out war and assimilated risks insurance.

3.1.1.2 ECONOMIC UNCERTAINTY*

Description of the risk

Several factors are weighing on global economic activity: monetary policy aimed at controlling public debt, volatility compounded by the different market dynamics in the key economic regions (North America, Europe, Asia), and the international tensions described in the preceding risk.

As a result, the economic trajectory at a global and regional level is uncertain.

Impact

One direct impact could be lower government spending and higher taxation, putting company profitability and household budgets under pressure and, as a consequence, reducing demand for air transportation, both for leisure and business purposes.

Different market dynamics and geopolitics could result in increasing procurement costs caused by, for example, unfavorable exchange rates and trade barriers.

These factors could lead to higher operational and infrastructure costs, coupled with lower revenue and profitability for air transportation.

Mitigation plan

Our mitigation plan includes maintaining the agility to adapt our capacity, fleet, network, and resource allocation; reviewing our prices and marketing offer; strengthening procurement policies; and focusing on different customer segments and customers in economically thriving regions.

3.1.1.3 RISKS RELATING TO CHANGES IN OIL AND FUEL PRICES*

Description of the risk

The fuel bill is one of the largest cost items for airlines, making oil price volatility a significant risk for the air transportation industry:

- a sharp increase in the oil price can have a very material negative impact on the profitability of airlines, particularly if the economic environment does not enable them to adjust their pricing strategies;
- similarly, a sharp decline in fuel prices is generally favorable for airline profitability. However, the ability of airlines to pass on a sharp fall in the fuel price in their fares is a factor of significant uncertainty.

The adoption of SAF is a key solution in the aviation sector's decarbonization roadmap, and SAF mandates are gradually being introduced throughout Europe. SAF availability will become a critical risk in the coming years as it affects the ability to reduce carbon emissions and meet sustainability goals.

For more information on policies, actions, targets and performance metrics related to energy, please refer to section 4.2.1 "Climate change (ESRS E1)".

Impact

For the financial year ended December 31, 2025, the fuel bill amounted to €(6,180) million, representing a decrease of (8.3)% compared to the previous year due, in particular, to:

- the drop in fuel prices in 2025 compared to 2024;
- and despite the growth in traffic observed in 2025.

The Air France-KLM Group has hedged its exposure to fuel price risk. As of 2 January, 2026, the Air France-KLM Group's fuel price exposure for 2026 amounted to US$6,558 million, based on futures prices at 2 January, 2026 (US$60.3 a barrel for 2026).

Based on the forward curve at January 2, 2026:

- an increase of US$10 per barrel over 2026 would give an average price of US$70.3 per barrel and would lead to a US$396 million increase in the fuel bill after hedging, i.e., a total fuel bill of US$6,954 million for the Air France-KLM Group in 2026;
- symmetrically, a fall of US$10 per barrel over 2026 would give an average price of US$50.3 per barrel and would lead to a US$370 million reduction in the fuel bill after hedging, i.e. a total expense of US$6,187 million in 2026.

A large-scale shortfall in production and distribution of SAF between 2026 and 2030, along with competition from other sectors that are also undergoing energy transitions, could result in higher costs. In addition, a shortage of SAF can impact an airline's reputation, undermine customer confidence in its commitment to sustainability, and threaten the realization of the sustainability ambitions. The availability of SAF is therefore key to supporting the growth of the aviation industry while reducing its impact on the environment.

Mitigation plan

Insofar as possible, the Group seeks to protect itself from any further increases in oil prices, while remaining protected against downwards risks, and adapts its fares when necessary to reduce the impact of rising fuel prices.

In addition to fare adjustments and permanent efforts to reduce fuel consumption, the Group has implemented a policy of systematically hedging the fuel price risk defined by the Risk Management Committee (the "RMC"). The policy has been presented to the Audit Committee and the Board of Directors of the Company.

The hedging strategy:

- sets the time span of the hedges;
- sets the target hedging ratios to be reached for the coming quarters; and
- defines the instruments (swaps, forwards, or options) eligible for hedging pursuant to the accounting standards in force.

In respect of the application of IFRS 9, hedging by component has been applied since January 1, 2018. Since the Group's fuel procurement is strongly correlated to the Jet Kerosene Cargoes CIF NWE Index, components specific to this fuel risk are used (Brent ICE, Gasoil ICE, Jet CIF NWE) to align the fuel hedging accounting and the Group's risk management policy more effectively. Within the framework of a dynamic risk monitoring approach, the Group tracks the following indicators:

- maximum loss: capping of the potential maximum loss;
- maximum gain: value of the portfolio prompting its restructuring; and
- Value at Risk: which enables the measurement and monitoring of extreme risk scenarios. The level of this indicator is calculated and regularly analyzed, and may also trigger a restructuring of the portfolio.

In order to better cover the risk associated with the decoupling between indices reflecting the price of crude oil (Brent ICE) and indices reflecting the price of refined products (Gasoil ICE and Jet CIF NWE), the Air France-KLM Group has incorporated new hedging instruments on crack spreads.

The fuel hedging policy, in effect since the first quarter of 2024, has been updated and took effect in the first quarter of 2026. The hedging strategy, previously based on a rolling 18-month period, has been extended to 24 months. The hedging portfolio will represent 87% of annual fuel consumption. This extension of the portfolio's maturity will allow the Air France-KLM Group to have better visibility on the evolution of its fuel costs.

(in US$ million)	**2025**	2026	2027
Gross expenditure before hedging	**6,791**	6,377	6,336
Hedge percentage	**69%**	59%	13%
Gain/(loss) on hedging	**(138)**	(181)	(11)
Net expenditure after hedging	**6,929**	6,558	6,347

To address the risk of difficulty in accessing a SAF supply, Air France-KLM proactively initiated a collaboration with potential suppliers at an early stage, signing its first contract (not related to a test flight) in 2015.

The Group manages a portfolio of consortia, projects, and initiatives, including long-term offtake agreements with various optional conditions to secure the volumes of SAF needed to meet its 2030 ambition.

Air France-KLM works with governments and industry organizations to increase the availability and stability of the SAF supply chain.

Finally, the Group supports the development of industry-wide standards and certification processes for SAF to increase confidence and help this new industry to emerge. To ensure that the SAF projects selected directly have a minimal impact on the environment, Air France-KLM maintains a strict due diligence on the sustainability of SAF sources and ensures that SAF is RSB- or ISCC-certified.

3.1.1.4 CHANGES IN THE COMPETITIVE LANDSCAPE FOR THE AIR TRAVEL BUSINESS

Description of the risk

The competitive landscape for air transportation is and will remain dynamic. For example:

- EU decarbonization legislation (ReFuelEU and EU ETS) implies a significant cost increase for airlines with the majority of their operations in the European Economic Area, such as Air France-KLM. With decarbonization legislation less ambitious in most jurisdictions outside the EU, there is an uneven playing field when it comes to energy costs (see section 4.2.1 "Climate change (ESRS E1)");
- The aviation sector may be incentivized in certain countries or subject to different laws and regulations between jurisdictions, contributing to the uneven playing field;
- Several airlines that benefit from the uneven playing field have ample opportunity to grow at their hubs due to excess hub airport capacity being available or hub airport expansion underway.

Impact

Cost inequality arising from an uneven playing field affects the profitability of European airlines, putting pressure on their fine-grained networks that connect many cities in Europe to the rest of the world, and the renewal of their fleets, which is a significant lever of decarbonization.

Mitigation plan

Air France-KLM ensures that its services continue to correspond to market needs and evolve through innovations, commercial partnerships, and consolidation. Furthermore, Air France-KLM is a member of professional organizations in the air transport sector.

3.1.1.5 COMPETITION AND TRENDS IN THE AERONAUTICS MAINTENANCE MARKET

Description of the risk

In terms of competition and trends in the aeronautics maintenance market (Maintenance, Repair, and Overhaul (MRO)):

- airframers, engine manufacturers and aircraft component manufacturers (OEMs) are rapidly expanding their after-sales services based on a long-term strategy, leveraging intellectual property and licensing mechanisms;
- there is more aggressive competition and pressure on the revenues of the maintenance business.

On the cost side:

- OEMs are leading an aggressive price escalation policy;
- the maintenance industry is facing a labor scarcity, notably leading to wage inflation;
- the supply chain is still under significant pressure and will remain so for the coming period due to several troubles this industry is facing, namely the lack of mechanics and the poor performance of OEMs.
- technical design issues and poor reliability are increasing maintenance costs on several aircraft types (e.g., GTF engines and Boeing 787 components).

This trend is accelerating, especially with the arrival of new aircraft (Airbus A220 and A350, Boeing 787, E2-195, etc.), for which OEMs often demand significant license costs to perform aircraft maintenance. Ultimately, if it were to result in reduced competition in the aeronautics maintenance market, this trend could have a material adverse impact on airline maintenance costs.

Impact

Revenues of the maintenance business, including the revenue made with the Group airlines, amounted to €5,6 billion as of December 31, 2025 (compared to €5.1 billion as of December 31, 2024). Revenues in the maintenance business made with external customers, amounted to €2.3 billion, represented 7% of the Group's revenues for the financial year ended December 31, 2025, versus 7% in 2024 for a revenue made with external customers amounted to €2.1 billion.

Currently:

- the MRO market is growing and is expected to continue expanding at a rate of 3.2%[1] per year over the next decade. The MRO market related to new-generations of aircraft, on which Air France-KLM is focusing its development efforts, is expected to see its growth double;
- in fast-growing markets, AFI KLM E&M has significant activity with strong customer portfolios and regional industrial footprints.

Mitigation plan

Air France-KLM is working on several initiatives to limit the impacts inherent to these risks:

- close coordination through fleet renewal campaigns: procurement of licenses and the securing of industrial cooperation with OEMs as well as with Original Aircraft Manufacturers;
- a partnership strategy leveraging AFI KLM E&M's current strong market position and its technological expertise;
- repair solutions and the use of Used Serviceable Materials, thereby reducing the dependence on certain OEMs;
- supply chain optimization leveraging digital initiatives, the worldwide industrial footprint, and alternative sourcing;
- structural and anticipatory management of recruitment and labor availability;
- strict receivables management.

[1] 2024 Commercial Aviation Fleet & MRO Forecast, Aviation Week Network.

3.1.2 RISKS RELATING TO AIR TRANSPORTATION ACTIVITY

3.1.2.1 RISKS RELATED TO AIRLINE SAFETY*

Description of the risk

Accident risk, with the possibility of damage to people and property, is inherent to air transportation. This is why airline activities – passenger and cargo transportation and aircraft maintenance – are regulated by a series of European regulatory provisions that are directly applicable or, in some cases, transposed into French and Dutch law. Compliance with these regulations is governed by whether an airline is awarded an AOC (Air Operator Certificate).

The national Civil Aviation Authority carries out a series of checks on the proper application of these rules with respect to the following in particular:

- designation of a senior executive and managers responsible for the principal operational functions;
- appropriate organization of the flight, ground, cargo, and maintenance operations;
- deployment of a Safety Management System (SMS); and
- implementation of a quality assurance system.

Impact

The materialization of this risk could have a significant negative impact on the Group's reputation and legal or financial consequences.

Mitigation plan

For the Air France-KLM Group, flight safety is the absolute priority. Safety is fundamental to maintaining the confidence of customers and staff and is a day-to-day imperative that determines the Group's activity and the long-term future of the air transportation industry.

All of the Group's businesses are subject to numerous checks and certifications and meet extremely strict standards and the highest level of regulations in the industry, both at European level with the European Aviation Safety Agency (EASA) and globally with the International Air Transport Association (IATA), whose Operational Safety Audit (IOSA) is a benchmark within the industry and leads to certification, which must be renewed every two years.

The Air France and KLM IOSA audits were carried out between October and November 2024, and the IOSA renewal audits will take place at the end of 2026.

To reach the highest possible level of flight safety, each airline updates and reinforces its SMS, which defines in concrete terms the conditions for the implementation of its risk management system. Through the SMS, the risks related to operations are constantly monitored through lessons learned from occurrences, the observation of trends, and predictive risk analyses of proposed changes to operations. The SMS, which is an integral part of the organization, procedures, and corporate culture, is supported by a commitment made at the highest level of management, and by training and awareness-raising programs for all staff (see section 4.3.4.4 "Operational Safety & Security of Air Transportation").

This risk is covered by the aviation insurance policies.

3.1.2.2 CLIMATE-RELATED RISKS*

Description of the risk

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

For more information on policies, actions, targets and performance metrics related to climate change, please refer to section 4.2.1 "Climate change (ESRS E1)".

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 Air France-KLM activities over short-, medium- 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 Pathway (RCP) scenarios to analyze the physical risks and three of the IPCC's shared Socio-economic Pathways (SSP) to analyze the transition risks.

As a result, the following scenarios were used for the assessment:

Climate Scenario	RCP	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

[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 the IPCC's scenarios, visit: https://www.ipcc.ch/report/emissions-scenarios/

Impact

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

Physical risks

Acute

- Degradation/destruction of assets (airports, offices, warehouses, aircraft) due to more frequent and severe extreme weather events:
  - 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 heat waves
- 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 snowstorms
- Disruption of aircraft supply activities

Chronic

- Degradation of infrastructure (airports, offices, etc.) due to rising sea levels
- Restrictions on aircraft takeoff weight due to increasing temperatures
- Disruption of takeoff 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

Transition risks

Policy and legal

General

- Increased pricing of GHG emissions
- Enhanced emission-reporting obligations (EU-ETS, CORSIA)
- Limits on license to operate and ban on short-haul flights

SAF-related

- New carbon taxes or SAF mandates could increase the price of fuel
- Insufficient support from governments regarding SAF and synthetic fuel deployment

Aircraft-related

- Delayed regulations could slow the pace of development of new technologies (electric planes)
- Insufficient support regarding investments in fleet renewal

Reputational

General

- 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

SAF-related

- Exposure to litigation linked with low credibility of SAF for decarbonization or use of feedstocks causing adverse environmental outcomes

Aircraft-related

- Limited social license to consume renewable energy if not demonstrably additional

Market

General

- 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

SAF-related

- Inability to secure sufficient volumes and/or competitive prices for SAF to meet public targets
- Inability to secure synthetic fuels volumes

Aircraft-related

- Inability to access enough energy due to limited green hydrogen availability
- Inability to secure enough electric planes

Technology

General

- Substitution of existing products and services with lower emissions options
- Unsuccessful investment in new technologies
- Costs to transition to lower emissions technology

SAF-related

- Power-to-Liquid SAF and other SAF technology pathways could not deliver expected emissions reductions
- Synthetic fuels technology pathway could not scale as expected

Aircraft-related

- Network limitations due to lack of required infrastructure
- Limited talent availability for maintenance and operation of next generation aircraft

Mitigation plan

In order to mitigate the risks of climate change, 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 focusing on its decarbonization (see 4.2.1.3.1 "Transition Plan for climate change mitigation (E1-1)"). The Transition Plan is divided in two axes: A. Flight Operations and B. Ground Operations.

The Flight Operations axis is composed of five levers aimed at avoiding emissions by decreasing of the shortest routes in the Group haul mix while deploying inter-modality alternatives; reducing emissions and using energy more efficiently by fleet renewal, operational efficiency measures, and jet fuel upstream efficiency; and progressively replacing fossil fuel with alternatives with lower GHG emissions. Finally carbon offsetting will be required for residual emissions that cannot be avoided or reduced.

As for Group Operations, the objective is to reduce emissions by using electrically powered ground equipment and launching a program of energy efficiency measures to reduce growing energy consumption.

The Group also initiated the assessment of climate-related adaptation measures, including the evaluation of climate vulnerability at key airports and the assessment of climate risks across critical suppliers such as fuel, catering, and maintenance providers.

3.1.2.3 NOISE MANAGEMENT*

Description of the risk

In Europe, there are calls to implement activity restrictions at airports in response to increasing sensitivity to airport noise pollution. Campaigns for a cap on the number of flights or regulatory restrictions, including curfew revision, have been launched at Amsterdam Schiphol airport, as well as at both Paris airports (Orly and Roissy-CDG).

To address these concerns, the Dutch and French governments have launched impact assessment procedures using a balanced approach developed by the ICAO and adopted by European Union regulation. This approach involves a scientific assessment of noise pollution levels at airports, followed by an analysis of various reduction measures that can be taken, prioritizing the best combination of cost-effective measures before introducing any restrictions on aircraft operations.

The Dutch government has also been considering a noise ceiling to restrict flight movements. Such legislation could lead to competitive distortions between airlines, especially if only applied to specific geographic areas, and may lead to retaliation.

Impact

Any limitation of Air France-KLM operations (annual cap, daytime or nighttime restrictions) present a significant risk to the Group's operations and revenue. Any changes to noise-related LTO (landing and takeoff) charges could increase operational costs. Additionally, offering fewer flights or flights at unsuitable schedules could negatively impact the Group's offer and the relationship with its customers.

Mitigation plan

Air France-KLM actively collaborates with Member States and stakeholders to ensure compliance with the EU's Balanced Approach Regulation, which aims to improve the noise environment around EU airports and promote greater compatibility between aviation activities and residential areas.

In the Netherlands, on January 11, 2024, KLM and 30 other parties called for a common action program called "Together towards cleaner, quieter, stronger." KLM committed to reducing noise for residents near Schiphol and other airports. Two briefings were held with the Ministry of Infrastructure, which announced adjustments to the measures on September 20, 2024.

In France, noise restrictions already apply to Paris airports: curfew and annual slot caps at Paris-Orly; a nighttime slot cap at Paris-Charles de Gaulle; and limited access at nighttime for the noisiest aircraft at both airports. Two balanced approaches were launched in the summer of 2023 for those two airports. The one for Paris-Orly is now complete. It has resulted in a ban on the noisiest aircraft at night. This new restriction, which will come into effect in stages between 2026 and 2029, will have a limited impact on the Group.

Thanks to its fleet renewal plans, Air France-KLM is not only reducing CO_2 emissions but also reducing noise pollution. In 2023, 100% of its fleet was eligible for certification under the stringent noise level criteria of ICAO section 4.3.3.2 Noise hindrance management (ESRS S3) and chapter 14. Therefore, in 2024, Air France-KLM has decided to focus on Chapter 14, the strictest ICAO noise level criteria. In terms of noise reduction, new-generation aircraft significantly reduce noise pollution compared to the aircraft they replace. The noise footprint of the Airbus A350-900 is reduced by 40%, that of the Airbus A320neo family by 50%, that of the Airbus A220 by 34%, and that of the Embraer 195-E2 by 63%.

Regarding air-side operations, the Group is committed to supporting governments and air traffic control organizations in the rapid and widespread implementation of lower-noise procedures, such as continuous descent procedures at all airports.

The Group contributes to airport noise taxes and levies in France and the Netherlands, which fund soundproofing for homes located around airports and compensation for the loss of property value in such areas.

For each of these levers, the Group's experts are in constant dialogue with residents, airport community representatives, local elected officials and authorities as part of dedicated working groups. In each case, the Group's approach aims to implement efficient solutions that are both sustainable for the Group's airlines and satisfactory for residents.

3.1.2.4 LOSS OF FLIGHT SLOTS OR LACK OF ACCESS TO FLIGHT SLOTS

Description of the risk

The service of major airports, given their saturation, is subject to the procurement of slots allocated under the conditions defined by EU Regulation No. 95/93. In application of this regulation and by virtue of a historical precedent, the series of slots held by an aircraft operator is reserved for it from one season to the next if the latter operates at least 80% of the relevant slots over the period in question. Below this threshold, unused slots are lost by the carrier and placed in a pool. Each year, the coordinator in charge of slot management is assigned the task of allocating the released slots to operators who request them.

Impact

The loss of slots or the non-access to slots due to volume limitations or saturation could have an impact on the companies' results, in particular the ability to generate future profit. Because a slot lost to a competitor is inherently difficult to recover, the lack of anticipation and adaptation could lead to a reduction in market share over time, and therefore poses a threat to earning capabilities.

Mitigation plan

The group ensures compliance with the European Regulation on the allocation of slots, which provides that a carrier retain the use of these slots from one season to the next, once they have been used 80 percent of the time. Exceptions can be granted in exceptional circumstances. To this end, the Group closely monitors changes in demand. The Group is thus able to adapt its offer flexibly to the variables specific to each airport, thanks to the diversity of brands in its portfolio. The Group employs slots experts who continuously monitor and optimize the Group slot portfolio towards the future.

3.1.2.5 CARBON CREDIT RISK

Description of the risk

As an air transport operator, the Air France-KLM Group emits carbon dioxide. It therefore fully complies with the regulatory measures to reduce carbon emissions (see section 4.2.1 "Climate change (ESRS E1)"). These include the EU Emissions Trading System (EU ETS), which has been in force at the European level since 2012 for aviation. In December 2022, the European institutions defined the modalities for the reform of the EU ETS through the revision of Directive 2003/87/EC. They confirmed the intra-European scope of the EU ETS, thus reinforcing CORSIA's future role in defining clearing solutions for international flights. They also programmed the gradual end of allowances allocated free of charge to air operators. From 2026 onward, this new measure will require the Air France-KLM Group to purchase emission rights (credits) for all its flights to and from the European Union (intra-European flights). The clarification of the reduction trajectory for the allocation of free allowances nevertheless makes it possible to anticipate and control the risk associated with this regulatory change.

Impact

For the year ending December 31, 2025, the Air France-KLM Group's direct CO_2 emissions reached 26 million tons, of which 6 million tons were subject to the EU ETS requirement.

Mitigation plan

To minimize the consequences of the necessary strengthening of the European carbon market and to protect itself against a potential increase in the price of credits, Air France-KLM has implemented two types of measures.

On the one hand, the Group is responding through a proactive financial policy based on the purchase of forward credits. This carbon risk hedging measure is subject to regular review and validation by the Risk Management Committee. In this respect and considering the quotas allocated in recent years, Air France-KLM acquired ETS credits in 2025 for a volume corresponding to 5.4 million tons of CO_2.

On the other hand, the Group takes every opportunity to reduce its fuel consumption and carbon emissions: on its own initiative within the framework of the Climate Plan, or in conjunction with the authorities (SESAR project, Single European Sky, air traffic control optimization).

In addition, the Group uses an internal carbon price (price range) in its investment and project decision-making to consider the carbon risk in its decision-making scenarios (see section 4.2.1.4.4 “Internal carbon pricing (E1-8)”).

In view of these developments, the Group would also like to draw attention to the need to design a mechanism to adjust carbon emissions at the European Union's borders. This measure is essential to ensure that carbon emissions are not simply displaced, or even amplified, by diverting traffic away from European borders. Such avoidance, via neighboring hubs, for example, runs counter to the environmental objectives pursued by European carbon regulations. The mechanism would also guarantee the preservation of fair competition rules between the different air transport players.

As of December 31, 2025, the Group had a stock of 10.5 million carbon credits (EU ETS, CH ETS, UK ETS) on its balance-sheet, for a book value of €547 million.

3.1.2.6 AIR POLLUTION

Description of the risk

Air pollution is a health and environmental concern related to the emissions of oxides of nitrogen (NO_x) sulfur dioxide (SO_x) and particulate matter (PM).

The Dutch government has set a target of reducing nitrogen emissions by 50% by 2035, while Schiphol is aiming to be an emissions-free airport by 2030, including with respect to NO_x.

In 2025, the District Court of The Hague annulled Schiphol’s nature permit, primarily due to insufficient justification of nitrogen offsetting under the updated additionality requirement. The court acknowledged that the reference situation and associated traffic levels had been correctly assessed. The Dutch state and Schiphol have appealed this annulment. The appeal does not suspend the need to take a remediate decision. It has not been possible to take a remediate decision in the short term that meets the requirements of the court. On 19th December 2025, the minister decided to tolerate Schipol for two years, till the remediate decision will be made.

The health effects of exposure to aircraft emissions for apron ground staff is being investigated. Operational measures might be enforced to protect the ground staff.

Impact

Air France-KLM may face increased airport charges based on its nitrogen emissions in the Netherlands, as in other airports that may follow.

The annulment of the nature permit at Schiphol might lead to slot reducing, also impacting Air France-KLM operations.

Operational measures to minimize the exposure of aircraft emissions for ground staff might have an impact of aircraft ground time or specifications and amount of ground equipment.

Mitigation plan

The Air France-KLM Group monitors its atmospheric emissions for both ground operations and flights at low-altitude that impact air quality at and around airports. The indicators cover emissions of SO_x and NO_x, with most of these emissions coming from aircraft movements.

The Group is increasing the usage of SAF, which reduces particulate matter, NO_X, and SO_x emissions. For its ground operations, the Group uses electric and more efficient vehicles and equipment powered by cleaner fuels and optimizes its operational procedures for ground operations, for example, by minimizing taxiing time, taxiing with only one engine, and replacing APUs with electrical GPUs. As of 2024, 69% of Air France-KLM ground equipment at CDG, Orly, and Schipol is electrically powered.

Moreover, Air France-KLM is actively involved in research on pollutants. Together with Schiphol, KLM is conducting an exploratory study into exposure to ultrafine particulates (UFPs) to gain more insight into the exposure of employees and the sources of this exposure.

For more information on policies, actions, targets and performance metrics related to air pollution, please refer to section 4.2.2 ""Air pollution (ESRS E2)”.

3.1.2.7 REGULATORY AUTHORITIES' INQUIRY INTO THE COMMERCIAL COOPERATION AGREEMENTS BETWEEN CARRIERS

Description of the risk

Alliance operations and commercial cooperation are required to comply with the competition laws in force. In certain jurisdictions, the implementation of such agreements is subject to prior review and clearance by the competition authorities. In other jurisdictions, particularly in Europe, airlines are required to ensure that their operations are compliant with the applicable competition rules. At any time, the European Commission has the right to open investigations into any cases of cooperation it considers of interest to the European Community (following a complaint or self-referrals).

Impact

Any infringement of competition law could have a negative effect on the Group's results, business, reputation, financial position, and outlook.

Mitigation plan

Alliance and commercial cooperation projects are reviewed by in-house competition counsel to assess their feasibility and the potential remedies required for their implementation.

For example, in May 2015, the Directorate General for Competition (DG COMP) issued a positive decision based on Article 101 of the Treaty on the Functioning of the European Union regarding the former transatlantic joint-venture (between Air France, KLM, Delta Air Lines, and Alitalia). The European Commission accepted the final undertakings offered by the parties and closed the case. This joint-venture has since been terminated with the launch of the current joint-venture between Air France-KLM, Air France, KLM, Delta Air Lines, and Virgin Atlantic.

The U.S. and other worldwide authorities had already published their conclusions, acknowledging the benefits for consumers generated by the cooperation. In this regard, every joint-venture between Air France, KLM, Delta Air Lines, and their transatlantic partners has benefited from antitrust immunity (ATI) on departure from the United States since 2008.

3.1.2.8 COMMITMENTS VIS-À-VIS THE EUROPEAN COMMISSION

Description of the risk

A. Merger regulation and cooperation agreements

In 2004, a number of commitments were made by Air France and KLM to ensure compliance with the European Commission's decision to authorize the merger of Air France and KLM, notably with regard to the possibility of making landing and takeoff slots available to competitors at certain airports.

B. State aid

In 2020, the implementation of the measures to reinforce the Group's liquidity (i.e., (i) a loan guaranteed by the French State (PGE) in the amount of €4 billion and a €3 billion loan from the French State, as well as (ii) a revolving credit facility of €2.4 billion guaranteed by the Dutch State and a €1 billion loan from the Dutch State) were approved by the European Commission under the Covid-19 state aid rules (decisions dated May 4, 2020, and July 13, 2020, respectively), the latter decision having been replaced, after being overturned on the grounds of lack of reasoning, by a decision dated July 16, 2021).

On April 6, 2021, the Group announced the first part of its overall recapitalization plan. Certain measures in this plan contained state aid (the so-called "Covid-19 recapitalization" program) and were accordingly notified by the French authorities to the European Commission, the latter approving them in its decision dated April 5, 2021. This decision made the approval of the measures subject to a number of commitments undertaken by the French state and led notably to the allocation by Air France of landing and takeoff slots to a designated third-party carrier at Orly airport.

Like most of the decisions with respect to airlines receiving Covid-19 state aid, the European Commission's decisions granting support measures to Air France and KLM have been subject to annulment proceedings brought by Ryanair. On December 20, 2023, and February 7, 2024, the General Court of the European Union annulled the decisions of the European Commission that had approved the support measures mentioned above, respectively in the amount of (i) €7 billion of liquidity measures granted by the French state to Air France in May 2020 and €3.6 billion of recapitalization measures granted by the French state to Air France and Air France-KLM S.A. in 2021, and (ii) €0.9 billion of liquidity measures granted to KLM by the Dutch State in 2020. These annulments were based solely on the grounds of an incorrect determination of the beneficiary of these aid measures, which, according to the court, should have been the Group itself.

As explained below, Air France-KLM, Air France, and KLM, as well as the European Commission, have challenged these three annulment rulings before the Court of Justice of the European Union. However, without waiting for the outcome of these appeals, the European Commission has already reapproved the French and Dutch measures aimed at

strengthening the Group's liquidity in a single decision dated July 10, 2024, confirming their compatibility with European Union law (even when the Court's determination of the beneficiary is applied). This decision was the subject of a new appeal for annulment before the General Court of the European Union by Ryanair on April 14, 2025. Air France-KLM, Air France, and KLM intervened, alongside the French and Dutch governments, in support of the European Commission's defense. The proceedings are ongoing.

In January 2025, the Group was informed that Ryanair had filed an appeal with the Paris Administrative Court against the French State following the aforementioned annulment judgments of the Court of Justice of the European Union. Ryanair's claim seeks to have the State recover any State aid that it alleges has not yet been repaid. The Group (namely the illegality interest on the liquidity aid, which was reapproved, the subsidy equivalent of the recapitalization measure in the form of a loan, and the principal amount of the recapitalization measure corresponding to the State's subscription to the 2021 capital increase, plus illegality interest). Air France-KLM and Air France joined the proceedings on July 3, 2025, to defend this action alongside the French State. The proceedings are ongoing

In April 2025, the Group was also informed of similar proceedings (initially of an administrative nature) brought by Ryanair against the Dutch authorities concerning the decision to grant aid to KLM in 2020. The proceedings are ongoing.

If the Court of Justice were to overturn the aforementioned judgments of the General Court of the European Union, Ryanair's appeals would become moot

Impact

A. Merger regulation and cooperation agreements

Failure to comply with merger control or anti-trust commitments entails financial, reputational, and structural risk for the Group.

B. State aid

Uncertainty remains regarding the legal and financial consequences of the annulment of state aid approval decisions until a final ruling is obtained from the European courts. However, all aid granted has already been repaid in 2023, in full compliance with all related constraints (commitments, behavioral measures, application of interest) under the applicable legal framework.

Nevertheless, the annulment of the decisions approving this aid could (pending the judgments of the Court of Justice of the European Union) result in the payment of only "interest on the amount unlawfully paid" (within the meaning of EU law) on the reapproved liquidity measures (again challenged before the General Court of the European Union, as indicated above), and recovery of an amount to be determined on the recapitalization measures, which would be added to the amounts already repaid.

Mitigation plan

A. Merger regulation and cooperation agreements

The Air France-KLM Group has ascertained that the possible consequences of slot availability under the 2004 remedies remain admissible and do not affect the economics of the lines in question. Air France-KLM also regularly contacts the European Commission to discuss the need to maintain these commitments adopted more than sixteen years ago. In this respect, on February 24, 2023, the European Commission lifted the commitments made by Air France and KLM in 2004 on the Paris-Amsterdam route.

B. State aid

During the 2022 and 2023 financial years, the Group repaid all of the aforementioned Covid-19 state aid for liquidity and recapitalization, which was subject to the aforementioned commitments and constraints. As a result, Air France-KLM, Air France, and KLM are now completely free of the aforementioned commitments and constraints related to Covid-19 recapitalization aid.

Air France-KLM, Air France, and KLM have lodged three appeals for annulment before the Court of Justice of the European Union against the three judgments of the General Court annulling the above-mentioned decisions handed down in December 2023 and February 2024, on the sole ground that the beneficiary of these aid measures had been incorrectly determined. The Court of Justice of the European Union has yet to rule on these appeals.

If the Court of Justice were to annul the General Court's judgments, the 2020 and 2021 approval decisions would once again be fully effective, as if they had never been annulled. In that case, the risks associated with the payment of interest on the liquidity measures or the recovery of the principal amount and interest on the recapitalization aid would no longer materialize.

Following Ryanair's aforementioned appeal of April 14, 2025, the General Court of the European Union must once again rule on the validity of the approval of the liquidity aid, which was re-adopted on July 10, 2024. Air France-KLM, Air France, and KLM have intervened in support of the European Commission's defense.

Furthermore, as it has done in similar cases, the European Commission may also decide, if necessary, to initiate a formal investigation into the recapitalization measures, during which the Group will defend its interests to the best of its ability. At the end of such a formal review procedure, the Commission may adopt a new approval of these measures, rendering any request for recovery moot.

3.1.3 RISKS RELATING TO THE GROUP'S PROCESSES

3.1.3.1 OPERATIONAL PERFORMANCE AND CUSTOMER RISKS*

Description of the risk

For customers, operational performance is a cornerstone of the product. Growing congestion in airports, increasingly complex regulations (e.g., security and safety), potential labor unrest or staff shortages within the airline industry or externally (air traffic control and ground handler strikes), fleet unavailability (due to delays in deliveries or technical quality issues, for example), and weather-related disturbances incur a risk of sub-optimal operational performance or a lower standard of customer service.

Impact

This risk could lead to an increase in operational performance costs and a reduction in levels of customer satisfaction, which could result in a negative impact on the Group's reputation and turnover.

Mitigation plan

For both Air France and KLM, the Operations Control Center is at the heart of operations, and any disruption is managed in an integrated manner. Numerous action plans are deployed for operational excellence; service disruption management and recovery; security; network agility; fleet management and availability; the compensation procedure (EU 261); the management of crew and other critical internal and external resources; and coordination with key stakeholders, including the authorities and airports. The goal is to reduce the number of service disruptions, reduce the impact on customers, improve customer satisfaction, and reduce the costs of sub-optimal performance, notably with projects aimed at continuous improvement at the hubs.

If a major incident occurs, a crisis or emergency response organization can also be activated to handle the emergency.

3.1.3.2 FAILURE OF A CRITICAL IT SYSTEM, IT RISKS AND CYBERCRIME

Cybercrime*

Description of the risk

As with any business making extensive use of modern communication and IT data processing technologies, including revenue management systems and booking systems, the Group is exposed to threats of cybercrime.

Airlines' heavy dependence on IT and communication technologies makes them vulnerable to cybercrime.

Impact

Cybercrime and cyberespionage refer to a wide range of different activities related to the improper use of data and interference with the integrity of the Air France-KLM information system for personal, financial, psychological, and political ends.

Should Air France-KLM fail to counter such incidents of cybercrime, this could have a negative impact on the Group's activity, reputation, revenues and costs, and, thus, its results.

Mitigation plan

To protect itself against this risk, the Group deploys substantial resources aimed at ensuring business continuity, data protection, the security of personal information pursuant to law, and the safeguarding of at-risk tangible and intangible assets.

The Group has taken out a cyber insurance policy to transfer a part of this risk.

Independent audits of IT security were successfully performed to fine-tune the action plans. In 2024, the Group obtained the AirCyber certificate at the Gold (highest) level from BoostAeroSpace. New processes and tools were deployed to detect, protect against, and fix any potential deviations or system vulnerabilities more rapidly. The IT staff dedicated to cybersecurity are constantly trained to adapt to new threats. The Group participates in the French initiatives to launch CERT Aviation in France, with daily coordination around cyber threats. The Executive Committee monitors the level of the staff's cyber awareness and takes appropriate measures when needed.

Data security

Description of the risk

As airline companies, Air France and KLM collect personal data from their customers and employees. Management of the Group's assets is supported by rigorous management of the required data, whose consistency and integrity present an ongoing challenge for IT projects and the operation of digital services. Frequent changes to applications and processes call for the ongoing adaptation of IT management tools and methods, in coordination with the businesses and third parties, to ensure compliance with our regulatory and operational requirements.

Impact

If the Group fails to implement such frequently occurring changes or to protect data of a personal nature pursuant to the relevant laws and regulations, this could have a negative impact on:

- the Group's activities;
- its reputation;
- its revenues and costs;
- and thus its results.

Mitigation plan

The Group's IT division implements security rules aimed at reducing the risks related to new technologies, particularly mobile data terminals. The access controls to IT applications and to the computer files at each workstation, together with controls over the data exchanged outside the Company, all comply with rules pursuant to national, European, and international standards. Campaigns to raise all staff's awareness of the potential threats and to encourage best practices are regularly carried out. Specialized companies and Internal Audit regularly evaluate the effectiveness of the solutions in place.

Business continuity and regulatory compliance

Description of the risk

The IT systems, including the revenue management systems and booking systems used by the Group, and the information they contain may be exposed to risks concerning continuity of functioning, data security, and regulatory compliance. These risks have diverse origins both inside and outside the Group.

Impact

The materialization of one of these risks could have an impact on the Group's activity, reputation, revenues and costs, and thus its results.

Mitigation plan

Air France-KLM monitors the secure functioning of the IT systems on an ongoing basis. Dedicated help centers and redundant networks guarantee the availability and accessibility of data and IT processing in the event of major incidents.

The infrastructures of the backup operating centers and business continuity plans are tested regularly. The access controls to the IT systems and to the data exchanged within the company are governed by rules that comply with international laws and standards.

IT security companies, Internal Audit, and Internal Control all regularly evaluate the relevance and effectiveness of the solutions in place.

The risk of damage to IT facilities is covered by insurance policies.

For more information on policies and actions related to cybersecurity and data protection, please refer to section 4.4.2 "Cybersecurity & Data protection".

3.1.3.3 WORKING CONDITIONS AND HUMAN CAPITAL DEVELOPMENT

Labor stability and employee engagement *

Description of the risk

Tight labor conditions in operations within the airline industry and the pursuit of the company's transformation plans could challenge employee engagement, motivation, and commitment at work, resulting in some categories of staff feeling uncertain about the financial recognition of their efforts. In the past, and potentially in future, the Group's operations could be disrupted by labor disputes such as strikes, walkouts, industrial action, or other forms of labor unrest.

Impact

The Group recognizes the constraints and risks to which it is exposed: labor unrest and action could have a negative impact on the Group's operations, profitability, and image.

Mitigation plan

The Group seeks to preserve cohesion by fostering a constructive and transparent workplace dialogue and by pursuing a policy based on respect and responsibility. The Group maintains its openness and transparency with the unions through negotiations based on relationships of trust.

The Group is focused on optimizing and transforming its work methods by reviewing organizational structures and workloads. At the Group level, coordination takes place between the different entities, specifically for transverse matters concerning categories of staff across several entities. Significant changes to the HR policies and collective labor agreements are approved at the highest level of management within the airlines and the Group.

Narrowing the divide between the management and staff is key to understanding the needs and concerns of staff, tackling any issues in a proactive manner, and avoiding any escalation. Specific attention is paid to remote work, which can result in reduced contact with colleagues and management.

Key competencies and attractiveness

Description of the risk

Employees are Air France-KLM's strength. And, within a context of digitalization, major priorities for the Group are the use of artificial intelligence, adaptation, the acquisition of new and specific skill sets, the maintenance of internal employability through the acceleration of talent development, and the fostering of attractiveness.

Mainly among the younger generation and staff working in the airports, Air France-KLM is witnessing the emergence of new motivations like meaningful work, flexibility at work, and work-life balance. Given its goal of differentiating itself from the competition and reaching a high level of performance, Air France-KLM is subject to the tightness of the labor market and, in some areas, skills shortages.

Impact

Lack of available skills in areas like engineering, maintenance, or IT could slow down transformation plans or increase transformation costs while, for operational staff, tight labor conditions could create workforce planning-related issues, given our plans to increase the volume of activity.

Mitigation plan

Air France-KLM has developed an ambitious HR policy to reinforce its attractiveness and employer brand, while continuing to develop its talents and the competencies and skills required to meet its strategic and operational needs. To ensure the recruitment and retention of specific profiles, the Group is supported by its employer values, including diversity and inclusion, while high-level management teams are involved in the reinforced identification of talent and succession planning.

The Group continues to invest in training and employee development thanks to dedicated interviews and individual development plans aiming to support and open up career path opportunities.

The Group's entities have invested in predictive models to support improved workforce planning, specifically for critical categories of staff.

The Air France-KLM Group has reinforced its partnerships with third-party education players and external companies to be able to support the development of new professions and outsource some services when required.

For more information on policies, actions, targets and performance metrics related to own workforce, please refer to section 4.3.1 "Own workforce (ESRS S1)".

3.1.3.4 NON COMPLIANCE WITH REGULATIONS, INCLUDING COMPETITION, DATA PROTECTION, TRADE COMPLIANCE AND EXPORT CONTROLS, ANTI-CORRUPTION, DUTY OF VIGILANCE AND TAX

Description of the risk

Multiple and increasingly complex compliance laws and regulations apply to Air France-KLM business as the Group operates worldwide.

- Activities must comply with applicable anti-corruption regulations at national, international, and extraterritorial levels. The Group must also implement a corruption prevention program including mandatory measures to be compliant with French anti-corruption law (so called Sapin 2 Law).
- The French Duty of Vigilance law also requires the establishment and implementation of a Vigilance Plan.
- Noncompliance with international sanctions and export controls is an increasing risk in a world where growing geopolitical tensions drive rapid changes in regulations, which can impact AFKL's commercial and operational activities worldwide.
- As with any organization managing significant amounts of personal data, and especially as fraud, theft, and cybercrime become more prevalent, the group faces potential risks of not complying with data protection regulations.
- The Group is exposed to risks arising from competition and antitrust laws. Certain partnerships have notably to be approved by competition authorities.
- Since Air France-KLM is a listed company, it is also required to comply with the rules imposing mandatory notifications and registrations to prevent insider trading and market manipulation.

For more information on policies, actions, targets and performance indicators related to business conduct, please refer to section 4.4.1 "Business conduct".

Impact

Noncompliance with these laws and regulations may result in substantial financial penalties, legal proceedings, criminal sentences, reputational harm, and the loss or denial of required licenses, approvals or eligibility for public tenders.

Mitigation plan

The Air France-KLM Group defines and maintains a compliance framework, including policies and processes for each compliance domain. These policies outline the prohibited practices, sanctions, and compliance rules applicable to employees. This documentation is regularly reviewed, updated, and communicated.

The Group also launches training and awareness campaigns for a wide range of employees and specific training set up for categories of staff with high-risk exposure.

The Air France-KLM Group has also implemented tools for screening (i) third parties with respect to ethics and trade sanctions and (ii) transactions involving prohibited or restricted goods.

An internal tool compiles insider lists, publishes any ad hoc announcements relating to privileged information and blackout periods.

The Air France KLM Group is firmly committed to adopting sustainable and responsible long-term tax positions that fully support its business activities. The Group categorically refrains from any use of artificial or aggressive tax schemes, ensuring that all operations are conducted exclusively through genuine and substantial economic structures. By taking this principled approach, the Group proactively mitigates tax risks and demonstrates its unwavering respect for both the letter and the spirit of local and international tax laws. Air France-KLM rigorously complies with all applicable anti-tax avoidance regulations, including the strict provisions of European Directives 2016/1164, 2017/952, and 2018/822. The tax departments of Air France and KLM apply robust internal control procedures and maintain a culture of transparency and integrity, reinforced by the regular consultation of reputable external advisors. Through these diligent practices, the Group ensures exemplary tax governance, robust risk management, and the highest standards of ethical conduct in all its tax matters.

3.1.4 LEGAL RISKS RELATED TO LITIGATION

Description of the risk

During their ordinary course of business, the Group's companies may be involved in legal, administrative, criminal, or arbitration proceedings, especially concerning civil liability, competition, compliance (ethics, data privacy, export control), industrial, fiscal, social, or intellectual property claims, or claims relating to the environment and discrimination. In some of these proceedings, significant monetary claims have been made or may be made against one or more Group companies. The relevant provisions, if any, that the Group may have to record in its financial statements may not be sufficient, which could have a material adverse effect on its business, financial position, results, and outlook. As of December 31, 2025, the Group's total provisions for litigation amounted to €472 million (see Note 30 in section 5.3"Notes to the consolidated financial statements"). With the exception of the proceedings and litigation outlined in Notes 29.1 and 29.2 in section 5.3"Notes to the consolidated financial statements," there are no other administrative, legal, or arbitration proceedings (including, to the Group's knowledge, any proceedings underway or threats of proceedings) that could have or have recently had a material effect on the Group's financial position or profitability in the past twelve months.

New proceedings, stemming from existing proceedings or otherwise, related to risks already identified by the Group or to new risks, could be initiated against a Group entity.

For more information on policies and actions related to the conduct of business, please refer to section 4.4.3 "Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)".

Impact

Should these proceedings result in an unfavorable outcome, there could be a significant adverse reputational effect on the Group's business, as well as on its financial position, results, and outlook.

Mitigation plan

The legal department provides training and guidelines to the relevant teams to enable them to anticipate any risks of litigation based on experience and changes in legislation. Ongoing proceedings are regularly monitored and analyzed by the legal department, with the support of external legal counsel where necessary.

If necessary, provisions may be recorded in the Group's financial statements in respect of these disputes. The Group's estimate of its financial exposure to pending proceedings is regularly reassessed in light of changes in such proceedings, and the amount of the corresponding provisions is adjusted accordingly to the best of the Group's knowledge. These amounts are also reviewed and validated by the Statutory Auditors.

Certain risks relating to these proceedings are also covered, under certain conditions, by the insurance policies taken out by the companies and outlined in section 3.2.1.

See also "Highlights of the 2025 financial year."

3.1.5 FINANCIAL MARKET RISKS

3.1.5.1 BALANCE SHEET RISK*

Description of the risk

The Air France-KLM Group equity stands at €2,364 million at the end of 2025, including €3.2 billion in hybrid instruments. Equity is close to its pre-Covid level of 2019 (€2.3 billion). However, the Group equity remains lower than that of its competitors.

Impact

As a consequence, in the context of a potential severe crisis that would incur material losses, Air France-KLM's equity could be negatively impacted, leading to a deterioration in its balance sheet and credit profile, and limiting its access to the capital markets at an optimal financing cost.

Mitigation plan

The Group plans to progressively reduce the amount of hybrid instruments on its balance sheet, while continuing building up equity thanks to the generation of net result. In 2025, the Group repaid €805 million in hybrid instruments, and issued a hybrid bond of €500 million.

In addition, the Group reported a robust liquidity position of €9.4 billion of available cash at the end of 2025 (including €2.5 billion of undrawn and unsecured RCFs at Air France-KLM, Air France, and KLM) and a net debt/EBITDA ratio reduced to 1.7x at the end of 2025.

In December 2023, strong financial metrics enabled the Air France-KLM Group to publish inaugural credit ratings, which are BBB-/Stable Outlook ("Investment Grade") at Fitch Ratings and BB+/Stable Outlook at S&P Global. These ratings reflect the credit agencies' full recognition of and strong confidence in Air France-KLM's credit profile.

To further strengthen its balance sheet, the Air France-KLM Group is pursuing its operational transformation launched in 2019 to further improve its profitability. This profitability turnaround will enable the Group to see its equity grow significantly in the coming years.

3.1.5.2 FOREIGN EXCHANGE RISK ON OPERATING FLOWS

Description of the risk

Most of Air France-KLM's revenues are generated in euros. However, due to its international activities, the Group incurs currency exchange risks:

- the Group's main exposure relates to the US dollar. Since expenditures on items such as fuel and maintenance exceed the amount of overall revenues in US dollars, the Group is a net buyer of US dollars, representing a residual structural risk;
- the Group is a net seller of other currencies. The level of its revenues in currencies other than the US dollar exceeds its expenditures in the same currencies. This exposure is, however, much lower than with the US dollar.

Impact

The currency exchange volatility implies volatility in the Group's financial results:

- any significant appreciation in the US dollar against the euro could result in a negative impact on the Group's financial results;
- a significant decline in the other currencies against the euro could also have a negative effect on the Group's financial results.

Operational exposure

(in millions of currencies at December 31, 2025)	US Dollar	GB Sterling	Yen
Net position before hedging	(1,891)	797	39,731
Currency hedge	1,241	(377)	(13,700)
Net position after hedging	(650)	420	26,031

Mitigation plan

The currency risk management for the Group's airline subsidiaries is centralized within each airline company while the currency risks incurred in investments by the Group's holding company are managed at the holding company level.

The risk management of the Group's overall currency exposure is carried out on the basis of a forecast net exposure for each currency. Currencies highly correlated to the US dollar are usually aggregated with the US dollar exposure.

For each currency hedged, the time span of the hedging is a rolling 12- to 24-month period, the first four quarters being relatively more hedged than the following four. The RMC sets hedging targets for the US dollar, UK sterling, and the Japanese yen on a quarterly basis.

3.1.5.3 FOREIGN EXCHANGE RISK ON TANGIBLE INVESTMENTS

Description of the risk

Aircraft are generally purchased in US dollars, meaning that the Group is exposed to an appreciation in the US dollar relative to the euro in terms of its investment in aircraft and flight equipment.

Impact

The investment exposure could generate volatility in the Group's capital expenditures in euro.

Mitigation plan

The hedging strategy provides for the implementation of a gradual level of hedging between the order and delivery dates of the aircraft or flight equipment.

The net investments in US dollars appearing in the table below reflect the contractual commitments as of December 31, 2025:

(in US$ million)	**2026**	2027	2028	2029	2030	2031
Investments	**(2,658)**	(3,764)	(3,751)	(2,903)	(2,588)	(877)
Currency hedge	**2,594**	3,571	3,515	2,681	2,384	242
Hedge ratio	**98%**	95%	94%	92%	92%	28%

3.1.5.4 FOREIGN EXCHANGE RISK ON DEBT VALUATION

Description of the risk

A portion of Air France-KLM's debt is denominated in foreign currencies, mainly as a result of the recognition of aircraft operating leases, most of which are denominated in USD, in the Group's debt (IFRS 16 lease debt). The book value of this foreign currency debt is sensitive to changes in exchange rates.

Impact

Significant changes in exchange rates could have a material impact on the book value of Air France-KLM's debt.

Mitigation plan

At the accounting level, the US dollar lease debt is recognized as a natural hedge of a fraction of the Group's US dollar revenues.

For airlines in the Group not generating US dollar revenues, US dollar-denominated assets and currency hedges are in place to mitigate the exchange rate risk.

The foreign exchange risk on the debt is limited due to the fact that, at December 31, 2025, aside from the debt relating to the operating leases, the debt denominated in currencies other than the euro mostly concerns the yen (9%), the US dollar (7%), and the Swiss franc (4%).

To reduce the currency risk on the debt, a portion of KLM's liquid assets is invested in bonds in foreign currencies.

3.1.5.5 INTEREST RATE EXPOSURE

Description of the risk

A portion of the overall gross debt is raised at floating rates (aircraft financing notably).

Impact

Interest rate variations could generate volatility in financial expenses.

Mitigation plan

The Group uses interest rate swaps or options to convert a portion of this floating-rate debt into fixed-rate debt on the different tenors.

After hedging, the exposure to floating rates represents 19% of the Group's consolidated debt (excluding lease debt) at December 31, 2025.

The interest rate on the Group's gross debt (excluding lease debt) after swaps stood at 3.74% at December 31, 2025 (versus 3.63% at December 31, 2024), excluding guarantee fees (if any).

This risk is treated with a cost-of-carry approach, netting the financial products earned on the cash invested.

3.1.5.6 LIQUIDITY INVESTMENT RISK

Description of the risk

The cash resources of Air France-KLM, Air France, and KLM are invested so as to maximize the return for a very low level of risk. They are invested mainly in money market mutual funds and, secondarily, in debt securities and term deposits with highly rated banks.

Impact

The investment risk is considered to be low in that the investments in debt securities and term deposits are managed within the framework of the overall counterparty management.

Mitigation plan

Air France-KLM only invests in money market funds that are managed by reputable asset managers, which have been selected according to strict criteria. With respect to investments in debt securities or term deposits, the latter have to be issued by highly rated banks. The eligible banks are monitored on a quarterly basis by the RMC.

3.2 ENTERPRISE RISK MANAGEMENT

The Air France-KLM Group is exposed to the general risks associated with the air transport industry and with airline operations, and has consequently implemented a system to identify, analyze, monitor, manage, and control its risks.

3.2.1 RISK MANAGEMENT PROCESS: PLAYERS AND OVERALL ORGANIZATION

AIR FRANCE-KLM: THE PLAYERS AND GOVERNANCE BODIES INVOLVED IN THE RISK MANAGEMENT PROCESS



Risk management process

The risk management process aims to determine the events that could potentially impact the Group and prevent it from achieving its objectives, and to implement a risk management and reporting system.

The risk management process enables, on one hand, the different divisions and principal subsidiaries and, on the other hand, the Group Executive Committee, the Audit Committee, and the Sustainable Development and Compliance Committee to monitor the principal strategic and operational risks, their evolution over time, and the measures in place to manage these risks. It thus aims to create and preserve value and to safeguard the Group's assets and reputation.

Each Group entity is responsible for managing its risks and for producing regular reports.

The overall risk management process also serves as a basis for the Universal Registration Document and makes a major contribution to establishing the annual audit program.

As a facilitator of risk management, Group Internal Audit regularly evaluates the risk management process. Its conclusions are the subject of presentations to the Group Executive Committee and the Audit Committee, as well as to the Sustainable Development and Compliance Committee with respect to sustainability risks. The conclusions of the Sustainable Development and Compliance Committee are considered by Group Internal Audit in the risk presentations made to the Audit Committee.

The Risk Management Committee monitors the management of financial market risks that could have an impact on the financial statements (fuel price, currency exposure, interest rate risks) on a quarterly basis.

The risk management process complies with international regulatory standards, including the European Union 8th Directive.

In addition to the usual insurance policies covering the industrial sites, the real estate assets, and the ancillary activities, the Group's subsidiaries take out specific airline insurance policies covering accidental or incidental damage to aircraft and the resulting costs, liability in relation to their passengers, and general liability to third parties in connection with their activities.

3.2.2 IDENTIFICATION AND EVALUATION OF THE RISKS

Risk mapping and risk universe procedures have been established and are regularly updated by Group Internal Audit.

The principal risks are ranked by nature and characterized with respect to their probability of occurrence and potential impact. The risk management procedures are outlined for each risk, together with the residual risk that is likely to result after taking the implemented internal control measures into account.

Although all the risks identified are monitored, management and governance bodies focus their attention on a limited number of major risks, given their level of criticality and their potential impact on the group's performance and strategic trajectory.

Risk monitoring and reporting

Group Internal Audit produces a biannual report for the Group Executive Committee and the Audit Committee on the Group's operational risks. The Audit Committee may decide to draw specific points to the attention of the Board of Directors. Reporting on strategic risks is part of the strategic process.

The operational risk reporting process follows a bottom-up process starting in the different Air France and KLM divisions and the principal subsidiaries. Every half year, the Enterprise Risk Coordinators, who have been designated by the different businesses, entities, and subsidiaries, establish the risk sheets and send them to Group Internal Audit, the latter being responsible for their consolidation at the airline and Group level.

The risk sheets indicate and describe the inherent material risks and the action plans implemented for their mitigation or neutralization, together with an evaluation of their probability of occurrence and the resulting impact. The risk owners and those responsible for the procedures to control risks are specifically named. To ensure the reliability of the process, the risk sheets for each entity are systematically reviewed during regular meetings between Group Internal Audit and the relevant Executive Vice Presidents.

The Group's operational risk report (summarizing the operational risks of the entities), which details any new risks or those which have been withdrawn, and the main changes are approved by the Group Executive Committee prior to their presentation and review by the Audit Committee.

To be able to prepare the sustainability statement (see sections 4.1.3.5 "Risk management and internal controls over sustainability reporting (GOV-5) " and 4.1.4 "Impacts, risks and opportunities management"), the main environmental, social, and societal impacts, risks, and opportunities linked to the Group's activities across the entire value chain are reviewed and assessed regularly. The material sustainability risks are an integral part of the Group's operational risk report and are submitted to the Sustainable Development and Compliance Committee. The conclusions of this committee are taken into account in the Group's operational risk report presented to the Audit Committee.

Management of risks by the Risks – Insurance departments

Within Air France and KLM, each of the Risks-Insurance departments identify the insurable risks at the level of each company and their subsidiaries. They focus on risks that can be transferred to insurance companies or risks that can be managed by reducing both their likelihood and impact. They draw up the insurance policies and contribute to the prevention recommendations.

3.3 ORGANIZATION AND FUNCTIONING OF INTERNAL CONTROL

3.3.1 INTERNAL CONTROL ORGANIZATION AND TOOLS



Internal Control network

An Air France-KLM Internal Control network has been established, supported by Internal Control Coordinators embedded in the business units.

The organization within the Group, covering its principal businesses, can be summarized as follows: Passenger, Cargo, and Maintenance. Due to the interdependence of each of the businesses, this organization involves numerous cross-functional processes (sale of passenger aircraft belly space to the cargo business, Engineering and Maintenance services relating to both Passenger and Cargo aircraft, IT services, etc.):

- The Board of Directors is the corporate body that determines the direction of the Group's activities. To this end, the Board acts to ensure the successful performance of the Air France-KLM Group, supported by advice from the advisory committees mentioned in Chapter 2.2 "Organization and functioning of the Board of Directors" of the universal document registration;
- the Group Executive Committee (GEC) is Air France-KLM's primary senior management decision-making platform that sets the strategic direction for the Group and for its airlines within the framework of the strategy defined by the Board of Directors. Except when Air France-KLM Board's approval is required, it has final management rights and accountability on all strategic decisions pertaining to both the Group and its airlines' functions and performance. At December 31, 2025, the GEC was composed of 11 members: the Air France-KLM CEO, the Air France CEO, the KLM president and CEO, the Air France-KLM CFO, the Chief Commercial Officer, the Air France-KLM EVP Chief Operating Officer, the Air France-KLM EVP Cargo, the Air France-KLM EVP Engineering & Maintenance, the Air France-KLM EVP Human Resources, the Air France-KLM EVP Corporate Secretary and the Air France-KLM EVP SAS Integration. The GEC meets every week and covers all areas of the Group and its airlines, from business activities to the support functions.

Organization of responsibilities

The organization of the individual companies has been defined to ensure compliance with the principles of secure and effective operations. It specifically takes into account the regulatory requirements governing air transportation, notably with regard to air operations (see section 3.2.2 "Identification and evaluation of the risks"), ground operations, and engineering and maintenance, as well as airline catering and security.

The managers of the relevant entities and subsidiaries are required to apply these principles and organization at their level, and to ensure that the organizational charts, job descriptions, and procedures defined by business process are up to date. They must ensure their consistency and adequacy and verify that they are taken into account in the main information systems and appropriately integrated within the organization.

Finance functions

A Group Finance division has been constituted around the Group's Chief Financial Officer, staffed by some thirty people (Investor Relations, Consolidation & Accounting, Corporate Control, and Mergers-Acquisitions & Financial Operations). This division submits to the Group Executive Committee and the Board the Group's overall financial policy and orientations (the latter being applied at the level of the Group's two principal companies, which each have their own financial functions) and tracks the Group's financial performance.

In addition, some operations relating to the Air France-KLM holding company are entrusted to Air France via a management mandate (notably treasury management).

Insurance functions

The insurance functions are responsible for identifying at-risk sectors of the Group that might impact the operations and financial results, so as to reduce their potential impact or transfer them either to insurers through insurance policies, particularly aviation policies, or to third parties under contractual mechanisms.

They also manage the claims and advise the Group's entities on reducing and controlling their risks.

There are aviation insurance policies in place for the Air France Group and the KLM Group to cover civil liability, damage to aircraft, and risks of war, which constitute the major financial and legal risks of any airline.

Legal functions

The legal departments of Air France-KLM, Air France, and KLM perform a consulting mission for their management and decentralized organizations, notably in the areas of corporate law, competition law, transportation law, contract law, and insurance law. They cooperate to establish the Group's legal policy.

Legal Affairs draws up a systematic inventory of the disputes in process to be able to assess the risks and constitute the corresponding provisions booked as liabilities.

Compliance functions

The Air France-KLM Group has deployed an organization dedicated to compliance.

The Air France-KLM Group Compliance department, which oversees anti-corruption and business ethics, personal data protection, and trade compliance, is headed by the VP Group Compliance who reports to the Air France-KLM Corporate Secretary. In coordination with the airlines' and others subsidiaries' compliance teams, the Air France-KLM Group Compliance department is notably responsible for defining the compliance programs of Air France-KLM Group, assisting the businesses in deploying them, and monitoring their effectiveness as part of a continuous improvement process.

The compliance teams are supported by a network of compliance coordinators appointed in the business divisions and main subsidiaries. Depending on the type of business transaction and complexity of the activities within the divisions and entities, the compliance experts and coordinators facilitate compliance with specific legislation and ensure the rollout of the relevant elements of the compliance program.

The VP Group Compliance regularly reports on the status of the compliance program to the relevant governance bodies, including the Sustainable Development and Compliance Committee of Air France-KLM board. In addition, the Air France Compliance Committee and the KLM Compliance Committee monitor the respective compliance programs of the airlines.

Internal Audit

Air France-KLM's Internal Audit is an independent function whose role is to provide independent and objective assurance and consulting services designed to add business value and improve the organization's operations. It helps the Group to achieve its stated objectives by providing a systematic and disciplined approach to evaluate and improve the effectiveness and efficiency of the risk management, Internal Control, and governance processes. The Internal Audit function objectively reviews the reliability of the overall Internal Control procedures implemented by the Group, as well as the controls in place for the processes specific to each business.

Given the Group's governance rules, each company has maintained its own Internal Audit department working in a coordinated mode. The Group's Head of Internal Audit function, which is fulfilled by a Senior Vice President from within the airlines' Internal Audit departments, is responsible for overall coordination and has a functional reporting line into the Group's Chief Financial Officer. The Internal Audit departments of the two sub-groups work in a coordinated manner, using a common audit plan, methodology, planning, and reporting. The Internal Audit function carries out audits at the level of the Group and its subsidiaries. The number of auditors' positions averaged 19 in FTEs (excluding management) in 2025.

The Group Internal Audit function reports on its work to the Group Executive Committee and to Air France-KLM's Audit Committee in an activity report presented twice a year.

To execute its mission, Internal Audit, which operates within the framework of the Internal Audit Charter established by the Audit Committee of the Air France-KLM Group, either acts on its own initiative or intervenes at the request of the Group Executive Committee, the Audit Committee, the Sustainable Development and Compliance Committee, or the Board of Directors. An annual audit program is established and submitted to the Group Executive Committee and to the Audit Committee of Air France-KLM for approval.

The Internal Audit function performs the following activities:

a) assurance engagements:
   - Operational Audit: to review the effectiveness, efficiency, and general control over processes;
   - Information and Communication Technologies or Electronic Data Processing (EDP) Audit: to assess the effectiveness and efficiency of internal controls related to information and communication systems;
   - Compliance Audit: to check compliance with laws and regulations and/or standards, procedures and/or policies issued by the Group, and
   - Post audit: to check follow-up on findings in previous assurance engagements.

b) consulting engagements: advisory services performed at the specific request of the business management. When performing advisory services, the Group Internal Audit function must maintain its objectivity and not take management responsibility;

c) other activities:
   - fraud investigations: to prevent, detect, and investigate significant suspected internal or external fraudulent activities,
   - Enterprise Risk Management: to facilitate and improve the process of risk management,
   - other activities related to audit work.

Once completed, the conclusions of the assurance engagements are summarized in a report highlighting the findings, the risks, and the corresponding recommendations. For consulting engagements or other activities, a report is issued in which the main recommendations and/or observations are included.

The audited entities are required to establish remedial action plans. Internal Audit provides follow-up on the implementation of the action plans by the action holder(s).

In 2023, the Internal Audit department successfully concluded its recertification, which was performed by the IFACI Certification Team. This external quality assessment concluded that Air France-KLM's Internal Audit generally conformed with all the 10 Core Principles for the Professional Practices of Internal Auditing.

Internal Control tools

Charters and manuals

Air France, KLM, and their respective subsidiaries have a Social Rights and Ethics Charter entitled the "Air France-KLM Principles," which enshrines their individual commitments to Corporate Social Responsibility by orienting their corporate and ethical policy toward respect for individuals at the professional, social, and citizenship levels.

The Air France Group deploys a charter for the prevention of harassment in the workplace, which complies with French legislation and is part of a contractual approach through agreements signed for the benefit of employees. The legal purpose of this charter is to set forth the principles of prevention, define actions, stress everyone's individual legal and human responsibilities, and establish internal prevention procedures.

The KLM Group has published a Code of Conduct addressing the following principal matters: compliance with laws and regulations, conflicts of interest, confidentiality, the safeguarding of assets, environmental protection, Corporate Social Responsibility, and intellectual property.

Air France and KLM have a Code of Ethics intended primarily for employees in the finance function (see also section 4.4.1 "Business conduct").

Manuals to prevent non-compliance

The Air France-KLM Group employees have access to a series of manuals and policies on the intranet sites. With regard to the prevention of corruption, the Anti-Corruption Code of Conduct and its associated policies affirm the Air France-KLM Group's commitment to conducting business with loyalty, fairness, transparency, honesty, and integrity, and in strict compliance with anti-corruption laws wherever the Group or its subsidiaries are registered and exercise their activities. The Anti-Corruption Code of Conduct establishes the guidelines for preventing corruption and for identifying and handling at-risk situations in light of anti-corruption legislation, with examples derived from risk mapping or reported dilemmas. These documents are subject to regular reviews for updates and improvements whenever needed.

The Competition Law Compliance Manual emphasizes the objectives of integrity and transparency and contains instructions on the prevention of anti-competitive agreements and the abuse of market power.

Internal Audit Charter

In 2025, the Air France-KLM Group's Internal Audit Charter was review and signed by the Group's Chief Executive Officer, the Chair of the Group Audit Committee, and the Head of the Group Internal Audit function.

The Internal Audit Charter defines the mission of the Group Internal Audit function and guarantees its independence as well as the conditions under which the function operates.

In accordance with the International Professional Practices Framework (IPPF), issued by the Institute of Internal Auditors (IIA), the Charter formalizes the position of audit within the company and defines its mandates.

Internal Control Charter

The Internal Control Charter defines the commitments of the three top executives of Air France-KLM, Air France, and KLM, and stipulates the main components of internal control within the Group: governance and the most important tools enabling its exercise, an outline of the overall Internal Control process, and the different Internal Control activities (verification of the entity's environment, transactional controls, and overall IT control).

Procurement Manual

The organization of the Procurement function common to Air France and KLM is outlined in the Procurement Manual.

The Procurement function regularly updates the Quality reference system. This reference system comprises, notably, the Purchasing Code of Ethics for Employees, which stipulates the rules of conduct for Air France-KLM buyers when they deal with suppliers or service providers, and informs all those involved in the process of the limits that must not be exceeded.

Quality reference system

The Air France and KLM quality management systems are based on the following principal external and internal standards:

- External standards

  Operations: European regulations and the applicable general laws, international standards (ICAO, IATA, etc.), and those specific to aeronautics maintenance (Part 145, etc.).

  Passenger service: European and US regulations (Special Care Passengers), service commitments of those involved in air transportation (airports).

  Management, the environment, documentation, food safety, health and safety in the workplace: ISO series 9001, 14001, 15489, 22000, and ISO 45001.

- Internal standards

  These represent the application of the external standards, adapted to the processes of each company.

  Regulatory level: operating, maintenance, and safety manuals, etc., and the related general procedures, which are mostly subject to formal approval by the administrative authorities issuing the authorizations (DGAC, EASA, ILT, FAA, etc.).

  Management systems: the Air France Integrated Management System/IMS Manual and the KLM Safety Management System/Manual, together with the related general procedures like the Quality-Safety-Environment manuals of the entities, the manuals on health and safety in the workplace, Flight Safety management, environmental management, and management of the Company's food hygiene, together with the related general procedures.

  Passenger service: standards, service signatures, the five attitudes, the PAMs (Passenger Airport Manuals), and the general sale and after-sales conditions, together with the other procedures associated with customer service common to Air France and KLM.

3.3.2 FUNDAMENTAL COMPONENTS OF INTERNAL CONTROL ESTABLISHED WITHIN THE GROUP

Based on analysis of the potential major risks, taking into account the changes inside and outside its operations, the Group has established and implemented the fundamental components of Internal Control, aimed at preventing and controlling, insofar as possible, risks that are both financial and sustainability-related in nature, and evaluating its ability to implement the appropriate remedial measures.

The Group's internal control is not limited to a compliance system. It is a tool for risk management, reliability of key processes and securing management decisions, particularly in a context of business transformation and increased digitalization.

Operational procedures and processes

Management of the quality system

Both the Air France Integrated Management System/IMS Manual and KLM Safety Management System/SMS Manual outline all the general provisions of the quality assurance system applied in the two companies, i.e., the overall organization, management processes, and the procedures and resources required to implement quality management and meet the expectations of customers and other stakeholders.

In each division of the two companies, an ISM/ISMS review takes stock of the operation of the ISM/ISMS management systems and measures the performance of the main steering processes.

In addition to the regulatory approvals enabling each company to carry out its activities, progress is recognized in the achievement of certification from independent bodies, notably, for example:

- for Air France:
  - IOSA certification (IATA Operational Safety Audit) since September 2005, medium-term audit October 2025 and renewal audit scheduled for the end of 2026,
  - Air France global IMS certification based on the ISO 14001 (environment) and ISO 22000 (food safety) renewal audit in April 2023. The certification is valid until September 2026;
- for KLM:
  - the ISO 14001/Environment and ISO 50001/Energy certifications were renewed in 2024 and remain valid until 2027,
  - IOSA certification (IATA Operational Safety Audit): The audit was performed in November 2024 and is valid until March 2027; it will be renewed in the fall of 2026.

Quality assurance

Control over the operational processes is based primarily on two monitoring methods:

a) internal monitoring is carried out by the quality assurance departments and is articulated around:
   - an audit and inspection program (covering, in particular, organization and management, flight operations, in-flight service, flight planning, ground handling and freight, hazardous merchandise, and engineering and maintenance),
   - regular monitoring of operations with incident analysis and routine use of debriefing,
   - proactive prevention processes;

b) external monitoring is carried out by the Civil Aviation Authorities (EASA, ILT, DGAC, FAA, etc.) and specialized certification bodies, and takes the form of audits of the operating principles and of the Group's proprietary internal monitoring system. Air France and KLM are also regularly audited by their customers and partners.

Monitoring of partners

Control over sub-contractors and suppliers is undertaken within the framework of the regulatory monitoring program approved by the Civil Aviation Authorities.

Codeshare partnerships are subject to an additional requirement to comply with IOSA standards that are recognized by the airline industry as the effective reference in flight safety and security. The general rule is that partners are IOSA-certified except in the specific case when, for example, the size of aircraft excludes the airline from the IOSA scope. In this case, the partner airline is not IOSA-certified, and Air France and KLM implement a special technical monitoring process aimed at providing an assurance of an equivalent level of safety and security.

In terms of control over the monitoring process, the supervision of the effective implementation of preventive/remedial actions resulting from this overall monitoring is ensured by the quality assurance departments, coordinated within each airline.

More generally, the sub-contractor control procedure addresses all the areas of risk. It is reflected in the realization of monitoring activities like audits, inspections, and checks, sometimes carried out by the sub-contractors themselves. Monitoring is ensured on a quarterly basis. An expanded transverse action plan is in place, taking into consideration the new legislation on the duty of vigilance. More globally, an action plan covering the monitoring of sub-contractor activity is deployed in the different Air France-KLM entities and coordinated at the corporate transverse level in dedicated steering committees.

Information systems

The control processes and procedures cover the information systems including telecommunication systems.

These processes and procedures aim to ensure the:

- reliability of the IT and telecommunications systems;
- integrity of data through the appropriate resources, infrastructure, and audits;
- continuity of IT services and the availability of data at the production sites through a local contingency strategy, secure architecture, and a security system covering external access points;
- confidentiality of information within the framework of national laws and the security of IT infrastructures through the establishment of secure, monitored, and effective accesses.

The managements of the Air France Group and the KLM Group ensure that the resources and expertise required by the information systems are integrated within the framework of defined strategic objectives.

Project management and software application development tools are also deployed. Air France-KLM has adopted an "Agile" development process based on the SCRUM and DEVOPS methodologies. The main aims are to generate business line added value more rapidly, accelerate "Time to Market," and align IT and business line objectives by prioritizing value, avoiding the development of rarely used functionalities, reducing the risks at the earliest-possible opportunity, streamlining the development and maintenance processes, and increasing the effectiveness of the teams.

The work is carried out in connection with Internal Control requirements and the ongoing project to establish a coordinated and optimized organization. They are leading to the launch of action plans designed to strengthen Internal Control, particularly with regard to risks related to business continuity and personal data protection.

The Group's Information Technology division defines the policies establishing the framework for the functioning, security, and consistency of the information systems deployed and has published an Information Security Manual (ISM – ISO 27001 standard), establishing a common security policy for information systems.

Procurement

The common Air France-KLM Procurement organization has been operational since September 1, 2024, and is headed by a Procurement Senior Vice President. It is structured around five procurement teams, among those three are fully joint, E&M, APS International and IT. The remaining teams are within the airlines and are headed by two Procurement Vice Presidents, one for Air France and one for KLM. These procurement teams act in a transverse and coordinated manner for each of the Air France-KLM Group, Air France, and KLM as well as for, when required, a number of the Group's airline subsidiaries.

The activity of the Procurement function aims to supply the entities with suitable products and services at the required time, at the best possible cost of ownership, and at the lowest possible risks.

This is achieved by applying a procurement policy focused on the expertise of the buyers through separate responsibilities (buyer, prescriber, and supplier), the establishment of contracts, and the use of various (electronic) tools.

The PLT (Procurement Leadership Team), comprising the Air France-KLM Procurement SVP, both Air France and KLM Procurement Vice President, and joint VPs for E&M, APS International, IT and PSS (Procurement Strategy & Services), coordinates the Procurement teams through regular meetings and presents the procurement performance and developments to the CFOs on a quarterly basis.

The Heads of Procurement meet on a regular basis in the different structures (e.g., the Quarterly Air France-KLM DPO Meeting, a Quarterly Performance Meeting, direct meetings between Heads, etc.) to develop joint programs and share best practices.

To assess the risks related to sustainability (environmental, ethics, procurement, social), vendors are analyzed and evaluated by EcoVadis, a company mandated by Air France-KLM, with the emphasis on high-risk segments such as production in low-cost countries, and with a minimum score requirement. In addition, all procurement-managed vendors are required to commit to a Code of Conduct, reflecting Air France-KLM's sustainability requirements. In addition, high-emitting suppliers are required to conduct a CDP (Carbon Disclosure Project) Assessment providing clear insight into the environmental impact of these suppliers.

All new vendors are assessed for their level of financial risk on the basis of the Dun & Bradstreet evaluation. Risk reduction strategies are required for vendors with a high level of financial risk.

New and existing vendors are also screened for any possible trade regulation-related risks through a dedicated application known as "Accuity."

Aeronautical suppliers in the Engineering & Maintenance area are required to re-register and re-qualify every three years. During the registration and qualification process, they are required to share extensive documentation (including certificates as proof of their compliance with external regulations) to secure full qualifications as a vendor for Air France-KLM.

Additionally, to reduce the risks at the Air France-KLM level, all contracts with vendors include clauses on anti-bribery, personal data handling, and other relevant risk areas.

Lastly, in 2022, Air France-KLM Procurement Strategy & Services (PSS) established a holistic Risk Management Framework to describe all the risks related to procurement activities, along with their mitigation processes and supporting tools.

Prevention of ticketing fraud

A fraud prevention organization is responsible for preventing, insofar as possible, risks relating to:

- the fraudulent issuance and use of illegally purchased tickets (credit cards and other means of payment);
- the protection of loyalty programs (individual and corporate clients) in terms of both earn and burn;
- external ticketing fraud other than the two items above;
- internal fraud.

A fraud prevention activity report was submitted to the Audit Committee in November 2024.

Both Air France and KLM have put in place whistle-blower procedures.

Prevention of financial fraud

Due to the proliferation of cases of attempted fraud, the Group has strengthened its internal control processes with detailed anti-fraud prevention policies with instructional notes. Both Air France and KLM carry out an annual Fraud Risk Assessment.

Evaluation and monitoring of Internal Control

Air France-KLM has established a comprehensive internal control and risk management framework covering both financial and sustainability information. In designing and implementing this framework, the Group has chosen to base its approach on internationally recognized standards, namely the COSO (Committee of Sponsoring Organizations of the Treadway Commission).

This process includes:

- **Self-assessment and control testing:** Operational managers and process owners perform regular self-assessment of controls and document their effectiveness. Testing of key controls is carried out periodically to validate their design and operational effectiveness.
- **Independent reviews**: The Internal Audit function conducts independent reviews and audits of the internal control environment, both at Group level and within subsidiaries, following a risk-based audit plan aligned with COSO principles.
- **Reporting and remediation:** Corrective action plans are developed, implemented, and followed up systematically to address any deficiencies.
- **Continuous improvement:** The internal control and risk management framework is continuously updated to reflect changes in the regulatory environment, business processes, emerging risks, and technological developments.

Based on the COSO 2013 frameworks, Air France-KLM demonstrates its commitment to maintaining high standards of internal control, transparency, and accountability, thereby supporting the reliability of its financial and non-financial reporting and the achievement of its strategic objectives.

3.3.3 INTERNAL CONTROL RELATING TO THE ESTABLISHMENT AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

Based on an analysis of the significant entries in the consolidated financial statements and an assessment of the risks, including compliance and reputational risks, the airlines have identified the most significant divisions and subsidiaries and, within these divisions, the processes that make a predominant contribution to the establishment of the financial statements.

The Group's major divisions and subsidiaries had thus evaluated the effectiveness of their Internal Control relating to financial information as at December 31, 2025.

Pursuant to Article L. 823-19 of the Code de commerce, the Audit Committee oversees the process of preparing the financial information and, when necessary, formulates recommendations to guarantee the integrity of the financial information preparation process, the effectiveness of the Internal Control and risk management procedures and, as necessary, of Internal Audit, with respect to the procedures required to prepare and process the accounting and financial information, with no compromise to its independence. It also ensures that the Statutory Auditors perform their engagement and comply with the conditions for their independence.

Financial procedures and processes and the accounting year-end

Finance processes

Investments are managed at the level of each company, and the decision-making process is coordinated by the Group Investment Committee (GIC) through decision-making platforms (above €0.5 million) bringing together all the stakeholders (business line and management controllers at the Company and Group level). This Group Investment Committee is composed of Air France-KLM's Chief Financial Officer, the Chief Financial Officers of Air France, the Chief Financial Officer of KLM, and Air France-KLM's Chief Operating Officer.

All investments of more than €5 million, together with transactions relating to the fleet and shareholding and divestment transactions, are submitted for approval to the Group Executive Committee by the Group's Chief Financial Officer. In addition, all investments, acquisitions, or disposals of assets (in particular the fleet or shareholdings in any company) or the conclusion of operating leases representing a total amount of more than €150 million, carried out at the level of Air France-KLM, Air France, or KLM, must be authorized in advance by the Board of Directors of Air France-KLM.

The management of Air France-KLM's financial market risks is overseen by the Risk Management Committee (RMC), which meets at least each quarter to define the risk management strategy of the Group. After examining the various Group risk reports, the RMC determines the hedges to be set up during the coming quarters with, notably, the hedging ratios to be achieved, the time period for adhering to these targets and, potentially, the preferred type of hedging instrument.

These decisions are then implemented in each company by the respective Treasury Management departments, pursuant to the procedures for the delegation of powers.

Regular meetings are organized between the Treasury Management departments of the two companies to optimize the coordination of recommendations made to the RMC and subsequent decision implementation (hedging instruments, the strategies planned, and counterparties).

The fuel hedges are covered in a weekly report forwarded to the General Managements of the Air France-KLM Group, Air France, and KLM. A summary of the cash positions of Air France, KLM, and Air France-KLM is communicated weekly to the Air France-KLM Group's General Management.

The Air France-KLM, Air France, and KLM cash positions are the subject of monthly reports to the Finance departments. These reports include the interest rate and currency positions, the portfolio of hedging operations, a summary of investments and financing by currency, and a tracking statement of the risk exposure by counterparty. The Risk Management Committee sets the minimum thresholds in terms of the financial quality of counterparties, determines the maximum amount to be allocated to a single counterparty, and is responsible for monitoring the quarterly positions.

The hedge strategies aim to reduce the exposure of Air France-KLM and therefore to preserve budgeted margins. The instruments used are futures, swaps, and options. The internal risk management procedures prohibit instruments characterized as trading instruments unless expressly authorized by the Chief Financial Officer of Air France-KLM. All the instruments used must qualify as hedging instruments pursuant to the IFRS accounting rules. Generally speaking, no trading or speculation is authorized.

Any substantive change in the hedging strategy is the subject of a systematic presentation to the Group Audit Committee.

Accounting and financial statements process

The consolidated financial statements of the Air France-KLM Group are prepared on the basis of the data provided by the finance departments of all companies controlled by the Group, a large part of whose accounting transactions are processed by the Budapest Business Service Center (BSC).

The Group is primarily composed of the two operational sub-groups, Air France and KLM, which prepare their own consolidated financial statements prior to their consolidation within the Air France-KLM financial statements.

The accounting information reported by the various companies follows the Group's accounting format, rules, and methods described in the Accounting Procedures Manual, based on IFRS.

The consolidated financial statements are submitted to the General Management and then presented to the Audit Committee every quarter. Furthermore, the half-year and annual financial statements are also audited by the Statutory Auditors prior to their formal closure.

The financial statements of the holding company Air France-KLM are presented annually to the General Management and the Audit Committee, are approved by the Board of Directors, and are audited by the Statutory Auditors.

Process for reporting passenger and cargo revenues

This process is performed in each of the companies and enables monthly revenue figures to be communicated to the management. Furthermore, Air France and KLM have established a procedure known as the "progressive daily revenue" process, making it possible to know the estimated amount of passenger revenues for the previous day.

In addition, departments of the Group, Air France, and KLM analyze the results by market and by route (unit revenues per revenue passenger-kilometer, per available seat-kilometer, per revenue ton-kilometer etc.) at the level of the passenger and cargo businesses.

A monthly presentation on the level of transportation revenues (passenger and cargo) is also made to the Group Executive Committee by the senior managers of these entities.

The Financial Expertise Center (FINEC) in Toulouse is in charge of commercial Passenger revenues for the companies Air France and KLM, while the Shared Services Center at Amsterdam-Schiphol (FAS) is responsible for commercial cargo revenues for the Group (Air France, KLM, and Martinair).

For these two activities, service level agreements have been signed between Air France, KLM, and Air France-KLM.

Management Control reporting process

The Group Corporate Control department coordinates the reporting process with the Corporate Controllers of Air France and KLM.

In liaison with the Group's principal divisions and subsidiaries, these three teams of controllers then analyze the past month's financial results and estimate the results for the coming months (forecast adjustment process) through to the end of the current financial year.

Once the accounting result for the month and the estimation of the results for the coming months are known, Group Corporate Control produces a monthly document (known as the Group management report) that summarizes the monthly key business, employee-related, and financial data, both actual and for the coming months, in order to determine the forecasted outcome for the current financial year for the Group, Air France, KLM, and each business line. The same applies to the figures related to cash flow and the cash and debt positions.

This monthly Group management report is distributed and presented to the Group Executive Committee by the Group Corporate controller.

In addition, management review meetings take place on at least a quarterly basis between the CEOs, CFOs, and Executive Vice Presidents of the Passenger, Cargo, Engineering & Maintenance, and Transavia businesses.



We embed environmental, social, and governance priorities into our strategy and operations. We help shape a more responsible aviation industry while creating long-term value for society.

We are working towards a more sustainable future



04

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 2025 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, 2025 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 (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 second year of application of the CSRD directive provisions, taking into account the recommendations of the relevant regulatory and standard-setting bodies, in the light of the Omnibus simplification initiative launched by the EU Commission and the publication of the "quick fix" amendments to the ESRS in July 2025. Air France-KLM has endeavored to apply the normative requirements set by the first set of ESRS standards published in 2023, 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 recommendations, as well as 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.

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

The sustainability statement is characterized by contextual specificities linked to the application of the ESRS standards:

- a lack of well-established, stable practices and guidance, 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 opportunities management");
- the use of scope limitations and estimates on a case-by-case basis on certain data, especially when the Group is unable to collect the necessary data for reporting, as specified in such cases, in the methodology notes to the metrics disclosed in the topical sections of the sustainability statement.

Change in preparation or presentation of sustainability information and reporting errors in prior periods

Following the publication in 2025 of updated monetary emissions factors by Ademe (Base Carbone), reflecting the high inflation and the decarbonization efforts of the global economy since their latest publication, Air France-KLM has restated its greenhouse gases inventory for the year 2024, to ensure comparability with the figures reported for the year 2025 and give a more accurate estimation of its indirect emissions calculated through a spend-based approach (scope 3). The total restated scope 3 emissions for the year 2024 stands at 9,636 million tons of CO_2, compared to 11,200 million tons of CO_2 as published in the Universal Registration Document for the year ended December 31, 2024. For the details on the restated scope 3 GHG emissions of the year 2024, please refer to section 4.2.1.4.2 "Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)".

Air France-KLM's GHG's reduction target has been updated in line with the Group latest strategic inputs, including the comprehensive 2024 GHG inventory and the Group's latest production forecast for 2030, which has been significantly revised downward compared to the one used for the Group's initial SBTi target. The resulting SBTi validated target is -17.8% CO_2e/RTK in 2030 versus 2024 . For the details on the target associated to the Transition Plan, please refer to section 4.2.1.3.4 "Targets – Climate change (E1-4)".

On July 4, 2025, the EU Commission has adopted a set of measures to simplify the application of the EU taxonomy regulation. The Group has applied the simplification measure for its taxonomy reporting over the financial year 2025, as described in section 4.2.4 "EU Taxonomy".

In the course of the preparation of the second sustainability statement under ESRS standards, a thorough review of some indicators has been performed by the Group. This lead to the identification of reporting errors in the previous publication, or changes in methodology, and specifically:

- a reporting error in the waste directed to incineration (see section 4.2.3.3 "Metrics – Waste management and circularity (E5-5)");
- a revised method for calculating training hours to allow for a better reflection of actual training hours (see section 4.3.1.6.7 "Metrics – Talent attractiveness, development and training (S1-13)").

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

Some information already disclosed in other sections of the management report is incorporated by reference and clearly identified as such in the sustainability statement (see mainly sections 4.1.3.1 "The role of the administrative, management and supervisory bodies (GOV-1)", 4.1.3.3 "Integration of sustainability performance into compensation components (GOV-3)" and 4.1.3.5 "Risk management and internal controls over sustainability reporting (GOV-5) ").

Use of phase-in provisions

Air France-KLM uses all the relevant phase-in provisions set in Appendix C of ESRS 1 ("List of phased-in Disclosure Requirements") and its amendments published in July 2025, except for the information on the average number of training hours (see section 4.3.1.6.7 "Metrics – Talent attractiveness, development and training (S1-13)") that is already included in this sustainability statement.

4.1.2 STRATEGY

4.1.2.1 STRATEGY, BUSINESS MODEL AND VALUE CHAIN (SBM-1)

sustainability
AIRFRANCE KLM GROUP

Air France-KLM's embeds sustainability in its strategy, business model and value chain through the Group's main activities: air transport of passengers and cargo (network and low cost businesses), 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 a sustainable 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 Group's climate-related impact.

The Group's Transition Plan, as developed in section 4.2.1.3.1 "Transition Plan for climate change mitigation (E1-1)", reflects its ambition to reduce emissions by:

- adapting its products (notably inter-modality), 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 by 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 through its main activities: air transportation (network – passenger and cargo – and low-cost – Transavia) and maintenance activities.

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

The Group's activity portfolio (see section 1.3 "Activities in 2025") 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 section 1.2.2 "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

Upstream value chain

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

The fleet is at the core of Air France-KLM's operations, and is composed of aircraft supplied by aircraft manufacturers as well as aircraft lessors. To maintain the highest safety standards, aircraft are maintained 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"). The Group also 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 works 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 emissions reduction strategy (see section 4.2.1.3 "Climate strategy").

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.

For the Cargo activity, freight forwarders provide the Group with goods to be transported from origin to destination.

Airports are part of the upstream value chain of the Group. Airport facilities and infrastructures allow Air France-KLM to handle its aircraft and customers. Airports are the meeting point of the Group's upstream and downstream value chain, bringing customers, suppliers and partners at the same place.

At the airports, aircraft preparation for 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, managing airspace traffic, are crucial for the safety of the Group's flight operations.

It is noteworthy that Air France-KLM partly internalizes certain services, including ground handling and catering at its hub.

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 is diversified. 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 such as travel agencies, 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.

Air France-KLM's commitment to excellence extends to its Maintenance, Repair, and Overhaul (MRO) services. Through AFI KLM E&M, the Group provides its aircraft maintenance services to third party airlines.

Approach to gathering, developing and securing inputs

Air France-KLM has entered into various contracts and commitments with different suppliers. These agreements assist the Group in managing and securing the necessary resources to conduct its activities, notably regarding aircraft orders and fuel and SAF procurement.

Expected benefits for customers and society

Air France-KLM business brings connectivity to the world by gathering people together and helping customers discover new horizons 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 maintain and develop employment in France, the Netherlands and regions where the Group operates. Air France-KLM provides qualified jobs and fosters its employees' personal development (see more details in section 1.2.2 "Value creation model").

Throughout its value chain, Air France-KLM also creates indirect jobs and 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 4.4.3 "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 (SBM-2)

Stakeholder engagement is a key lever for achieving a successful sustainable transition for the Group. Ongoing dialogue and a mutual understanding of the challenges Air France-KLM is facing are key to building long-term relationships with stakeholders, thinking together 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, as detailed below.

Stakeholders map

Each business unit, led by its respective executive manager, 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)".

Partners
- Airline & industry partners
- Business partners
- Airports
- Schools & Universities

Communities & NGOs
- Environmental NGOs
- Humanitarian & Development NGOs
- Local residents' associations
- Foundations

Employees
- Permanent staff
- Temporary staff
- Future employees (students)
- Apprentices
- Works councils
- Unions

Customers
- Corporate customers
- Passengers (VFR, business, etc.)
- Cargo customers
- Distributors
- Trade
- E&M customers

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Suppliers
- Suppliers (e.g. IT suppliers, fuel suppliers, catering suppliers)
- Buyers

Public Policy Makers & Influencers
- UN policy makers
- European policy makers
- National policy makers
- FAA/EASA/DGAC
- Professional & Association bodies
- Media and key opinion leaders
- Local policy makers and elected officials

Shareholders, Investors & Other Financial Markets Stakeholders
- Analyst, Equity investors, Credit investors, Individual shareholders, Proxies, Banks
- Rating agencies (financial & ESG)
- Institutional investors (States)
- National control authorities (Autorité des marchés financiers - AMF in France and Autoriteit Financiele Markten - AFM in the Netherlands)

Overview of the initiatives undertaken with stakeholders in 2025

Customers

How we engage

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

Key topics

- Discovery of the Group's business and organization;
- Presentation of the decarbonization strategy;
- Tests and approvals of new offers including sustainability elements;

Material IROs

- Climate change mitigation
- Energy (Fuel, SAF)
- Customer engagement

Outcome and next steps

- Strengthen the voluntary SAF corporate program;
- Evolution of commercial offers including SAF bundles and options (see section 4.2.1.3.5 "Actions and resources – Climate change (E1-3)").

For more information, see chapter 1 of the Universal Registration Document 2025, sections 1.4 "Customer experience " and 1.6 "Sustainable transition".

Relevant KPIs

- SAF incorporation rate, see section 4.2.1.4.5 "Specific metrics – Climate Change"
- Net Promoter Score, see section 4.3.4.5 "Metrics – Net Promoter Score (NPS)"

Suppliers

How we engage

- Procurement Academy (launched in 2021);
- Various initiatives fostering supplier engagement:
  - AIRPro initiative launched in 2023: Air France-KLM Group and other airlines together with EcoVadis,
  - Carbon Disclosure Project (CDP) Climate Module Assessment.

Key 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;

Material IROs

- Working conditions & social dialogue for value chain staff

Outcome and next steps

- The Group actively encourages all suppliers to do an assessment with EcoVadis. Find more information in the section on "Supply chain" in section 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 through the application of a compliance threshold.;
- AIRPro sector initiative aims to introduce similar standards for procurement to further increase sustainability and supply chain transparency in the aviation industry.

Relevant KPIs

- Suppliers Sustainability Code of Conduct, see section 4.3.2.2.4 "Targets – Workers in the value chain (S2-5)"

Employees

How we engage

- Ongoing dialogue with key stakeholders: future employees (students), apprentices, temporary staff, permanent staff, works councils and committees, unions;
- Employee promoter score (EPS) used by Air France, KLM and Transavia to measure employee satisfaction;
- Regular meetings with employee representatives and works councils at airlines 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.;

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

Key topics

- 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;
- Inform, raise awareness and train employees in the challenges of environmental transition via internal communication.

Material IROs

- Social dialogue with Air France- KLM staff
- Working conditions for Air France-KLM staff
- Diversity, Equity & Inclusion
- Talent attractiveness, development and training

Outcome and next steps

- 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;
- Mobilize employees to take action on environmental issues to foster innovation and performance.

Relevant KPIs

- Employee Promoter Score (EPS), see section 4.3.1.4.7 "Metrics – Working conditions (S1-10, S1-16, S1-14)"
- Women in top management, see section 4.3.1.5.7 "Metrics – Diversity, Equity and Inclusion (S1-9, S1-12, S1-16)"

Partners

How we engage

- 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.

Key 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.

Material IROs

- Climate change mitigation

Outcome and next steps

- Impact thanks to collaboration via sharing resources and know-how e.g., bring together public and private stakeholders around a development plan for SAF;
- Offer customers solutions to reduce their carbon footprints and support environmental projects to develop innovative solutions.

For additional information, see section 4.2.1.3.5 “Actions and resources – Climate change (E1-3)”.

Relevant KPIs

- see section 4.2.1.3.5 “Actions and resources – Climate change (E1-3)”

Shareholders, Investors & Other Financial Markets Stakeholders

How we engage

- Roadshows with investors;
- Engagement with rating agencies;
- Engagement with banks;
- Annual Shareholders’ Meeting and holding of the Individual Shareholders’ Consultative Committee.

For additional information, see Chapter 2, section 2.7.6 “A regular dialogue with individual shareholders and investors”.)

Key topics

- Financial and extra-financial results;
- ESG Strategy;
- Decarbonization roadmap.

Material IROs

- Climate change mitigation
- Energy (Fuel, SAF)
- Diversity, Equity & Inclusion

Outcome and next steps

- Raise awareness and knowledge about the Group to attract investors to buy existing financial instruments or newly issued financial instruments;
- Financial risk profile.

Relevant KPIs

In 2025, Air France-KLM was awarded with the following scores by ESG rating agencies:

- CDP: “A” score on Climate
- EcoVadis: Gold Medal [1]
- MSCI: AA
- ISS-ESG: Prime Status C+

[1] https://recognition.ecovadis.com/76YG3OhszkuDXDd77tUCHw

Public Policy Makers & Influencers

How we engage

- Local, European and international business, industry and employer associations, federations;
- Think tanks, such as EdEn and T&E;
- International, European, French, and Dutch public policy-makers, the European Commission, ministerial offices, members of parliament, State administrations, Civil aviation authorities, governmental agencies, aviation related authorities or organism, academic communities.

Key topics

- Legislative and regulatory process;
- Level playing field and fair conditions of competition (see section 4.4.3 “Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)”);
- Current and future initiatives to minimize environmental impact.

Material IROs

- Climate change mitigation
- Noise hindrance management
- Political engagement & lobbying activities, economic & social value of air transportation

Outcome and next steps

- Anticipating changes in standards and policies affecting our business model;
- Alignment with societal and regulatory expectations;
- Explain the Group's objectives, the actions implemented to achieve them and the constraints it faces.

Relevant KPIs

- See section 4.4.3 “Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)”

Communities & NGOs

How we engage

- Implementation of a Critical Friends Committee for Air France, a multi-stakeholder dialogue platform bringing together independent external experts (NGOs, academics, industry specialists) and Air France senior executives;
- Bilateral meetings with NGOs;
- Various meetings on noise management with local communities, see section 4.3.3 “Affected communities – Noise hindrance management (ESRS S3)”.

Key topics

- Dialogue on the Group commitments, actions and results in terms of environmental transition;
- Exploration of strategic dilemmas, trade-offs and credibility challenges related to the environmental transition of aviation, discussed within the Critical Friends Committee.

Material IROs

- Climate change mitigation
- Noise hindrance management

Outcome and next steps

- Identification of key strategic questions, tensions and areas for improvement through the Critical Friends Committee, contributing to internal reflections on strategy, communication and stakeholder engagement related to the environmental transition;
- Partnerships with NGOs and financial support to develop humanitarian sponsorship.

Relevant KPIs

- Acoustic performance, see section 4.3.3.3 “Metrics – Noise hindrance management”

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

The composition and information on diversity within the Air France-KLM Board of directors' are described in Chapter 2 of the 2025 Universal Registration Document (Corporate Governance Report, sections 2.1 "Composition of the Board of Directors" and 2.2.2 "Diversity policy applicable to the Board directors").

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

Board directors' relevant experience and terms of office are described in Chapter 2 of the 2025 Universal Registration Document (Corporate Governance Report, section 2.1.2 "Presentation of the Board directors on December 31, 2025").

Roles and responsibilities

Governance related to sustainability is organized at the highest levels of the Group. The Board of Directors upon recommendation of its Sustainable Development and Compliance Committee, the CEO, the CEO Committee as well as the Group Executive Committee (GEC) consider sustainability issues to be one of the Group's priorities and receive regular reports from management on the various sustainability matters. They ensure that sustainability decisions are relevant and taken in all the entities concerned. The Chief Executive Officer, who is also a member of the Board of Directors, chairs the GEC, which is responsible for implementing the sustainable development strategy approved by the Board within the Group's various operating entities. For additional information, please refer to Chapter 2, section 2.6 "Group management bodies: Group Executive Committee and CEO Committee".

In response to the importance of climate challenges, a Decarbonization Committee was created in 2021. Led by the Group's Sustainability Director, the Decarbonization Committee brings together the majority of the GEC members, the Group's Chief Financial Officers, and the Sustainability managers of both the Group and the airlines. This Committee is notably responsible for updating the decarbonization roadmap, reviewing and refining the Group's decarbonization strategy, and monitoring its implementation. It also intervenes, when necessary, on other environmental issues likely to impact the Group, such as pollution, biodiversity and ecosystem preservation, circular economy, noise management, and monitors the implementation of environmental policies at the Group level. Within this framework, the Decarbonization Committee formulates recommendations for the GEC.

During the summer of 2025, the Group has set up internal centers of expertise dedicated to various key environmental themes, such as noise management and waste management. The objective of these expertise centers is to strengthen organizational efficiency, support the achievement of the Group's objectives, and foster innovation by centralizing specialized knowledge and best practices, formalizing common environmental policies, and addressing compliance needs. Bringing together experts from across the Group and reporting to the Group's Sustainability Department, these centers are tasked with defining policies, setting objectives, developing action plans, and ensuring reporting in their respective areas.

In parallel, since the 2024 financial year, the Audit Committee has been monitoring issues related to the preparation, control, and publication of sustainability information and, in particular, the establishment of the sustainability statement (including, notably, the development of the dual materiality matrix and the identification of relevant IROs). Joint meetings between the Audit Committee and the Sustainable Development and Compliance Committee are held to review the sustainability information before the Air France-KLM Board of Directors approves the annual sustainability statement. For additional information on the composition and missions of the committees of the Board of Directors, please refer to Chapter 2, section 2.3.2 "Activities and functioning of the Committees".

Finally, the annual review of 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.

Board of Directors

Examines the Group's strategic orientations in sustainability matters and oversees their implementation.

Appointments and Governance Committee

- Makes recommendations regarding the governance principles for the Group and reviews their consistency, including those relating to sustainability.
- Establishes the succession plan for the executive officers, formulates proposals on the diversity policy of Board directors and the diversity targets of management bodies.

Sustainable Development and Compliance Committee

- Assists the Board of Directors in reviewing the Group's compliance and sustainable development policies.
- Ensures that the Group promotes long-term value creation and takes environmental and social matters into account when defining Group strategy.
- Makes recommendations to the Audit Committee in the context of its review of sustainability information.

Audit Committee

- Reviews the sustainability report and the information contained therein, taking into account the recommendations of the Sustainable Development and Compliance Committee.
- Makes recommendations, where appropriate, to ensure the integrity of the sustainability reporting process.
- Ensures that the internal control and risk management systems relating to sustainability are implemented and monitored to ensure their effectiveness.
- Discusses the sustainability report with the auditors and reviews their findings.

Remuneration Committee

- Makes proposals on the amount of and changes in the compensation for executive officers.
- Makes recommendations on the sustainability criteria incorporated into the compensation of executive officers.

Joint meetings on sustainability information

APPROVES & CONTROLS

REPORTS & IMPLEMENTS

Chief Executive Officer (CEO)

Benjamin Smith, CEO and board director

- Manages the Company and represents it in its dealings with third parties.
- Sets the Group's sustainability objectives and commitments and ensures their operational implementation. In this capacity, regularly reports on progress to the Board of Directors.

CEO Committee

- Defines the strategic direction of all the Group's airlines and operational units, particularly with regard to sustainability.

Group Executive Committee (GEC)

- Implements the sustainability strategy and ensures its integration into the Group's strategic plan.
- Reviews annually performance and priorities relating to sustainability, including innovation and R&D priorities.

Group Decarbonization Committee

- Prepares the decarbonization roadmap.
- Updates for decision or review by the GEC.
- Reviews and advances the Group's decarbonization strategy and its execution on a monthly basis.
- Defines and monitors the implementation of environmental policies related to other major environmental issues for the Group.

Group Sustainability Officer

- Leads the Decarbonization Committee.
- Reports regularly to the highest levels (Board of Directors, CEO Committee, GEC).
- Defines and manages the Group's ESG strategy.
- Ensures ESG reporting, ratings and communication.
- Oversees the implementation of environmental policies (climate, pollution, biodiversity, etc.).

Environmental Centers of Expertise

Objectives :

- Strengthen organizational efficiency and innovation.
- Centralize expertise and best practices.
- Formalize environmental policies.
- Support compliance.

Missions :

- Define policies, objectives and action plans.
- Ensure reporting in their areas of expertise.

Board directors' competencies and expertise

(1) Board directors' sustainability expertise

The Board of Directors brings together a wide range of complementary competencies and experiences, 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.

In line with the material impacts, risks and opportunities identified by the Group, the specific skills of board directors in the areas of climate change, ethics and compliance, human resources, and governance are assessed, taking into account their professional experience, responsibilities, training, and practical involvement in projects or initiatives related to these topics.

The details of the board directors' competencies is presented in Chapter 2 of the 2025 Universal Registration Document, section 2.2.2 "Diversity policy applicable to the Board directors".

(2) Developing Board directors' expertise: setting up specialized training to review sustainability information

In 2025, the Board of Directors placed sustainability matters at the heart of its work and integrated sustainability concerns into its decision-making process.

To ensure informed decision-making, a training program, updated each year, is made available to board directors (see Chapter 2, section 2.2.4 "Training for 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 2025, this program has been significantly enhanced with a notable strengthening of the external training courses offered dedicated to sustainability. New sessions have been specifically designed to enable board directors to better understand the essential sustainability issues for the Board of Directors and to measure their direct impact on the Group's governance and overall performance. In addition, targeted modules such as "Carbon Accounting and Transition Plan", "Climate Risks", and "Responsible Procurement" are offered to board directors to strengthen their understanding of sector-specific issues and provide them with concrete tools to integrate sustainability into the Group's strategy. These training courses present in detail the applicable frameworks, analytical methodologies, and levers for action, enabling board directors to make informed decisions and anticipate developments in a constantly evolving economic and regulatory environment.

At the Board of Directors' strategic seminar held in July 2025, the Group's Sustainability Director gave a presentation on the Group's decarbonization trajectory, highlighting the major challenges and the main key measures and strategies recommended to achieve the objectives of the Group's CO_2 intensity reduction roadmap.

In addition, as part of the continuing training program for board directors, individual interviews on the subject of climate change are organized for each newly appointed board director to ensure that environmental issues are thoroughly integrated from the moment they take office. These one-hour sessions, led by the Group's Sustainability Director, aim to present in detail the existing regulations and protocols (such as the Paris Agreement, the GHG Protocol, the SBTI, the IPCC, and the GIEC), the Group's decarbonization strategy and its main challenges, while providing time for discussion and questions from board directors. Among all the topics covered during the individual interviews conducted during the 2024 financial year, the vast majority of board directors wanted to deepen their knowledge of the energy transition and the SAF industry. A workshop on SAF was organized by the Sustainable Development and Compliance Committee on April 17, 2025. This workshop highlighted the crucial role of the SAF in decarbonizing air transport, while emphasizing the emerging nature of the market, the challenges related to high costs, limited supply, and regulatory constraints, as well as the need for a balanced sourcing strategy to achieve the 2030 targets, particularly in light of uncertainties surrounding e-SAF. Furthermore, at the request of the board members, and following up on the work of the strategic seminar in July 2025, a second workshop dedicated to the Group's decarbonization trajectory, open to all board directors, was organized on September 29, 2025, by the Sustainable Development and Compliance Committee.

Lastly, two joint meetings between the Audit Committee and the Sustainable Development and Compliance Committee, in the presence of the sustainability auditors were held during fiscal year 2025. The first, on March 4, 2025, was dedicated to reviewing and approving the 2024 sustainability report. The second, on December 2, 2025, provided an opportunity to present a benchmark of the first sustainability reports, review CSRD regulations and related reporting, and present the update to the double materiality analysis for 2025. These joint meetings will now be held twice a year to ensure regular and in-depth monitoring of sustainability reporting obligations.

4.1.3.2 INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE 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.

The list of IROs is updated annually to ensure its relevance to the Group's challenges. It is also subject to a thorough review at regular intervals, particularly when the Group's context or activities change, to ensure its alignment with operational realities. An initial assessment of the IROs was conducted in 2023 as part of the double materiality analysis (see section 4.1.4 “Impacts, risks and opportunities management”). This assessment was presented and discussed at a dedicated CSRD workshop in October 2024 with the Audit Committee and the Sustainable Development and Compliance Committee. The final version of the 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. For 2025, the list was updated after consultation with the Group's internal subject-matter experts, then validated by the GEC at the end of November and presented in a joint meeting to the Audit and Sustainability and Compliance Committees at a joint meeting, then to the Board of Directors in early December 2025. This list is shown in section 4.1.4.2 “Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)”. Going forward, this annual update and approval process will be maintained, with a complete revision of the list when the Group's context warrants it.

4.1.3.3 INTEGRATION OF SUSTAINABILITY PERFORMANCE INTO COMPENSATION COMPONENTS (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, several quantitative and qualitative sustainability performance criteria are included in the Chief Executive Officer's annual and long-term variable compensation. All these elements are detailed in Chapter 2 of the 2025 Universal Registration Document, sections 2.5.2 “.Compensation of the corporate officers in 2025” and 2.5.3 “2026 compensation policy for corporate officers”.

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	**General disclosures** SBM-2, SBM-3 GOV-1, GOV-3, GOV-4 **Topical standards** E1-1 G1-1, G1-3, G1-4
b) Engaging with affected stakeholders in all key steps of the due diligence	**General disclosures** SBM-2, GOV-5, IRO-1 **Topical standards** E1-1; E2-1; E5-1 S1-1, S1-2 ,S1-3; S2-1, S2-2, S2-3; S3-1, S3-2, S3-3; S4-1, S4-2, S4-3 G1-3, G1-4
c) Identifying and assessing adverse impacts	**Topical standards** E1-3; E2-2; E5-2 S1-4; S2-4; S3-4; S4-4 G1-1, G1-3, G1-4
d) Taking actions to address those adverse impacts	**Topical standards** E1-3; E2-2; E5-2 S1-4; S3-4; S4-4 G1-1, G1-3, G1-4
e) Tracking the effectiveness of these efforts and communicating	**Topical standards** E1-4, E1-5, E1-6, E1-7, E1-8; E2-3, E2-4; E5-3, E5-5 S1-5, S1-6, S1-8, S1-9, S1-10, S1-12, S1-13, S1-14, S1-16, S1-17; S2-5; S3-5; S4-5 G1-4, G1-5

4.1.3.5 RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING (GOV-5)

The Air France-KLM Group has risk management and internal control systems in place, which are applicable to the preparation of its sustainability report. Their description is found in Chapter 3 of the Universal Registration Document, in 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”.

These sections detail the scope, key characteristics, and components of the existing systems. They also present the risk assessment approach, the prioritization methodology, the significant risks identified, and the associated mitigation measures. An explanation of how the findings from these assessments are integrated into the Group’s internal functions and processes to improve the reliability of its sustainability information is also detailed.

Furthermore, the framework provides for periodic reporting of findings relating to sustainability information to the administrative, management, and supervisory bodies of Air France-KLM. This governance strengthens the Group's transparency and supports a continuous improvement approach to the quality of its non-financial reporting.

4.1.4 IMPACTS, RISKS AND OPPORTUNITIES MANAGEMENT

4.1.4.1 PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IRO-1)

As part of its sustainability approach, Air France-KLM has regularly conducted materiality analyses to identify and prioritize the key issues for its stakeholders, both internal and external.

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 specialized advisory firm. This analysis aimed at identifying its impacts on people and the environment (the impact materiality), and the risks and opportunities that may arise from these impacts (the financial materiality).

The 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 its 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 reviewed and approved by the Group Executive Committee, and presented and discussed in a joint workshop with the Audit and the Sustainable Development and Compliance Committees, before being approved by the Board of Directors of Air France-KLM.

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

With the implementation of the ESRS, the extra-financial risks identified through the risk management process in place within Air France-KLM are progressively aligned and combined with the IROs. Consequently, the IROs are 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.

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.

In 2025, Air France-KLM has thus updated its double materiality assessment, based on the conclusions of a benchmark on sustainability statements published by the Group's main competitors in the European Union and key actors in its value chain. This update did not lead to significant changes in the previous double materiality assessment and the material topics and associated impacts, risks and opportunities as published in 2024 (see the table in section 4.1.4.2 "Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)" below).

4.1.4.2 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

The table below outlines the key disclosure requirements under ESRS 2 SBM-3 requirements, providing a structured overview of the topics identified through the double materiality assessment (see section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)"), along with their associated material impacts, risks and opportunities. The table also specifies for each topic, the relevant time horizons, their position in the Air France-KLM Group's value chain, and how they are connected with the Group's risk factors (as developed in the chapter 3 of this URD) and the Group's strategic pillars (for more information on the Group's strategic framework and initiatives, please refer to the sections "Value creation model", "Our Strategy" and "Sustainability" of the universal registration document).

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)	Reference to Strategic pillars, Policies, Actions, Targets and Metrics and Risk factors and risk management
ESRS E1 – CLIMATE CHANGE					**Strategic pillar** 
Climate change mitigation	Negative impact (actual)	CO_2 emissions generated by air transport activities and the upstream value chain (fuel production) contributes to climate change	OO/VC	Short/ Medium/ Long	For details on Policies (including the Transition Plan), Actions, Targets and Metrics, see section 4.2.1 "Climate change (ESRS E1)" For Risks factors and risk management, see sections 3.1.1.3 "Risks relating to changes in oil and fuel prices*", 3.1.1.4 "Changes in the competitive landscape for the air travel business", 3.1.2.2 "Climate-related risks*", 3.1.2.5 "Carbon credit risk"
	Risk	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, in a context of unfair competition hampering Air France-KLM's level-playing field position			
Climate change adaptation	Risk	Physical risks leading to financial risks as a result of activity disruptions, flight procedures and routes adaptation, in some areas exposed to climate hazards	OO/VC	Long	
Energy (Fuel, SAF)	Negative impact (actual)	High level consumption of fuel, contributing to the reduction of fossil stock	OO/VC	Medium/ Long	
	Negative impact (potential)	Usage of SAF may conflict with other usage as feedstocks			
	Risk	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			

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)	Reference to Strategic pillars, Policies, Actions, Targets and Metrics and Risk factors and risk management
ESRS E2 – POLLUTION					**Strategic pillar** 
Air quality management	Negative impact (potential)	Release of potentially harmful non-CO_2 emissions (nitrogen oxides (NO_x), sulfur dioxide (SO_2)) generated during the ground operations and flight operations at low altitude	OO	Medium/ Long	For details on Policies, Actions, Targets and Metrics, see section 4.2.2 "Air pollution (ESRS E2)"
	Risk	Financial risks due to activity constraints or new regulations related to air pollution			For Risks factors and risk management, see section 3.1.2.6 "Air pollution"
ESRS E5 – CIRCULAR ECONOMY					**Strategic pillar** 
Waste management & circularity	Negative impact (potential)	Waste generated in operations related to air transport and maintenance activities may impact the environment if not properly managed, through pollution or contamination risks	OO/VC	Short/ Medium	For details on Policies, Actions, Targets and Metrics, see section 4.2.3 "Resources use and circular economy (ESRS E5)"
	Risk	Financial risk due to regulation related to waste treatment			
	Opportunity	Waste reduction can lead to decrease in costs			

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)	Reference to Strategic pillars, Policies, Actions, Targets and Metrics and Risk factors and risk management
ESRS S1 – OWN WORKFORCE					**Strategic pillar** 
Social dialogue with Air France- KLM staff	Positive impact (actual)	Social dialogue through workers' representatives has a positive impact on working conditions for Air France-KLM workers	OO	Short/ Medium	For details on Policies, Actions, Targets and Metrics, see section 4.3.1 "Own workforce (ESRS S1)" For Risks factors and risk management, see section 3.1.3.3 "Working conditions and human capital development"
	Risk	Financial risks as a result of negotiations on labor agreements, social conflicts or strikes			
	Opportunity	Financial opportunity as a result of social dialogue fostering employee engagement and attractiveness			
Working conditions for Air France-KLM staff	Positive impact (actual)	Well-positioned and protective employment conditions positively impact Air France-KLM workers' living conditions	OO	Short/ Medium	
	Negative impact (potential)	Work-life balance and health of Air France-KLM concerned employees could be impacted by working outside regular business hours (staggered shifts) if not properly monitored. Dedicated support and communication may help to reduce the impact on employees			
	Negative impact (potential)	Prevention of psychosocial and physical risks through safety standards and procedures is a priority for Air France-KLM to limit exposure and injuries, as Air France-KLM workers are exposed to physical harm in the workplace			
	Risk	Financial risks as a result of low employee satisfaction leading to decreasing staff engagement, increase in staff costs, absenteeism or turnover			
Diversity, Equity & Inclusion	Positive impact (actual)	A diverse and inclusive workplace, where all individuals feel respected and valued, enhances Air France-KLM employees well-being and fosters a strong sense of belonging, motivation and collaboration	OO	Short/ Medium/ Long	
	Risk	Financial risks as a result of deterioration in the company's reputation, decreasing staff engagement and increase in staff costs			
	Opportunity	Financial opportunity as a result of diversity and inclusion and diverse management practices fostering innovation and attractiveness			
Talent attractiveness, development and training	Positive impact (actual)	Employability of Air France-KLM workers is positively impacted by adapted training and continuous development of their skills	OO	Short/ Medium	
	Risk	Financial risks as a result of inability to attract, retain, train and replace talent leading to difficulties in finding relevant skills or shortage of people with specific qualifications			
	Opportunity	Financial opportunity as a result of attractiveness and skilled employees leading to more efficiency			

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)	Reference to Strategic pillars, Policies, Actions, Targets and Metrics and Risk factors and risk management
ESRS S1 – OWN WORKFORCE (continued)					**Strategic pillar** 
Working rights & human rights	Positive impact (actual)	Adequate managerial practices ensure prevention of disrespectful behaviors (harassment, discrimination) or non-compliance with labor laws, that can harm working and human rights for Air France-KLM staff	OO	Short/ Medium	For details on Policies, Actions, Targets and Metrics, see section 4.3.1 "Own workforce (ESRS S1)" For Risks factors and risk management, see section 3.1.3.3 "Working conditions and human capital development"
	Risk	Financial risk as a result of damages to Air France-KLM reputation, legal proceedings or fines in case of failure to protect human rights and working rights in the workplace			
ESRS S2 – WORKERS IN THE VALUE CHAIN					**Strategic pillar** 
Working conditions & social dialogue for value chain staff	Positive impact (actual)	Responsible procurement practices and supplier engagement can contribute to improving working conditions and fostering social dialogue, including respect for labor and human rights, throughout the value chain	VC	Short/ Medium	For details on Policies, Actions, Targets and Metrics, see section 4.3.2 "Workers in the value chain (ESRS S2)"
	Risk	Financial risk as a result of disruptions in the supply chain due to conflictual working conditions & social dialogue and damages to Group's reputation			
	Opportunity	Financial opportunities related to increased efficiency and operational stability along the global value chain thanks to enhanced working conditions and social dialogue for workers in the value chain			
ESRS S3 – AFFECTED COMMUNITIES					**Strategic pillar** 
Noise hindrance management	Negative impact (actual)	Noise hindrance of Air France-KLM activities can have negative impact on living conditions of communities close to Air France-KLM hubs	OO	Short/ Medium	For details on Policies, Actions, Targets and Metrics, see section 4.3.3 "Affected communities – Noise hindrance management (ESRS S3)" For Risks factors and risk management, see section 3.1.2.3 "Noise management*"
	Risk	Financial risk as a result of noise regulations leading to activity constraints (loss of airport slots) or increase in costs			

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)	Reference to Strategic pillars, Policies, Actions, Targets and Metrics and Risk factors and risk management
ESRS S4 – CONSUMERS AND END-USERS					**Strategic pillar** 
Customer engagement	Positive impact (actual)	Transparent information, assistance and customer support ensure a reliable travel experience for customers	OO	Short/ Medium	For details on Policies, Actions, Targets and Metrics, see section 4.3.4.3 "Customer engagement"
	Positive impact (actual)	Assistance provided to passengers with disabilities can ensure accessibility of services			
	Opportunity	Gain of reputation and customer loyalty for Air France-KLM by providing transparent information and assistance to its passengers			
Operational safety & security of air transportation	Negative impact (potential)	Incidents or accidents causing harm to customers and goods may be prevented by high safety and security standards in the air transport industry	OO	Short/ Medium	For details on Policies, Actions, Targets and Metrics, see section 4.3.4.4 "Operational Safety & Security of Air Transportation"
	Risk	Financial risk as a result of potential damages to Air France-KLM reputation, people and goods in the event of incidents or accidents			For Risks factors and risk management, see section 3.1.2.1 "Risks related to airline safety*"
ESRS G1 – BUSINESS CONDUCT					**Strategic pillars** 
Business conduct, anti-corruption, protection of whistleblowers	Negative impact (potential)	Unethical behavior and practices may be prevented by Air France-KLM business ethics and corporate culture promoting fair business practices	OO/VC	Short/ Medium	For details on Policies, Actions, Targets and Metrics, see section 4.4.1 "Business conduct"
	Risk	Financial risk as a result of damages to Air France-KLM reputation and legal proceedings related to non-compliance with regulations on business ethics			For Risks factors and risk management, see section 3.1.3.4 "Non-compliance with regulations, including competition, data protection, trade compliance and export control, anti-corruption and duty of vigilance laws"

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)	Reference to Strategic pillars, Policies, Actions, Targets and Metrics and Risk factors and risk management
ESRS G1 – BUSINESS CONDUCT (continued)					**Strategic pillars** 
Cybersecurity & Data Protection	Negative impact (potential)	Cybersecurity breaches potentially affecting data privacy and business continuity may be prevented by robust information systems and data protection processes and procedures	OO/VC	Short/ Medium	For details on Policies, Actions, Targets and Metrics, see section 4.4.2 "Cybersecurity & Data protection"
	Risk	Financial risk as a result of potential damages to Air France-KLM reputation, legal proceedings and business disruptions related to critical systems failures or data leakage			For Risks factors and risk management, see section 3.1.3.2 "Failure of a critical IT system, IT risks and cybercrime"
Political engagement & lobbying activities, economic & social value of air transportation	Positive impact (actual)	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	Short/ Medium/ Long	For details on Policies, Actions, Targets and Metrics, see section 4.4.3 "Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)"
	Risk	Financial risk as a result of damages to Air France-KLM reputation or business constraints due to pressure groups targeting airlines			For Risks factors and risk management, see section 3.1.4 "Legal risks related to litigation"
	Opportunity	Air France-KLM lobbying activities to promote the importance of air transport industry could contribute to fair competition and level playing field to secure Air France-KLM market position or seize business opportunities			

4.1.4.3 DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE SUSTAINABILITY STATEMENT (IRO-2)

Please refer to the detailed information provided in appendix, section 4.5.1 “Mapping of ESRS Data Points with the Requirements of EU Legislative Acts (IRO-2)”.

4.2 ENVIRONMENTAL INFORMATION

4.2.1 CLIMATE CHANGE (ESRS E1)

4.2.1.1 DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES (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 (GOV-3)

For environmental governance (including climate change), please refer to the 2025 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 administrative, management and supervisory bodies (GOV-2)”.

For disclosure requirement related to ESRS 2 GOV-3 Integration of sustainability performance in incentive schemes, please refer to Chapter 2 of the 2025 Universal Registration Document, sections 2.5 “Compensation of corporate officers” and 4.1.3.3 “Integration of sustainability performance into compensation components (GOV-3)”.

4.2.1.3 CLIMATE STRATEGY

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Climate change mitigation	Negative impact (actual)	CO_2 emissions generated by air transport activities and the upstream value chain (fuel production) contributes to climate change	OO/VC	Short/ Medium/ Long
	Risk	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, in a context of unfair competition hampering Air France-KLM's level-playing field position		
Climate change adaptation	Risk	Physical risks leading to financial risks as a result of activity disruptions, flight procedures and routes adaptation, in some areas exposed to climate hazards	OO/VC	Long
Energy (Fuel, SAF)	Negative impact (actual)	High level consumption of fuel, contributing to the reduction of fossil stock	OO/VC	Medium/ Long
	Negative impact (potential)	Usage of SAF may conflict with other usage as feedstocks		
	Risk	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		

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 by 2050 its greenhouse gas (GHG) emissions and contribute to limiting the increase in the global average temperature to 1.5°C above pre-industrial levels[1], 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 (the "Transition Plan") including a mid term target for the 2030 horizon (refer to section 4.2.1.3.4 Targets – Climate change (E1-4)).

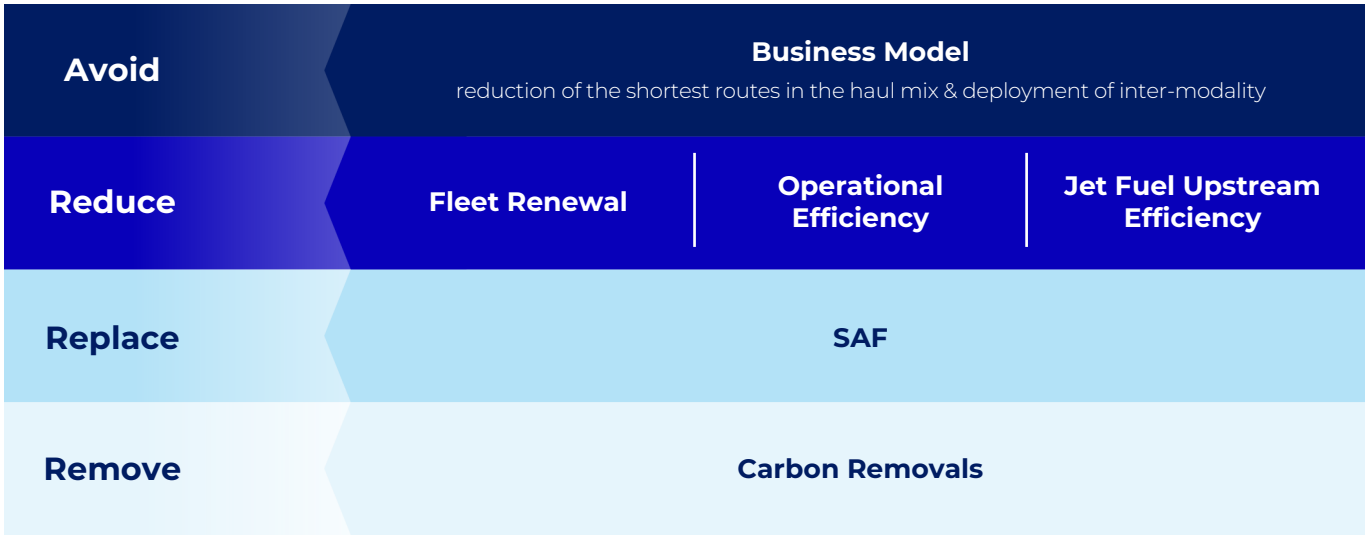
As of 2025, Air France-KLM's scope 1 emissions represent 71% of its total GHG emissions (73% in 2024), scope 2 emissions represent 0.03% (0.03% in 2024) and scope 3 emissions represent 29% of its total GHG emissions (27% in 2024) - with around 11% arising from non-jet fuel related activities (9% in 2024). 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 units of Air France-KLM, namely Air France, KLM, Transavia France, Transavia Netherlands, and Air France KLM Martinair Cargo, including their upstream and downstream value chains. The Transition Plan 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 this governance body.

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

Flight operations

The Flight Operations axis is composed of five levers aimed at *avoiding* emissions by decreasing the shortest routes in the Group haul mix while deploying inter-modality alternatives; *reducing* emissions and using energy more efficiently by fleet renewal, operational efficiency measures and jet fuel upstream efficiency; and progressively *replacing* fossil fuel by alternatives with lower GHG emissions. Finally carbon offsetting will be required for residual emissions that cannot be avoided or reduced.



A. 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 lowering GHG emissions through alternative modes of transportation.

B. 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 provided to the Group.

C. Operational efficiency measures: putting in place programs for CO_2 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.

D. Jet Fuel Upstream Efficiency: working in close cooperation with energy producers on jet fuel production efficiency (scope 3).

(1) and holding the increase in the global average temperature to well below 2°C above pre-industrial levels

E. 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 CO_2 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.

Carbon removals: for residual emissions that cannot be avoided or reduced, the Group aims at yielding benefits from quality carbon offset projects. Carbon removals are not included in the Group's plan to reach its 2030 target, according to SBTi methodology.

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 (E1-4)".

Ground operations

The Group aims to use natural resources and energy more efficiently and to reduce its emissions from ground operations by using electrically powered ground equipment and implementing energy efficiency measures to reduce energy consumption, including investment in electrically powered heating systems for buildings, and using renewable energy whenever possible.

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 89% jet fuel-related (91% in 2024). 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 contribute to decreasing the consumption of fuel and therefore the emission of greenhouse gases. SAF volumes used by the Group can contribute to decrease fuel-related CO_2 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 2025, the Group has incorporated 2.87% of SAF on its flights (1.25% in 2024).

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 and risks and interaction with strategy and business model – Climate Change (SBM-3)

The aviation sector, representing around 2 to 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. 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[4] 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 (for more detail please refer to section 3.1.2.2 "Climate-related risks*"). It is monitored at the highest level of the Group and included in the Group's reviews of its five-year Strategic Business Plan, as well as taken into account in the assumptions used to test the recoverable value of assets (see Note 2.1 "Valuation of assets and consideration of environmental risks and commitments" to the financial statements).

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).

(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
(4) The physical phenomena referenced herein may be influenced by a range of factors, including natural climate variability. Such references are provided for risk assessment purposes only.

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, 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. The GPS (Global Positioning System) coordinates of these sites were used to conduct the physical risk analysis.

In order to assess the materiality of physical risks, a qualitative assessment of exposure at hazard and site level were carried out by overlaying the GPS coordinates of the assets analyzed with an extraction of projections of climate models for specific indicators linked to the hazards assessed. The most extreme scenario has been used in this analysis.

For transition risks, a qualitative probability assessment of occurrence of risk at Group level and their impact was carried out for each scenario through literature review (academic papers, market studies, etc.) and sectoral analysis (IEA, ICAO, etc.). As the Group activity is significantly dependent on its fleet and on fuel (refer to Potential locked-in GHG emissions above), transition risks have been assessed mainly through the lens of fleet and fuel associated risks.

[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

Acute

- Degradation/destruction of assets (airports, offices, warehouses, aircraft) due to more frequent and severe extreme weather events:
  - 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 heat waves
- 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 snowstorms
- Disruption of aircraft supply activities

Chronic

- Degradation of infrastructure (airports, offices, etc.) due to rising sea levels
- Restrictions on aircraft takeoff weight due to increasing temperatures
- Disruption of takeoff 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

Transition risks

Policy and legal

General

- Increased pricing of GHG emissions
- Enhanced emission-reporting obligations (EU-ETS, CORSIA)
- Limits on license to operate and ban on short-haul flights

SAF-related

- New carbon taxes or SAF mandates could increase the price of fuel
- Insufficient support from governments regarding SAF and synthetic fuel deployment

Aircraft-related

- Delayed regulations could slow the pace of development of new technologies (electric planes)
- Insufficient support regarding investments in fleet renewal

Reputational

General

- 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

SAF-related

- Exposure to litigation linked with low credibility of SAF for decarbonization or use of feedstocks causing adverse environmental outcomes

Aircraft-related

- Limited social license to consume renewable energy if not demonstrably additional

Market

General

- 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

SAF-related

- Inability to secure sufficient volumes and/or competitive prices for SAF to meet public targets
- Inability to secure synthetic fuels volumes

Aircraft-related

- Inability to access enough energy due to limited green hydrogen availability
- Inability to secure enough electric planes

Technology

General

- Substitution of existing products and services with lower emissions options
- Unsuccessful investment in new technologies
- Costs to transition to lower emissions technology

SAF-related

- Power-to-Liquid SAF and other SAF technology pathways could not deliver expected emissions reductions
- Synthetic fuels technology pathway could not scale as expected

Aircraft-related

- Network limitations due to lack of required infrastructure
- Limited talent availability for maintenance and operation of next generation aircraft

The main physical risks identified were the impossibility to nominally operate in some airports in the future, increased flight disruptions due to storms and more frequent turbulence. These risks were not considered likely to have a significant impact on operational continuity in the short or mid-term, given the Group's balanced network between the different continents and the flexibility of its fleet, which minimizes the economic consequences of extreme weather events.

The main transition risks identified were increased compliance costs, limits on license to operate, increased pressure from different stakeholders to achieve sustainability targets, and lower demand, specially for short-hauls. The Group is continuously assessing the impacts of these risks on its business model and adapting its strategy accordingly.

The double materiality analysis has taken the results of the climate risk assessment into consideration (including physical risks that might become more significant in the long term). 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) .

While the climate risk assessment has 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 contribute to the development of 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. An adaptation plan is in the process of being formalized and will complement the Transition Plan.

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 target and mitigate climate-related risks.

4.2.1.3.3 Policies – Climate change (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 adaptation plan is in the process of being formalized and will complement the climate policy.

The policy defines the responsibilities within the Group for its implementation and 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 climate policy is reviewed annually for any major events that may impact its content (including changes in scope or regulatory developments).

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 administrative, management and supervisory bodies (GOV-2)". The policy is available on the Group's website.

4.2.1.3.4 Targets – Climate change (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 2025, based on the current conditions of the industry and forecast for the 2030 horizon:

- a reduction of 17.8% in scope 1 and scope 3 jet fuel GHG emissions, per revenue ton kilometer (RTK) by 2030 from a 2024 baseline[1].
- baseline for Air France-KLM in 2024: 928 gCO_2eq/RTK

Air France-KLM's GHG emission reduction target was defined and validated by the stringent, sector-specific methodology of the Science Based Targets initiative (SBTi). This process ensures robustness and alignment of target with the latest climate science and the Paris agreement, specially the trajectory required to limiting global warming to 1.5°C above pre-industrial levels[2].

[1] Total scope 1 and scope 3 category 3 GHG emissions divided by the amount of revenue generating freight & passengers transported over a distance.
[2] and holding the increase in the global average temperature to well below 2°C above pre-industrial levels

SBTi established Air France-KLM target using the latest strategic inputs provided by the Group, including the comprehensive 2024 GHG inventory and the Group's latest production forecast for 2030. The Group's latest production forecast is aligned with its latest strategic plan, including the outcome of sensitivity analyses regarding some potential delays in the introduction of new-generation aircraft. The resulting target of -17.8% CO_2e/RTK versus 2024 represents the contribution required from Air France-KLM to achieve the global 1.5°C warming limit, based on SBTi independent methodology and within SBTi established aviation carbon budget[1].

Air France-KLM's has obtained the validation of its target for its "well-to-wake" (WTW) emissions, which are determined by accounting scope 1 and scope 3 emissions generated during jet fuel production, transportation and distribution. This covers 89% of Air France-KLM GHG emissions in 2025 (91% in 2024). The target excludes other scope 3, non-jet-fuel-related emissions (11% of the Group's emissions, 9% in 2024), as well as scope 2 (0.03% of the Group's emissions, 0.03% in 2024). SBTi considers scope 2 negligible for the aviation sector and excludes it from the sectorial target.

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 in line with its 2024 level (+/- 5% of 32,23 $MTCO_2e$ scope 1+3.3).

Carbon removals are not included in the Group's plan to reach its 2030 target, according to SBTi methodology. However, carbon credits will be sourced to comply with applicable regulations (refer to section on carbon removals). When accounting for planned carbon removals, net GHG emissions (scopes 1+3 Jet fuel) in absolute value in 2030 would be below 2024 level[2].

This target is applicable to the airline business units of Air France-KLM, namely Air France, KLM Royal Dutch Airlines, Transavia France, Transavia Netherlands, and the Air France KLM Martinair Cargo.[3]

The table below indicates the relative importance of each lever of the Transition Plan in reaching this target (for scopes 1 and 3.3):

	Business model	Operational efficiency	Fleet renewal	Jet fuel upstream efficiency	SAF
2030	1-2%	8-12%	55-60%	1-2%	30-35%

Temperatures anomalies, resulting from higher temperatures, could influence the effectiveness of some of the levers. Specifically, higher temperatures and acute climate events could disrupt aircraft supply activities and SAF supply (refer to section 4.2.1.3.2 "Material impacts and risks and interaction with strategy and business model – Climate Change (SBM-3)").

The Group has put in place an internal tool for the follow-up of the Transition Plan. The target progression is followed up regularly on different instances of the Group (refer to governance section) and reported monthly to the Group management team.

Although the Group's climate ambition is embedded into its fleet renewal, network planning and capital allocation decisions, the Group's Transition Plan and its associated GHG emissions reduction target 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/CO_2 taxation all over the world and especially in Europe to avoid competitive distortion.

(1) Air France-KLM's initial SBTi GHG emission reduction target by 2030 was on a baseline year of 2019 and was in line with a Well Below 2°C scenario. This update allows the Group to be in line with SBTi's latest technical report and validates the Group target as aligned to a 1.5°C scenario.

(2) Net emissions means gross emissions minus any reduction resulting from the cancellation of carbon credits purchased to comply with (i) Article 147 of Law No. 2021 1104 of 22 August 2021 and (ii) the CORSIA regime. Funds allocated to comply with the EU Emissions Trading System (EU ETS) are not part of the Group Transition Plan.

(3) Including HOP! and Cityhopper

The airline sector's pathway to Net Zero will require robust collaboration and substantial investment from all stakeholders (airlines, aircraft manufacturers, energy producers, etc...), an enabling regulatory and public policy framework, 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.

In 2025, the GHG intensity performance was 913 gCO_2eq/RTK, which represents a 1.6% decrease compared to 2024 (928 gCO_2eq/RTK). The contribution of the different levers are as follows:

- Fleet Renewal 49% (+8pts new-generation aircraft : from 26.9% in 2024 to 34.6% in 2025)
- SAF 43% (+1.6pts of incorporation : from 1.25% in 2024 to 2.87% in 2025)
- Operational measures 8%

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

Flight operations

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.

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. 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 is fully digital, 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, also offering a fully digital customer journey.

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 has a 44% reduced noise footprint compared to the previous generation aircraft;
- Airbus A320neo aircraft family, which consumes 15% less fuel per passenger km and has a 50% reduced noise footprint compared to the previous generation aircraft;
- Airbus A220 which consumes 20% less fuel per passenger km and has a 34% reduced noise footprint compared to the previous generation aircraft;
- Embraer 195-E2 which consumes 9% less fuel per flight, emits 31% less CO_2 per passenger km and has a 63% reduced noise footprint compared to the E-190 that it is replacing.

At the end of 2025, the Group had 34.6% of its fleet composed of new-generation aircraft. This compares to 26.9% of new-generation aircraft at the end of 2024. The Group plans to have up to 80% of its fleet composed of new-generation aircraft by 2030.

The details of the Group's aircraft orders can be found in the Note 38 "Flight equipment orders" to the financial statements.

For the details of the financial resources allocated to this lever, refer to the paragraph "Resources allocated to the Transition Plan" at the end of this section.

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 of flight safety.

Weight reduction: The Group recognizes that reducing the weight of the aircraft is a significant factor in reducing CO_2 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 or styrofoam whenever possible and the use of lightweight cargo containers. Additionally, weight has also been reduced thanks to the use of lighter material for carpet in the cabins.

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

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.

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 has partnered up 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. Since 2024, KLM Cityhopper uses the OptiClimb module of OptiFlight, designed to optimize the take-off path of aircraft. In 2025, KLM starting using it for the A321neo and Air France made OptiClimb available 24 hours a day from CDG airport since April 2025, thanks to collaboration with Air Traffic Control (ATC).

The Group's airlines work closely with French and Dutch ATC 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 also plays an active role in the Single European Sky ATM (Air Traffic Management) Research and Development (SESAR) program. This European initiative brings together European institutions and a broad community of industry partners to modernize the management of European airspace and foster more efficient flight operations, supporting long-term fuel-burn and CO_2 reduction objectives. Through its involvement, Air France-KLM intends to contribute to shaping the evolution and future deployment of enhanced route and trajectory management solutions, which are expected to deliver efficiency gains as they are introduced across the network. SESAR also addresses the wider environmental dimensions of air traffic management, including CO_2 and non-CO_2 effects, noise and local air quality.

Jet fuel upstream efficiency

This lever aims at working with Air France-KLM's fuel suppliers to revise the emission factor currently used for jet fuel to reflect the better efficiency of the Group value chain compared to the ICAO average currently used. That should be possible by lowering emissions involved in the process of fuel extraction, transportation and refining operations

Additionally, as the other sectors of the Group overall supply chain reach decarbonization milestones, the average fuel emission factor should also decrease

This lever will be worked on in the coming years.

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[1].

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 has the ambition to incorporate up to 10% of SAF in 2030. In 2025, the Group incorporated 244 kilotons of SAF, representing 2.87% of the total fuel consumption. This compares to the 1.25% of the total fuel consumption in 2024.

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 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. This agreement builds 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 2025, Air France-KLM has started implementing a SAF registry and platform to ensure transparent tracking, allocation, and reporting of SAF volumes and associated environmental attributes. The platform prevents double counting and enables scalable participation across all value-chain stakeholders.

[1] https://transport.ec.europa.eu/transport-modes/air/environment/refueleu-aviation_en

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.

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.

Supporting SAF research and the development of SAF production in Europe: Air France-KLM has been involved in supporting SAF developments for 15 years. 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. SkyNRG, co-founded by KLM, has been instrumental in developing and supplying SAF since 2016. SkyNRG is currently developing an SAF production plant in the Netherlands and KLM is committed to offtaking 75% of production .

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 aims to save over one hundred kilotons of CO_2 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. 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.

Engaging customers and partners: Air France and KLM were the first carriers to offer their customers SAF programs 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 CO_2 emissions. The SAF programs had more than 180 companies contributing in 2025. 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.

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.

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.

The voluntary SAF contribution by Air France and KLM customers is on top of the mandatory SAF surcharge as from 2025.

Since 2024, Air France and KLM are the first European airlines to proactively display, in a transparent manner, CO_2 emissions for a flight in the flight selection page on their websites. This CO_2 emission display includes detailed information on the impact of air travel, calculation methods and available levers to reduce one's travel impacts.

Public support to SAF development: In 2025, the use of eligible SAF by Group airlines on flights subject to the EU Emissions Trading System (EU ETS) received financial support under the FEETS mechanism. Pursuant to Article 3c(6) of Directive 2003/87/EC, this support was provided through the free allocation of EU ETS emission allowances, designed to partially or fully offset the price difference between eligible SAF and conventional fossil kerosene. This mechanism, backed by a dedicated reserve of 20 million allowances for the period 2024–2030, aims to promote the uptake of SAF. The subsidy allocated in 2025 was determined based on the CO_2 emissions reported by each airline for the year 2024.

[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. 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.

[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.

For the reporting year 2025, support received amounted to[1]:

- Air France: €16,471,021
- KLM: €5,855,280
- Transavia France: €703,141
- Transavia Netherlands: €1,590,338

This co-funding by the EU Emissions Trading System enabled the Air France-KLM Group to increase the volume of SAF used and reduce its carbon footprint.

Ground operations

Reducing GHG emissions of Passenger and Cargo-related activities at Paris CDG, Paris-ORY and Amsterdam-Schipol airports

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 2025, this accounted for 11% of Air France-KLM's total scopes 1, 2 and 3 emissions (9% in 2024).

The Group has been actively pursuing measures to reduce CO_2 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.

At Schiphol airport, in 2025, the taxibot process has been scaled to over 80 operations with the Boeing 737, using 2 hybrid powered taxibots. A third taxibot has been ordered, this will be the first fully electrical powered version. Furthermore, KLM Cityhopper has assisted in the certification process for the taxibot to be able to be used for Embraer aircraft.

The CDG Hub is continuing to electrify its fleet with 15 wide-body aircraft tractors by the end of 2025, the gradual harmonization of its entire fleet of electric loaders and the introduction of the first e-GPUs (electrical Group Power Unit). Since July 1, 2024, CDG's Ground Services Equipment (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 CO_2 emissions by 77% compared with the diesel it replaces[2].

In 2025 71% of the ground equipment at the Group hubs were electrically powered (69% in 2024).

Partnerships with suppliers allow the Group to further improve its strategy such as the launch by Air France Cargo of an electric Orly-CDG shuttle and the test of an electric truck on the runway with one of its logistics providers.

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.

At KLM, all electricity used is renewable electricity purchased to the company Engie, which started its operations in 2008. The renewable energy purchased has its origin from various European countries (Italy, Norway, Spain, Sweden, Finland, Portugal and France) and is all wind-generated energy.

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 19.5% in 2025 compared with 2019, in excess of national targets (-10%).

(1) Amount calculated based on the number of allowances granted and the average annual EU ETS emission allowances (EUA) price as published by the European Commission

(2) https://base-empreinte.ademe.fr/

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 (AZEA)**, 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 after market 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.
- In 2025, Air France, KLM and Transavia have participated in the 4th **The Aviation Challenge (TAC).** The initiative was embraced by the SkyTeam alliance and 26 airlines operate showcases flights and promote real-life initiatives aimed at reducing the environmental impact of their operations. Through testing sustainable alternatives such as providing circular on-board products, lightweight materials, SAF and IT solutions, TAC acts as an accelerator for change, encouraging airlines and industry players to lead the transition.
- 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 CO_2 reduction, air quality improvement, and biodiversity preservation with the involvement of the entire sector's value chain.
- Air France leads the SAF Working Group within the **French Strategic Committee of New Energy Systems (CSF NSE)**, whose aim is 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 French and European 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 CO_2 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.
- 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.
- KLM has a **Zero Emission Aviation (ZEA) program** in place which monitors and assesses new aircraft propulsion technologies to find profitable, low-emission solutions. By collaborating across the aviation sector, KLM uses its expertise to support sustainable aircraft development, infrastructure, and regulatory frameworks. Partners include Conscious Aerospace, Elysian, ZeroAvia. Flying Vision, EXAELIA, and POWER UP.

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 designed and rolled out “My Climate School”, a mandatory online training program on environmental transition aimed at creating a common knowledge base on climate issues and Air France’s environmental commitments. The goal of this training program is to raise awareness, build climate literacy, and embed sustainability into decision-making, supporting Air France’s decarbonization strategy.

With a first launch in 2024, My Climate School was fully rolled-out in 2025. The training content (themes and length) was custom made according to the employees profiles (managers/non managers) and activities (ground, inflight, cargo, E&M, etc.) to ensure its relevance and impact.

Transavia France has trained its managers to the cause and consequence of Climate change with the Climate Fresk tool.

Non-CO_2 effects

The climate impact of aviation is larger than CO_2 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-CO_2 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, NOx 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-CO_2 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 CO_2. 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 CO_2 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 CO_2 emissions generated by the avoidance. This solution may also pose operational challenges when implemented, particularly in an increasingly congested airspace.

[1] Teoh et al., Imperial College.

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[1]. Currently SAF is used in relatively small and diluted quantities so it does not have a noticeable non-CO_2 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.

As the science matures on fuel composition, new questions arise. If SAF of hydroheated kerosene is used, contrail ice crystals may still form particle matter[2], making the effect of this solution on the climate impact of aviation uncertain. Although non-CO_2 monitoring and reporting under the EU-ETS has started in 2025, there is still no international consensus on the methodology to convert non-CO_2 effects into CO_2 equivalents. Neither is there scientific consensus on the efficacy of different levers to mitigate non-CO_2 effects, nor is there guidance on how to treat the trade-off they require with CO_2. Therefore, the Group Transition Plan does not take non-CO_2 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-CO_2 effects and speed up the implementation of mitigation measures.

Air France-KLM has been involved in different initiatives for many years including IAGOS (In-Service Aircraft for a Global Observing System) since 2013, and the "*Conseil pour la recherche aéronautique civiles*" (CORAC). Further, Air France has been working in close collaboration with Météo France to help further improve their forecasting on the contrail risk area since 2021.

In 2025

- As part of CICONIA[3], an Air France contrail avoidance trial took place in December 2024 and January 2025, on approximately 100 long-haul flights. The "shadow" trial consisted in studying alternative routings to limit persistent contrail generation, in real operational conditions. Further Air France has been preparing for a live contrail avoidance trials that will take place early 2026.
- KLM is involved of the Advisory Boards of EU-funded research project BeCoM (Better Contrail Mitigation), which attempt to significantly reduce global mean contrail radiative forcing and A4AClimate, investigating how modern engines and SAF influence contrail formation.
- Air France and KLM have raised awareness internally among staff on non-CO_2 and the impact of mitigation on the planning and execution of flights. KLM has raised awareness among dispatchers and highlighted opportunities of what they can do to better take non-CO_2 effects into account in flight planning. Air France has integrated a mandatory training on non-CO_2 effects for all its pilots.

Resources allocated to the Transition Plan

The capital expenditures (CapEx) and operational expenditures (OpEx), needed to implement the Transition Plan have been carefully assessed and are included in the 5-year strategic plan of the Group (refer to the note 2.1 "Valuation of assets and consideration of environmental risks and commitments" to the financial statements).

The Group's investments to support its Transition Plan mainly concern the fleet renewal for new-generation aircraft.

For its fleet renewal, the Group plans a yearly investment between €2.500 and €3.200 million up to 2030. This is a gross investment amount calculated before sale and leaseback operations, and it includes the right-of-use assets of new operating leases. These investments will be financed in line with the Group's assets financing policy, depending on market conditions at the time of the aircraft acquisition, notably through structured bank financings, financial leases, or operational leases.

This normative amount cannot be directly linked to the taxonomy-aligned CapEx (see section 4.2.4 "EU Taxonomy"), due to the restrictive technical screening criteria applied to the air transport activities that refers to a global, industry-wide replacement ratio which does not fully reflect the Group's ambitious investments in its fleet renewal. For this reason, it is also not possible for the Group to set any future alignment target.

For more details on the Group's current investments and expenses related to sustainable development and climate, refer to the Note 2 "Sustainable development and climate" to the financial statements.

(1) https://www.nasa.gov/news-release/nasa-dlr-study-finds-sustainable-aviation-fuel-can-reduce-contrails/
(2) https://elib.dlr.de/216608/
(3) 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-CO_2 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.

4.2.1.4 METRICS – CLIMATE CHANGE

The indicators presented below reflect Air France-KLM Group's climate footprint and the operational implementation of its Transition Plan, and allow for the quantitative measurement of progress.

Given the structure of Air France-KLM's activities, these indicators primarily reflect changes in emissions and energy consumption related to flight operations, which constitute the predominant part of the Group's climate footprint.

Their analysis should be considered in conjunction with the strategic levers described in the "Climate Strategy" section (see section 4.2.1.3), particularly fleet renewal, the incorporation of SAF, and operational efficiency measures.

4.2.1.4.1 Energy consumption and mix (E1-5)

Total energy consumption and energy intensity

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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	2025			2024		
In MWh	**Total**	**Flight Ops**	**Ground Ops**	Total	Flight Ops	Ground Ops
Renewable						
Fuel	**3,055,686**	2,999,248	56,438	1,318,359	1,272,511	45,847
Of which: SAF	***3,001,720***	*2,999,248*	*2,472*	*1,272,511*	*1,272,511*	–
Electricity, heat, steam, cooling	**153,807**	–	153,807	147,867	–	147,867
Self-generated non-fuel	**1,841**	–	1,841	1,774	–	1,774
Total renewable energy consumption	**3,211,335**	**2,999,248**	**212,086**	**1,468,000**	**1,272,511**	**195,489**
Share of renewable in total energy consumption	**3.1%**	**2.9%**	**41.9%**	**1.4%**	**1.3%**	**38.6%**
Fossil						
Fuel	**101,857,081**	101,696,591	160,490	100,533,677	100,363,490	170,186
• From natural gas	**109,109**	–	109,109	106,615	–	106,615
• From crude oil and petroleum products	**101,747,973**	101,696,591	51,382	100,427,061	100,363,490	63,571
Of which: Conventional Aviation Fuel	***101,740,167***	*101,696,591*	*43,576*	*100,409,691*	*100,363,490*	*46,200*
• From coal and coal products	**–**	–	–	–	–	–
• From other fossil sources	**–**	–	–	–	–	–
Electricity, heat, steam, cooling	**48,253**	–	48,253	45,087	–	45,087
Total fossil energy consumption	**101,905,334**	**101,696,591**	**208,743**	**100,578,764**	**100,363,490**	**215,273**
Share of fossil in total energy consumption	**96.9%**	**97.1%**	**41.2%**	**98.5%**	**98.7%**	**42.5%**
Nuclear						
Total nuclear energy consumption	**85,747**	**–**	**85,747**	**95,789**	**–**	**95,789**
Share of nuclear in total energy consumption	**0.1%**	**–%**	**16.9%**	**0.1%**	**–%**	**18.9 %**
Total energy consumption	**105,202,416**	**104,695,839**	**506,576**	**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	**2025**	2024
Total Net Revenue as reported in the financial statements (€ millions)	**33,007**	31,459
of which: Revenues from fossil fuel trading activities[1]	***7***	*8*
Energy intensity (in MWh/k€)	**3.19**	3.25

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

Air France-KLM consumed 3.19 MWh of energy for each thousand euros generated in net revenue in 2025 (3.25 MWh 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

REPORTING PRINCIPLES

Direct and indirect CO_2eq 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 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 CO_2 emitted for 1 ton of fuel consumed (corresponding to the ICAO standard). Given the very low levels of CH_4 and N_2O produced by modern aircraft engines, the Group considers in this situation that the CO_2 emitted is similar to the CO_2 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.

Biogenic emissions - SAF

The biogenic emissions from the consumption of SAF are reported separately from scope 1 emissions, in line with the combined GHG protocol and ESRS E1-6 AR43 c) requirements, and IATA guidance on SAF Reporting.

CO_2 reduction from SAF is calculated based on the actual LCA value provided by SAF suppliers (or standard value when not available at the time of the reporting preparation), compared to the standard emissions calculated as indicated for scope 1 GHG emissions from flight operations (see above).

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 CO_2emissiefactoren 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 CO_2 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 0.8042 tons CO_2eq emitted for 1 ton of fuel consumed to calculate its scope 3 emissions, determined from the emission factor defined by the ICAO (89 gCO_2eq/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. The SAF-related emissions are reported based on the actual LCA value provided by SAF suppliers (or standard offset value when actual value not available at the time of the reporting preparation).
- **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. As transportation can occur both ways with freight forwarders (inbound and outbound), Air France-KLM reports its indirect emissions related to transportation in a single, aggregated category, without distinction between upstream and downstream activities, due to integrated logistics operations and data limitations.
- **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 :

GHG Emissions

(in ktCO2eq)	Base year (2024)	2024 (restated)	2025	%	2030
Scope 1 GHG emissions					
Flight Ops - Jet Fuel	25,656	25,656	**26,090**	2%	Targets – Climate change (E1-4)
Ground Ops		33	**35**	5%	
Total gross scope 1 GHG emissions		**25,689**	**26,125**	**2%**	
Percentage of gross scope 1 GHG emissions from regulated ETS		23 %	**23 %**		
Biogenic emissions - SAF	325	325	**772**	138%	
CO_2 reduction from biogenic emissions - SAF	(290)	(290)	**(685)**	136%	
Scope 2 GHG emissions					
Total gross scope 2 GHG emissions location-based		**19**	**20**	**4%**	
Total gross scope 2 GHG emissions market-based		**9**	**10**	**7%**	
Scope 3 GHG emissions					
1. Purchased goods and services		1,562	**1,658**	6%	
2. Capital goods		848	**1,014**	20%	
3. Fuel and energy-related activities	6,539	6,550	**6,674**	2%	Targets – Climate change (E1-4)
• *Jet Fuel*	*6,530*	*6,530*	**6,640**	*2%*	
• *SAF*	*9*	*9*	**22**	*148%*	
• *Ground Ops*		*11*	**12**	*11%*	
4 & 9. Upstream and downstream transportation and distribution		307	**389**	27%	
5. Waste generated in operations		18	**17**	(4%)	
6. Business travel		58	**87**	49%	
7. Employee commuting		48	**84**	75%	
15. Investments		245	**694**	183%	
Total gross scope 3 GHG emissions		**9,636**	**10,618**	**10%**	
Total gross GHG emissions location-based		**35,344**	**36,762**	**4%**	
Total gross GHG emissions market-based		**35,334**	**36,752**	**4%**	

Following the publication in 2025 of updated monetary emissions factors by Ademe (Base Carbone), reflecting the high inflation and the decarbonization efforts of the global economy since their latest publication, Air France-KLM has restated its greenhouse gases inventory for the year 2024, to ensure comparability with the figures reported for the year 2025 and give a more accurate estimation of its indirect emissions calculated through a spend-based approach (scope 3). The total restated scope 3 emissions for the year 2024 stands at 9,636 million tons of CO_2, compared to 11,200 million tons of CO_2 as published in the Universal Registration Document for the year ended December 31, 2024.

Additionally, in line with the GHG Protocol and IATA guidelines for SAF accounting and reporting, the emissions related to SAF are now reported on a separate line in the GHG table, with the CO_2 reduction generated by SAF production and usage.

GHG emissions intensity

REPORTING PRINCIPLES

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

GHG Intensity		
(in $tCO_2eq/k€$)	**2025**	2024 (restated)
Total Net Revenue (in € million)	**33,007**	31,459
Gross GHG emission intensity location-based	**1.11**	1.12
Gross GHG emission intensity market-based	**1.11**	1.12

Air France-KLM emitted 1.11 metric tons of GHG for every thousand euros generated in net revenue in 2025 (1.12 in 2024).

Specific GHG intensity indicators

REPORTING PRINCIPLES

CO_2 footprint for passenger transport

This indicator represents the fuel efficiency of the passenger transport activity of Air France-KLM, expressed in grams of CO_2 emissions per Revenue Passenger Kilometer (gCO_2eq/RPK)

This indicator covers CO_2eq 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.).

CO_2 intensity (SBTi standard)

CO_2 intensity corresponds to the SBTi standard to which Air France-KLM has adhered and corresponds to the CO_2 emissions of the Air France-KLM passenger and cargo transport activities, expressed in grams of CO_2 equivalent per Revenue Ton Kilometer (gCO_2eq/RTK).

This indicator covers CO_2eq 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 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		Air France-KLM Group			Air France Group		KLM Group	
	Target (2030)	**2025**	2024	Baseline (2024)	**2025**	2024	**2025**	2024
GHG footprint for passenger transport (in gCO_2eq/RPK)	n/a	**67**	72	n/a	**70**	72	**63**	71
GHG intensity (SBTi standard)[1] (in gCO_2eq/RTK)	-17.8% (vs. 2024)	**913**	928	928	**941**	962	**872**	883

[1] *At constant method (see note 4.2.1.3.4 in the Universal Registration Document 2024), this would have been a performance of 904 gCO_2eq/RTK in 2025 corresponding to a decrease of 4.6% compared to 2019 baseline of 948 gCO_2eq/RTK for Air France-KLM*

The evolution of the GHG intensity (SBTi standard) results mainly from the continued renewal of the fleet and the increase in the SAF incorporation rate, partially offset by exogenous factors likely to influence operational efficiency.

4.2.1.4.3 GHG removals and GHG mitigation projects financed through carbon credits (E1-7)

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. Since 2024, it covers 100% of domestic emissions.

The emissions from 2024 to be covered by the projects financed in 2025 were around 633 thousand tons of CO_2, of which 50% were addressed with European-based projects and the remaining 50% with international projects. 50% of the credits bought were from reduction projects and 50% from sequestration projects. Air France choose 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.

Credits bought per standard as follows:

- Verra: 316,899 credits
- LBC: 285,203 credits
- Huella de Carbono: 31,686 credits

French projects are based on the French *Label Bas Carbone* methodology developed by the French government.

Since 2023, Air France supports the Greenfields 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.

Air France diversified its available projects with a significant share of agricultural projects in addition to forestry projects. In 2025, 33 out of the 65 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

REPORTING PRINCIPLES

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)	**2025**	2024
Credits related to previous years that were cancelled in the reporting year	**399**	380
Credits planned to be cancelled in future years	**1,374**	1,017
Share of credits under recognized quality standard	**100%**	100 %
Share of projects within the EU	**50%**	50%
Share of credits qualified as corresponding adjustments	**– %**	– %

4.2.1.4.4 Internal carbon pricing (E1-8)

Achieving the Group emissions reduction objective in an economically efficient manner requires recognizing that carbon emissions have a cost, in order to guide both usage and investments towards decarbonized solutions. A sufficiently high internal carbon price signal is essential to reflect the climate externality and to ensure that business decisions are aligned with long-term environmental targets.

Internal carbon pricing is a tool used by Air France-KLM to factor the cost of CO_2 emissions into business decisions, such as operational trade-offs and investments. This is achieved through the assignment of a monetary value to CO_2 emissions—called internal carbon pricing—helping the Group assess the financial impact of decisions affecting its emissions, and encouraging the adoption of more sustainable technologies and practices.

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 regulatory price reflects the real cost of carbon including all regulatory costs according to destination: Article 147 in France, EU-ETS in Europe, CORSIA in international destinations and mandated SAF blending. This Internal Carbon Price is already included in the economic evaluation of all business decisions as a mandatory cost to include in every business case. Additionally, a strategic price is used as a decision-support tool and reflects the cost of self-financed decarbonization through additional SAF. These carbon prices are based on projected prices for 2030 and may be over estimated or underestimated.

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 (see Note 21 "Impairment" to the financial statements). It is an internal tool which is not validated by a third party.

	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

Air France-KLM estimates that the share of its total GHG emissions covered by the internal carbon pricing schemes corresponds to around 35% (scopes 1 and 3.3).

4.2.1.4.5 Specific metrics – Climate Change

The specific indicators presented below complement the overall indicators by providing a detailed analysis of the operational levers used by the Group within the framework of its Transition Plan.

They constitute essential management tools for monitoring the implementation of the Transition Plan, identifying areas for improvement, and guiding short- and medium-term operational and investment decisions.

Share of new-generation aircraft in the fleet

REPORTING PRINCIPLES

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

The following aircraft within the Air France-KLM fleet 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 (including B787-9 and B787-10).

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

New-generation aircraft	**2025**	2024
Share of new-generation aircraft in Air France-KLM Group fleet	**34.6%**	26.9%

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 CO_2 emissions, while also generating reduced noise footprint. In 2025, the Group had 34.6% of new-generation aircraft in its fleet, compared to 26.9% in 2024.

For the detailed information on the Air France-KLM fleet, refer to section 1.5 “Fleet”. The flight equipment orders and the delivery planning of aircraft can be found in Note 38 “Flight equipment orders” to the financial statements.

Electrification of ground support equipment

In order to reduce the carbon footprint of its ground operations in their main hubs, the Air France-KLM Group’s airlines are investing in the electrification of their fleet of ground support equipment.

Ground Support Equipment	**2025**	2024
Ground Support Equipment electrification	**71.1%**	68.7%

In 2025, the Group operated 71.1% of electrified ground support equipment in its hubs of Paris and Amsterdam, compared to 68.7% in 2024.

SAF incorporation rate

REPORTING PRINCIPLES

The CO_2 reduction from the use of SAF is calculated based on the weighted average of the specific percentage of CO_2 reduction for the SAF batches and their respective volumes of SAF delivered. The SAF CO_2 saving is based on the information provided by the suppliers from PTDs (Post Transfer Documents).

SAF	Air France-KLM Group		Air France Group		KLM Group	
	2025	2024	**2025**	2024	**2025**	2024
SAF consumption (in ktons)	**244**	103	**87**	46	**157**	57
SAF incorporation rate	**2.87%**	1.25%	**1.71%**	0.94%	**4.60%**	1.71%
CO_2 reduction from SAF (scope 1 & 3) (in ktons of CO_2)	**(859)**	(363)	**(293)**	(154)	**(566)**	(206)

In 2025, the Group incorporated 244 kilotons of SAF, representing 2.87% of the global jet fuel consumption, compared to 103 kilotons representing 1.25% of the total jet fuel consumption in 2024 .

The CO_2 reduction from SAF consumption compared to conventional jet fuel amounted to (859) kilotons of CO_2 in 2025, compared to (363) kilotons of CO_2 in 2024.

4.2.1.5 NATIONAL LOW-CARBON STRATEGY (SNBC)

4.2.1.5.1 Introduction

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], 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.

Please note that the SNBC scope under consideration represents around 6% of the Group's CO_2 emissions.

The environmental transition is part of Air France-KLM strategic priorities. Environmental transition 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 4.4.3 "Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)".

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.

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

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 (PPE). 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	–%	2%	–%	-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	–%	0.5%	2.4%	4.3%	50.0%

4.2.1.5.3 Consistency of Air France-KLM's CO_2 emissions roadmap with the SNBC targets

Main hypotheses retained

In the definition of the Air France-KLM Group's CO_2 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 (Please refer to section 1.5.1 "The Air France group fleet");
- 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 CO_2 are emitted (Please refer to section 4.2.1.4.2 "Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)"). 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; There is no difference in the SAF incorporation assumptions in the specific SNBC trajectory below and those in the Group's overall decarbonization roadmap. By 2030, the Air-France-KLM Group aspires to go beyond the French and European mandate of 6% for flights departing from Europe as the Group has the ambition to incorporate up to 10% of SAF in 2030.
- 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.

[2] AMS scenario, *Avec mesures supplémentaires* or With Additional Measures.

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/Saint-Martin; 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.

From March 2026, the Air France-KLM group will reorganize its flight operations in Paris. Air France flights departing from Paris-Orly (ORY) to metropolitan France and Europe will be partially transferred to its low-cost airline Transavia, and Air France flights to overseas departments and territories (DOM-TOM) from ORY will be relocated to Paris-Charles de Gaulle (CDG) and will continue to be operated by Air France. Within the SNBC scope, the projected impact on CO_2 emissions for the Group is estimated to be a reduction of 11%.

This schedule is supported by activity projections per airline through to the end of 2030 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, similar to 2019 load factor.
- The fleet plan (Please refer to section 1.5.1 The Air France group fleet) 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 2030;
  - 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 CO_2 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 CO_2 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 (E1-3).

Type of emissions

Scopes 1, 2, 3

(please refer to section 4.2.1.4.2 "Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)")

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 99.9% in 2025 of the Group's total direct emissions (99.9% in 2024). Ground operations (engine test benches, runway vehicles, etc.) represent 0.1% of the direct emissions in 2025 (0.1% in 2024). 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 CO_2 emission trajectory is based on scope 1 CO_2 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)[1]. 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).

[1] (see OMINEA_2023.pdf (https://www.citepa.org/wp-content/uploads/publications/ominea/OMINEA_2023.pdf)

Greenhouse gas emissions and the focus on CO_2 emissions

The trajectory outlined below is based on CO_2 emissions, consistent with the AMS scenario for aviation.

The other greenhouse gas emissions (e.g., N_2O, CH_4) that are generally presented in the form of CO_2 equivalent (CO_2eq) are marginal relative to the CO_2 emissions from aircraft, with a contribution of around 1%, as shown in the CITEPA data (https://www.citepa.org/fr/secten/).

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 CO_2.

	Air France-KLM's emissions in 2025	
	kTons	%
CO_2 (scope 1)	26,125	99.96%
NO_X (< 3,000 ft)	10	0.04%
SO_2 (< 3,000 ft)	1	–%
Total	**26,135**	**100%**

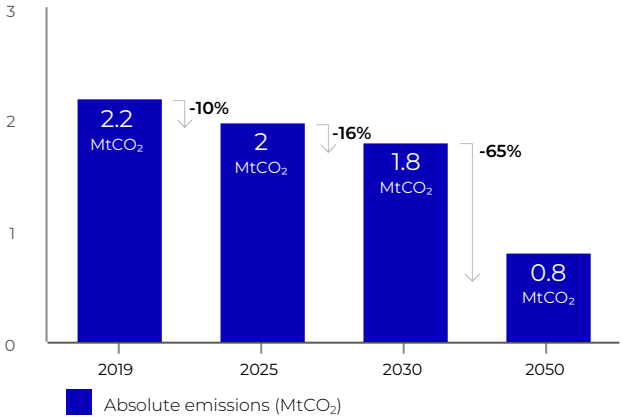
Air France-KLM's emission reduction targets over the short, medium and long term

On the SNBC scope, i.e., domestic air transportation in France, the Air France-KLM Group has set itself the following short, medium and long-term ambitions for reducing CO_2 emissions in absolute terms (excluding carbon offsetting):

- in the short term (2025), a -10% reduction relative to 201[1];
- in the medium term (2030), a -16% reduction relative to 2019;
- in the long term (2050), a -65% reduction relative to 2019

For Air France-KLM Group intensity GHG target by 2030, please refer to section 4.2.1.3.4 "Targets – Climate change mitigation and adaptation (E1-4)".

AIR FRANCE-KLM CO_2 EMISSIONS REDUCTION AMBITION
(excluding carbon offsetting, SNBC scope)



[1] Air France-KLM kept the reference year 2019 for the SNBC despite the change of the Group target reference of 2024 (see section 4.2.1.3.4), in order to stay close to the AMS scenario using the reference year 2015. However, as the SNBC targets and results are expressed as percentage and in absolute terms, the SNBC results is assessed in relation to both the 2019 and 2024 references.

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			**2.0**	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]	2.3	1.9	1.8	**1.8**		
Air France-KLM relative emission results variation / 2019		-18%	-23%	**-23%**		

(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 CO_2 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 (E1-4)".

Furthermore, the long-term target for Air France-KLM's emissions (2050) is based on assumptions (see section 4.2.1.3.4 Targets – Climate change (E1-4) that are by their very nature uncertain and concern in particular an enabling regulatory and public framework, 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 2.30 $MtCO_2$ in 2019 to 1.77 $MtCO_2$ in 2025, 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 (2.87% in 2025 as compared to 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 (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 (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 (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 CO_2 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 CO_2 emissions saved. The methodologies for measuring the amounts of CO_2 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 Air France-KLM 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. Please refer to sections 4.1.3.1 The role of the administrative, management and supervisory

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

bodies (GOV-1) and 4.1.3.2 Information provided to and sustainability matters addressed by the administrative, management and supervisory bodies (GOV-2).

The capital expenditure (capex) and operational expenditures (opex), needed to implement the Air France-KLM Transition Plan have been carefully assessed and are included in the 5-year strategic plan of the Group. The Group's investments, to support its Transition, plan mainly concern the fleet renewal for new-generation aircraft. For its fleet renewal, the Group plans a yearly investment between €2.500 and €3.200 million up to 2030. Refer to section 4.2.1.3.5 Actions and resources – Climate change (E1-3).

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 CO_2 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.

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:

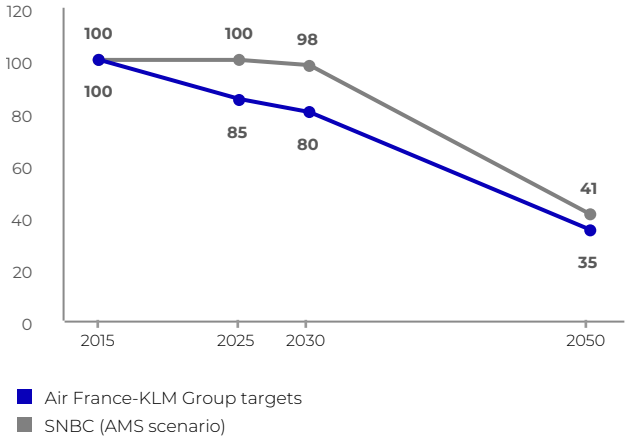
AIR FRANCE-KLM EMISSIONS TRAJECTORY RELATIVE TO THE AMS SCENARIO

(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			**2.0**	1.8	0.8
Air France-KLM absolute emissions results ($MtCO_2$)	2.3	1.9	1.8	**1.8**		

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 $MtCO_2$ in 2015 compared with 2.16 Mt in 2019).

The effectiveness of the Group's implementation plan is assessed through the annual publication of Air France-KLM's results. The results for 2025 reflect a strong performance compared with the AMS scenario, -23% reduction in absolute emissions in 2025 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 CO_2 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 CO_2 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 CO_2 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 aligned to a 1.5°C climate scenario. according to the Science-Based Targets initiative. See section 4.2.1.3.4 Targets – Climate change (E1-4)

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 (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 , and Train+Air, linking CDG and ORY to 41 routes. The customer journey is fully digital, 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 CO_2 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: "For travel in the future, let's rethink how we get around today".

Comparison of Air France-KLM's CO_2 intensity with that of the sector for 2019

There is no benchmark on SNCB perimeter 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 CO_2 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 CO_2 intensity expressed in gCO_2eq/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 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 CO_2 intensities are calculated on the basis of Scope 1+3 emissions from fuel, known as Well-to-Wake.

[1] https://sciencebasedtargets.org/resources/files/SBTi_Aviation_ Tool_v1.1_locked.xlsx

Themes	Topic	2025 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 (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 (SBM-2)
	Sustainable Procurement	4.1.2.2 Interest and views of stakeholders (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 (SBM-2)

4.2.2 AIR POLLUTION (ESRS E2)

4.2.2.1 MATERIAL IROS - AIR POLLUTION (ESRS 2 IRO-1)

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Air quality management	Negative impact (potential)	Release of potentially harmful non-CO_2 emissions (nitrogen oxides (NO_x), sulfur dioxide (SO_2)) generated during the ground operations and flight operations at low altitude	OO	Medium/ Long
	Risk	Financial risks due to activity constraints or new regulations related to air pollution		

For more information regarding the double materiality analysis and the identification of material IROs, 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 issues relevant to Air France-KLM activities, air quality management was material with regards to 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 (see section 4.2.1.3.5 "Actions and resources – Climate change (E1-3) – Non-CO_2 effects").

Air France-KLM risks related to air quality are twofold. First of all there are financial risks arising from regulations related to air pollution that have been assessed as medium- and long-term risks. Secondly, there is the risk of reduced activity due to reduction of slots.

With regard to air pollution, the analysis was limited to Air France-KLM's own activities.

The identification of environmental material impacts (including air pollution) is carried out through the regulatory monitoring system and the annual environmental analyses conducted for each site, in compliance with the ISO 14001 standard. Each operational site is screened for all its environmental impacts to identify material impacts and risks and to ensure compliance with regulatory standards. Potential environmental risks are examined based on a list of situations, including the risks of air, soil and water pollution.

4.2.2.2 AIR POLLUTION

4.2.2.2.1 Policies – Air pollution (E2-1)

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

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 SO_2) and ground operation emissions (NO_x and nvPM).

Air France-KLM refers to sector studies such as IATA for the choice of relevant air pollutants to be reported for an airline, being NOx at low altitude and SO_2, and ICAO for the emissions factors.

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

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 (GEC). The governance of environmental policies is detailed in section 4.1.3 "Governance" in compliance with the ESRS 2 GOV-1. 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*").

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 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 areas 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.

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 actively engaged in driving environmental progress.

4.2.2.2.2 Targets – Air pollution (E2-3)

Air France-KLM has been measuring its NO_x and SO_2 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 SO_2 emissions over the period. The Group has not defined separate targets for its NO_x and SO_2 emissions, since these are included in the overall greenhouse gas (GHG) reduction target (see section 4.2.1.3.4 "Targets – Climate change (E1-4)").

4.2.2.2.3 Actions – Air pollution (E2-2)

Air France-KLM monitors its NO_x and SO_2 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[4] recommendations. Most of these emissions come from aircraft movements, ground services equipment and aircraft engine tests during maintenance activities.

NO_x and SO_2 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 "Metrics – Air Pollution (E2-4)" below).

(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) 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

Air France-KLM complies with European and local air quality regulations aimed at protecting the population, such as European Directive (EC) No. 166/2006[1] listing the pollutants to be reported according to the defined emission thresholds listed in its Annex II, Directive 2008/50/EC[2] revised in April 2024, setting the types of pollutants to be monitored and the limits not to be exceeded, and Directive (EU) 2016/2284 NEC-2[3] on the reduction of national emissions.

For emissions related to the Group's industrial and maintenance activities, France and the Netherlands have a regulatory framework[4] 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, Air France-KLM's overall fleet renewal contributes to the reduction of NO_x emissions in the landing and take-off (LTO) phases.

In France, with the aim of limiting atmospheric pollutant emissions, Air France is focused on:

- reducing the use of aircraft Auxiliary Power Units (APUs) in collaboration with airport authorities through the installation of shore-side power supply facilities;
- promoting single-engine taxiing ("n-1 taxiing") for both departures and arrivals when conditions allow;
- the gradual electrification of vehicles and ground equipment used for aircraft handling.

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 (O_3), nitrogen dioxide (NO_2), 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 NO_2, PM10, PM2.5, O_3 and benzene levels have not exceeded the regulatory values, with the exception of NO_2, where overruns are found along the motorway serving the airport.

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"[5] 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.

Since 2025 KLM is actively involved in the program to reduce aircraft and diesel engine emissions (VDME program) to reduce the UFP exposure to ground staff employees. This program involves initiatives such as Seamless Inbound Flow (SIF), Tug Release Points (TRP) and Taxitowing and is conducted together with Schiphol Airport and Dutch ATC (LVNL).

[1] https://flyaware.iata.org/documents/airline-sustainability-reporting-handbook-edition-2
[2] (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)
[3] 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)
[4] "Code de l'environnement" (https://www.legifrance.gouv.fr) for France, "Wet milieubeheer" (https://wetten.overheid.nl) "Omgevingswet" (https://aandeslagmetdeomgevingswet.nl)
[5] https://minderhinderschiphol.nl/

4.2.2.3 METRICS – AIR POLLUTION (E2-4)

Air Pollution - NO_X and SO_2 emissions

REPORTING PRINCIPLES

NOx emissions – Flight operations

Air France-KLM reports on 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 communicated by the ICAO (International Civil Aviation Organization), which are then applied to the fuel consumed by the engines in each aircraft[1].

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.

SO_2 emissions – Flight operations

Air France-KLM calculates its SO_2 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.

[1] https://www.easa.europa.eu/en/domains/environment/icao-aircraft-engine-emissions-databank

The amounts of NO_x and SO_2 emitted by Air France-KLM through its operations are shown in the table below:

Air pollution

(in ktons)	**2025**	2024
NO_x emissions - Flight Ops	**9.5**	9.2
NO_x emissions - Ground Ops	**0.2**	0.2
Total NO_x emissions	**9.7**	**9.4**
Total SO_2 emissions	**0.7**	**0.8**

In 2025, the total NO_x emission amounted to 9.7 thousands tons (9.4 in 2024), while the total SO_2 emissions amounted to 0.7 thousands tons (0.8 in 2024).

4.2.3 RESOURCES USE AND CIRCULAR ECONOMY (ESRS E5)

4.2.3.1 MATERIAL IROS – WASTE MANAGEMENT AND CIRCULARITY (IRO-1)

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Waste management & circularity	Negative impact (potential)	Waste generated in operations related to air transport and maintenance activities may impact the environment if not properly managed, through pollution or contamination risks	OO/VC	Short/ Medium
	Risk	Financial risk due to regulation related to waste treatment		
	Opportunity	Waste reduction can lead to 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, that provide 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, which is available for internal use, 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 more details on the governance of the Air France-KLM waste management policy, refer to section 4.1.3.2 "Information provided to and sustainability matters addressed by the administrative, management and supervisory bodies (GOV-2)".

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 third 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. The waste reporting scope has indeed evolved in 2024, with new entities now included in the scope along with new waste categories (cabin and catering waste) and treatment types.

4.2.3.2.3 Actions – 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, and pre-selecting hot meals by customers at check-in.

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, along with other aeronautical elements, are then processed internally by the teams responsible for their recovery and disposal, according to the procedures for the reuse and recycling of spare parts.

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

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 then 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 aeronautical maintenance 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 withdrawn from the Air France-KLM Group fleet 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[1], requirements, form, fit and function, without compromising on safety or reliability. The remaining parts and hull will be dismantled and recycled, following a process for which the Group's airlines have contracted specialized companies with the most stringent environmental standards.

[1] 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)

REPORTING PRINCIPLES

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 Group's 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:

Waste inventory	**2025**			2024 (restated)		
(in Tons)	**Total**	**Hazardous waste**	**Non-Hazardous waste**	Total	Hazardous waste	Non-Hazardous waste
Waste diverted from disposal						
Preparation for reuse	**72**	**32**	**40**	301	11	289
Recycling	**9,222**	**1,265**	**7,958**	7,402	765	6,637
Other recovery operations	**21,722**	**683**	**21,038**	22,264	634	21,630
Total waste diverted from disposal	**31,016**	**1,981**	**29,035**	**29,966**	**1,410**	**28,556**
Waste directed to disposal						
Incineration	**3,303**	**528**	**2,776**	2,405	576	1,829
Landfill	**510**	**93**	**417**	579	142	437
Other disposal operations	**11,343**	**1,003**	**10,341**	13,792	1,592	12,199
Total waste directed to disposal	**15,157**	**1,624**	**13,533**	**16,776**	**2,311**	**14,465**
Radioactive waste						
Total amount of radioactive waste	–			–		
Total amount of waste generated	**46,173**	**3,604**	**42,568**	**46,742**	**3,721**	**43,021**
Total non-recycled & non-reused waste	**36,878**	**2,307**	**34,571**	**39,040**	**2,944**	**36,095**
% non-recycled & non-reused waste	**80%**	**64%**	**81%**	**84%**	**79%**	**84%**

In 2025, Air France-KLM generated a total of 46,173 tons of waste (46,742 in 2024), of which 31,016 tons were diverted from disposal (30 in 2024) and 15,157 tons were directed to disposal (16,776 in 2024). A total of 36,878 tons of waste were not recycled or reused, representing 80% of the total waste generated in the Group's operations (39,040 tons of waste and 84% in 2024).

Following a reporting error in the waste data directed to incineration in 2024 (reported in kilos instead of tons), the data has been corrected to ensure comparability between the two reporting years (see table above). In addition, following a thorough review of the cabin waste at outstations, no evidence was found to substantiate the precise waste treatment type for this stream. As a consequence, a reclassification has been made from "Incineration" to "Other disposal operations".

The total amount non-hazardous waste reported in 2024 amounted to 19,940 tons, of which 12,782 reported as "Incineration" and 6,721 tons reported as "Other disposal operations". The total amount of waste reported in 2024 amounted to 52,217 tons, of which 44,514 tons (85%) were non-recycled and non-reused.

4.2.4 EU TAXONOMY

4.2.4.1 GENERAL FRAMEWORK OF THE EU 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;
- Delegated Regulation (EU) 2026/73 of the Commission of July 4, 2025 introducing materiality thresholds, simplified reporting templates and some clarification on the provisions.

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 were also taken into account.

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 extensively evolved for the Group between 2021 and 2024.

With the introduction of materiality thresholds in 2025, Air France-KLM is now reporting on its three main activities:

- 3.21 Manufacture and Maintenance of Aircraft;
- 6.19 Air Passenger and Freight Transport;
- 6.20 Ground Handling Services for Air Transport.

Link with the Group's environmental strategy

As developed in its Transition Plan (see section 4.2.1.3 “Climate strategy”), the Group's ambition is to reduce its greenhouse gas emission (GHG) intensity (scope 1 and scope 3 jet fuel GHG emissions per revenue-ton kilometer) by 17.8% by 2030 from a 2024 baseline. Air France-KLM’s GHG emission reduction target was defined and validated by the stringent, sector-specific methodology of the Science Based Targets initiative (SBTi). This process ensures robustness and full alignment of target with the latest climate science, specially the trajectory required to limit global warming to 1.5°C above pre-industrial levels. 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 percentage 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 operating expense under the regulation and as such not reported in the OpEx indicator in the numerator or 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 11% in 2025) 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.

For these reasons, the taxonomy ratios cannot be directly linked to the resources allocated to the Transition Plan (see also paragraphs “Future developments” below and “Resources allocated to the Transition Plan” in section 4.2.1.3.5 “Actions and resources – Climate change (E1-3)”).

4.2.4.2 EU TAXONOMY 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 2025, given the application of the materiality thresholds, and based on the eligibility ratios for the year 2024, Air France-KLM has only analyzed the eligibility and alignment of its three main activities as listed above.

As a result, the percentages of eligibility are significant for the Group. For the year 2025, the eligibility ratios stand at 98% for revenue, 92% for CapEx and 87% for considered OpEx[2].

Individual Measures

In addition to the Group's main activities, the eligibility of ancillary activities (or individual measures) that contribute substantially to climate change mitigation (CCM) or climate change adaptation (CCA) objectives, and more broadly aim to reduce greenhouse gas emissions, has been analyzed. These ancillary activities primarily concern activities 7.1 "Construction of new buildings” and 7.2 "Renovation of existing buildings." As these activities do not generate revenue, only the associated capital expenditures were analyzed.

Eligibility and Alignment Results for the 2025 Fiscal Year

The summary of the Group's eligibility and alignment results for the 2025 fiscal year is presented below, along with the reconciliation with the consolidated financial statements as of December 31, 2025 (paragraph 4.2.4.3 “Eligibility – Methodology for the construction of Revenue, CapEx, and OpEx Indicators” below).

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 2025, it is 0.461, 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 %
2025						
Eligible activities	32,382	98.1%	5,523	91.9%	3,699	86.9%
Including aligned activities	9,023	27.3%	3,575	59.5%	1,058	24.9%
TOTAL (eligible and non-eligible)	**33,007**	**100%**	**6,007**	**100%**	**4,259**	**100%**
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%**

Evolution compared to the previous year

Alignment rates increase in 2025 compared to 2024, mainly due to the introduction of new-generation aircraft in the fleet, replacing older generation aircraft and the increase in SAF consumption (see section 4.2.1.4.5 “Specific metrics – Climate Change”). There were no other major changes during this period such as a change in scope, 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 2025 amounts to 98.1% out of a total consolidated revenue of €33,007 billion. It remained stable between 2024 and 2025.

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 6.1 “Business segments ” to the financial statements.

Alignment result

In 2025, the alignment percentage of the revenue amounts to 27.3%, limited regarding the eligibility (98.1%) because of the alignment criteria for aeronautical activities 3.21 and 6.19 being very strict and only new-generation aircraft can be fully or partially aligned (see below in section 4.2.4.4 the criteria for substantial contribution, particularly the application of the replacement ratio and the required percentage of SAF).

CapEx

Eligibility result

The Group's eligibility ratio remained stable between 2024 and 2025 and stands at 91.9%, a slight decrease compared due to the application of materiality thresholds for the eligibility analysis.

Alignment result

In 2025, the alignment percentage stands at 59.5% and is mainly driven by activities 6.19 and 3.21, compared to 48.6% in 2024, thanks to the intensification of the fleet renewal. 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 86.9% for 2025, stable compared to 2024. 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 2025, the alignment percentage stands at 24.9%, stable compared to 2024 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 CO_2 than conventional fuel. The Group aspires to gradually increase its SAF incorporation percentage with a target of up to 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 (see also paragraph “Resources allocated to the Transition Plan” in section 4.2.1.3.5 “Actions and resources – Climate change (E1-3)”).

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 €33,007 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 €)	2024	**2025**	Reconciliation with financial statements
Tangible and intangible assets	**3,728**	**4,449**	**5.2.5 Consolidated statement of cash flows**
Acquisition	3,728	4,449	Note 18 “Capital expenditures”
Change in lease debt	**1,513**	**1,558**	**Note 19 “Right-of-use assets & lease debt”**
New lease contracts & Modification of lease contracts	1,925	2,320	New contracts and renewals of contracts
Restatement sale & leasebacks on aircraft acquired during the year	(412)	(762)	
TOTAL	**5,241**	**6,007**	

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 “External expenses” to the financial statements, particularly the line related to “Aircraft maintenance costs”. 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 sustainability, 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, 2025, 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 in 2023 and 2024. 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). There was no change in methodology in 2025.

Revenue

The aligned share of revenue amounts to 27.3% and 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 CO_2 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, 0,461 for 2025). 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 in 2024 if they replaced an old-generation aircraft that has been removed from the fleet but can be used by another air carrier;
- 0.461 in 2025 if they replace an old-generation aircraft that has been removed from the fleet but 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 11% in 2025) of their annual fuel consumption. Thus, the SAF consumed in 2025 by the Group's airlines could be theoretically allocated to new-generation aircraft, whose initial rate was limited to 0.48, 0.461 or 0, in a proportion of 11% of their fuel consumption for 2025.

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, 0.461 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.

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 2025, in terms of number of aircraft, 30.0% 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 a share of aligned revenue of 26.5%.

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, 0.461 for 2025). The aeronautical maintenance activity for third parties on aligned aircraft generated aligned revenue of 0.9%.

Activity 6.20 Ground Handling Services for Air Transport: The criterion for substantial contribution is the use of ground equipment that does not emit CO_2. 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 59.5% and corresponds to investments made to acquire and maintain a fleet of new-generation aircraft that meet the Taxonomy criteria.

Activity 6.19 Passenger and Freight Air Transport: Almost all of the aeronautical investments in 2025 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 2025 (final payment) count as:

- 1 if they replace an old generation aircraft that as been removed from the fleet (the replacement ratio does not apply to CapEx) or permanently removed from use;
- 1 if they are allocated 11% 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 52.4% of the total CapEx.

Activity 3.21 Aeronautical Maintenance: This activity primarily involves older aircraft, and therefore do not meet the criteria for substantial contribution for a large part. 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 6.7% 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 Ground Handling Services for Air Transport: 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 2025. The alignment percentage for this activity is 0.4% of the total CapEx, representing €24 million in investments in zero-emission electric ground equipment acquired in 2025.

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 2025, the alignment percentage of the maintenance activity is 24.9% 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 percentage of aligned revenue, for costs incurred for third-party activity;
- based on the percentage 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 requires 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 Group' Climate Change Transition Plan is detailed in section 4.2.1 « Climate change (ESRS E1) ».

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 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

With regards to the 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.

Activity 3.21 Aeronautical Maintenance: 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.

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 4.2.3 “Resources use and circular economy (ESRS E5)”.

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 dedicated subsidiary in 2024. 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.

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, which are essential to the sector's activities.

Following targeted amendments introduced by Omnibus I package to Appendix C (generic DNSH criteria for pollution prevention and control) of the Taxonomy regulation, the Group identifies remaining uncertainties regarding the use of exemptions, notably with respect to paragraph a) related to persistent organic pollutants. 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 mainly the 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.

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 the reporting year 2025

Please find below the tables for the results of the Taxonomy assessment and the share of eligible and aligned activities, as prescribed in Annex II of Commission Delegated Regulation 2021/2178 and amended by Commission Delegated Regulation (EU) 2026/73.

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – Disclosure covering the 2025 year (summary KPIs)

Financial year **2025**

KPI	**Total**	**Proportion of Taxonomy eligible activities**	**Taxonomy aligned activities**	**Proportion of Taxonomy aligned activities**	Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	**Taxonomy aligned activities in previous financial year (N-1)**	**Proportion of Taxonomy aligned activities in previous financial year (N-1)**
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity					
	€m	%	€m	%	%	%	%	%	%	%	%	%	%	€m	%
Turnover	**33,007**	**98.1%**	**9,023**	**27.3%**	27.3%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	0	27.3%	1.9%	**7,250**	**23.0%**
CapEx	**6,007**	**91.9%**	**3,575**	**59.5%**	59.5%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	0	59.1%	8.1%	**2,549**	**48.6%**
OpEx	**4,259**	**86.9%**	**1,058**	**24.9%**	24.9%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	0	24.9%	13.1%	**736**	**18.5%**

Proportion of Turnover from products or services associated with Taxonomy-aligned economic activities – Disclosure covering the 2025 year (activity breakdown)

Reported KPI **Turnover**

Financial year **2025**

Economic Activities	**Code**	**Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover)**	**Taxonomy aligned KPI (monetary value of Turnover)**	**Taxonomy aligned KPI (Proportion of Taxonomy aligned Turnover)**	Environmental objective of Taxonomy aligned activities						Enabling activity	Transitional activity	**Proportion of Taxonomy aligned in Taxonomy eligible**
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity			
		%	€m	%	%	%	%	%	%	%			%
Manufacture & maintenance of aircraft	**CCM 3.21**	**7.0%**	**284**	**0.9%**	0.9%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	-	T	**12.3%**
Air passenger and freight transport	**CCM 6.19**	**89.6%**	**8,740**	**26.5%**	26.5%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	-	T	**29.6%**
Ground handling services for air transport	**CCM 6.20**	**1.6%**	**–**	**–%**	–%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	-	-	**–%**
Sum of alignment per objective					27.3%	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*			
Total KPI Turnover		**98.1%**	**9,023**	**27.3%**	**27.3%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**			**27.9%**

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – Disclosure covering the 2025 year (activity breakdown)

Reported KPI (CapEx)	**CapEx**												
Financial year	2025												
					Environmental objective of Taxonomy aligned activities								
Economic Activities	**Code**	**Taxonomy eligible KPI (Proportion of Taxonomy eligible CapEx)**	**Taxonomy aligned KPI (monetary value of CapEx)**	**Taxonomy aligned KPI (Proportion of Taxonomy aligned CapEx)**	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	**Proportion of Taxonomy aligned in Taxonomy eligible**
		%	€m	%	%	%	%	%	%	%			%
Manufacture & maintenance of aircraft	**CCM 3.21**	**31.1%**	**404**	**6.7%**	6.7%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	-	T	**21.6%**
Air passenger and freight transport	**CCM 6.19**	**57.0%**	**3,147**	**52.4%**	52.4%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	-	T	**92.0%**
Ground handling services for air transport	**CCM 6.20**	**1.1%**	**24**	**0.4%**	0.4%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	-	-	**36.4%**
Construction & Renovation of buildings	**CCM 7.1 & 7.2**	**2.8%**	**–**	**–%**	–%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	-	-	**–%**
Sum of alignment per objective					59.5%	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*			
Total KPI (CapEx)		**91.9%**	**3,575**	**59.5%**	**59.5%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**			**64.7%**

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – Disclosure covering the 2025 year (activity breakdown)

Reported KPI	**OpEx**												
Financial year	2025												
					Environmental objective of Taxonomy aligned activities								
Economic Activities	**Code**	**Taxonomy eligible KPI (Proportion of Taxonomy eligible Opex)**	**Taxonomy aligned KPI (monetary value of Opex)**	**Taxonomy aligned KPI (Proportion of Taxonomy aligned Opex)**	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	**Proportion of Taxonomy aligned in Taxonomy eligible**
		%	€m	%	%	%	%	%	%	%			%
Manufacture & maintenance of aircraft	**CCM 3.21**	**82.5%**	**1,058**	**24.9%**	24.9%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	-	T	**30.1%**
Air passenger and freight transport	**CCM 6.19**	**3.4%**	**–**	**–%**	—%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	-	T	**–%**
Ground handling services for air transport	**CCM 6.20**	**1.0%**	**–**	**–%**	—%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	-	-	**–%**
Sum of alignment per objective					24.9%	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*			
Total KPI (OpEx)		**86.9%**	**1,058**	**24.9%**	**24.9%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**			**28.6%**

4.3 SOCIAL INFORMATION

4.3.1 OWN WORKFORCE (ESRS S1)

The Air France-KLM employees are the Group's greatest asset. They bring its brands to life and are the face of the company to its customers.

Their commitment and professionalism enable the Group to deliver high-end services and a seamless customer experience while ensuring safe operations.

As an employer of choice, Air France-KLM commits to offer a safe and motivating workplace. The Group continuously invests in its employees to develop its skills and competencies. It actively promotes diversity and inclusion.

Three core values underpin the Group's people strategy : respect, transparency, trust. Those values are reflected in its workforce policies which are overseen by the different Human Resources leaders of each entity and detailed in the sections that follow.

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.

Breakdown of employees per staff category

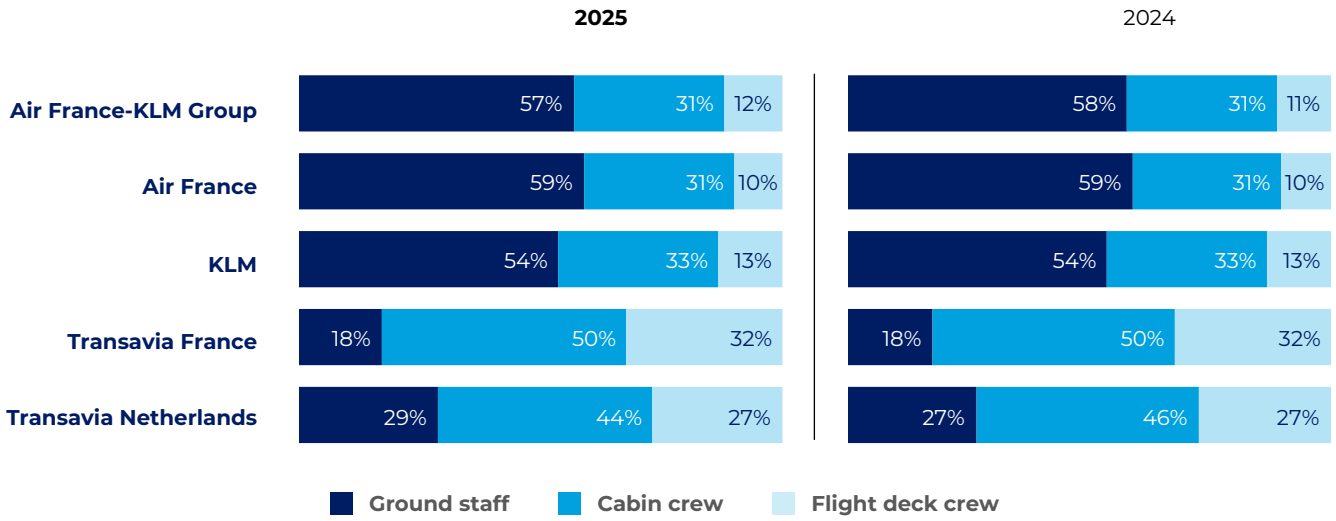
REPORTING PRINCIPLES

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.

The table below shows the number of employees per airline and the total for the Group, split by staff category.

Employees by staff category

	2025					2024				
	Air France-KLM Group	**Air France**	**KLM**	**Transavia France**	**Transavia Netherlands**	Air France-KLM Group	Air France	KLM	Transavia France	Transavia Netherlands
Ground staff	**51,826**	**26,448**	**15,515**	**631**	**843**	51,626	26,651	15,479	564	754
Cabin crew	**27,791**	**13,765**	**9,540**	**1,809**	**1,287**	27,289	13,643	9,292	1,589	1,292
Flight deck crew	**10,511**	**4,346**	**3,744**	**1,160**	**782**	10,194	4,333	3,586	1,035	762
Total	**90,128**	**44,559**	**28,799**	**3,600**	**2,912**	**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 (FTE)) in the table below:

Employee number reconciliation	**2025**	2024
Total number of employees at the closing date (in headcount)	**90,128**	89,109
Difference in methodology	**(8,136)**	(8,379)
Average number of employees over the period (in FTE)	**81,992**	80,730

Breakdown of employees per region and country

REPORTING PRINCIPLES

In compliance with ESRS 2 SBM-1 40 a) iii) and S1-16 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.

France and the Netherlands, represent 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:

Number of employees by region and country

Country	**2025**	2024
France	**48,556**	48,131
The Netherlands	**33,239**	32,882
Region		
Europe (excl. France & the Netherlands)	**2,594**	2,495
Asia & Middle East	**1,894**	1,786
North America	**1,229**	1,224
Caribbean & Indian Ocean (incl. French & Dutch overseas territories)	**1,144**	1,135
Central & Latin America	**843**	813
Africa	**629**	643
Total	**90,128**	**89,109**

Breakdown of employees per employment type

REPORTING PRINCIPLES

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.

In 2025, Air France-KLM had 93.2% of its employees on a permanent contract (92.4% in 2024), with no significant difference between female and male.

Employees by employment type			**2025**			
	Total	**%**	Female	Male	Other	Not Disclosed
Permanent employees	**84,042**	**93.2%**	38,030	46,011	1	–
Temporary employees	**5,949**	**6.6%**	3,259	2,690	–	–
Non-guaranteed hours employees	**137**	**0.2%**	61	76	–	–
Total	**90,128**	**100.0%**	**41,350**	**48,777**	**1**	**–**

			2024			
	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 employees	172	0.2%	67	105	–	–
Total	**89,109**	**100.0%**	**40,592**	**48,515**	**1**	**1**

Employee turnover

REPORTING PRINCIPLES

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.

The employee turnover rate of Air France-KLM was 8.4% at the end of 2025, compared to 7.5% in 2024.

Employee Turnover	**2025**	2024
Number of employees who have left during the reporting period	**7,526**	6,687
Total number of employees at the end of the period	**90,128**	89,109
Employee turnover rate	**8.4%**	**7.5%**

4.3.1.2 INTEREST AND VIEWS OF STAKEHOLDERS (SBM-2)

To understand how Air France-KLM engages in a dynamic dialogue with its stakeholders, and particularly with its employees, 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 (SBM-2)”.

4.3.1.3 SOCIAL DIALOGUE

4.3.1.3.1 Material impacts, risks and opportunities (IRO) – Social dialogue (SBM-3)

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Social dialogue with Air France-KLM staff	Positive impact (actual)	Social dialogue through workers' representatives has a positive impact on working conditions for Air France-KLM workers	OO	Short/ Medium
	Risk	Financial risks as a result of negotiations on labor agreements, social conflicts or strikes		
	Opportunity	Financial opportunity as a result of social dialogue fostering employee engagement and attractiveness		

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

The Group respects Human rights (cf. section 4.3.1.7 Working rights and human rights), Labor rights, 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 Human Resources leaders of each entity ensure the promotion of social dialogue. Social dialogue is considered essential to enable the company to adapt, maintain social peace, and ensure both operational efficiency and employee well-being in a dynamic and sometimes challenging environment.

Air France implements a social dialogue policy structured around regular, transparent, and constructive exchanges with all trade unions and representative bodies. This policy is based on three pillars: sustained collective bargaining, strengthened social support, and the continuous functioning of representative bodies.

KLM's social dialogue policy is characterized by a structured, continuous, and constructive engagement with employee representatives, built on mutual trust, transparency, and the pursuit of common solutions.

In 2025, Transavia France fully integrates its social dialogue into its CSR approach, relying on both a reinforced collective bargaining framework and the active functioning of committees established under the Works Council agreement.

Transavia Netherlands' social dialogue policy is characterized by structured negotiation, transparency, and a collaborative approach with employee representatives. The company values open communication, mutual trust, and the pursuit of common solutions.

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

4.3.1.3.3 Engagement process – 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, within a climate of social harmony.

The Group regularly assesses the effectiveness of its social dialogue policies, notably by reviewing the functioning of employee representative bodies, the quality of consultations conducted, and the follow-up of collective agreements, to ensure they adequately address the material impacts, risks and opportunities identified.

4.3.1.3.6 Actions – Social dialogue (S1-4)

Instances of social dialogue

The interactions mentioned below, testify to the intensive dialogue between the Company and the staff representatives, essential to adapting to the challenges the Company and the sector are facing.

In 2025, the European Works Council met twice in plenary session in addition to several working sessions, including on sustainability reporting.

In 2025, Air France maintained active social dialogue with all its representative bodies: 2 meetings of the French Group Committee, 11 meetings of the Central Social and Economic Committee (CSEC), as well as dozens of meetings organized across various sites to support local projects, work organization, and operational transformations.

KLM convened 10 meetings with the works councils at central level., Dozens of meetings with committees in the business (local level) and with standing committees, among which 10 with the Health and Safety Committees.

In 2025, Transavia France held 11 Works Council (CSE) meetings and 2 extraordinary sessions. The Health, Safety and Working Conditions Committee (CSSCT) met 12 times within its population-based subcommittees, in addition to 2 plenary meetings and one extraordinary session.

In total, in 2025, Transavia Netherlands held 12 Works Council meetings and 4 Health and Safety Committee meetings.

Major agreements

In February 2025, the Mandatory Annual Negotiations (NAO) at Air France resulted in a wage agreement for the current year. Several major agreements were also concluded: profit-sharing and incentive schemes (for three years), professional equality, Health and Quality of Life at Work (SQVT), integration of job-related bonuses, as well as a Collective Mutual Termination and End-of-Career scheme for certain Ground functions. An important negotiation also focused on the prevention of harassment and workplace violence.

At KLM, five agreements were signed, including one for KLM Cityhopper. A 24-month agreement was concluded for Ground staff, while discussions on other agreements remain constructive. To limit the social impact of the Back on Track program, mobility measures were implemented, including protective provisions for non-voluntary departures and promoting internal mobility. KLM also adapted its pension schemes following changes in Dutch legislation.

In 2025, Transavia France signed its first agreement on professional equality, inclusion, and diversity, as well as a cross-category agreement on the Time Savings Account (for Cabin Crew & Ground Staff). The NAO and agreements on profit-sharing and participation, as well as gender equality agreements, include strong commitments to inclusion and diversity, contributing to the social pillar of its ESG strategy. Dedicated committees improve service quality and employee well-being, while non-mandatory negotiations illustrate the company's commitment to structuring a proactive and sustainable social dialogue.

Transavia Netherlands concluded four collective agreements, three of which were renewed in 2024 for flight and ground personnel. These agreements improved wages, reduced work pressure, and strengthened sustainable mobility and inclusion policies, thereby investing in current and future employment conditions.

4.3.1.3.7 Metrics – Social dialogue (S1-8)

REPORTING PRINCIPLES

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 European Economic Area (EEA) where the Group has significant employment (see also 4.3.1.1 "Characteristics of Air France-KLM employees (S1-6)").

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:

Collective bargaining and social dialogue coverage	2025		2024	
	Collective bargaining coverage	**Social Dialogue Workplace representation**	Collective bargaining coverage	Social Dialogue Workplace representation
Ground Staff	**98.4%**	**99.9%**	98.6%	99.8%
Cabin Crew	**100.0%**	**100.0%**	100.0%	100.0%
Flight Deck Crew	**100.0%**	**100.0%**	100.0%	100.0%
Total	**99.2%**	**99.9%**	**99.3%**	**99.9%**

	2025		2024	
Coverage rate	**Collective bargaining coverage**	**Social Dialogue Workplace representation**	Collective bargaining coverage	Social Dialogue Workplace representation
80-100%	**France The Netherlands**	**France The Netherlands**	France The Netherlands	France The Netherlands

In 2025, the total collective bargaining coverage is 99.2% (99.3% in 2024), and the proportion of total employees represented by staff representatives is 99.9% (99.9% in 2024).

4.3.1.4 WORKING CONDITIONS FOR AIR FRANCE-KLM STAFF

4.3.1.4.1 Material IROs – Working conditions (SBM-3)

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Working conditions for Air France-KLM staff	Positive impact (actual)	Well-positioned and protective employment conditions positively impact Air France-KLM workers' living conditions	OO	Short/ Medium
	Negative impact (potential)	Work-life balance and health of Air France-KLM concerned employees could be impacted by working outside regular business hours (staggered shifts) if not properly monitored. Dedicated support and communication may help to reduce the impact on employees		
	Negative impact (potential)	Prevention of psychosocial and physical risks through safety standards and procedures is a priority for Air France-KLM to limit exposure and injuries, as Air France-KLM workers are exposed to physical harm in the workplace		
	Risk	Financial risks as a result of low employee satisfaction leading to decreasing staff engagement, increase in staff costs, absenteeism or turnover		

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 (S1-1)

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 protects their physical and mental well-being and is entitled to a favorable social protection.

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” - notably accessible through intranet) defining the strategic priorities aims to motivate employees through defined action plans. These policies also help to strengthen employee engagement, which is regularly measured using the EPS (Employee Promoter Score).

The Group is committed to providing flexibility by staff category, while keeping with business constraints, for instance: 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.

4.3.1.4.3 Engagement process – Working conditions (S1-2)

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. 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.

Employees are sensibilized through communications on the employee portal or through events organized within various departments, such as the Quality of Life and Working Conditions Week (QVCT) in June, which includes several forums (featuring contact information and a sports challenge); as well as the different forums organized in October to raise awareness and provide information on breast cancer, menopause, and endometriosis.

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.

Quality of life in the workplace

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. The “Harassment and Workplace Violence” e-learning has been mandatory for all employees since early 2025 and has been integrated into the training programs for all new hires.

For Transavia Netherlands, to maintain a safe and welcoming work environment several initiatives are embedded - regarding awareness about inappropriate behavior at work -, such as a dedicated policy, a Code of Conduct, Seven trained Confidential Advisors, Training available for all managers (Ground, Cockpit and Cabin), a campaign ‘Together against inappropriate behavior’. All information is accessible for employees.

Employee engagement

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. See the indicator related to EPS trends in section 4.3.1.4.7 .Metrics – Working conditions (S1-10, S1-16, S1-14).

Throughout the year, entities and divisions of the Group held multiple employee events to foster employee engagement. The events are 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.

For example, this year Air France once again offered a number of events bringing together employees, such as: the presentation of the new La Première Suite at the Crew Members’ Center and stands at headquarters; the launch of the “Move by Air France” Challenge, totaling 250,000 km traveled and raising €15,000 for three associations supported by the Air France Foundation; 500 race bibs offered to employees for the “10 km de Paris”; the celebration of Flying Blue’s 20th anniversary; and Climate Day.

Many initiatives were held at KLM: Introduction of Cargo Connect lunch sessions to foster informal interaction with management; Development and validation of a new appreciation & recognition strategy for all E&M staff; Collection and prioritization of ideas to improve internal communication and transparency, supported by colleague voting; Conduction of Manage IT sessions to align managers on workload, performance expectations, and cost reductions.

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

Health and safety

At Air France, an on-site network of dedicated professionals — including doctors, psychiatrists, nurses, social workers, prevention specialists, and advisors in health, safety, and quality of life at work — supports employees and ensures their well-being and occupational health across all divisions of the company. They are key contacts, present at various sites, for any concerns related to health, safety, or shift work, and to intervene in the event of a risky 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 (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.

A listening program dedicated to pilots and cabin crew was implemented in 2021: the Critical Incident Response Program facilitates the return to a normal activity 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. (Peer Support Program).

A center for the prevention and combating of workplace violence was created in July 2025. This means that every Air France employee, regardless of their job or department, can report any violence they believe they have been subjected to in the course of their professional activities. Their situation will be examined by experts, with care and in complete confidentiality. A response will always be provided.

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.

In 2025, Transavia France implemented a tool for monitoring workplace health events (such as occupational accidents, commuting accidents, minor workplace incidents, and sick leave), enabling the consolidation of all related data within a single platform.

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

Employee engagement is a key driver of the Group's performance, and therefore emphasis is placed on the long-term recovery of EPS. At Group level, consolidated EPS showed an overall increase in 2025.

In addition, the EPS score is factored into the annual evaluation of a number of managers, including senior management. For more details on how EPS is incorporated into management remuneration criteria, please refer to Chapter 2, section 2.5.2 "Compensation of the corporate officers in 2025".

4.3.1.4.6 Actions – Working conditions (S1-4)

Health and safety

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

In 2025, Air France reaffirmed its commitment through a Health and QVCT (Quality of Life and Working Conditions) agreement aimed at promoting employee health, supporting them through key life moments, and improving the work environment.

The company notably offers consultations with specialist doctors (such as dermatologists) organized on-site, provides access to applications like "Axomove" (including physiotherapy consultations) to prevent and rehabilitate MSDs (Musculoskeletal Disorders), and "Mindday," an app designed to support employee well-being and mental health (in partnership with the AF mutual insurance). It also offers assistance with addiction-related issues (in collaboration with the association "Amitié Entraide d'Air France" – AEAF).

At KLM, this year, the Centre of Expertise Health (CoEH) focused on further developing its key priority themes, structured according to the "stepped care model", enabling more targeted and effective support for employees across KLM. The model distinguishes three groups (At Home (curation) - for employees already experiencing health complaints; At Risk (prevention): identifying early signs of imbalance; At Work (amplition): promoting daily vitality, resilience, and work engagement).

In collaboration with a biologist, CoEH developed educational videos for an e-learning series on vitality and hormones. The content combines theory with practical lifestyle guidance, including tips for maintaining wellbeing while working irregular hours or travelling across time zones. This series was launched during Vitality Week 2025 All key themes physical, mental, and social well-being, sleep, addiction, nutrition, and overall vitality were highlighted through new online content, podcasts, videos, live webinars, and other digital interventions.

Recognizing sleep as a foundational element of vitality, CoEH prioritized sleep awareness and improvement this year. Embedded within the business, CoEH proactively identified teams with specific sleep-related challenges, particularly those working irregular shifts or across different time zones.

Staying active and staying connected are essential components of well-being. The KLM Walk & Talk Challenge was designed to support both. The challenge took place from mid-March to mid-April and participants achieved an impressive average of 303,000 steps per person. It became an energizing way to boost health, reduce stress, and reconnect with colleagues.

Transavia Netherlands raised awareness during the Vitality Week in September 2025. 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.

Staggered hours

The vast majority of Air France's ground operational staff work in staggered shifts based on schedules that alternate between morning, evening, and sometimes night shifts to cover the airline's activities. In a typical cycle, employees work 5 consecutive days followed by 3 days off. Each shift lasts 7 hours.

At Transavia France, there are 17 internal shift schedules for staff working staggered hours. As of December 1, 2025, the company had 138 employees on staggered schedules, distributed across three departments: Commercial, Technical, and Operations (mainly the Operations Control Center and Orly ramp).

To best support Group's employees working under this type of schedule, specific health and safety measures are implemented, such as enhanced medical check-ups, provision of appropriate PPE (Personal Protective Equipment), regular awareness sessions including interventions on working in staggered hours, and guidance on workplace ergonomics.

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.

On the Air France side, the main employee protection measures relate to provident schemes, including maintaining the reference salary in the event of sick leave, paying a supplementary pension in addition to Social Security benefits, and guaranteeing financial protection for beneficiaries in the event of death. The company also offers employees complementary health insurance and, for a large proportion of its workforce, contributes to an additional retirement plan.

In 2025, Air France also increased the number of "child sick leave days for children under 16" without supporting documentation, which is now set at 2 days per year. Furthermore, the leave donation scheme has now been extended to employees who are victims of domestic violence.

An agreement entitled "Acting and Preventing Violence in the Workplace" was signed in December 2025 by all Air France professional organizations. This agreement provides for a large number of actions over five years to prevent and combat all forms of violence and harassment in the workplace. These actions include communication, awareness-raising, and training initiatives, among others.

To support sustainable employability and facilitate a healthy transition towards retirement, KLM has introduced an enhanced senior employee scheme. The company has also opened a dedicated Home Working Facility to support employees in establishing an ergonomically sound home office environment. KLM also provides additional employer paid contributions on top of the statutory provisions for parental leave and paid partner leave.

Transavia France notably offers flexible working arrangements for flight crew (alternating schedules and split alternating schedules); the possibility of remote work (up to 100 days per year) for eligible positions; as well as measures related to parenthood, such as increasing the number of legally authorized child sick leave days and extending the duration of statutory parental leave.

In 2024, Transavia Netherlands evaluated its remote working arrangements. The results confirmed that this contributes to a good work-life balance. The company also offers part-time contracts, special unpaid leave, and other similar options

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.

The involvement of Air France employees in the "Mon Engagement Citoyen" initiative (participation in activities of selected associations) is still going strong. Since its launch, more than 5,900 Air France employees have registered on the "My Civic Engagement" platform, reflecting the strong interest it has generated. This also illustrates the company's commitment to complying with the provisions of Article L. 22-10-35 of the French Commercial Code.

Air France regularly updates its EPS survey in order to poll employees on various questions that help understand their expectations.

In 2025, Air France strengthened its commitment to its employees through an ambitious action plan aimed at improving the Employee Promoter Score (EPS). This initiative reflects the company's determination to create an inclusive and motivating work environment. The measures implemented focused on resolving operational pain points, improving local working conditions, enhancing team engagement, promoting communication that highlights roles and achievements, and signing both a mandatory annual negotiation agreement and a value-sharing agreement. These actions helped consolidate a positive momentum, illustrated by a continuous increase in the EPS throughout the year, confirming the impact of its human-centered strategy.

As outlined in the 2024 URD, KLM measures engagement throughout the entire employee journey. All surveys provide valuable insights (via dashboards) that help improve employee engagement. Based on the bi-yearly employee engagement survey, KLM, its divisions, and individual teams set up their priorities.

Throughout this year, all divisions of KLM have worked hard to take concrete engagement actions to improve on their chosen priorities. A rich list of initiatives took place in the different divisions of the company, such as Conduction of in-depth conversations for cabin crews; Hold of regular information and dialogue sessions and organization of two major Flight Ops employee events to foster connection across pilot groups ; Organization of Town Halls, dialogue sessions, and "in-conversation" meetings for Ground staff, in addition of strengthened division-level communication with explicit emphasis on appreciation and recognition.

At Transavia France, beyond measuring the EPS, the results of the Employee Experience Index show overall employee satisfaction, particularly regarding the company's strategic project (in a context of growth and transformation), pride in working for Transavia, the work atmosphere, and the missions and responsibilities. Consequently, Transavia continues its efforts to improve quality of life and working conditions (including the signing of an agreement in April 2024, which was awarded the Social Dialogue Prize the same year), team structuring, and talent retention and development.

In practical terms, Transavia France implements a range of initiatives to strengthen employee engagement. These include organizing annual management seminars to share the strategic roadmap (flight plan), launching "Your HR Questions" sessions on specific topics, deploying "Your Comex Questions" to foster dialogue with senior management, as well as publishing an internal newsletter for employees and hosting an annual company-wide event. These actions are key elements of the company's commitment to improving employee engagement.

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)

The annual total remuneration ratio between the highest paid individual and the median pay level can be found in section 2.5.2.3 "Ratios on the multiples of compensation paid to the executive officers in 2025" in the Corporate governance report.

Health and Safety (S1-14)

REPORTING PRINCIPLES

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	**2025**	2024
Percentage of employees covered by health and management system	**96.1%**	95.6%
Number of fatalities	**–**	2
Number of work-related accidents	**4,441**	4,146
Rate of work-related accidents (for one million hours worked)	**35.8**	34.6

Employee Promoter Score (EPS)

REPORTING PRINCIPLES

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)	**2025**	2024
Annual change in the EPS	**+33.5%**	+27.9%

In 2025, the EPS of Air France-KLM increased by 33.5% (compared to an increase by 27.9% in 2024).

4.3.1.5 DIVERSITY, EQUITY AND INCLUSION

4.3.1.5.1 Material IROs – Diversity, Equity and Inclusion (SBM-3)

The following table shows the material impacts, risks, and opportunities identified for this section:

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Diversity, Equity & Inclusion	Positive impact (actual)	A diverse and inclusive workplace, where all individuals feel respected and valued, enhances Air France-KLM employees well-being and fosters a strong sense of belonging, motivation and collaboration	OO	Short/ Medium/ Long
	Risk	Financial risks as a result of deterioration in the company's reputation, decreasing staff engagement and increase in staff costs		
	Opportunity	Financial opportunity as a result of diversity and inclusion and diverse management practices fostering innovation and attractiveness		

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 Group's priorities are based on stakeholder needs, areas for improvement, and external best practices, and mainly focus on leadership, culture, and measurement dimensions.

Air France's strong commitment to diversity and inclusion is reflected in an active policy promoting equal opportunities, youth employment in local communities, gender balance and equality, employment of people with disabilities, inclusion of LGBTIQ+ employees, and employee awareness and training on diversity.

This commitment is illustrated by its contractual policies, including the signing of the 12th three-year agreement on the employment and retention of people with disabilities in 2024, and the 7th three-year professional agreement on gender equality signed in early 2025. These policies are at the heart of the company's values and are supported by daily team efforts and a continuous improvement approach.

In 2025, Air France also established a dedicated unit for the prevention of workplace violence and harassment and the agreement entitled "Preventing and taking action against violence and harassment in the workplace" was signed by all employee representative organizations. Specific in-person training sessions will be offered under this agreement in 2026.

At KLM, an independent D&I Ecosystem has been established, with a central D&I Program Manager, representatives from the different businesses, D&I leads representing the various divisions within KLM and employee resource groups (ERGs), providing insights into underrepresented groups, increasing awareness, initiating action plans and enhancing discussions. The ERGs contribute to D&I policies by bringing forward ideas and needs from their communities.

Here are 3 examples of Inclusive policies that have been implemented:

- HR Kiosk 55+: This policy was designed together with employees and managers aged 55 and over. The goal is to help colleagues at this stage of their working life (on topics such as Personal development & career choices, Partial Retirement, Healthy ageing tips);
- Transgender Policy. An initiative to create a future proof Transgender policy was brought forward by Over the Rainbow (KLM's ERG from the LGBTIQ+ community). This policy should help colleagues and leaders to manage gender transition in an inclusive manner;
- Inclusive Stand-by travel in the form of a Travel Buddy; a person aged 18 or older with whom a KLM employee (or retired KLM employee) without a spouse or registered partner can use the ISA facilities.

Furthermore, pursuant to Dutch Law, all employees at KLM have equal rights in the workplace. Differentiating between employees on the basis of disability or chronic disease is not permitted.

In 2025, Transavia France and the representative trade unions signed a three-year Diversity and Inclusion agreement. This agreement addresses eight key themes: gender (professional equality between women and men, gender identity, and sexual orientation), disability, social and cultural diversity, multigenerational aspects (educational backgrounds and experienced employees), combating discrimination and violence, and solidarity. Each theme is translated into concrete and measurable actions, with the primary objective of ensuring that every employee enjoys a fulfilling career path based on mutual respect and inclusion.

Transavia Netherlands has embedded D&I in a policy covering recruitment procedures, employment conditions, education and awareness campaigns. For instance, in the collective labor agreement for ground staff, three leave options are added (Exchange holidays due to religion, Gender Transition Leave, Informal Care of family members).

4.3.1.5.3 Engagement process – 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.

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 relies on a centralized D&I team that sets the direction, drives initiatives, and works closely with all levels of management to bring about change across the entire company.

D&I engagement at KLM happens in diverse ways as the D&I Ecosystem is varied. The most important engagement of 2025 at KLM was the launch of the D&I Survey, called Share Your Perspective. This was sent out to the entire KLM population based in the Netherlands. The survey was a repeat survey based on the D&I survey of 2021, with a few 'new questions' added due to the evolvement of the topic of D&I globally. In engaging with the employees via the survey, KLM can anonymously read feedback, experiences and thus measure the acceptance, inclusion and impact of its work on D&I so far.

KLM ERGs are crucial in engaging with underrepresented communities. An ERG itself is a form of engaging directly with leadership. KLM has five ERGs currently and a sixth in the making: YoungKLM – (under 36 years of age) ; Women on Board ; Over the Rainbow (LGBTIQ+) ; Connecting Colours (Colour & culture) ; Experienced KLM – (above 50 years of age) ;In the making: BrainPower – for Neurodivergent colleagues.

The ERGs do not only connect with their communities but also create events and learnings to educate all colleagues of KLM about their communities. An example was Diversity Week in October 2025 where ERGs organized activities each day on topics such as Ageing, Inclusion, Cultural Diversity, Coming Out at work, Neurodiversity.

The ERGs also have an annual calendar, and each ERG has a minimum of 4 events annually where the broader KLM community is welcome to join.

Divisional initiatives and events are also held to boost Diversity and Inclusion such as International Pilots Day that was celebrated in the Flight Operations division or Diwali that was celebrated by Indian employees across various divisions.

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.

At Air France, employees have several ways to express concerns related to diversity and inclusion. They can contact dedicated representatives, outside of HR teams, who are available to listen to employees; participate in thematic working groups (such as those addressing racism, single parenthood, or domestic violence), which provide a space for dialogue and collective reflection; and share their concerns with diversity correspondents, who act as intermediaries with the relevant managers and work toward the continuous improvement of company processes and actions.

At KLM, there are various channels to raise concerns or ask questions about D&I. An employee can contact its direct superior, a D&I lead within the division or the D&I program lead directly. There is also a D&I email address that is accessible for all colleagues. ERGs can also be contacted by employees directly to ask for advice or obtain information.

At Air France and KLM, procedures for complaints about inappropriate behavior (concerning any type of discrimination, harassment, sexism, racism, ageism, or any other situation) are in place with a pool of skilled confidential advisors (internal as well as external) 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.

The 'Speak-up" tool at KLM is in place and colleagues can report undesirable behavior directly from anywhere in the world, anonymously if desired. Experts in the Corporate Social Work department remain available for all forms of mental support.

To address real-life situations, Transavia France has implemented an alert and handling procedure as part of a charter on psychosocial risks. A listening service is also available to employees facing professional difficulties, with a permanent hotline provided by a social assistance professional. To prevent such situations, Transavia France also deploys awareness and training initiatives for all employees, aligned with the items listed in the Diversity and Inclusion agreement mentioned in section 4.3.1.5.2 Policies – Diversity, Equity and Inclusion (S1-1).

For Transavia Netherlands, employees can report inappropriate behavior to their Manager, HR Business Partner, Confidential Advisors or General Council.

See also section 4.3.1.7.4 Channels for own workers to raise concerns – Working rights and human rights (S1-3).

4.3.1.5.5 Targets – Diversity, Equity and Inclusion (S1-5)

Air France-KLM firmly believes that diverse and inclusive teams strengthen the organization's performance: they attract more talent, are more customer-focused, promote greater employee engagement, enable better decision-making, and stimulate innovation and creativity. 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.

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. See the diversity-related indicators in section 4.3.1.5.7 Metrics – Diversity, Equity and Inclusion (S1-9, S1-12, S1-16)

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.

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.

4.3.1.5.6 Actions – 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 (whether of a sexual, verbal, physical, or psychological nature), and any other harmful behavior has no place within our Group and our corporate culture. See also section 4.3.1.7.4 Channels for own workers to raise concerns – Working rights and human rights (S1-3).

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.

Air France places diversity and inclusion at the heart of its HR strategy, with three-year agreements dedicated to the employment of people with disabilities and gender equality. This ambition is reflected in concrete actions across several areas:

- Equal opportunities: Air France supports access to employment for young people from disadvantaged backgrounds through partnerships with associations (Air Emploi, Nos Quartiers ont du Talent – NQT, Article 1). The company prioritizes local recruitment, develops apprenticeship and training programs in collaboration with CFA AFMAE, local missions, and Pôle Emploi. Innovative programs target young people far from employment, complemented by revitalization initiatives in the concerned areas.
- Gender balance and equality: An action plan promotes hiring, career development, and the advancement of women at all management levels. Air France complies with the Rixain law and offers coaching, mentoring, and programs such as "Défi 100 jours." The Wo&Men network, with 700 members, drives initiatives throughout the year. The company is also a member of the "Elles Bougent" network to encourage young women to pursue technical careers. These commitments are monitored monthly by the Executive Committee and led to the signing of the 7th three-year agreement on gender equality.

- Employment of people with disabilities: The 12th three-year agreement (2024–2026) reaffirms an ambitious policy on recruitment, training, and support. Air France supports inclusive suppliers and actively participates in initiatives such as the European Week for the Employment of People with Disabilities and DuoDays (job-shadowing days for people with disabilities).
- LGBTIQ+ inclusion: As a signatory of the Autre Cercle charter, Air France acts through its internal association "Personn'ailes" and has multiplied awareness actions since 2019.
- Awareness and training: In-person and e-learning modules combat sexism and discrimination. Anti-harassment representatives are appointed in each department, and innovative tools such as a diversity-themed serious game are offered to managers. These actions are reinforced by events such as webinars, forums, and diversity workshops.
- Zero tolerance for harassment: Processes were strengthened in 2025 with the support of external experts and are subject to specific monitoring by top management.
- Combating violence against women: Air France is committed to preventing and supporting victims of domestic violence, notably through its membership in the "OneInThreeWomen" network.
- Additional initiatives: The company is a signatory of the #StOpE initiative against everyday sexism and launched a working group on neurodiversity in 2025, which led to a forum theater event to raise team awareness.

At KLM, Diversity and Inclusion (D&I) journey begins with raising awareness and embedding its ambition throughout the organization. To achieve this, the company has defined three strategic action plans:

(1) Fostering an Inclusive Culture Through Continuous Learning and Development. The company aims to integrate D&I principles into every aspect of its organization through education and awareness initiatives. This includes continuing D&I workshops for executive leadership, managers, and teams, as well as programs dedicated to female leadership development. Short, impactful learning experiences such as the D&I Fresk will be rolled out, and its D&I mission, vision, and ERG networks will be embedded into onboarding for new employees. Education-focused ERG events will remain a priority, alongside improvements based on feedback from the D&I Survey. Mentoring and sponsorship programs will be maintained and expanded to support career growth.

(2) Enhancing Diversity in Talent Acquisition. To attract a broader range of perspectives, the company is committed to inclusive recruitment practices. This involves continuing bias-awareness workshops for hiring managers and recruitment teams, regularly reviewing vacancy texts to ensure inclusive language, and expanding its recruitment channels to actively seek diverse talent.

(3) Strengthening External Partnerships and Advocacy. The company's commitment extends beyond KLM's operations through collaborations and advocacy. It actively participates in initiatives such as "Talent to the Top" for gender equality and Workplace Pride's Declaration of Amsterdam for LGBTIQ+ inclusion. As an ambassador for Workplace Pride, the company engages in community activities and supports the annual plan of its LGBTIQ+ ERG, Over the Rainbow. It also contributes to programs like SkyTeam RISE, maintains affiliation with the United Nations Global Compact, and collaborates with partners such as Randstad, Schiphol, and PostNL within the Netherlands.

These comprehensive action plans reflect KLM's dedication to creating a diverse, equitable, and inclusive environment—both within its organization and across the broader community.

Transavia France integrates diversity and inclusion awareness and training throughout employees' careers, starting from their arrival through mandatory and additional learning modules. Since 2023, the company has offered the online course 'Preventing and Combating Everyday Sexism at Work'. In 2024, it launched Diversity Month, featuring campaigns against sexist behavior, workshops on tolerance, and initiatives supporting people with disabilities (such as sensory pathways and DuoDays).

Preventing behaviors that may create difficulties at work has also been incorporated into the internal regulations.

In 2025, Transavia France signed its first Diversity & Inclusion agreement and renewed its dedicated month focused on these issues. The company is also a signatory of the 50+ Charter. It actively supports women's empowerment by encouraging career aspirations: participating in initiatives with the partner "Féminisons les métiers" (such as networking events at Le Bourget or fairs aimed at middle school girls) and highlighting a training program dedicated to female leadership.

In 2024 Transavia Netherlands embedded a yearly D&I measurement in the employee satisfaction survey. The outcome in 2025 shows a consistency compared to 2024; employees agree highly with the statement 'I feel welcome, seen and can be myself'.

A gender-neutral approach for applicants is embedded in its recruitment process (age, gender, picture are excluded).

For the non-Dutch speaking employees all HR policies, newsletters and blogs are available in English. The online information sessions are supplied with sub-titles and Dutch language course are offered.

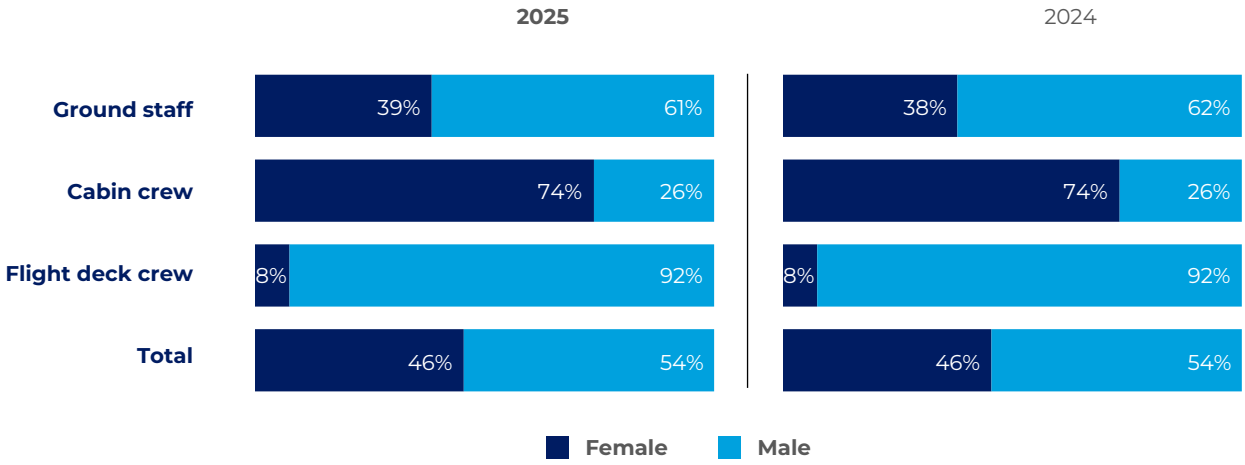
In the D&I calendar 2025, several topics were highlighted to celebrate diversity and inclusion under which Coming Out Day, Pride Day, bias campaign 'Surely, I don't judge', International Women's Day, Ramadan for example.

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:

Employees by gender	2025					2024				
	Total	**Female**	**Male**	**Other**	**Not disclosed**	Total	Female	Male	Other	Not disclosed
Ground staff	**51,826**	**19,995**	**31,830**	**1**	**–**	51,626	19,690	31,934	1	1
Cabin crew	**27,791**	**20,519**	**7,272**	**–**	**–**	27,289	20,114	7,175	–	–
Flight deck crew	**10,511**	**836**	**9,675**	**–**	**–**	10,194	788	9,406	–	–
Total	**90,128**	**41,350**	**48,777**	**1**	**–**	**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:

Employees by age range	2025				2024			
	Total	**<30 years**	**30-50 years**	**>50 years**	Total	<30 years	30-50 years	>50 years
Ground staff	**51,826**	**8,403**	**20,219**	**23,204**	51,626	7,926	20,727	22,973
Cabin crew	**27,791**	**3,613**	**12,620**	**11,558**	27,289	3,557	13,211	10,521
Flight deck crew	**10,511**	**1,059**	**5,845**	**3,607**	10,194	952	5,654	3,588
Total	**90,128**	**13,075**	**38,684**	**38,369**	**89,109**	**12,435**	**39,592**	**37,082**

At the end of 2025, 15% of the Air France-KLM employees were 30 years old or younger (14% in 2024), and 43% were 50 years old or older (42% in 2024).

Gender distribution and percentage at top management level (S1-9)

REPORTING PRINCIPLES

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 table below:

Gender distribution in managerial positions		**2025**			
	Target	**Female**	**%**	**Male**	**%**
Group Executive Committee	40% of women by 2030	**4**	**36%**	**7**	**64%**
Top 10% of highest management level (Ground staff)	40% of women by 2030	**2,687**	**37%**	**4,652**	**63%**
Cabin crew - managerial functions		**1,744**	**72.6%**	**658**	**27.4%**
Flight deck crew - managerial functions		**96**	**5.3%**	**1,701**	**94.7%**

		2024			
	Target	Female	%	Male	%
Group Executive Committee	40% of women by 2030	3	27%	8	73%
Top 10% of highest management level (Ground staff)	40% of women by 2030	2,629	36%	4,673	64%
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)

REPORTING PRINCIPLES

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 in the concerned French entities.

The percentage of employees with disabilities within Air France-KLM's own workforce is presented in the table below:

Employees with disabilities	**2025**	2024
Percentage of employees with disabilities	**3.4%**	4.1%

In 2025, following a clarification in the local regulation in force in the Netherlands, the number of employees with disabilities of the Dutch entities have been added to the reporting. As a consequence, the percentage of employees with disabilities stands at 3.4% at the end of 2025 (without change in scope of reporting, the total percentage of employees with disabilities would have increased from 4.1% in 2024 to 4.3% in 2025).

Gender pay gap (S1-16)

REPORTING PRINCIPLES

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, 2025, the unadjusted gender pay gap of Air France-KLM is as follows:

	2025	2024
Gender pay gap (unadjusted)	**36.2%**	34.4%

The AFKL gender pay gap of 36.2% in 2025 (34.4% in 2024) 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 (only 8% of pilots are women).

4.3.1.6 TALENT ATTRACTIVENESS, DEVELOPMENT AND TRAINING

4.3.1.6.1 Material IROs – Talent attractiveness, development and training (SBM-3)

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Talent attractiveness, development and training	Positive impact (actual)	Employability of Air France-KLM workers is positively impacted by adapted training and continuous development of their skills	OO	Short/ Medium
	Risk	Financial risks as a result of inability to attract, retain, train and replace talent leading to difficulties in finding relevant skills or shortage of people with specific qualifications		
	Opportunity	Financial opportunity as a result of attractiveness and skilled employees leading to more efficiency		

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 – Talent attractiveness, development and training (S1-1)

Resource Adaptation: Attracting, Recruiting and Retaining Talent

As the airline industry demands greater innovation and operational excellence, faces a highly competitive job market, strategic workforce planning is crucial to be able to meet the Group's future needs. This involves a comprehensive approach of the Group's staffing requirements based on business needs and growth plan.

To attract and recruit top talent and support Air France-KLM's ambition for growth and transformation, the entities of the Group implement targeted recruitment strategies. the Group's selection process is fair and objective, evaluating candidates based on operational needs as well as their technical expertise and behavioral competencies. The Company's recruitment policy is inclusive—we actively seek candidates from diverse backgrounds and promote gender balance. It also make sure that its brands, such as Air France, are visible through school events and targeted communications.

To retain its talents, the Group ensures transparent career opportunities for all employees, it builds career paths and actively promotes mobility. As an example, KLM will introduce a new Global Mobility Policy, developed with its social partners, as of January 1st, 2026. This policy sets clear and consistent guidelines for all types of international assignments and transfers.

Development, training and Performance

Development

The Air France-KLM Talent Development strategy is designed to maximize employee potential, enhance employability, ensure succession planning for critical roles, and increase organizational value. Close collaboration between the Executive Committees and HR leaders allows the Group to fine-tune and tailor its development strategy to evolving business challenges and employee needs.

Training

The Group fosters a culture of continuous learning. Employees are encouraged to reflect on their career journey, take concrete steps toward their development and be accountable for their own growth and success within the organization. As a pivotal element of this approach, training is aligned with its development strategy and delivered by each airline for all Group's employees.

Leadership Model

The Air France-KLM leadership model, established in 2022, defines the competencies required for success. Dedicated training programs for senior and middle managers have been implemented across the Group to ensure understanding of the model and the behaviors expected for success.

Performance

To respond to market pressures, the Group believes that strengthening its human capital and fostering a performance-driven culture at every level of the organization are vital to ensuring the continued success of its companies.

Performance is assessed annually through individual interviews, which also provide an important opportunity to discuss career development prospects. These interviews are required for all employees, ensuring everyone has a chance to shape their professional journey.

Since 2025, the Group is focusing its efforts on two main priorities to support the transformation of its businesses: shaping a joint vision for performance and talent management across the group as well as reviewing its approaches and systems. Its objective is to transition to a best-in-class unified system for managing performance and talent across the organization.

To reinforce its performance-driven cultures, Air France KLM is aligning targets with Flight Plans and OKRs (Objectives & Key Results) and enhancing the quality of performance discussions. This approach notably includes a more nuanced evaluation of performance, using the 'What' (results) and 'How' (behaviors) appraisal model.

These evolutions, designed to embed talent and performance excellence across the Group, are conducted in close partnership with stakeholders from both Air France and KLM.

4.3.1.6.3 Engagement process – Talent attractiveness, development and training (S1-2)

Resource Adaptation: Attracting, Recruiting and Retaining Talent

Ensuring the right match between its business needs and its employees is a top priority for Air France KLM. Wherever possible, the Group favors internal mobility as the preferred solution. The improved communication about job openings, internal recruitment forums, publication of all vacancies on its job exchange, and targeted selection processes enabled nearly 2,000 internal transfers at Air France and over 1,000 among KLM ground staff in 2024.

To address a temporary shortage of pilots, KLM worked closely with pilots' representative unions and implemented a range of measures. Through a pilot-competitiveness plan, which introduced greater flexibility and productivity for the period 2023-2025, KLM accelerated pilot recruitment and training, helping to mitigate the risk of flight deck crew shortages both now and in the future. Also, KLM has recruited pilots whose native language is not Dutch, with a particular focus on attracting experienced First Officers at mid-career level. Finally for the first time, mixed crew Air France and KLM have collaborated on selected flights to ensure smooth customer service.

As part of the information process feedback, departing employees are encouraged to share their experiences through exit interviews or surveys, providing valuable insights that help us enhance the workplace.

Training, performance, and skills development

The Air France-KLM Group is committed to empowering its employees to take charge of their professional growth. It encourages everyone to actively learn, build personalized career path and strengthen their employability. The annual training plan—encompassing regulatory, qualifying, and certification courses—is specifically designed to support the Group's strategy while enhancing both individual and collective performance.

People development at Air France-KLM is approached through three key dimensions: on-the-job experience, feedback and formal learning. In 2025, its entities launched and expanded initiatives in all three areas, tailored to each business's unique needs.

Air France KLM believes that positive and constructive feedback is essential for development and a healthy workplace culture. Across the Group, we promote timely feedback, individual conversations, 360° reviews and other feedback mechanisms, all supplemented by coaching and mentoring opportunities.

During performance discussions, managers are encouraged to focus on talent, strengthening expertise, and identifying actions that will add value for employees in both their current roles and future career opportunities.

4.3.1.6.4 Channels for own workers to raise concerns – Talent attractiveness, development and training (S1-3)

Employees who wish to discuss training or skills development concerns have several channels for support. They can reach out to their managers, HR teams, or staff representatives, ensuring that any issue or feedback is heard and addressed.

4.3.1.6.5 Targets – Talent attractiveness, development and training (S1-5)

Resource adaptation: Attracting, Recruiting and Retaining Talent

Attractiveness is essential for recruiting top talent and supporting the operational efficiency of the airlines of the Group. Its primary objective is to strategically attract, develop, retain, and deploy skilled and motivated employees, securing a lasting competitive advantage.

Air France pursues an ambitious recruitment policy, with nearly 1,500 permanent hires, 1,000 fixed-term contracts and 1,000 apprenticeships. This significant recruitment effort provides a valuable opportunity to diversify our workforce and address transformation challenges, particularly in high-demand sectors such as aeronautics.

KLM is equally committed to long-term employability and clear career paths for all employees. Its approach to training, skills development and talent attraction centers on making career opportunities more visible and accessible within the organization.

Training, performance, and skills development

The Group is committed to keeping employees' skills relevant by ensuring that learning content and development programs are closely aligned with evolving operational, digital and business needs.

Over the past four years, significant efforts have been made to modernize and streamline access to learning programs through the innovative and user-friendly MyLearning platform, which leverages artificial intelligence. This platform is available to all Air France and KLM employees, making it easier than ever to explore and enroll in a wide range of development opportunities.

Looking ahead to 2026, KLM will launch around 37 Learning and Development projects. These will include career paths and targeted training for Cargo, Ground, and IT teams, as well as an Operational Leadership program created with a vocational education institute. All initiatives will be carried out together with local training organizations.

4.3.1.6.6 Actions – Talent attractiveness, development and training (S1-4)

Resource adaptation: attracting, recruiting and retaining talent

Talent Attractiveness

Despite intense competition, Air France-KLM continues to strengthen its employer brand across its entire organization through initiatives such as school partnerships, participation in forums, communication on diversity, and local commitments.

Air France's Employment Pact with the City of Paris, along with its network of ambassadors, supports a presence at recruitment events and forums. These efforts have paid off: in 2025, Air France ranked:

- 4th among the most preferred companies for business school graduates (+1 vs 2024),
- 13th among engineering graduates (+3 vs 2024),
- 4th in employee ratings (Capital/Statista),
- and 1st among preferred employers in the Transport & Logistics sector (Epoka/Occurrence).

KLM has maintained its position as a strong employer brand in the Netherlands and boosts its attractiveness through targeted recruitment campaigns, in-person events and a more streamlined application process.

Transavia France has also set ambitious goals for employer attractiveness and is implementing concrete actions, including a strong presence on social media, school partnerships and local engagement initiatives.

Recruitment

Attracting the right talent is at the heart of Air France-KLM's vision for the future. In a rapidly evolving aviation industry, the Group recognizes that innovation, diversity, and inclusion are essential to staying ahead. That's why Air France, KLM, and Transavia are reimagining recruitment, designing experiences that open doors for candidates from every background and region.

As examples, Air France partners with France Travail to implement the Simulation-Based Recruitment Method (MRS), welcoming candidates from high school to master's level and valuing both technical and behavioral skills. KLM is setting new standards in accessibility by upgrading its careers website in line with the European Accessibility Act, while also recruiting more cabin crew and strengthening its ground staff talent pool. Transavia France ensures a smooth, transparent candidate experience through an ambitious recruitment plan designed to support its continued growth and transformation.

Together, these initiatives reflect Air France-KLM's commitment to building a workforce as broad and diverse as the world it serves.

Retention

At Air France-KLM, nurturing talent from within is as important as attracting it from outside. Across the Group, each airline is committed to unlocking opportunities for employees to grow, evolve and shape their own career journeys.

Air France empowers its people with a robust system of support, offering tailored training programs, dedicated online tools and resources such as intranet forums, career advice, and mobility pathways. Employees can explore new roles, receive guidance on career evolution and chart their personal development with confidence.

KLM inspires employees to broaden their horizons through internal internships and clearly mapped career paths, all accessible via the MyTalent platform. In 2025, the platform will be further enhanced with "L&D comes to you" sessions, bringing learning closer than ever. Special programs like "View of the Future" for employees aged 55 and over, and "Kickstart" for those preparing for new roles, ensure that all generations are supported in their ambitions.

Transavia France also prioritizes internal development, with managers guiding teams and promoting diversity, inclusion, and continuous improvement. At Transavia Netherlands, a strong belief in individual potential is reflected in a variety of development opportunities, including 17 live training sessions and online courses through the Learning Hub. These programs help employees build new skills, enjoy their work, and grow alongside the company.

Together, these efforts create a culture of learning, mobility and personal fulfillment, ensuring that every employee has the chance to thrive within the Air France-KLM Group.

Training, performance, and skills development

Training

At Air France-KLM, continuous learning is essential to the success. Through targeted training and accessible development opportunities, the Group equips its teams with the skills and knowledge needed to thrive and grow.

This commitment to continuous development is brought to life through a variety of initiatives :

Air France is expanding its Learning Channels to make training in management, leadership, quality, health, diversity, and finance more accessible. The mandatory "Boost Your Performance" program supports managerial transformation, with an average completion rate exceeding 50% in 2025—and over 80% for key modules such as harassment prevention and non-discriminatory recruitment. The program continues to evolve, now integrating topics like multigenerational collaboration and artificial intelligence.

KLM invests in future leaders through its Management Traineeship, offering four specialized tracks: Corporate, Engineering & Maintenance, Finance, and Business & Tech. Enhanced masterclasses and increased knowledge-sharing ensure trainees gain a strong understanding of KLM's strategy and operations. The airline also emphasizes authentic leadership, preparing mentors to foster a reflective and supportive learning culture.

Transavia France has introduced cross-functional and managerial reference frameworks to better identify employee needs and guide development. Its "TO Learn" platform offers a wide variety of micro-learning opportunities, empowering employees to take an active role in their growth.

Transavia Netherlands has expanded its team of coaches to meet growing demand, supporting more than 100 employees with over 80 coaching requests in 2025. The focus remains on strengthening leadership, communication, talent management, and collaboration.

Together, these initiatives create an environment where ongoing learning and development are central, enabling every employee to thrive and contribute to the Group's success.

Performance Management

Building a performance-driven culture is a strategic priority for Air France-KLM. By setting clear expectations, fostering continuous feedback, and investing in employee development, the Group strives for operational excellence and maximizes human potential. This commitment ensures that Air France-KLM remains both competitive and resilient within the aviation industry.

Air France has enhanced its performance management by equipping managers with dedicated resources. The Management Lab connects hundreds of managers, enabling them to share best practices, access learning opportunities, and support one another. In 2025, initiatives focused on developing key managerial skills—including emotional intelligence for better feedback and collective intelligence to drive team performance—continued to gain momentum, with 11 webinars delivered to the managerial community.

Through these initiatives, Air France-KLM is developing leaders who champion accountability and responsibility, ensuring the Group delivers results and achieves sustainable growth.

Looking ahead to 2027, AFKL is committed to aligning performance and talent management strategies across the Group, paving the way for unified excellence. This includes refining our approach by directly linking targets to Flight Plans and OKRs and by elevating the quality of performance discussions.

Skills development, talent management

To manage talent effectively, the airlines use an annual process that helps both leaders and employees focus on development and performance. This integrated approach is central to the AFKL talent strategy. By assessing not only past and present performance but also future potential, we identify, nurture, and strategically deploy talent—ensuring a steady pipeline of skilled professionals ready to lead the organization forward.

A competency framework also supports this approach by guiding development and ensuring the right skills are cultivated across all areas of our workforce. In 2024 and 2025, nearly 65 Air France HR Business Partners were trained in this common approach.

The joint AFKL Talent & Performance project launched in 2025 aims to further strengthen these efforts.

These strategic foundations are brought to life through concrete actions across the Group:

At Air France, managers benefit from expanded peer co-development sessions and the wider use of advanced diagnostic tools such as 360° and image-based feedback—over 320 image-based sessions have taken place since 2023. Individual mentoring and coaching also remain key to nurturing leadership and supporting ongoing growth.

Transavia France takes a proactive approach to succession planning, using targeted studies and specialized programs to build critical expertise and leadership capabilities.

Meanwhile, in 2025, Transavia Netherlands reinforced its commitment to inclusive talent management for its Ground organization by modernizing appraisal and development processes, training managers on effective talent conversations, and launching a centralized Learning & Development platform. The addition of data-driven team analysis further supports managers in strategic workforce planning.

Leadership Development

Across the Group, leadership development is guided by a shared vision for excellence. At Air France, this journey began with an updated managerial competency framework in 2022, clearly defining the behaviors required at every level of management. Assessment tools help managers pinpoint development needs and build tailored growth plans, an approach that remains central to our strategy in 2025.

As example, KLM is building a culture of continuous leadership development through regular feedback and innovative tools that prompt leaders to reflect and apply insights to their daily performance. An integrated platform combines reflective practices with 360° feedback, enhancing self-awareness and enabling leaders to adapt their behaviors as needed. These initiatives are designed to accelerate effective leadership and sustain high performance across the organization.

Transavia Netherlands also advances leadership development by offering targeted training and workshops through the Learning Hub.

To keep the leadership model aligned with the Group's strategic ambitions and ensure effective implementation, the aim is to assess and refine it in preparation for future leadership programs in 2026.

4.3.1.6.7 Metrics – Talent attractiveness, development and training (S1-13)

Training hours

REPORTING PRINCIPLES

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)	2025			2024 (restated)		
	Total	**Female**	**Male**	Total	Female	Male
Ground staff	**30.3**	**36.5**	**26.4**	23.5	20.7	25.2
Cabin crew	**35.2**	**37.0**	**30.0**	32.1	32.9	30.0
Flight deck crew	**54.8**	**55.6**	**54.7**	81.9	81.2	82.0
Total	**34.6**	**37.1**	**32.5**	**32.8**	**27.9**	**36.9**

In 2025, the global average number of training hours stood at 37.1 hours for female employees (27.9 in 2024), compared to 32.5 hours for male employees (36.9 in 2024). 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.

The observed decrease in flight deck training hours is mainly explained by the decline of initial qualifying trainings for certain types of aircraft, in the context of the fleet renewal of the Group's airlines.

A revised method for calculating training hours for cabin crew has been implemented in 2025, allowing for a better reflection of actual training hours. Training hours for the year 2024 have therefore been recalculated using this new method to ensure data comparability and evolution between the two reporting years. The total average number of training hours reported in 2024 was 34.8 hours (30.8 hours for women and 38.1 hours for men), including 38.5 hours for cabin crew (38.6 hours for women and 38.2 hours for men).

4.3.1.7 WORKING RIGHTS AND HUMAN RIGHTS

4.3.1.7.1 Material IROs – Working rights and human rights (SBM-3)

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Working rights & human rights	Positive impact (actual)	Adequate managerial practices ensure prevention of disrespectful behaviors (harassment, discrimination) or non-compliance with labor laws, that can harm working and human rights for Air France-KLM staff	OO	Short/ Medium
	Risk	Financial risk as a result of damages to Air France-KLM reputation, legal proceedings or fines in case of failure to protect human rights and working rights 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)".

4.3.1.7.2 Policies – Working rights and human rights (S1-1)

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, regularly adopting any amendments that may arise.

The Group complies with all of these laws, convinced that this is an essential pillar for achieving its objectives and values, as well as a prerequisite for maintaining its competitiveness, 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, 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. By integrating sustainable development into its activities and operations, the Group strives to make a meaningful contribution to achieving the United Nations Sustainable Development Goals within its sphere of influence.

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 bears 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 out in its Sustainability Report and in the Air France-KLM Principles, which cover topics such as modern slavery and human trafficking.

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 2025, the Air France-KLM Group republished the Air France-KLM Principles, which set out the values and fundamental rights within the Group.

At the same time, the text of the Air France-KLM Social Principles was also validated in cooperation with the European Works Council and employee 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; 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 Engagement process – 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.

Furthermore, the development of the Social Principles involved working groups with members of the EWC (European Works Council).

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 Policies – Diversity, Equity and Inclusion (S1-1)). 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 Channels for own workers to raise concerns – Diversity, Equity and Inclusion (S1-3).

In addition, the Principles remind employees of the speak-up policies and whistleblowing procedures to ensure that incidents can be investigated and remedied.

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.

Air France-KLM systematically analyzes any severe incidents and takes the findings into account to update its Principles and Social Principles and thus ensure effectiveness of its policies and impact and risk management.

4.3.1.7.6 Actions – 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 4.4.1.1 Corporate culture (G1-1) and 4.4.2 Cybersecurity & 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.

All Air France–KLM Group entities apply safety and security principles, which may even be strengthened by local regulations applicable in the country where these entities are registered.

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.

As mentioned in the D&I chapter (see section 4.3.1.5 "Diversity, Equity and Inclusion"), the "Harassment and Workplace Violence" e-learning has been mandatory for all employees since early 2025 and has been integrated into training programs for all new hires. In 2025, Air France also established a dedicated unit for the prevention of workplace violence and harassment and signed an agreement titled "Preventing and Acting Against Workplace Violence and Harassment." Specific in-person training sessions will be offered as part of this agreement in 2026.

4.3.1.7.7 Metrics – Working rights and human rights impacts (S1-17)

Complaints and incidents

REPORTING PRINCIPLES

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	2025	2024
Complaints filed by employees	**56**	57
Complaints filed to national contact points within OECD	**–**	–
Incidents of discrimination (including harassment)	**16**	20
Severe human rights incidents	**–**	–
Severe human rights incidents (UN/ILO/OECD Framework)	**–**	–

Compensation and fines (in € millions)	2025	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	**0.1**	0.2

4.3.2 WORKERS IN THE VALUE CHAIN (ESRS S2)

4.3.2.1 INTERACTION BETWEEN IROS, STRATEGY AND BUSINESS MODEL (SBM-2, SBM-3)

The value chain of Air France-KLM (see section 4.1.2.1 "Strategy, business model and value chain (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 actions 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 (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, in particular with its suppliers, 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 (SBM-2)".

4.3.2.1.2 Material IROs – Workers in the value chain (SBM-3)

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Working conditions & social dialogue for value chain staff	Positive impact (actual)	Responsible procurement practices and supplier engagement can contribute to improving working conditions and fostering social dialogue, including respect for labor and human rights, throughout the value chain	VC	Short/ Medium
	Risk	Financial risk as a result of disruptions in the supply chain due to conflictual working conditions & social dialogue and damages to Group's reputation		
	Opportunity	Financial opportunities related to increased efficiency and operational stability along the global value chain thanks to enhanced working conditions and social dialogue for workers in the value chain		

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 and social dialogue for workers in the value chain").

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 has updated its purchase-category based risk-mapping to match the new procurement taxonomy that was introduced in the fourth quarter of 2025. This AI-enhanced update with the support of expert insights gathered over the recent years will improve the procurement supplier risk screening process and better determine the nature and level of supplier's sustainability risks to allow targeted addressing of material issues through supplier engagement and selection. The further development of category management and the update of the procurement risk screening method will enable enhanced identification of specific groups of value chain workers that are most impacted/dependent or are at material risk.

As a result of the double materiality analysis, working conditions and social dialogue were identified as two material topics for workers in the value chain. 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 to foster its positive impact on the workers in its value chain.

4.3.2.2 WORKING CONDITIONS AND SOCIAL DIALOGUE FOR WORKERS IN THE VALUE CHAIN

4.3.2.2.1 Policies – Value chain workers (S2-1)

The Air France-KLM Principles, developed in cooperation with the European Works Council and staff representatives, 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 (see also section 4.3.1.7.2 "Policies – Working rights and human rights (S1-1)").

A program has been developed under the leadership of Air France-KLM SVP Procurement specifically for all upstream value chain suppliers 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 Sustainability 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 Sustainability Code of Conduct. The development of the Air France-KLM Supplier Sustainability 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 Sustainability 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 Sustainability 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 below the compliance threshold Air France-KLM applies, 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.

As there is no formal process in place yet to assess the effectiveness of the engagement process, the Group expects to review its practices in the coming years in the framework of due diligence regulations.

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 is not geared towards specifically identifying the more vulnerable value chain workers. Potential issues and risks on this material topic are a subset of the theme Labor & Human Rights following the EcoVadis methodology that Air France-KLM Procurement has adopted. The current risk screening and identification process as well as the results of the sustainability assessments that have been carried out, provide insights and metrics of the performance of upstream suppliers in the value chain that warrant remediate action.

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.

A Corrective Action Plan is automatically requested in case suppliers achieve an Overall Score below the Compliance Threshold that Air France KLM Procurement maintains. In addition Air France KLM Procurement engages with suppliers that have score below that threshold on one of the individual EcoVadis themes that make up the total Overall Score.

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.

As there is no formal assessment process in place yet to assess awareness and trust or to protect against retaliation, the Group expects to review its practices in the coming years in the framework of due diligence regulations.

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 has set a target for the signing of the Air France KLM Supplier Sustainability Code of Conduct (or its equivalent) by its suppliers, registered as being in compliance with the Supplier Code of Conduct (2025 target: 85%; 2025 result: 74% in 2025) and the EcoVadis assessment (2025 target: 700 assessed suppliers with a score above or equal to 45; 2025 result: 700 assessed suppliers in 2025). The drop in the percentage of signed Code of Conduct can be explained by the revised definition of contracts to be included on the reporting based on the contract status and exclusion of expired codes of conduct. 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. The Group expects to review its practices in the coming years in the framework of due diligence regulations.

4.3.2.2.5 Actions – 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 HINDRANCE MANAGEMENT (ESRS S3)

4.3.3.1 INTERACTION BETWEEN IROS, STRATEGY AND BUSINESS MODEL (SBM-2, SBM-3)

4.3.3.1.1 Interest and views of stakeholders (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.

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. This process enables Air France-KLM to gather the views of its stakeholders, people living near airports:

- In France, Environmental Noise Protection Plans (PPBEs) 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, the PPBEs are drawn up by the prefect. They are legally 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;
- In the Netherlands, the approach is steered by the Ministry of Infrastructure and Water Management, 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), 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.

4.3.3.1.2 Material IROs – Noise hindrance management (SBM-3)

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Noise hindrance management	Negative impact (actual)	Noise hindrance of Air France-KLM activities can have negative impact on living conditions of communities close to Air France-KLM hubs	OO	Short/ Medium
	Risk	Financial risk as a result of noise regulations leading to activity constraints (loss of airport slots) or increase in costs		

For more information regarding the double materiality analysis and the identification of material IROs, 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 HINDRANCE MANAGEMENT (ESRS S3)

4.3.3.2.1 Policies – Noise hindrance 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 hindrance management (S3-2)

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.

- In France, whenever possible, for all French airports where Air France-KLM is present, Air France and/or 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, 2025, Air France is a member of 16 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 actively participate in subcommissions 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 ("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 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 hindrance 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 remedying the negative impacts of noise on local communities is based on close collaboration with the airport ecosystem, notably through a continuous dialogue with all stakeholders.

The Group collaborates with EU Member States and other stakeholders to ensure compliance with the Balanced Approach process, integrated into European Regulation No. 598/2014 and designed to improve the noise environment around European airports and promote better compatibility between aviation activities and protection of residential areas.

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

On the Air France-KLM platforms, i.e., Paris-Charles de Gaulle, Paris-Orly, and Amsterdam-Schiphol, the Balanced Approach procedure is or has recently been 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:

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.

Air France-KLM actively participates in these Balanced Approaches.

The most used noise measurement indicators, and also the one mentioned in European regulation, 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 a specific period. Therefore, pillars 1 (Reduction of Noise at the Source) and 3 (Operational Procedures) are particularly effective in limiting noise pollution around airports.

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 hindrance management (S3-2)”. The issues raised by these consultative platforms are considered in the Balanced Approach processes.

4.3.3.2.4 Targets – Noise hindrance management (S3-5)

New-generation aircraft, whose noise footprint is reduced by at least 30% and up to 60% compared to the aircraft they replace, are a powerful lever for reducing the noise footprint around 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.

4.3.3.2.5 Actions – Noise hindrance 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 new 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 continuous descent (approach procedure) or noise abatement procedure (take off procedure);
- adjustments to flight schedules (times, aircraft type).

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 reduce the noise footprint by at least 30% and up to 60%. 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.

The flight equipment orders and the delivery planning of aircraft can be found in Note 38 “Flight equipment orders” to the financial statements.

Operational procedures such as the noise abatement procedure (take off) and continuous descent (approach) 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”. 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;
- 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.

Two Balanced Approaches were launched in 2023 for each of these two Paris airports :

- For Paris-Orly, a new regulatory text was published in July 2025 after completion of the official consultation process. It gradually introduces, between 2026 and 2029, a strict curfew from 10:00 pm for the noisiest aircraft (those having a cumulative noise margin under 17 EPNdB). This new restriction makes Orly on of the strictest airports in Europe in terms of noise pollution, with only the quietest aircraft being authorized to land or take off after 10:00 p.m;
- The Balanced Approach is still ongoing for Paris-CDG. The prefect in charge of it organized a public consultation early 2025 regarding potential restrictions. The Group is now waiting to examine the proposed scenarios. Air France remains 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 considering 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 also addressed through insulation projects. In France, this is funded by the Airport Noise Tax (TNSA). This tax has been implemented in the largest airports in the country since 2004, and has already reached €900 million (cumulative amount) at the national level, of which €745 million is for the Paris airports. The funds collected from airlines are dedicated to soundproofing homes located around the airports. In the Netherlands, the insulation process is supported by noise levies imposed by the government. 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 HINDRANCE MANAGEMENT

REPORTING PRINCIPLES

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 that are operated for commercial flights and those temporarily out of operations (under maintenance or in preparation for future operations).

Acoustic impact	**2025**	2024	2023
Percentage of ICAO chapter 14 eligible aircraft in the fleet in operation	**42.7%**	36.9%	31,5%

In 2023, 100% of the Air France-KLM fleet was eligible for certification under the noise level criteria of ICAO Chapters 4 or 14. Therefore, in 2024, Air France-KLM decided to focus on Chapter 14 only, corresponding the strictest ICAO noise level criteria at the moment.

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 mainly be categorized as follows:

- Individual Passengers: Individuals traveling for leisure or personal reasons;
- Corporate Passengers: Individuals traveling for work-related purposes.

Each group interacts with Air France-KLM differently, and the company strives to meet their specific needs and expectations.

In 2025, the Air France-KLM Group transported more than one hundred million passengers. The Group and its airlines are fully committed to their customers in order to guarantee them the highest level of satisfaction (see section 4.3.4.3 "Customer engagement") and safety (see section 4.3.4.4 "Operational Safety & Security of Air Transportation").

For more information on consumers and end-users, see ESRS2 sections 4.1.2.1 “Strategy, business model and value chain (SBM-1)” and 4.1.2.2 “Interest and views of stakeholders (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 IMPACTS, RISKS AND OPPORTUNITIES (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 (SBM-2)

4.3.4.2.1 Interest and views of stakeholders (SBM-2)

Please find more information in ESRS2 section 4.1.2.2 “Interest and views of stakeholders (SBM-2)”.

4.3.4.3 CUSTOMER ENGAGEMENT

4.3.4.3.1 Material IROs – Customer engagement (SBM-3)

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Customer engagement	Positive impact (actual)	Transparent information, assistance and customer support ensure a reliable travel experience for customers	OO	Short/ Medium
	Positive impact (actual)	Assistance provided to passengers with disabilities can ensure accessibility of services		
	Opportunity	Gain of reputation and customer loyalty for Air France-KLM by providing transparent information and assistance to its passengers		

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 customers 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 customers (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.

This regulation 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.

By applying EU261 regulations—widely regarded as the most protective air passenger rights legislation—to all flights across their global network, Air France, KLM, KLM City Hopper, Transavia France, and Transavia Netherlands provide their customers with a consistently high level of transparency and fairness when it comes to information, assistance, and compensation in the event of flight disruptions.

This commitment offers a distinct advantage compared to other forms of public transportation, such as rail or ferry services, where existing regulations are generally less favorable to customers, with stricter conditions for eligibility, lower compensation amounts, and more numerous exceptions.

In addition, on routes to or from non-European countries where local air passenger regulations apply, the airlines of the Air France-KLM Group also comply with these rules to ensure that customers receive the level of protection required in those regions. 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 Aviació Civil in Brazil.

4.3.4.3.2.2 Engagement process – Information and assistance to customers (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, accountability for providing information and assistance to customers during flight disruptions is shared between key commercial departments. The Senior Vice President Loyalty, Digital and Data oversees the management of digital platforms, ensuring that customers can easily access information about their rights and submit complaints or refund requests online. The processing of these complaints and refund requests is then managed by dedicated care and refund teams, under the leadership of the Senior Vice President Customer Services, who reports directly to the Executive Vice President and Chief Commercial Officer.

4.3.4.3.2.3 Processes to remediate negative impacts – Information and assistance to customers (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 customers (S4-5)

To minimize the impacts of flight disruptions, Air France, KLM, Transavia France, and Transavia Netherlands make sure that 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 – Information and assistance to customers (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

Air France–KLM recognizes accessibility not only as a matter of compliance but as a reflection of its purpose: creating caring, inclusive, and responsible travel experiences for all. The Group's long-standing commitment to passengers with disabilities is embedded within its Customer Experience strategy and its ambition to lead the aviation industry in inclusive service. As societal expectations evolve and regulatory frameworks such as the European Accessibility Act (EAA) take effect in 2025, Air France-KLM is accelerating its transformation to ensure that accessibility is systematically integrated across policies, processes, and technology.

The Group's accessibility vision for 2025–2026 goes beyond operational assistance—it focuses on empowerment, autonomy, and equality of experience. Air France and KLM both operate dedicated accessibility services —SAPHIR and KLM Cares— that coordinate thousands of assistance requests every week. Together, these services act as the backbone of a broader ecosystem connecting digital innovation, airport operations, and frontline care. In 2025, Air France supported approximately 700,000 passengers requiring assistance, and KLM around 500,000, underlining the scale and social relevance of this mission.

4.3.4.3.3.1 Policies – Access to services for passengers with disabilities (S4-1)

Accessibility is anchored in Group-wide customer policies that translate inclusion principles into tangible standards. The overarching commitment is to ensure that passengers with disabilities can travel with independence, safety, and comfort across the end-to-end journey. The policies outline clear obligations for information accessibility, timely provision of assistance, safe handling of mobility aids, and respectful treatment of every individual. They also define responsibilities across operational entities, from check-in to aircraft boarding, ensuring consistency throughout the travel chain.

The upcoming European Accessibility Act (EAA) provides an important regulatory milestone. Air France–KLM views this not as a compliance challenge but as an opportunity to raise the standard for inclusive travel in Europe. The Group's internal EAA-readiness program, launched in 2024, aligns legal, operational, and digital requirements to ensure full conformity. Accessibility policies are now integrated into product design, procurement, training, and digital-development frameworks, ensuring that future innovations—whether physical or digital—are inclusive by design.

4.3.4.3.3.2 Engagement process – Access to services for passengers with disabilities (S4-2)

Meaningful engagement is central to Air France-KLM's accessibility approach. The Group collaborates continuously with passengers with disabilities, representative associations, and experts to better understand lived experiences and identify improvement priorities. This dialogue takes many forms: structured consultations, co-creation sessions, and ongoing feedback exchanges with a group of engaged customers who test digital platforms, assess communication clarity, and share insights on airport and on-board experiences.

These interactions have directly informed several improvements within the 2025–2026 roadmap, including simplified pre-travel communication, clearer wheelchair return procedures, and enhanced staff awareness modules. At the same time, Air France–KLM maintains regular coordination with airport operators, assistance providers, and regulators to ensure that accessibility is consistent throughout the journey chain, not only at hubs such as Amsterdam Schiphol and Paris-Charles de Gaulle, but across the entire network.

4.3.4.3.3.3 Processes to remediate negative impacts – Access to services for passengers with disabilities (S4-3)

Despite continuous progress, accessibility challenges may still arise, particularly around the safe handling of mobility aids, the consistency of airport assistance, or accessibility of digital content. To address these, Air France–KLM applies a robust remediation process based on transparency, learning, and accountability.

Every incident is documented and reviewed through a central reporting structure shared across Customer Experience and Ground Operations. When mobility aids are delayed or damaged, passengers receive immediate support and tailored follow-up, including compensation where applicable. Root-cause analyses identify procedural or technical failures, which are then addressed through targeted interventions, ranging from updated equipment standards to revised training and communication between handlers and assistance coordinators.

Over the past two years, this systematic feedback approach has led to a measurable reduction in service failures and a stronger culture of ownership across departments. The Group will extended this process by integrating it into a Passengers with Disabilities Journey Dashboard, offering near real-time visibility into service quality indicators, complaint patterns, and corrective actions across stations.

4.3.4.3.3.4 Targets – Access to services for passengers with disabilities (S4-5)

Air France-KLM's targets for 2025–2026 reflect a dual ambition: to achieve full regulatory compliance while driving meaningful progress in customer experience. By 2026, all Group websites, mobile apps, and self-service tools will comply with WCAG 2.1 AA digital accessibility standards (Web Content Accessibility Guidelines)[1]. At the same time, Air France-KLM is committed to reducing incidents involving mobility aids by at least 20% compared to the 2023 baseline, through better tracking, pre-loading verification, and stronger partnerships with ground handlers.

Customer satisfaction among passengers with disabilities remains a key metric. The target for 2026 is to achieve and sustain an 85% satisfaction rate, measured through post-travel surveys and dedicated NPS tracking. In parallel, all customer-facing employees have completed specialized accessibility training in 2025, ensuring their awareness and that empathy is embedded in each of their interaction. The Group's Accessibility Compliance Index, introduced in 2024, serves as an internal benchmark for progress monitoring and external reporting.

[1] https://www.w3.org/TR/WCAG21/

4.3.4.3.3.5 Actions – Access to services for passengers with disabilities (S4-4)

The 2025–2026 accessibility roadmap brings together initiatives across people, process, and technology. A dedicated EAA Taskforce coordinates actions between Customer Experience, Digital, Operations, and Airports to guarantee readiness by the regulatory deadline. Digital accessibility audits are being finalized, and remediation is progressing across key platforms such as KLM.com, AirFrance.com, and mobile check-in apps.

On the operational side, pilot programs at Amsterdam Schiphol and Paris-Charles de Gaulle are testing mobility-aid traceability systems that allow passengers to monitor their equipment from check-in to arrival. Results will inform broader rollout across the network by 2026. Parallel to this, a training modernization program is underway, introducing scenario-based learning modules and virtual-reality simulations to strengthen empathy and procedural precision among front-line staff.

Looking ahead, Air France–KLM aims to consolidate these efforts under a Group-wide Accessibility Charter, establishing a common governance framework and unified performance indicators. Discussions are also underway to launch an Accessibility Innovation Fund, which would finance joint projects with start-ups, universities, and advocacy groups on assistive technologies, inclusive design, and sustainable mobility solutions.

Through these concerted efforts, Air France–KLM aims not only to comply with evolving accessibility regulations but to actively shape the future of inclusive aviation in Europe. The Group's actions in 2025–2026 will strengthen passenger trust, enhance operational consistency, and demonstrate that accessibility is inseparable from quality and care.

Accessibility, in this sense, is not treated as a separate service but as an integral part of the Group's promise to its customers: that every journey, regardless of ability, should be safe, seamless, and dignified. By embedding accessibility into its DNA, Air France–KLM reaffirms its vision of air travel as a space where inclusion, empathy, and excellence coexist—creating a truly universal travel experience.

4.3.4.4 OPERATIONAL SAFETY & SECURITY OF AIR TRANSPORTATION

For Air France-KLM and it's airlines, operational safety and, by the virtue of its business, flight safety and security 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.

In the context of an increasingly complex environment, between geopolitical tensions, increasingly constrained airport and airspace, and the emergence of new threats, the Group strives to maintain the highest level of safety and security through its safety and security management system.

4.3.4.4.1 Material IROs – Operational Safety & Security of Air Transportation (SBM-3)

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Operational safety & security of air transportation	Negative impact (potential)	Incidents or accidents causing harm to customers and goods may be prevented by high safety and security standards in the air transport industry	OO	Short/ Medium
	Risk	Financial risk as a result of potential damages to Air France-KLM reputation, people and goods in the event of incidents or accidents		

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 (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 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 security and safety policy is reviewed regularly and signed at the highest level of the company (Accountable Executive, Executive Committee). The Safety Policy is also applicable to Transavia France.

The Air France Corporate Flight Safety and Risk Management Division now includes security risks. This allows 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 Hop! and Transavia France.

As part of their Emergency Response Plan, Air France and KLM have set up a Care Team program, composed of regularly trained volunteers within the airlines' employees. The Care team can be activated to respond to a full range of incidents and crisis through various engagement activities (support for involved families or colleagues, telephone assistance, on-site support, logistical and administrative support). The Care Teams can also be activated for Hop!, Transavia France and Transavia Netherlands, and some Air France-KLM's partners such as Delta Air Lines.

4.3.4.4.3 Engagement process – Safety and security (S4-2)

Air France-KLM engages with its customers 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 (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 and risk-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 (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 customers and staff maintaining them at the highest level.

Air France and KLM systematically analyze any flight-safety-related event and incorporates the findings into updates of their safety policies and procedures to ensure continuous improvement and mitigation of its potential impact.

4.3.4.4.6 Actions – Safety and security (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 October 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. The certificate is valid for HOP! until the end of 2027. For Transavia France, it is valid until the end of 2026, and for Transavia Netherlands until the second quarter of 2027.

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 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.

REPORTING PRINCIPLES

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, by assigning a score ranging from 0 to 10 (0 corresponding to "I will definitely not recommend" and 10 to "I will definitively recommend").

The NPS 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	**2025**	2024
Annual change in the NPS	Air France	**+3**	+2
	KLM	**-2**	–
	Transavia France	**+10**	-8
	Transavia Netherlands	**+9**	-8

For more details on customer experience initiatives, please refer to chapter 1 of this URD (section 1.4 "Customer experience ").

4.4 GOVERNANCE INFORMATION

4.4.1 BUSINESS CONDUCT

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Business conduct, anti-corruption, protection of whistleblowers	Negative impact (potential)	Unethical behavior and practices may be prevented by Air France-KLM business ethics and corporate culture promoting fair business practices	OO/VC	Short/ Medium
	Risk	Financial risk as a result of damages to Air France-KLM reputation and legal proceedings related to non-compliance with regulations on business ethics		

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 a global group operating worldwide and employing thousands of people, the Air France-KLM Group is committed to upholding ethical values and complying with applicable laws across every area of regulatory compliance.

The Air France-KLM Group adheres to leading international ethical standards, including the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the core conventions of the International Labor Organization, and UNICEF's Rights of the Child and Business Principles.

Complying with all such legislation is key to uphold our corporate purpose and values, maintain competitiveness, and protect the reputation and long-term sustainability 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 business conduct corporate culture through the Air France KLM Principles which reaffirm the Group's commitment to fostering a climate of mutual trust, respect, transparency and confidentiality within its organization.

Those Principles include commitments in respect of diversity and inclusion, health and safety, working conditions including combating modern slavery and child labor, human trafficking, protection of the environment and local communities, privacy and digital ethics, combating corruption, fraud market abuse, money laundering and fight against terrorism, compliance with international sanctions and export control rules, competition laws, and relations with third parties.

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

During 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.

The Air France-KLM Group publicly communicates on the Air France-KLM Principles on its corporate website and encourages all its customers, shareholders, business partners and local communities to respect them.

The Air France-KLM Group requires its suppliers to follow its Supplier Sustainability Code of Conduct, which is based on the ten principles of the United Nations Global Compact. Alternatively, suppliers may use their own Code of Conduct, provided it is equally strict and meets the same standards. Air France-KLM Group's suppliers are also asked to verify such commitments within their own supply chain.

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.

For that purpose, the Air France KLM Group Top Management (i.e the Air France KLM CEO and Group Executive Committee) oversees the following main actions:

a) Implementing an organization and governance for compliance and business ethics matters

Appointment of the Air France KLM Group Compliance VP is validated by Air France KLM Group Top Management which also ensures that such person has sufficient autonomy, influence over internal stakeholders, 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 Executive Committee also appoints compliance coordinators for their respective divisions so that compliance and business ethics matters are considered and deployed within the whole organization.

b) 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 by the Air France KLM Group Top Management.

The Air France KLM Group Top Management also validates the control framework for the compliance programs and the reporting mechanisms (including the whistleblowing tools). In case 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 on compliance matters.

c) Foster a culture of fair and ethical business conduct internally and externally

The Air France KLM Group Top Management communicates about compliance matters and ethical business (i.e anti-corruption code of conduct, manual on competition rules...) to the 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-learnings and training campaigns on compliance matters and closely monitors completion of such e-learnings.

The Air France KLM Group Top Management also ensures that rules and standard are promoted towards third parties with which the Air France KLM Group engage in business relationships (i.e. Supplier Sustainable Code of Conduct, performing screening and due diligence on third parties from a compliance standpoint etc...).

Role and expertise of supervisory bodies in corporate culture surrounding ethical business conduct

The Air France–KLM Board of Directors oversees the effectiveness of compliance and ethics measures implemented by Top Management. This is done mainly through the Sustainable Development and Compliance Committee (SDCC).

The SDCC notably supports the Board by reviewing the Air France-KLM Group policies on compliance and sustainability, ensuring ethical business practices are integrated into the Group's strategy and long-term value creation. It assesses the sustainability related risks, specifically those relating to ethical business conduct, reviews the Group compliance programs and monitors their implementation to ensure their adequacy and efficiency.

The SDCC meets at least three times a year.

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 riskiest functions have been determined based on the following criteria:

- their positioning and ability to take or influence decisions at the highest levels of the organization (notably 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 Transparency International association and (ii) the legal watch done on corruption cases or investigations released on the competent authorities' websites or in press articles;
- the nature of the tasks they perform: functions which 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; same applies to functions interacting 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.

Specific measures are dedicated to such employees. They may consist in:

- specific documentation (i.e code of ethics for procurement function, for financial function);
- specific in-class training;
- specific actions part of the actions 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 mechanism and controls framework.

This anti-corruption program applies to all staff of the Air France KLM Group. 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 them to commit to the same rules and standards in matter of anti-corruption.

Policies

The Air France-KLM group regularly reviews and updates its internal documentation to consider changes in legislation and recent case law, but also the result 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 appendixes, set out the rules that must be complied with by all employees of the Air France-KLM Group as well as by any third parties with whom it does business. They apply 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, which relate to or may be generated from their activities within the Air France-KLM Group with external parties, 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.

It provides 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 they are tailored to the Group's organization.

It specifies sanctions for violations, as well as a reporting mechanism if a violation is detected.

The Air France-KLM Group Anti-Corruption Code of Conduct has been updated in 2025 to clarify and improve the process and rules stated in the Gift and Hospitality Policy.

Validation process and communication

The Air France KLM Group anti-corruption code of conduct is 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 is incorporated into the Internal Rules of the French entities 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.

.Specific communication is sent to employees about this Air France KLM Group anti-corruption code of conduct, and it is complemented by an anti-corruption e-learning available to all employees.

Regular communication is also done 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 our values and rules with all third parties.

Whistleblowing policies

The Air France KLM Group ensures that any employee or third party can freely raise any concern in case of any suspicion of violation of applicable laws and regulations or of internal documentation.

Several channels have been implemented to encourage the employees to speak up, notably through management, HR, compliance teams (including compliance coordinators network) and whistleblowing tools. 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 as described below.

Scope

The whistleblowing policies apply to all persons who can issue a report through the whistleblowing tools. These persons can be:

- Staff member of the Air France KLM Group entity (employees, former employees and job applicants when the information was obtained during the mission or recruitment process, external and occasional workers such as trainees, apprentices and temporary workers);
- Shareholders, directors and member of the administrative, management or supervisory bodies of the Air France KLM Group entities;
- Third parties.

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 to collect and process reports, to understand the measures implemented to guarantee the strict confidentiality of the information communicated and the protection of whistleblowers.

Content

The whistleblowing policies specify:

- who can issue a report;
- the nature of violation that can be reported such as corruption cases or serious incidents linked to the duty of vigilance (violation of human rights, of fundamental freedoms, health and safety, issues, environmental matters) pursuant to the regulation in force;
- how it can be done and steps of the process which apply to collect and manage the reports (including investigations phase and how the persons in charge of management of the case present all guarantees in terms of expertise and independence).
- the rights and obligations of the whistleblowers, including all protections in terms of confidentiality and 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 communication, e-learning 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 in 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 protection of whistleblowers).

Whistleblower protection measures

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 EU Directive 2019/1937 of 23 October 2019 on the protection of persons who report violations of the European Union law as implemented in national laws, French Act n° 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernization of economic life and French Act n° 2022-401 of 21 March 2022 to improve the protection of whistleblowers).

Users are informed about how reports are handled and how whistleblower confidentiality is protected:

- The Air France-KLM Group has appointed impartial and qualified internal staff to receive and process reports submitted through whistleblower tools.
- Such persons have a strict duty of confidentiality. They must protect the identity of whistleblowers and of any third parties mentioned in the report, and all information collected by all the recipients of the report.
- The investigators work independently from the chain of management responsible for preventing corruption and bribery (see the section related to role and responsibilities of top management bodies).

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 their identity, the whistleblowers are protected against all forms of retaliation and are shielded from civil and criminal liability (provided that they act in good faith). Disciplinary measures would be taken against anyone discriminating against them.

Such protection measures also apply to the 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 the 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.), the legal entities belonging to the whistleblowers, for which the whistleblowers work or are in contact in a professional context.

Description of the antibribery management system: corruption risk assessment and controls

Corruption risk assessment

Last full corruption risk map campaign was deployed in 2024 within the Air France KLM Group. It was reviewed in 2025 to ensure it was still relevant.

This risk map enables the Air France-KLM Group to identify the riskiest functions in terms of corruption (refer to section "Disclosure of the functions that are most at risk in respect of corruption and bribery" above) as well as the third parties (per nature and location) which could present the greatest risk exposure to corruption.

An action plan is being implemented to address and reduce risks identified in the risk assessment.

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 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.

  This line of defense, in charge of identifying and managing risks (implementation of 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 decisions or transactions to ensure that the first-line-of-defense controls have been properly performed and that the overall compliance policies, including anti-corruption program is functioning properly.

- The third line of defense ("Level 3 controls")

  This is done by Air France / KLM internal audit function.

  This line of defense aims at ensuring an independent control over 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 controls 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, anti-corruption e-learnings are implemented, in a mandatory way for a large panel of employees at risk and then opened to all employees of Air France KLM, Air France and KLM. The subsidiaries are urged to deploy e-learnings 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 e-learning campaign on gifts and hospitality was launched on 3rd November 2025 for a compulsory panel of employees. It complements the anti-corruption e-learning. Anti-corruption e-learnings are launched on regular basis, in addition to in-class training, specific sessions that may be done upon request and communication campaigns.

The current anti-corruption 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. The e-learning on gifts and hospitality focuses on the updated Air France-KLM Group Gifts and Hospitality Policy including dilemmas that may be faced by employees so that they can understand the associated risk and know how to react in such circumstances.

The completion rate for the period starting on 3rd November 2025 to 31st December 2025 for the selected panel (i.e., functions with high risk of exposure) was 96.5% (5,804 of the individuals completing it were part of a compulsory panel of 6,016 persons). This e-learning will then be opened to all employees later in 2026.

In addition to the e-learning modules, 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” above).

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 since 2023. In 2025, 26 sessions have been held to cover a panel of 441 employees from Procurement, Engineering and Maintenance activities, Fleet, Network, Customer Experience, Inflight Services and Safety 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	2025 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	96.5 %

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 2025, 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 2025, there was no conviction issued by any competent authority against the Air France KLM Group for 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.

	2025	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 practice.

Preventing 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 was launched between November 2024 and January 2025 with a target of achieving more than 96%. The target 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.

4.4.1.5 COMPLIANCE WITH INTERNATIONAL SANCTIONS AND EXPORT CONTROLS

As an international Group, the entities of Air France-KLM operate in multiple jurisdictions and engage in cross-border transactions. As a result, the Group is subject to a broad range of trade-related laws and regulations, including international sanctions and export controls imposed by the European Union, its Member States, the United States and other countries in which it operates. These measures may restrict certain transactions, countries, entities, goods or end-uses and may impact the Group's commercial and operational activities.

The international trade environment has become increasingly complex and volatile in recent years, notably due to geopolitical tensions and regional conflicts. Sanctions and trade restrictions are frequently adopted, amended or expanded, sometimes with immediate effect and often with extraterritorial reach. This evolving and uncertain environment increases compliance challenges for companies with global operations

The Air France–KLM Group aims to comply with all applicable international sanctions and export control laws and regulations.

The Group Trade Compliance Officer is responsible for establishing and overseeing the Group's Trade Compliance framework, in close coordination with the Air France and KLM Trade Compliance departments. This framework is implemented by the businesses and operating entities, which are responsible for day-to-day application within their respective activities and transactions.

The Group Trade Compliance Officer interacts with competent authorities on trade compliance matters and has a coordination role to promote a consistent approach to sanctions and export control compliance across the Group. This includes supporting businesses and operating entities in the interpretation of applicable rules, monitoring regulatory developments and emerging risks, and facilitating alignment of practices.

The Group relies on third-party and transactional screening processes, including dedicated screening tools, in particular for transactions involving high-risk countries or restricted goods and technologies such as dual-use or military-related items.

A Group-wide action plan is in place to update and strengthen compliance with international sanctions and export control requirements, and to reinforce awareness across Group entities. It includes training initiatives aimed at ensuring that employees involved in international activities understand and correctly apply sanctions and export control rules.

Export control e-learning modules are regularly completed by relevant personnel in operational functions within Cargo and Engineering & Maintenance to ensure continuous training and awareness.

4.4.1.6 TAX STRATEGY

Compliance

Air France-KLM is committed to integrity and transparency in tax matters, strictly adhering to local and international tax laws and meeting all deadlines. The company complies with the OECD's BEPS Action Plan and is preparing for Global Minimum Tax Reporting and public Country-by-Country Reporting in accordance with regulatory timelines.

As international airlines, Air France and KLM mainly report income in France and the Netherlands, following international tax principles, with smaller amounts declared in other countries where they operate. All tax filings are prepared and submitted in line with local accounting standards and regulations.

Transparency

Air France-KLM prioritizes transparency and trust in its engagements with tax authorities and stakeholders, maintaining open communication and participating in public tax consultations. The Group proactively addresses tax matters to minimize disputes, notably through partnerships and initiatives with French and Dutch tax authorities.

Key actions include a tax partnership with French authorities since 2019, increased use of advance tax rulings, and renewal of Air France's Authorized Economic Operator (AEO) certificate in 2024. KLM maintains a collaborative relationship with Dutch tax authorities through the Individual Monitoring Plan and publishes an annual transparency and tax contribution report, highlighting its responsible tax practices and commitment to transparency.

4.4.2 CYBERSECURITY & DATA PROTECTION

Data protection and cybersecurity represent key priorities for the Air France–KLM Group, as any breach could adversely affect its operational and financial performance and undermine the trust of its customers, employees, and business partners.

As regards data protection, the Group is committed to processing personal data in compliance with the General Data Protection Regulation (GDPR) and other applicable privacy laws.

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

Topic	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Cybersecurity & Data Protection	Negative impact (potential)	Cybersecurity breaches potentially affecting data privacy and business continuity may be prevented by robust information systems and data protection processes and procedures	OO/VC	Short/ Medium
	Risk	Financial risk as a result of potential damages to Air France-KLM reputation, legal proceedings and business disruptions related to critical systems failures or data leakage		

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)".

4.4.2.1 Policies – Cybersecurity & Data protection (S4-1)

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 (for Air France-KLM, the EVPs of each division, supported by a network of business privacy correspondents and advised by the Air France-KLM Privacy Officer and the Airlines Data Protection Officers -DPOs). Since 2018, Air France-KLM has deployed and regularly enhanced internal policies and procedures to strengthen personal data protection, as well as cybersecurity programs.

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 Transavia France have issued privacy policies, that are published on their websites. Reading the policies enables the customers to be informed of how and why their personal data is being processed, protected and how they can exercise their rights.

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).

The Air France-KLM information protection policy includes the strongest security measures, like zero trust systems and multiple-factor authentication features. The Group coordinates a daily monitoring and the deployments of protections as needed with our affiliates and suppliers.

4.4.2.2 Engagement process – Cybersecurity & Data protection (S4-2)

Air France, KLM, Flying Blue Miles and Transavia Netherlands and Transavia France have appointed Data Protection Officers (as requested by GDPR), who are the point of contact of “data subjects” regarding any question relating to the processing of their personal data. When customers wish to exercise their rights regarding the processing of their personal data, they can simply send a request to the postal or email address provided to them on the websites or apps of Air France, KLM, Transavia Netherlands and Transavia France and Flying Blue.

This dialogue with the customers enables Air France-KLM to enhance its Data protection procedures and processes taking into consideration the most frequent customers’ requests (for example, developing self-service for customers to enable them to exercise their rights in a faster way, e.g. to erase their personal data). The DPOs are also the point of contact of authorities in France and the Netherlands for any questions and in case of investigations.

4.4.2.3 Processes to remediate negative impacts – Cybersecurity & Data protection (S4-3)

Air France-KLM Data privacy management system aims at preventing, mitigating and remediating negative impacts, especially misuse/leakage of customer's personal data.

Air France and KLM DPOs have regular monthly meetings with Air France-KLM Chief Information Security Officer (CISO) to discuss any cases that could have a negative or a positive impact on privacy, including adding extra security measures.

In case of a data breach, multidisciplinary response team is activated to act quickly, efficiently and appropriately to the incident. Assessment of the risks for "data subjects"/customers is done and triggers notification to them when needed. Remediation plans are then quickly implemented.

Information systems security measures, including the Cyber Business Continuity Plan (BCP), are tested annually and enhanced through long-term actions to maintain the highest level of cybersecurity, including for subsidiaries and suppliers. Information security events are monitored at all levels of the information systems, with centralized reporting to the Security Operations Center (SOC), 24/7, which is PDIS-certified. These measures are reinforced by continuous monitoring of potential security breaches by teams proactively searching for cyber threats (Threathunting) and penetration testing (Pentests). Any employee can report a cybersecurity incident by email or by submitting a support request to the Air France-KLM Help Desk worldwide.

All Air France-KLM staff are regularly educated to data privacy and cybersecurity (see Actions described below).

4.4.2.4 Targets – Cybersecurity & Data protection (S4-5)

No specific targets have been set regarding data privacy.

4.4.2.5 Actions – Cybersecurity & Data protection (S4-4)

Data protection is embedded in Air France–KLM business processes through dedicated policies, procedures, risk assessments, and training programs. The Data Protection Officers of the AFKL Group entities—coordinated by the Group Privacy Officer—support business teams, monitor compliance, and implement action plans to continuously strengthen data-protection maturity.

All employees must follow an annual mandatory cybersecurity training. Tailored training modules are also provided to operational teams most exposed to privacy or cybersecurity risks. Awareness is reinforced throughout the year by dedicated communication campaigns, including participation in the annual Cybersecurity Awareness Month and Cyber drill exercises.

A comprehensive "Privacy Maturity Program" is deployed within Air France, KLM and the joint businesses to further improve data protection practices across all disciplines, including data breach and data subjects request management.

Air France-KLM's cybersecurity framework is designed around strong protection and continuous assurance. Independent audits, automated controls, vulnerability assessments, and regular penetration testing—conducted by both internal teams and external qualified experts, including Qualified Security Assessors—provide increased visibility on potential weaknesses within the Group and its suppliers. Internal IT audits and external independent audits are performed at least annually. The Group also aligns its practices with international standards ISO 27001 series. New tools and privacy enhancing technologies are progressively integrated into Air France–KLM products and services to help detect, prevent, and explain any potential misuse of personal data, particularly for customers. Dedicated educational resources also help customers better understand how to protect their own data.

The Air France KLM Information Protection Policy based on the last version of ISO27001 and includes strong security measures, such as zero trust architectures, multi factor authentication and continuous monitoring. Protections are deployed and coordinated daily with affiliates and suppliers to ensure the robustness of the Group's information security ecosystem.

4.4.3 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	IRO type	IRO description	Own Operations (OO) / Value Chain (VC)	Time horizon (short, medium, long term)
Political engagement & lobbying activities, economic & social value of air transportation	Positive impact (actual)	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	Short/ Medium/ Long
	Risk	Financial risk as a result of damages to Air France-KLM reputation or business constraints due to pressure groups targeting airlines		
	Opportunity	Air France-KLM lobbying activities to promote the importance of air transport industry could contribute to fair competition and level playing field to secure Air France-KLM market position or seize business opportunities		

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.

Under the supervision of the Group Chief Executive Officer, the Director of Public and International Affairs leads institutional relations and ensures that this positioning is consistent with the Group’s environmental policy. To this end, they oversee 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 - are aligned with the Group’s material topics.

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 positions 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	4

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[1].

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 2025

(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, Union des marques	0.3
KLM	
VNO/NCW	0.2
Transavia France	
FNAM, MEDEF	less than 0.1

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.

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 "1,5 degree" in the 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 (E1-1)").

- 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.

Contribute to preserving the social climate [ESRS – S1]

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.).

[1] Disclosure requirements as per ESRS G1-5, §29. b)

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 hindrance 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.

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 accessibility.

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.

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.

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 APPENDICES

4.5.1 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 Annex1		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 1				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 1	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 (SBM-1)
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation(EU) 2020/1816, Annex II		4.1.2.1 Strategy, business model and value chain (SBM-1)
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		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 (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 (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)
ESRSE1-4 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 (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, Article2 (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 labor paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				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 labor 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 Organization 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 Actions – 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 1				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 Organization 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 1 and Indicator number 11 Table #1 of Annex 1				4.3.3.2.1 Policies – Noise hindrance 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 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		4.3.3.2.1 Policies – Noise hindrance management (S3-1)
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				4.3.3.2.5 Actions – Noise hindrance 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 customers 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 (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 customers 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 (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 customers 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 (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 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				4.4.1 Business conduct
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).

4.5.2 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 5.1; 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 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 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 Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
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 Integration of sustainability performance into compensation components (GOV-3) Chapter 2 of the 2024 Universal Registration Document 2.5.2 Compensation of the corporate officers in 2025
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 Integration of sustainability performance into compensation components (GOV-3) Chapter 2 of the 2024 Universal Registration Document, section 2.5.2 ".Compensation of the corporate officers in 2025".
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 (SBM-1)
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 – Talent attractiveness, development and training (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 hindrance 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 (S4-1) 4.4.1.1 Corporate culture (G1-1)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 2: General Disclosures 2021	2-24 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 administrative, management and supervisory bodies (GOV-2) 4.3.1.3.6 Actions – Social dialogue (S1-4) 4.3.1.4.6 Actions – Working conditions (S1-4) 4.3.1.5.6 Actions – Diversity, Equity and Inclusion (S1-4) 4.3.1.6.6 Actions – Talent attractiveness, development and training (S1-4) 4.3.1.7.6 Actions – Working rights and human rights (S1-4) 4.3.2.2.5 Actions – Workers in the value chain (S2-4) 4.3.3.2.5 Actions – Noise hindrance 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 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 hindrance 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 hindrance 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)	4.1.4.2 Material impacts, risks and opportunities and their interaction with strategy and business model (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)	4.4.3 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 (SBM-2); 4.3.1.3.3 Engagement process – Social dialogue (S1-2) 4.3.1.4.3 Engagement process – Working conditions (S1-2) 4.3.1.5.3 Engagement process – Diversity, Equity and Inclusion (S1-2) 4.3.1.6.3 Engagement process – Talent attractiveness, development and training (S1-2) 4.3.1.7.3 Engagement process – 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 hindrance 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 (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)		4.1.4.2 Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)
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 (SBM-1) 4.1.4.2 Material impacts, risks and opportunities and their interaction with strategy and business model (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 hindrance 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.		4.4.3 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
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		4.1.4.2 Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3) 4.2.1 Climate change (ESRS E1) 4.2.1.3.5 Actions and resources – Climate change (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.		4.4.3 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)
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 Actions – Social dialogue (S1-4) 4.3.1.4.6 Actions – Working conditions (S1-4) 4.3.1.5.6 Actions – Diversity, Equity and Inclusion (S1-4) 4.3.1.6.6 Actions – Talent attractiveness, development and training (S1-4) 4.3.1.7.6 Actions – Working rights and human rights (S1-4) 4.3.2.2.5 Actions – Workers in the value chain (S2-4) 4.3.3.2.5 Actions – Noise hindrance management (S3-4) 4.4.3 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.		4.4.3 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
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; 4.4.1.6 Tax strategy
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.		4.4.1.6 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 (E1-2) 4.2.1.3.5 Actions and resources – Climate change (E1-3) 4.2.1.3.4 Targets – Climate change (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 Metrics – Climate change
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 Metrics – Climate change

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
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 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 Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
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 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 (SBM-2) 4.1.4.2 Material impacts, risks and opportunities and their interaction with strategy and business model (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 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 Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
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 Talent attractiveness, development and training
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 Talent attractiveness, development and training
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 Talent attractiveness, development and training
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 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 Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
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 hindrance 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 hindrance 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 hindrance management (ESRS S3)
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)		4.1.4.2 Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3) 4.3.3 Affected communities – Noise hindrance 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 (SBM-2) 4.1.4.2 Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)
GRI 415: Public Policy 2016	3-3 Management of material topics	ESRS G1 G1-5 §27		4.4.3 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 415: Public Policy 2016	415-1 Political contributions	ESRS G1 G1-5 §29 (b)		4.4.3 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 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 labor ("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 labor ("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, 2025

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, 2025 and included in sections 4.1 to 4.5 of the Group management report (hereinafter the "Sustainability Statement").

Our work, which is based on this information, was conducted in an evolving regulatory context subject to uncertainties concerning the interpretation of the applicable provisions and the emergence of industry practices.

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 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 requirements arising from the sustainability reporting standards adopted by the European Commission pursuant to Article 29b of Directive (EU) 2013/34 of the European Parliament and of the Council of 26 June 2013, as amended by Directive (EU) 2022/2464 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 disclosed, which includes, where applicable, the obligation to consult the Social and Economic Committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labour Code;
- 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.

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.

Furthermore, regarding forward-looking information, which is by nature uncertain, actual future results may differ materially

from the forward-looking disclosures included in the Group management report.

Our mission, 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.

The sustainability information and the disclosures required under Article 8 of Regulation (EU) No 2020/852 may be exposed to inherent uncertainties due to the current state of scientific knowledge and the quality of external data sources. Some disclosures are sensitive to the methodological choices, assumptions and/or estimates applied in their preparation and presented in the Group management report.

Compliance with the ESRS of the process implemented by Air France-KLM to determine the information disclosed

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. Information relating to how the entity implements and updates its double materiality assessment is provided in section 4.1.4.1, 'Process for identifying and assessing material impacts, risks and opportunities (IRO-1),' of the Sustainability Statement.

We have reviewed, through interviews with management and inspection of available documentation, the analysis carried out by the Group for updating the double-materiality assessment. These analyses notably include the findings from the benchmarking of sustainability statements published by the Group's main competitors in the European Union and key stakeholders across its value chain.

Based on our professional judgment, our procedures specifically included:

- exercising professional skepticism when reviewing the documentation supporting the analyses carried out by the Group to update its double-materiality assessment;
- assessing whether the available sector analyses and competitive benchmarks we considered relevant contradict the actual and potential impacts, risks and opportunities identified by the Group;
- assessing the appropriateness of the impact and financial materiality assessment process implemented by the entity to determine the material information disclosed (including the setting of thresholds), in light of our understanding of the Group;
- assessing the adequacy of the related description provided in Note 4.1.4.1, 'Process for identifying and assessing material impacts, risks and opportunities (IRO-1),' of the Sustainability Statement.

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 4.2.1 "Climate change (ESRS E1)" of the Sustainability Statement 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;
- evaluating the appropriateness of the adjustments made to Scope 3 emissions and of the information disclosed in this respect in section 4.2.1.4.2, 'Gross GHG emissions for Scopes 1, 2, 3 and total GHG emissions (E1-6),' of the Sustainability Statement;
- 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, and the sensitivity analyses relating to potential delays in the introduction of new-generation aircrafts presented to the Board of Directors;
- assessing the consistency of the information submitted to the Science-Based Targets initiative (SBTi) as part of the validation of the Group's greenhouse gas emissions intensity-reduction target with the strategic plan, the five-year plan, and the sensitivity analyses relating to potential delays in the introduction of new-generation aircrafts presented by Management to the Board of Directors;
- assessing the appropriateness of the information disclosed in sections 4.1.1.2, 'Disclosure of information relating to specific circumstances (BP-2),' and 4.2.1.3.4, 'Targets – Climate change (E1-4),' of the Sustainability Statement, regarding the update of the greenhouse gas emissions intensity-reduction target.
- 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 CO_2 emissions for 2030 (for Scope 1 and Scope 3, Category 3) in comparison with the 2019 CO_2 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 which highlights the remaining uncertainties regarding the assessment of compliance with the DNSH Pollution criteria in light of the use by the Group of exemptions for persistent organic pollutants to which it is entitled.

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;
- reviewed, on a sampling basis, the elements on which Management relied when assessing the eligible economic activities met the cumulative conditions set out in the Taxonomy Framework to be classified as aligned, particularly regarding the technical screening criteria and the principle of "do not significant harm" to any of the other environmental objectives;
- 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.

French original signed by

Paris La Défense, February 20, 2026

KPMG S.A.

Valérie Besson
Partner

Éric Dupré
Partner

Neuilly-sur-Seine, February 20, 2026

PricewaterhouseCoopers Audit

Philippe Vincent
Partner

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 (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 (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 (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-learnings are launched for a targeted panel of employees for which completion is mandatory. In 2024, e-learnings 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”.)

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-learnings 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 open to all employees since 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 (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 since 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.

For all new contracts or contract renewals, the signature of the Supplier Sustainable Code of Conduct or an equivalent commitment covering the principles of environmental protection, social and human rights, ethical business conduct, and sustainable supply chain is mandatory.

In the event of a deviation, the Legal department or the Compliance department are involved in providing guidance on how to handle the situation.

In addition to adherence to rules and standards at least as stringent as the ones in place within its organization, Air France-KLM requests that suppliers and service providers monitor the enforcement of such rules within their supply chain and report on it upon request.

The Group may ask its suppliers and service providers to conduct a sustainability self-assessment to manage and monitor the level of sustainability performance. These assessments help to determine whether the suppliers and service providers meet the Group's sustainability requirements. If suppliers or service providers fail to comply with this requirement, the Group may request corrective actions and/or not enter into a commercial relationship or suspend or terminate the commercial relationship as provided for in the agreement executed with the concerned suppliers and service providers.

High-risk suppliers and service providers are also asked to submit an evaluation of their sustainability performance, carried out by a specialized organization (i.e., EcoVadis) or the equivalent. It is mandatory for this evaluation to address four areas: environment, social and human rights, ethics, supply chain.

Independent in situ audits may also be triggered. Independently of the level of risk, all suppliers are encouraged to have their CSR performance evaluated.

In 2025, 74% of suppliers signed the Supplier Sustainable Code of Conduct or equivalent, and 700 suppliers had their sustainability performance evaluated through EcoVadis or equivalent. These KPIs are reviewed each year with a target of constant improvement in the monitoring of efficiency of our actions related to sustainability within the supply chain.

In addition to the above-mentioned risk mitigating measures within the supply chain, the Air France-KLM Group Procurement function is provided with awareness-raising training on these ESG-related risks (i.e., Procurement Academy to ensure that buyers are trained on how to address risk factors with supply chain).

Whistleblowing lines

The entities of the Group have implemented whistleblowing tools with associated "speak up" policies. Reports can be made anonymously.

The scope of these whistleblowing tools makes it possible to report violations of social and human rights (such as discrimination, harassment, human trafficking, etc.), violations of laws, and matters relating to environmental damage.

Through regular communications, e-learnings, and training materials, employees of the Air France-KLM Group are informed of how reports can be made and handled through whistleblowing tools.

Third parties are informed via documentation implemented in the course of the business relationship (i.e., in the provision of the Supplier Sustainable Code of Conduct or in contract clauses).

Any incidents reported through the whistleblowing lines will be investigated by a dedicated team and will give rise to corrective actions if the reported incidents are well-founded. (For more information, please see 4.4.1.3 "Prevention of corruption and bribery & Protection of whistleblowers (G1-3, G1-4)".)



05

Financial report

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We navigate a volatile environment with discipline and focus. We improve our financial performance through business growth, cost control, and active risk management, while sustaining strategic investment.

We strengthen our financial resilience

5.1 COMMENTS ON THE FINANCIAL SITUATION

5.1.1 CONSOLIDATED RESULTS AT DECEMBER 31, 2025

Scope at December 31, 2025

At December 31, 2025, the consolidation scope was composed of 80 fully consolidated companies, 21 companies consolidated using the equity method and one joint-venture. Air France-KLM and its two main subsidiaries, Air France and KLM, represent 87% of revenues and 66% of the balance sheet. The other subsidiaries are principally involved in air transportation (HOP!, KLM Cityhopper), maintenance and low-cost air transportation (Transavia).

As far as possible, the changes in the like-for-like figures have been estimated on a constant currency basis.

(in € million)	**2025**	2024	Change
Sales	**33,007**	31,459	1,548
Current EBITDA	**5,058**	4,244	814
Income from current operations	**2,004**	1,601	403
Income from operating activities	**2,002**	1,466	536
Net income for the period	**1,754**	489	1,265
Net income/(loss), Group part	**1,593**	317	1,276
Basic earnings/(loss) per share, Group *(in €)*	**5.83**	0.93	4.90

Revenues

Consolidated revenues for the period amounted to €33.0 billion, an increase of 4.9% and 6.2% on a constant currency basis. In 2025, revenue for each business increased. Revenues from Network business increased by 3.6%, Maintenance revenues by 9.5%, while third-party maintenance revenues increased by 10.6% and finally Transavia revenues by 12.3%.

Air France-KLM increased its overall capacity by 5.0% (ASK). Air France-KLM increased its passenger capacity by 3.3% (ASK) and its cargo capacity by 2.5% (ATK). Transavia's capacity increase stood at 14.9% (ASK).

The 2025 financial year was characterized by a unit revenue (RASK) increase of 1.0% compared to 2024 on a constant currency basis, explained by a positive performance of Passenger network (RASK 2.0%). Transavia's unit revenue fell by (1.7)% due to higher capacity, weaker demand, and competitive pressure. Cargo unit revenue (RATK) has decreased by (0.2)%.

Operating expenses

Operating expenses increased by 3.8% to €(31.0) billion, while capacity (ASK) increased by 5.0%.

External expenses increased by 1.6% to €(19.4) billion over the previous twelve months.

Excluding fuel and SAF, external expenses were up by 6.6% relative to the previous twelve months.

The breakdown of external expenses was as follows:

(in € million)	2025	2024	% ch.	% ch. at constant currency
Aircraft fuel	**(6,180)**	(6,737)	(8.3)%	(2.5)%
SAF	**(226)**	(170)	32.9 %	
CO_2 quotas	**(346)**	(249)	39.0%	
Chartering costs	**(456)**	(497)	(8.2)%	(6.8)%
Landing fees and air route charges	**(2,331)**	(2,048)	13.8%	14.9%
Catering	**(975)**	(919)	6.1%	7.4%
Handling charges	**(2,178)**	(2,032)	7.2%	8.3%
Aircraft maintenance costs	**(3,494)**	(3,320)	5.2%	8.2%
Commercial and distribution costs	**(1,146)**	(1,060)	8.1%	9.5%
Other external expenses	**(2,061)**	(2,063)	(0.1%)	0.4%
TOTAL	**(19,393)**	**(19,095)**	**1.6%**	**3.8%**

The Group's financial performance remains exposed to certain exogenous factors, particular changes in energy prices and exchange rates. These exposures are subject to regular monitoring and hedging policies aimed at limiting their volatility.

The main changes were as follows:

- aircraft fuel: the fuel expense for the year decreased by (8.3)%, compared to 2024, representing a decrease of (2.5)% at constant exchange rates. This variation is explained by the combined effect of the Group's capacity growth (ASK 5.0%) and increased full efficiency with more new-generation aircraft;
- SAF: these expenses correspond to SAF purchased in particular under the EU SAF incorporation mandate and the SAF contracts made to corporate customers for their passenger and cargo traffic. The increase is largely explained by the new EU mandate;
- CO_2 quotas: these expenses correspond to purchases of CO_2 emission quotas, and are rising due to a cost impact, increased capacity and power free allowances received under the EU ETS.
- chartering costs: the costs incurred in leasing aircraft capacity from other airlines. The costs have decreased slightly in 2025 (-8.2%);
- landing fees and air-route charges: these costs are incurred for air navigation services and the use of airports. Their increase relative to 2024 (+13.8%) is higher than capacity produced by the Group, due to fare increases applied by certain airports and air traffic organizations;
- catering costs: these costs comprise the services supplied on board the Air France-KLM Group's own aircraft. They increased by 6.1% compared to last year, due to capacity increases, inflationary pressures and product premiumization;
- handling charges and other operating costs: they principally cover aircraft handling on the ground and the cost of passenger care for the Group and, to a lesser extent for third-party customers. The increase in these costs (+7.2%) is mainly explained by the increase in capacity and by inflationary pressures;
- aircraft maintenance costs: they include maintenance procurement and consumption for the Group's aircraft and for the third-party activity; their increase (+5.2%) is linked to the increase in internal and third-party activities;
- commercial and distribution costs: these costs increased by 8.1%, due to higher credit card commissions linked to higher ticket prices;
- other external expenses principally comprise telecommunications costs, insurance and fees.

Salaries and related costs were up by 4.5% to €9.9 billion versus €9.5 billion in 2024. This is mainly due to capacity and salary increases.

Taxes, other than income taxes, stood at €(180) million in 2025 versus €(176) million in 2024, up by 2.3%.

Other current income and expenses stood at net income of €1,512 million in 2025 versus net income of €1,517 million in 2024. They included:

- capitalized production amounting to €1,342 million in 2025 versus €1,353 million in 2024;
- a result from joint-ventures of €(47) million in 2025 versus €(2) million in 2024;
- €(31) million from currency hedges in 2025 versus €24 million in 2024.

Current EBITDA

Current EBITDA amounted to €5,058 million (versus €4,244 million at December 31, 2024).

The contributions to current EBITDA by business segment were as follows:

(in € million)	**2025**	2024	% ch.
Network	**3,955**	3,403	16.2 %
Maintenance	**719**	508	41.5%
Transavia	**346**	300	15.3%
Other	**38**	33	15.2%
TOTAL	**5,058**	**4,244**	**19.2%**

Amortization, depreciation and provisions

Amortization, depreciation and provisions totaled €(3,054) million in 2025 versus €(2,643) million in 2024.

Income/(loss) from current operations

The result from current operations was positive to the tune of €2,004 million (versus €1,601 million at December 31, 2024).

The contributions to revenues and income/(loss) from current operations by business segment were as follows:

	2025		2024	
(in € million)	**Segment revenues**	**Income from current operations**	Segment revenues	Income from current operations
Network	**27,242**	**1,777**	26,296	1,421
Maintenance	**5,570**	**267**	5,085	170
Transavia	**3,452**	**(49)**	3,072	3
Other	**304**	**9**	290	7
TOTAL	**33,006**	**2,004**	**31,457**	**1,601**

The nominal unit cost per ASK decreased by (1.3)%. In addition, there was a (1.1%) decrease on currency variation and a fuel price decrease of (1.8%). Together this amounted to a unit cost at constant currency, constant fuel and excluding ETS of 1.2%.

Income/(loss) from operating activities

The result from operating activities amounted to €2,002 million versus €1,466 million in 2024.

Over the 2025 financial year, the result from operating activities included, notably:

- the impact of aircraft sales and leasebacks for €4 million;
- the provision recorded by Air France as part of a Collective Mutual Termination Agreement for a net reversal amount of retirement provision for €(26) million;

Over the 2024 financial year, the result from operating activities had included, notably:

- the impact of aircraft sales and leasebacks for €8 million;
- the impact of other aircraft disposals, linked to the refinancing of a Boeing 777 at KLM for €16 million;
- a €(115) million compensation to be paid to Virgin as part of the renegotiation of a contract;
- a net €(49) million provision linked with the restructuring of domestic flights departing from Orly and of call centers.

These operations are detailed in Note 11 “Sales of aircraft equipment and other non-current income and expenses” in the Notes to the consolidated financial statements.

Net cost of financial debt

The net cost of financial debt increased to €(431) million versus a net cost of €(328) million during the previous financial year mainly due to a €107 million decrease in income from cash and cash equivalents, explained by the decline in market rates.

Other financial income and expenses

Other net financial income and expenses amounted to €292 million in 2025 versus €(546) million in 2024 and corresponded mainly to foreign exchange income of €608 million in 2025 versus a €(219) million loss in 2024 as well as the impact of the rate used to discount the long term return obligation liability and provision for leased aircraft.

Net result – Group part

Income taxes stood at expense of €(123) million in 2025 versus €(84) million in 2024. The income tax charge for the period comprises current tax expense of €(203) million and deferred tax income of €80 million.

Share of profits/(losses) from associates contributed a profit of €14 million in 2025 versus a €(19) million loss in the previous year. This was principally the result of the contribution from SAS AB (following the acquisition of a non-controlling stake by the Group in August 2024) as well as the Servair Group and from partnerships in the maintenance business.

The net result, Group part stood at income of €1,593 million in 2025 versus a €317 million in 2024. The contributions to the net result by quarter were, respectively, €(292) million at March 31, 2025, €605 million at June 30, 2025, €730 million at September 30, 2025 and €549 million at December 31, 2025.

Basic earnings per share, Group part amounted to €5.83 at December 31, 2025 versus €0.93 at December 31, 2024.

Summary of the Financial Situation 2025

The 2025 financial year was affected by a volatile context with macroeconomic, geopolitical and sector-specific uncertainties. In this environment, Air France-KLM improved its financial performance thanks to business growth, increased cost discipline and active management of the main financial risks. The results for the year reflect the Group's ability to combine operational performance, financial strength, and the continuation of strategic investments.

5.1.2 INVESTMENTS

(in € million)	**2025**	2024
Acquisition of intangible assets	**(221)**	(195)
Investment in flight equipment	**(3,885)**	(3,195)
Other tangible investments	**(345)**	(322)
Change in accounts payable on acquisitions	**2**	(16)
Acquisition of subsidiaries, of shares in non-controlled entities	**(50)**	(92)
Proceeds on disposal of subsidiaries, of shares in non-controlled entities	**24**	32
Proceeds on disposal of property plant and equipment and intangible assets	**1,391**	678
Dividends received	**9**	5
Interest received	**170**	285
Decrease (increase) in net investments, more than 3 months	**56**	52
NET CASH FLOW USED IN INVESTING ACTIVITIES	**(2,849)**	**(2,768)**

The following significant operations have impacted the cash flow from investing activities in 2025:

Investments in flight equipment

Investment in flight equipment included advance payments and balances on the delivery of aircraft purchases, capitalized aircraft modifications, spare parts procurement and maintenance costs eligible for capitalization. Investment in intangible assets related to the purchase of software and capitalized IT development. Other investments in tangible assets mostly included the acquisition of industrial equipment for the flight operations, maintenance and IT.

During the 2025 financial year, the Air France-KLM Group's capital expenditure on tangible and intangible assets amounted to €(4,449) million and proceeds on disposals to €1,391 million.

The investments made contribute to the modernization of the Group's fleet as part of its Transition Plan, and to its preparation for upcoming regulatory and climate developments.

Acquisition of a 2.3% Stake in the Capital of Airline WestJet

On October 22, 2025, Air France-KLM finalized the acquisition of a 2.3% stake in the capital of Canadian airline WestJet for a total amount of $49 million. This transaction, initially announced on May 9, 2025, remained subject to certain approvals.

Air France-KLM purchased this stake from its joint venture partner Delta Air Lines, which acquired a minority stake of 15% in WestJet as part of a separate transaction also finalized on October 22 (which also included Korean Air's acquisition of a 10% stake in WestJet).

The stakes acquired by the three airlines thus represent a total of 25% of WestJet's capital (with 12.7% for Delta Air Lines, 10% for Korean Air, and 2.3% for Air France-KLM), sold by funds and co-investors affiliated with Onex Partners (see Note 22 "Other financial assets").

5.1.3 FINANCING

(in € million)	2025	2024
Purchase of minority interest without change of control	**(5)**	(1)
Issuance of perpetual	**494**	–
Repayment of perpetual	**(802)**	–
Coupons on perpetual	**(241)**	(231)
Issuance of debt	**1,671**	1,609
Repayment on debt	**(1,620)**	(1,930)
Payments on lease debts	**(960)**	(891)
New loans	**(304)**	(187)
Repayment on loans	**148**	182
Dividends paid	**(2)**	(1)
Interest paid	**(670)**	(664)
NET CASH FLOW FROM FINANCING ACTIVITIES	**(2,291)**	**(2,114)**

The significant following operations have impacted the cash flow from financing activities in 2025:

Issue of €500 million of hybrid bonds

Air France-KLM has placed €500 million of hybrid bonds on 15 May 2025, with a fixed annual coupon of 5.75% (yield of 5.875%) until the first reset date, on August 21, 2030.

They are recognized as equity in the consolidated financial statements (see Note 28.3 "Perpetual").

Extension of revolving credit facilities ("RCF") linked to ESG KPIs

Air France-KLM and Air France:

Air France-KLM and Air France, combined borrowers, signed in April 2023 a €1.2 billion Sustainability-Linked RCF. This facility included an accordion increase option executed during the first quarter of 2024 for an amount of €90 million bringing the amount available to around €1.3 billion.

The RCF also had an initial maturity in 2026 and two one-year extension options. In April 2024, Air France and Air France-KLM executed the extension option for one year, extending to a 2027 maturity.

Moreover and as of July 18, 2024 a new amendment has been signed for Air France-KLM and Air France credit facility involving:

- an extension of the maturity to July 2028 associated with a one-year extension option;
- an increase of the facility from €1,290 million to €1,405 million.

This last extension option was exercised in June 2025, bringing the maturity date to 2029.

KLM:

In April 2023, KLM signed a €1.0 billion RCF including ESG Key Performance Indicators. This RCF had an initial 2027 maturity and included two one-year extension options. In April 2024, a first one-year extension option has been executed extending to a 2028 maturity. In April 2025, the second extension option has been executed extending to a 2029 maturity (See Note 31.6 "Credit lines").

Redemption of the 2022 super-subordinated notes for a total amount of €497 million

On June 20, 2025, Air France irrevocably notified Apollo Company of the redemption of €497 million of the 2022 super-subordinated notes on 28, July 2025. Consequently the notes had been reclassified from Equity attributable to non-controlling interests to current financial liabilities as of June 30, 2025 for a total amount of €524 million corresponding to the nominal for €497 million and the accrued interests for €27 million.

The repayment was effective as of 28 July, 2025 for a total amount of €527 million (see Note 28.3 "Perpetual").

Issuance of €500 million of bonds

Air France-KLM has placed €500 million of senior unsecured bonds on August 28, 2025, with a maturity of 5 years and a coupon of 3.75% (yield of 3.866%) under its EMTN program.

The cash inflow occurred on September 04, 2025 (see Note 31 “Financial Liabilities”).

Redemption of the 2022 last-rank indefinite subordinated bond convertible into new shares and/or existing shares for a nominal amount of €305 million

On October 15, Air France–KLM Group notified the holders of last-rank indefinite subordinated bond convertible into new shares and/or existing shares its intention to redeem all of the outstanding hybrid Bonds from the First Hard Call Date at a price per hybrid Bonds equal to par (€100,000) plus accrued interest of €1,625.

The payment occurred on Monday 24 November 2025 for a nominal value of 305 million euros to which were added 4,9 millions euros of accrued interests (see Note 28.3“Perpetual”).

Group liquidity

Thus and as of December 31, 2025, the Group’s net liquidity position amounted to €6.9 billion, including €1.0 billion of investments with maturities of above three months and €1.2 billion of bonds. In addition, the Group had credit facilities of €2.5 billion available at December 31, 2025 (see also section 3.1.5.1 “Financial structure”).

Net debt

Net debt stood at €8.4 billion (€7.3 billion at December 31, 2024). The detailed net debt calculation can be found in Note 32 in the notes to the consolidated financial statements.

5.1.4 STRUCTURE AND PROFILE OF REIMBURSEMENT OF THE FINANCIAL DEBT

Structure of the financial debt

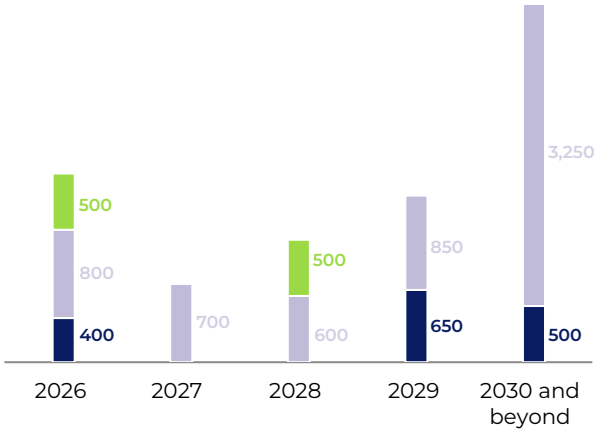
The Group's gross debt stood at €9.1 billion at December 31, 2025. €5.6 billion is guaranteed by pledged or mortgaged assets with a net book value amounting to €6.4 billion (see Note 39.1 "Commitments made" in the notes to the consolidated financial statements). After hedging, 81% of the gross debt (excluding lease debt) is at fixed rates and 80% (excluding lease debt) is denominated in euros. The interest rate on the Group's gross debt (excluding lease debt) after swaps stood at 3.74% as of December 31, 2025 (versus 3.76% as of December 31, 2024).

At December 31, 2025, the structure of the debt was as follows:

- market financing (bonds and perpetual subordinated loan stock): €3.1 billion;
- financial lease debt with bargain option: €4.3 billion;
- other borrowings including bank debt and accrued interest: €1.7 billion.

Reimbursement profile for debt and subordinated securities in € million[1]

The debt reimbursement maturities are progressive over time.



Air France-KLM obligations senior
July 2026: AFKL 3.875% (€282 million)
December 2026: AFKL 4.35% $145 million
May 2029 : AFKL 4.625% (€650 million)
August 2030 : AFKL 3.75% (€500 million)

Other long-term Debt: Air France and KLM secure Debt
Mainly "Asset-backed"

Sustainability-Linked Bonds
May 2026: 7.250% (€500 million)
May 2028: 8.125% (€500 million)

(1) Excluding operating lease debt payments, KLM perpetual debt, Air France perpetual quasi-equity, accrued interests.

5.1.5 MAIN FINANCIAL RATIOS OF THE GROUP

Financial cover ratios

Net debt/current EBITDA ratio	**2025**	2024
Net debt	**8,392**	7,332
Current EBITDA	**5,058**	4,244
NET DEBT/CURRENT EBITDA	**1.66**	1.73

Current EBITDA/net cost of financial debt ratio	**2025**	2024
Current EBITDA	**5,058**	4,244
Net cost of financial debt	**431**	328
CURRENT EBITDA/NET COST OF FINANCIAL DEBT	**11.74**	12.94

Return on Capital Employed (ROCE)

Return on capital employed measures the return on invested capital by expressing a result after tax as a percentage of capital employed. The calculation methodology is as follows:

- the calculation of the capital employed is based on an additive method by identifying the relevant balance sheet items. The capital employed for the year is obtained by taking the average of the capital employed on every quarterly balance sheet;
- the adjusted result after tax corresponds to the sum of the operating result adjusted for dividends received and the share of profits/(losses) of associates.

(in € million)	**December 31, 2025**	September 30, 2025	June 30, 2025	March 31, 2025
Goodwill and intangible assets	1,422	1,390	1,390	1,377
Flight equipment	13,651	13,772	13,392	12,835
Other property, plant and equipment	1,679	1,617	1,587	1,554
Right-of-use assets	9,452	8,619	8,479	8,030
Investments in equity associates	246	257	205	212
Financial assets (loans and receivables)	228	212	214	217
Provisions for maintenance on leased aircraft and provisions for CO_2 quotas	(5,214)	(4,689)	(4,934)	(5,007)
Working capital[1]	(8,051)	(8,124)	(8,749)	(8,983)
Capital employed	**13,413**	**13,054**	**11,584**	**10,235**
Average capital employed (A)		**12,072**		
Income (losses) from current operations		2,004		
Dividends received		(1)		
Share of profits/(losses) of associates		14		
Normative income tax		(589)		
Adjusted result from current operations after tax (B)		**1,428**		
ROCE (B/A)		**11.8%**		

(in € million)	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Goodwill and intangible assets	1,375	1,356	1,354	1,349
Flight equipment	12,347	12,607	12,197	11,646
Other property, plant and equipment	1,533	1,500	1,456	1,438
Right-of-use assets	7,592	6,652	6,479	5,902
Investments in equity associates	216	240	134	134
Financial assets (loans and receivables)	217	232	219	218
Provisions for maintenance on leased aircraft and provisions for CO_2 quotas	(4,990)	(4,358)	(4,521)	(4,352)
Working capital[1]	(7,469)	(7,422)	(8,222)	(8,284)
Capital employed	**10,821**	**10,807**	**9,096**	**8,051**
Average capital employed (A)		**9,694**		
Income (losses) from current operations		1,601		
Dividends received		(1)		
Share of profits/(losses) of associates		(19)		
Normative income tax		(408)		
Adjusted result from current operations after tax (B)		**1,173**		
ROCE (B/A)		**12.1%**		

(1) Excluding the deferral of social security and tax charges granted by Covid.

Net cost per ASK

To analyze the cost performance of each transportation activity, the Group divides the net cost of this activity by the capacity produced, expressed in ASK for the passenger business and Transavia, and in ATK for the cargo business. To analyze the Company's overall cost performance, the Group uses the net cost per ASK. This net cost is obtained by dividing the total net cost by the capacity produced expressed in available seat-kilometers (ASK). The net cost is calculated by subtracting the revenues other than those generated by the three transportation activities (passenger, cargo and Transavia) from total operating expenses, excluding CO_2 quotas. The capacity produced by the two passenger transportation activities is calculated by adding the capacity of the passenger business (in ASK) to that of Transavia (in ASK).

		2025	2024
Operating expenses (in €m)	**A**	**31,003**	**29,858**
CO_2 quotas (in €m)	B	346	249
Other sales (in €m)	C	3,387	3,187
Other revenues (in €m)	D	1	2
Net cost excl ETS (in €m)	**E=A-B-C-D**	**27,269**	**26,420**
Capacity produced, reported in ASK		336,577	320,678
Net cost, per ASK (in € cents)		**8.10**	**8.24**
Gross change			**(1.7)%**
Currency effect on net costs (in €m)			(292)
Change at constant currencies			**(0.6)%**
Fuel price effect (in €m)			(461)
NET COST PER ASK ON A CONSTANT CURRENCY AND FUEL PRICE BASIS EXCLUDING ETS		**8.10**	**8.00**
Change on a constant currency and fuel price basis and excluding ETS			**1.2%**

5.1.6 CONSOLIDATED EQUITY AT DECEMBER 31, 2025

Equity attributable of Air France-KLM amounted to €2,364 million as of December 31, 2025 versus €799 million as of December 31, 2024. The €1,565 million increase is mainly explained by the following:

- a positive net result of €1,754 million;
- the reimbursement and the issuance of perpetual subordinated bonds for a net amount of €(308) million;
- the payment of the coupons on perpetual subordinated bonds for €(241) million;
- the impact of tax on coupons on perpetual for €75 million;
- the positive €290 million impact of other comprehensive income (mainly due to the remeasurements of defined benefit pension plans and the change in fair value of the hedging instruments).

5.1.7 AIR FRANCE-KLM PARENT COMPANY RESULTS

Air France-KLM's revenues includes royalties paid by the two operating subsidiaries for use of the Air France-KLM logo and the supply of services invoiced to Air France and KLM. Its expenses mostly comprise financial communication expenses, Statutory Auditors' fees, the expenses linked to the compensation of the company officers and the staff made available by Air France and KLM.

At December 31, 2025, the operating result amounted to a gain of € 3 million (versus a loss of €(1) million in 2024).

The net result was a €130 million profit, mainly due to the fiscal consolidation bonus.

Pursuant to the provisions of Article 39-5 and Article 223 quinquies of the French Tax Code relating to expenses in the statement of general expenses excluded from non-tax-deductible expenses, note that no amount was recognized during the financial year.

Pursuant to the provisions of Article 39-4 and Article 223 quater of the French tax Code no excess amortization was recognized.

The payment terms for Air France-KLM's suppliers and customers as at December 31, 2025 are presented below:

Article D.441-6 I.- 1°: Invoices received but not paid by the closing date of the financial year whose term has expired

	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day or more)
(A) Payment delay brackets						
Number of invoices concerned	**311**	47	23	4	93	**167**
Total amount of invoices concerned (including VAT) in € million	**17**	1	–	–	9	**10**
Percentage of the total amount of purchases (excluding VAT) for the fiscal year	**32.45%**	2.16%	0.49%	–%	17.14%	**19.78%**
(B) Invoices excluded from (A) relating to disputed or unrecorded debts and receivables						
Number of excluded invoices	–	–	–	–	–	–
Total amount of excluded invoices	–	–	–	–	–	–
(C) Reference payment terms used (contractual or legal term – article L.441-6 or article L.443-1 of the Code du commerce)						
Payment deadlines used for calculating late payments			Contractual deadlines			

Article D.441-6 I.- 2°: Invoices issued but not paid by the closing date of the financial year whose due date has passed

	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day or more)
(A) Payment delay brackets						
Number of invoices concerned	**17**	2	2	–	17	**21**
Total amount of invoices concerned (including VAT) in € million	**1**	7	–	–	15	**22**
Percentage of the total amount of revenue (excluding VAT) for the fiscal year	**0.70%**	8.61%	0.04%	–%	17.62%	**26.27%**
(B) Invoices excluded from (A) relating to disputed or unrecorded debts and receivables						
Number of excluded invoices	–	–	–	–	–	–
Total amount of excluded invoices	–	–	–	–	–	–
(C) Reference payment terms used (contractual or legal term – article L.441-6 or article L.443-1 of the Code du commerce)						
Payment deadlines used for calculating late payments			Contractual deadlines			

5.2 CONSOLIDATED FINANCIAL STATEMENTS

5.2.1 CONSOLIDATED INCOME STATEMENT

Period from January 1 to 31 December (in € millions)	Notes	2025	2024
Revenues from ordinary activities	6.1	**33,007**	**31,459**
External expenses	7	**(19,393)**	(19,095)
Salaries and related costs	8	**(9,888)**	(9,461)
Taxes other than income taxes		**(180)**	(176)
Other current operating income and expenses	9	**1,512**	1,517
Amortization, depreciation and provisions	10	**(3,054)**	(2,643)
Operating expenses		**(31,003)**	**(29,858)**
Income from current operations		**2,004**	**1,601**
Sales of aircraft equipment	11	**43**	37
Other non-current income and expenses	11	**(45)**	(172)
Income from operating activities	6.1	**2,002**	**1,466**
Interests expenses	12	**(627)**	(631)
Income from cash and cash equivalents	12	**196**	303
Net cost of financial debt	12	**(431)**	**(328)**
Other financial income and expenses	12	**292**	(546)
Income before tax of consolidated companies		**1,863**	**592**
Income taxes	13.1	**(123)**	(84)
Net income of consolidated companies		**1,740**	**508**
Share of profits (losses) of associates	20	**14**	(19)
Net income for the period		**1,754**	**489**
Net income – Non-controlling interests		**161**	172
Net income – Group part		**1,593**	317
Earnings per share – Equity holders of Air France-KLM (in euros)			
• basic	14	**5.83**	0.93
• diluted	14	**5.50**	0.93

The accompanying notes are an integral part of these consolidated financial statements.

5.2.2 CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSES

Period from January 1 to December 31 (in € millions)	Notes	2025	2024
Net income		**1,754**	**489**
Effective portion of changes in fair value hedge and cost of hedging recognized directly in other comprehensive income	28.5	**153**	(103)
Change in fair value and cost of hedging transferred to profit or loss	28.5	**116**	2
Exchange difference resulting from the translation		**(30)**	15
Deferred tax on items of comprehensive income that will be reclassified to profit or loss	13.2	**(73)**	21
Items of the recognized income and expenses of equity shares, net of tax	20	**23**	4
Total of other comprehensive income that will be reclassified to profit or loss		**189**	**(61)**
Remeasurements of defined benefit pension plans		**80**	100
Fair value of equity instruments revalued through OCI	22	**(3)**	1
Deferred tax on items of comprehensive income that will not be reclassified to profit or loss	13.2	**12**	1
Items revalued through OCI of equity shares, after tax	20	**12**	–
Total of other comprehensive income that will not be reclassified to profit or loss		**101**	**102**
Total of other comprehensive income, after tax		**290**	**41**
RECOGNIZED INCOME AND EXPENSES		**2,044**	**530**
• Equity holders of Air France-KLM		**1,883**	358
• Non-controlling interests		**161**	172

The accompanying notes are an integral part of these consolidated financial statements.

5.2.3 CONSOLIDATED BALANCE SHEET

ASSETS

(in € millions)	Notes	December 31, 2025	December 31, 2024
Goodwill	15	**223**	226
Intangible assets	16	**1,199**	1,150
Flight equipment	17	**13,651**	12,347
Other property, plant and equipment	17	**1,679**	1,533
Right-of-use assets	19	**9,452**	7,592
Investments in equity associates	20	**246**	216
Pension assets	29	**57**	66
Other non-current financial assets	22	**1,267**	1,369
Non-current derivative financial assets	35	**118**	195
Deferred tax assets	13.4	**713**	662
Other non-current assets	25	**278**	214
Total non-current assets		**28,883**	**25,570**
Other current financial assets	22	**1,360**	1,190
Current derivative financial assets	35	**33**	249
Inventories	23	**992**	959
Trade receivables	24	**2,216**	2,051
Other current assets	25	**1,224**	1,260
Cash and cash equivalents	26	**4,714**	4,829
Assets held for sale	27	**23**	47
Total current assets		**10,562**	**10,585**
TOTAL ASSETS		**39,445**	**36,155**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated balance sheet (continuation)

LIABILITIES AND EQUITY

(in € millions)	Notes	December 31, 2025	December 31, 2024
Issued capital	28.1	**263**	263
Additional paid-in capital	28.1	**7,560**	7,560
Treasury shares	28.2	**(27)**	(27)
Perpetual	28.3	**1,281**	1,078
Reserves and retained earnings	28.4	**(8,779)**	(10,638)
Equity attributable to equity holders of Air France-KLM		**298**	**(1,764)**
Perpetual	28.3	**2,026**	2,530
Reserves and retained earnings	28.4	**40**	33
Equity attributable to non-controlling interests	28.6	**2,066**	**2,563**
EQUITY		**2,364**	**799**
Pension provisions	29	**1,654**	1,686
Non-current return obligation liabilities and provisions for leased aircrafts and other provisions	30	**4,818**	4,493
Non-current financial liabilities	31	**7,265**	7,254
Non-current lease debt	19	**5,487**	4,714
Non-current derivative financial liabilities	35	**199**	32
Deferred tax liabilities	13.4	**–**	2
Other non-current liabilities	34	**545**	904
Total non-current liabilities		**19,968**	**19,085**
Current return obligation liabilities and provisions for leased aircrafts and other provisions	30	**1,142**	1,181
Current financial liabilities	31	**1,803**	1,692
Current lease debt	19	**958**	982
Current derivative financial liabilities	35	**255**	137
Trade payables		**2,723**	2,608
Deferred revenue on ticket sales		**4,264**	4,097
Frequent flyer programs	33	**921**	906
Other current liabilities	34	**5,047**	4,668
Total current liabilities		**17,113**	**16,271**
TOTAL LIABILITIES		**37,081**	**35,356**
TOTAL EQUITY AND LIABILITIES		**39,445**	**36,155**

The accompanying notes are an integral part of these consolidated financial statements.

5.2.4 CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

	Equity attributable to equity holders of Air France-KLM							Equity attributable to non-controlling interests			Total
(in € millions)	Number of shares	Issued capital	Additional paid-in capital	Treasury shares	Perpetual bonds	Reserves and retained earnings	**Sub-Total**	Perpetual bonds	Reserves and retained earnings	**Sub-Total**	Equity
December 31, 2023	262,769,869	263	7,560	(25)	1,076	(10,925)	**(2,051)**	2,524	27	**2,551**	500
Other comprehensive income	–	–	–	–	–	41	**41**	–	–	**–**	41
Net result for the period	–	–	–	–	–	317	**317**	–	172	**172**	489
Total of income and expenses recognized	**–**	**–**	**–**	**–**	**–**	**358**	**358**	**–**	**172**	**172**	**530**
Share-based payment	–	–	–	–	–	3	**3**	–	–	**–**	3
Dividends paid	–	–	–	–	–	–	**–**	–	(1)	**(1)**	(1)
Coupons on perpetual	–	–	–	–	2	(73)	**(71)**	6	(166)	**(160)**	(231)
Other	–	–	–	(2)	–	(1)	**(3)**	–	1	**1**	(2)
December 31, 2024	**262,769,869**	**263**	**7,560**	**(27)**	**1,078**	**(10,638)**	**(1,764)**	**2,530**	**33**	**2,563**	**799**

	Equity attributable to equity holders of Air France-KLM							Equity attributable to non-controlling interests			Total
(in € millions)	Number of shares	Issued capital	Additional paid-in capital	Treasury shares	Perpetual bonds	Reserves and retained earnings	**Sub-Total**	Perpetual bonds	Reserves and retained earnings	**Sub-Total**	Equity
December 31, 2024	**262,769,869**	**263**	**7,560**	**(27)**	**1,078**	**(10,638)**	**(1,764)**	**2,530**	**33**	**2,563**	**799**
Other comprehensive income	–	–	–	–	–	290	**290**	–	–	**–**	290
Net result for the period	–	–	–	–	–	1,593	**1,593**	–	161	**161**	1,754
Total of income and expenses recognized	**–**	**–**	**–**	**–**	**–**	**1,883**	**1,883**	**–**	**161**	**161**	**2,044**
Purchase of treasury shares	–	–	–	(1)	–	–	**(1)**	–	–	**–**	(1)
Share-based payment	–	–	–	1	–	1	**2**	–	–	**–**	2
Purchase of minority interest without change of control	–	–	–	–	–	(5)	**(5)**	–	–	**–**	(5)
Dividends paid	–	–	–	–	–	–	**–**	–	(1)	**(1)**	(1)
Perpetual	–	–	–	–	195	(6)	**189**	(497)	–	**(497)**	(308)
Coupons on perpetual	–	–	–	–	8	(89)	**(81)**	(7)	(153)	**(160)**	(241)
Tax on coupons on perpetual	–	–	–	–	–	75	**75**	–	–	**–**	75
December 31, 2025	**262,769,869**	**263**	**7,560**	**(27)**	**1,281**	**(8,779)**	**298**	**2,026**	**40**	**2,066**	**2,364**

The accompanying notes are an integral part of these consolidated financial statements.

5.2.5 CONSOLIDATED STATEMENT OF CASH FLOWS

Period from January 1 to December 31

(in € millions)	Notes	2025	2024
Net income		**1,754**	489
Amortization, depreciation and operating provisions	10	**3,054**	2,643
Financial provisions	12	**288**	291
Cost of net debt		**431**	328
Loss (gain) on disposals of tangible and intangible assets		**(43)**	(42)
Loss (gain) on disposals of subsidiaries and associates		**–**	(2)
Derivatives – non monetary result		**7**	9
Unrealized foreign exchange gains and losses		**(668)**	201
Share of (profits) losses of associates	20	**(14)**	19
Deferred taxes	13	**(80)**	53
Impairment	37.1	**(1)**	–
Other non-monetary items	37.1	**54**	(14)
Cash flow from operating activities before change in working capital		**4,782**	**3,975**
Increase (Decrease) in working capital	37.2	**273**	**(479)**
CASH FLOW FROM OPERATING ACTIVITIES		**5,055**	**3,496**
Acquisition of subsidiaries, of shares in non-controlled entities		**(50)**	(92)
Purchase of property plant and equipment and intangible assets	18	**(4,449)**	(3,728)
Proceeds on disposal of subsidiaries, of shares in non-controlled entities		**24**	32
Proceeds on disposal of property plant and equipment and intangible assets	11	**1,391**	678
Interest received		**170**	285
Dividends received		**9**	5
Decrease (increase) in net investments, more than 3 months		**56**	52
NET CASH FLOW USED IN INVESTING ACTIVITIES		**(2,849)**	**(2,768)**
Purchase of minority interest without change of control		**(5)**	(1)
Issuance of perpetual	28.3	**494**	–
Repayment of perpetual	28.3	**(802)**	–
Coupons on perpetual	28.3	**(241)**	(231)
Issuance of debt	31	**1,671**	1,609
Repayment on debt	31	**(1,620)**	(1,930)
Payments on lease debts	19	**(960)**	(891)
New loans		**(304)**	(187)
Repayment on loans		**148**	182
Interest paid		**(670)**	(664)
Dividends paid		**(2)**	(1)
NET CASH FLOW FROM FINANCING ACTIVITIES		**(2,291)**	**(2,114)**
Effect of exchange rate on cash and cash equivalents and bank overdrafts (net of cash acquired or sold)		**(30)**	34
Change in cash and cash equivalents and bank overdrafts		**(115)**	**(1,352)**
Cash and cash equivalents and bank overdrafts at beginning of period	26	**4,829**	**6,181**
Cash and cash equivalents and bank overdrafts at end of period	26	**4,714**	**4,829**
Income tax (paid) / reimbursed (flow included in operating activities)		**(136)**	**(20)**

The accompanying notes are an integral part of these consolidated financial statements.

5.3 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 1 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

As used herein, the term "Air France-KLM" refers to Air France-KLM SA, a limited liability company organized under French law. The term "Group" is represented by the economic definition of Air France-KLM and its subsidiaries. The Group is headquartered in France and is one of the largest airlines in the world.

The Group's core business is network activities which includes passenger transportation on scheduled flights and cargo activities. The Group's activities also include aeronautics maintenance, leisure passenger transportation (Transavia) and other air-transport-related activities.

The limited company Air France-KLM, domiciled at 7, rue du Cirque 75008 Paris – France, is the parent company of the Air France-KLM Group. Air France-KLM is listed for trading in Paris (Euronext) and Amsterdam (Euronext).

The presentation currency used in the Group's financial statements is the Euro, which is also Air France-KLM's functional currency.

1.1 Accounting principles

Accounting principles and policies used for the consolidated financial statements

Pursuant to the European Regulation 1606-2002 of July 19, 2002, the consolidated financial statements of the Air France-KLM Group as of December 31, 2024 were established in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union on the date these consolidated financial statements were established.

The consolidated financial statements were approved by the Board of Directors on February 18, 2026 and submitted to the Annual General Meeting for its approval on June 3, 2026.

Change in accounting principles

IFRS standards which are applicable on a mandatory basis to the 2025 financial statements

IAS 21, Amendment on Lack of Exchangeability of Currencies

In August 2023, the IASB issued an amendment to IAS 21 ("The Effects of Changes in Foreign Exchange Rates") to clarify how an entity should determine the exchange rate to use when currencies are not exchangeable (for example, due to restrictions or capital controls).

From January 1, 2025, if the market exchange rate is not accessible, an entity must estimate the rate that would be used in a reasonable transaction to realize cash flows in the foreign currency, using a consistent methodology and all available information.

This estimate and the methodology used must be disclosed in the notes to the financial statements, to enhance comparability and transparency in situations where monetary restrictions apply.

IFRS standards which are applicable on a mandatory basis from 2026

Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

The amendment to IFRS 9 and IFRS 7, published on October 30, 2024 (applicable from January 1, 2026), is primarily intended to clarify the classification and measurement of financial instruments, as well as to strengthen disclosure requirements. IFRS 9 specifies the application of the SPPI test, particularly for financial assets with contingent contractual features (including those linked to ESG criteria), and clarifies the derecognition of financial liabilities settled electronically, with an option allowing for early derecognition from the balance sheet when three cumulative criteria are met. At the same time, IFRS 7 introduces enhanced disclosure requirements, especially for instruments with variable contractual features and for equity instruments designated at fair value through OCI, in order to improve transparency for users of financial statements.

Amendment to IFRS 9 and IFRS 7 – Power Purchase Agreement

The 'own-use' exception under IFRS 9 is a key provision for energy purchase contracts, such as Power Purchase Agreements (PPAs). It allows an entity to exclude an energy purchase contract from the scope of IFRS 9 when it is entered into and executed solely to meet its own operational needs, with physical settlement, and not for the purpose of resale or price speculation. Consequently, when a PPA is intended for the entity's internal consumption, it is not treated as a financial instrument under IFRS 9, which simplifies its accounting and limits profit or loss volatility, even if it involves long-term payment commitments.

The amendments to IAS 21, IFRS 7, and IFRS 9 are not considered significant for the Group and are therefore not applicable.

OECD Pillar Two model rules

The Air France-KLM Group is subject to the OECD's Pillar 2 rules, following their transposition into French law and enaction for fiscal years beginning on or after December 31, 2023. Under this legislation, the Group is required to pay an additional tax for the difference between its GloBE effective tax rate (TEI GloBE) in each jurisdiction and the minimum rate of 15%.

Temporary protection schemes have been introduced for a maximum of three financial years, enabling the rules to be deferred. These schemes consist of simplified tests against the Pillar Two rules, calculated by jurisdiction and at the end of each financial year.

At the closing date, the Group considered that it could benefit from the temporary protection schemes in almost all the jurisdictions in which it operates, except for France and Great Britain mainly due to recognition/derecognition of deferred taxes and in non- significant jurisdictions, which must therefore carry out a full calculation of TEI GloBE in accordance with the law in force and the available OECD recommendations.

The full calculation of the TEI GloBE for the jurisdictions concerned exceeds the minimum rate. Consequently, no additional tax expense has been recorded at December 31, 2025.

The Air France-KLM Group applies the IAS 12 exception not to measure or recognize deferred tax assets and liabilities relating to the additional Pillar 2 tax.

IFRS 18, Presentation and Disclosures in Financial Statements

On April 9, 2024, the International Accounting Standards Board (IASB) published its new standard IFRS 18 "Presentation and Disclosures in Financial Statements" which aims to improve the usefulness of information disclosed in primary financial statements and notes, providing investors with more transparent and comparable information.

IFRS 18 replaces IAS 1 "Presentation of Financial Statements" and amends other standards, principally IAS 7 "Statement of Cash Flows".

The main changes concern:

- the improvement of the comparability of the income statement by introducing three distinct categories of income and expenses (operating, investing and financing) and imposing new subtotals including operating income;
- the improvement of the transparency of performance indicators defined by management;
- the introduction of rules and guidance on how to aggregate and disaggregate financial information both in the primary financial statements and in the notes.

IFRS 18 is effective as of January 1, 2027 with early adoption allow from January 1, 2026. IFRS 18 has been endorsed by the European Union on February the 13th.

The Group has made progress in assessing the impact of this new standard, particularly with regard to the structure of the income statement, the cash flow statement, and the performance measures defined and communicated by management. In this context, the Group is considering the creation of an "adjusted EBITDA" and an "adjusted operating result," which would be consistent, both in terms of content and amount, to the indicators currently used.

Other amendments or IFRS standards

The mandatory amendments or IFRS standards for the financial statements 2025, which are not mentioned in this paragraph are considered as non applicable or without significant impact on the Air France-KLM Group financial statements.

1.2 Material judgements and accounting estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates based on judgements and assumptions that affect the information presented in the consolidated financial statements and their notes.

The Group's management makes these estimates and assessments continuously on the basis of its past experience and various other factors considered to be reasonable.

The consolidated financial statements for the financial year have thus been established on the basis of the financial parameters available at the closing date.

These accounting estimates are based on the most-recently available, reliable information.

The actual results could differ from these estimates depending on changes in the assumptions used or different conditions.

The main estimates, assumptions and judgments made in the preparation of the consolidated financial statements and notes are described below:

- the valuation of revenue, related to passenger tickets and freight airway bills issued and not used (see Note 6 "Information by activity and geographical area");
- hypothesis used for impairment testing of non financial assets – including assumptions about on climate issues (see Note 21 "Impairment");
- useful life of the fleet (see Note 17 "Tangible assets");
- calculation of implicit interest rate and incremental borrowing rate for the recognition of lease contracts (see Note 19 "Right-of-use assets and lease debt");
- calculation of the discount rate for the valuation of the return obligation liabilities and provision for leased aircraft (see Note 30 "Return obligation liability and provision for leased aircraft and other provisions");
- determination of the deferred tax assets recoverability (see Note 13 "Income taxes").

These principles must be reviewed at the same time with the notes to the financial statements to which it refers in each paragraphs.

1.3 Consolidation principles

Subsidiaries

In conformity with IFRS 10 "Consolidated Financial Statements", the Group's consolidated financial statements comprise the financial figures for all the entities that are controlled directly or indirectly by the Group, irrespective of its level of participation in the equity of these entities. The companies over which the Group exercises control are fully consolidated. An entity is controlled when the Group has power over it, is exposed or has rights to variable returns from its involvement in this entity, and has the ability to use its power to influence the amounts of these returns. The determination of control takes into account the existence of potential voting rights if they are substantive, meaning they can be exercised in time when decisions about the relevant activities of the entity need to be taken.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control begins until the date this control ceases.

Non-controlling interests are presented within equity and on the income statement separately from Group stockholders' equity and the Group's net income, under the line "non-controlling interests".

The effects of a buyout of non-controlling interests in a subsidiary already controlled by the Group and divestment of a percentage interest without loss of control are recognized in equity.

In a partial disposal resulting in loss of control, the retained equity interest is re-measured at fair value at the date of loss of control. The gain or loss on the disposal will include the effect of this re-measurement and the gain or loss on the sale of the equity interest, including all the items initially recognized in other comprehensive income and reclassified to profit and loss.

Interest in associates and joint-ventures

In accordance with IFRS 11 "Joint Arrangements", the Group applies the equity method to partnerships over which it exercises control jointly with one or more partners. Control is considered to be joint when decisions about the relevant activities of the partnership require the unanimous consent of the Group and the other parties with whom control is shared.

In cases of a joint activity, the Group recognizes assets and liabilities in proportion to its rights and obligations regarding the entity.

In accordance with IAS 28 "Investments in Associates and Joint-Ventures", companies in which the Group has the ability to exercise significant influence over financial and operating policy decisions are also accounted for using the equity method. The ability to exercise significant influence is presumed to exist when the Group holds more than 20% of the voting rights.

The consolidated financial statements include the Group's share in the net result of associates and joint-ventures from the date the ability to exercise significant influence begins until the date it ceases, adjusted for any impairment loss of net investment.

The Group's share of losses of an associate exceeding the value of the Group's interest and net investment (long-term receivables for which no reimbursement is scheduled or likely) in this entity are not accounted for, unless the Group has:

- incurred contractual obligations to recover losses; or
- made payments on behalf of the associate.

Any surplus in investment cost over the Group's share in the fair value of the identifiable assets, liabilities and contingent liabilities of the associate company on the date of acquisition is accounted for as goodwill and included in the book value of the investment accounted for using the equity method.

Investments in which the Group has ceased to exercise significant influence or joint control are no longer accounted for by the equity method and are accounted at their fair value as other financial assets on the date of loss of significant influence or joint control.

Intra-group operations

All intra-Group balances and transactions are fully eliminated. Profits and losses resulting from intra-Group transactions are also eliminated.

Gains and losses realized on internal sales with associates and jointly-controlled entities are eliminated, to the extent of the Group's interest in the entity, providing there is no impairment.

Translation of foreign companies' financial statements

The financial statements of foreign subsidiaries are translated into euros on the following basis:

- except for the equity for which historical prices are applied, balance sheet items are converted on the basis of the foreign currency exchange rates in effect at the closing date;
- the income statement and the statement of cash flows are converted on the basis of the average foreign currency exchange rates for the period;
- the resulting foreign currency exchange adjustment is recorded in the "Translation adjustments" item within equity;
- goodwill is converted into euros using the foreign exchange rate in effect at the closing date.

Translation of foreign currency transactions

Foreign currency transactions are translated using the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate in effect at the closing date.

Non-monetary assets and liabilities denominated in foreign currencies assessed on a historical cost basis are translated using the rate in effect at the transaction date or the hedging rate, when applicable.

The corresponding exchange rate differences are recorded in the income statement. Changes in fair value of the hedging instruments are recorded using the accounting treatment described in Note 35 "Financial risk management".

1.4 Alternative performance measures

Current EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): by excluding the main line of the income statement which does not involve cash disbursement ("Amortization, depreciation and provision") from income from current operations, current EBITDA provides a simple indicator of the cash generated by the Group's current operational activities. It is thus commonly used for the calculation of the financial coverage and enterprise value ratios (see Note 5 "Alternative Performance Measures").

Operating free cash flow: this corresponds to the net cash flow from operating activities net of the purchases of property, plant and equipment and intangible assets, plus the proceeds on the disposal of property, plant and equipment and intangible assets. It does not include the other cash flows linked to investment operations, particularly investments in subsidiaries and other financial assets and net cash flow from the operating activities of discontinued operations (see Note 5 "Alternative Performance Measures").

Recurring operating free cash flow adjusted: this corresponds to operating free cash flow net of the payment of lease debts and of the interests paid or received and paid or received exceptional payments affecting the comparability between each year (see Note 5 "Alternative Performance Measures").

Distinction between income from current operation and income from operating activities: the Group considers it relevant to the understanding of its financial performance to present in the income statement a subtotal within the "income from operating activities". This subtotal, entitled "Income from current operations", excludes unusual elements that do not have predictive value due to their nature, frequency and/or materiality, as defined in recommendation No. 2020-01 from the France's accounting standards authority.

Such elements are as follows:

- sales of aircraft equipment and significant disposals of other assets (including sales and leaseback);
- accelerated aircraft phase-out;
- income from the disposal of subsidiaries and affiliates;
- restructuring costs when they are significant;
- modification of pension plans;
- significant and infrequent elements such as the recognition of badwill in the income statement, the recording of an impairment loss on goodwill and significant provisions for litigation.

Net debt: this corresponds to the amount of the Group's financial liabilities less net cash (see Note 32 "Net debt").

Financial liabilities include:

- current and non-current financial liabilities (excluding accrued interests);
- current and non-current lease debt (excluding accrued interests);
- deposits related to financial liabilities and lease debt;
- derivatives impact on debt.

Net cash include:

- cash and cash equivalents;
- marketable securities over three months;
- bonds investments;
- bank overdraft.

NOTE 2 SUSTAINABLE DEVELOPMENT AND CLIMATE

Air France-KLM's ambition is to contribute to the International Civil Aviation Organization's (ICAO) long-term global aspirational goal of net-zero carbon emissions by 2050.

Air France KLM plays an active role in advancing the ambition of Net Zero emissions by 2050 as an industry. To support this ambition, the Group has developed a Climate Transition Plan including a mid-term target for 2030 validated by the SBTi. This plan is built around several levers, including mainly (i) investments in the renewal of the Group's fleet for new-generation aircraft emitting up to 25% less CO_2 per passenger km (the Group's ambition is to reach up to 80% of new-generation aircraft by 2030) and (ii) the progressive incorporation of SAF.

Independent agencies regularly assess the extra financial performances of the Air France-KLM Group based on ESG criteria (Environmental, Social and Governance). In 2025, the Group's performance was recognized through the below ESG ratings.

CDP: "A list" on Climate. By scoring an "A" on Climate, the Air France-KLM Group demonstrated environmental transparency and leadership and is among the top 4% of companies scored by CDP in 2025. An "A" score reflects not just disclosure, but credible, verified action across governance, targets and value chains.

With a score of 84/100 from EcoVadis (Gold Medal, issued in January 2026), the Air France-KLM Group is in the top 5% of all evaluated companies. The EcoVadis assessment evaluates 21 sustainability criteria across four core themes: Environment, Labor & Human Rights, Ethics and Sustainable Procurement. More than 130,000 companies globally have been rated by EcoVadis.

The US rating agency MSCI has reanalyzed the Air France-KLM Group's sustainability management and has given it a "AA" rating (issued in March 2026). MSCI ESG Research provides MSCI ESG Ratings on global public and a few private companies on a scale of AAA (leader) to (CCC (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers.

In the ISS ESG Corporate Rating 2025, the Air France-KLM Group has been awarded "Prime Status" with a "C+". Prime status refers to a company's demonstrated ability to adequately manage material ESG risks.

The Group's financial statements integrate climate change and sustainability issues in various items as described below.

2.1 Valuation of assets and consideration of environmental risks and commitments

The impact of climate change has been taken into account in preparing the Group's financial statements for the year ending December 31, 2025. In order to identify the physical and transitional climate-related risks to which the Group is exposed, a climate scenario analysis was carried out. However, the physical risks identified in this way were not considered likely to have a significant impact on operational continuity, given the Group's balanced network between the different continents and the flexibility of its fleet, which minimizes the economic consequences of extreme weather events.

The impacts of expected or probable regulatory changes are included in the Air France-KLM Group's five-year plan, notably:

- the rising cost of carbon credits and CO_2 offsetting under European (EU-ETS) and international (CORSIA) mechanisms;
- the increasing trajectory of SAF incorporation;
- the Group's ability to pass on additional costs in ticket prices;
- the acceptability of air transport and its effect on demand reflected in the long term growth rate of its activity;
- the investments and depreciation, as well as the expenses incurred, linked to the fleet renewal plan, in line with the CO_2 emission reduction targets as part of its Transition Plan.

These elements are consequently taken into account in the assumptions used to test the recoverable value of assets (see Note 21 "Impairment").

In 2025, the environmental impacts have not led to the recognition of any impairment or accelerated depreciation of the Group's assets.

2.2 Sustainable investments and financings

2.2.1 Fleet modernization

Currently, one of the most impactful ways to reduce the carbon footprint is to invest in a more fuel-efficient fleet. The Group is focusing on simplifying and rationalizing its fleet to make it more competitive. The Group's transformation is therefore continuing with the phase in of more modern, high-performance aircraft with a significantly lower environmental impact and a reduced noise footprint.

The renewal of the Group's airline fleet for new-generation aircraft, that are up to 25% more efficient in terms of fuel consumption and therefore CO_2 emissions, and generate less noise, resulted in capital expenditures on aircraft equipment amounting to €2,018 million as of December 31, 2025 (€1,419 million as of December 31, 2024) (see Note 18 "Capital expenditures") and resulted in new lease contracts or renewal of lease contracts excluding sales and leasebacks operations of 2025 amounting to €1,099 million as of December 31, 2025 (€966 million as of December 31, 2024) (see Note 19 "Right-of-use assets and lease debts").

Pursuing its fleet renewal plan, the Group will continue to receive new-generation aircraft over the next few years, with the aim of having up to 80% of its fleet composed of new-generation aircraft by 2030 (see Note 38 "Flight equipment orders").

2.2.2 Other investments

The decarbonization of the Group's activities is also reflected in investments in materials and equipment designed to reduce its environmental footprint.

In order to adapt its business to climate change and in particular reduce emissions of its ground operations, the Air France-KLM Group is pursuing a sustainable investment policy and is notably investing in fully electric ramp equipment (vehicles, tractors and loading equipment) and the energy renovation of its buildings.

These investments represented €24 million as of December 31, 2025 (€18 million as of December 31, 2024).

2.2.3 Sustainable financings

To support its investments, the Air France-KLM Group has entered into secured financing agreements integrating sustainable development issues, through which the Group and its airlines benefit from more advantageous financing conditions if it achieves targets related to the reduction of its greenhouse gas emissions, fleet renewal and the incorporation of SAF.

On January 2023, Air France-KLM issued sustainability-linked bonds for a total amount of €1 billion (see Note 31.2.2 "Sustainability-linked bonds").

On April 2023 Air France-KLM, Air France and KLM have signed two ESG ("Environmental, Social and Governance") KPI-Linked Revolving Credit Facilities ("RCF") with a pool of internation financial institutions. As of December 31, 2025 these credit lines (undrawn) amount respectively to €1,405 million and €1,000 million with a maturity in 2029 (see Note 31.6 "Credit lines" and 4.1 "Significant events occurring during the period").

To support their investments in new-generation aircraft, Air France and KLM have also entered into financing or lease contracts with specific clauses linked to compliance with environmental criteria. On December 31 2025, these financings amount for:

- €573 million booked in the line "Other debt" (see Note 31 "Financial liabilities");
- €1,326 million booked in the line "Debt on leases with bargain option" (see Note 31 "Financial liabilities");
- €598 million booked in the line "lease debt aircraft" (see Note 19 "Right-of-use assets and lease debt").

2.3 SAF–Greenhouse gas emission rights and CO_2 compensation

2.3.1 SAF

"SAF" refers to an alternative to regular aviation fuel, identified as "Sustainable Aviation Fuel" within the meaning of Article 3(7) of Regulation (EU) 2023/2405 of October 18, 2023 on ensuring a level playing field for sustainable air transport (ReFuelEU Aviation) and is defined as aviation fuels that are either:
(a) synthetic aviation fuels; or
(b) aviation biofuels; or
(c) recycled carbon aviation fuels.

As part of its decarbonization objectives, the Air France-KLM Group has developed a progressive and proactive SAF purchasing policy, aiming to incorporate up to 10% SAF by 2030, above and beyond its regulatory obligations.

SAF expenses amounted for €(226) million as of December 31, 2025 (€(170) million as of December 31, 2024) (see Note 7 "External expenses").

To cover the additional costs incurred by SAF purchases, the Air France-KLM Group introduced a specific surcharge on tickets departing from France and the Netherlands on January 1, 2022. In addition, voluntary contribution mechanisms enable the Group's customers to contribute financially to the supply and use of SAF beyond the regulatory incorporation. As of December 31, 2025, the total amount collected in respect of the surcharge and voluntary contributions represented €232 million (€153 million as of December 31, 2024).

In order to secure its future purchases of SAF, Air France-KLM signed several contracts with the suppliers Nesté, DG Fuels, SkyNRG and TotalEnergies for the supply of 3.5 million tons of SAF until 2043 (see Note 39.2 "Commitments given subject to variable conditions and not valued").

2.3.2 Greenhouse gas emission rights and CO_2 compensation

Since January 1, 2012, airlines have been subject to the Emission Trading Scheme (EU-ETS) regulations for all flights to or from the European Economic Area, as described in Note 25 “Other assets” and Note 35.4 “Carbon credit risk”. As such, the Group must purchase CO_2 allowances, in addition to the free allowances, to offset its emissions.

The ICAO has also put in place the CORSIA program, adopted by most countries, including France. This program consists of offsetting, through certified CO_2 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.

Since January 1, 2020, Air France has also been offsetting all its customers' CO_2 emissions on French domestic routes, in line with French regulations, by purchasing credits representing carbon offsetting from approved partners.

The Group accounts for these CO_2 quotas in the line "other assets" of its balance sheet (see Note 25 "Other assets"). As of December 31, 2025, the value of the CO_2 quotas amounted to €547 million (€470 million as of December 31, 2024).

To meet its obligation to surrender the allowances corresponding to its emissions, the Group recorded a net expense of €(346) million as of December 31, 2025 (€(249) million as of December 31, 2024) (see Note 7 “External expenses”).

The obligation to surrender allowances, valued at acquisition cost for rights acquired (including free allowances) and at market value for rights yet to be acquired, is recorded as provisions in the Group’s balance sheet. These “provisions for CO_2 quota surrenders” amounted for €326 million as of December 31, 2025 (€250 million as of December 31, 2024) (see Note 30 “Return obligation liability and provision for leased aircraft and other provisions”).

Finally, the Group has hedging instruments for its future purchases of CO_2 quotas for a nominal amount of €214 million as of December 31, 2025 (€240 million as of December 31, 2024) (see Note 35.4 “Carbon credit risk”).

2.4 Management compensation

The performance criteria taken into account for the calculation of both annual and long-term variable management compensation (see Note 40.1 “Transactions with the principal executives”) include sustainability-related performance indicators linked related to sustainable development, notably the compliance with the decarbonization roadmap and the reduction of CO_2 emission.

NOTE 3 SIGNIFICANT EVENTS

3.1 Significant events occurring during the period

Measures to strengthen operational and financial position at KLM

On January 29, 2025 KLM announced a reduction of 250 jobs in non-operational roles. In 2025 all related domains have prepared specific plans, which have been discussed with the Works Council. KLM and Grounds Unions agreed that it will not lead to forced lay-offs and thus no restructuring provision has been recorded.

Issue of €500 million of hybrid bonds

Air France-KLM has placed €500 million of hybrid bonds on 15 May 2025, with a fixed annual coupon of 5.75% (yield of 5.875%) until the first reset date, on August 21, 2030.

They are recognized as equity in the consolidated financial statements (see Note 28.3 "Perpetual").

Extension of revolving credit facilities ("RCF") linked to ESG KPIs

Air France-KLM and Air France:

Air France-KLM and Air France, combined borrowers, signed in April 2023 a €1.2 billion Sustainability-Linked RCF. This facility included an accordion increase option executed during the first quarter of 2024 for an amount of €90 million bringing the amount available to around €1.3 billion.

The RCF also had an initial maturity in 2026 and two one-year extension options. In April 2024, Air France and Air France-KLM executed the extension option for one year, extending to a 2027 maturity.

Finally and as of July 18, 2024 a new amendment had been signed for Air France-KLM and Air France credit facility involving:

- an extension of the maturity to July 2028 associated with a one-year extension option;
- an increase of the facility from €1,290 million to €1,405 million.

This last extension option was exercised in June 2025, bringing the maturity date to 2029.

KLM:

In April 2023, KLM signed a €1.0 billion RCF including ESG Key Performance Indicators. This RCF had an initial 2027 maturity and included two one-year extension options. In April 2024, a first one-year extension option has been executed extending to a 2028 maturity. In April 2025, the second extension option has been executed extending to a 2029 maturity (see Note 31.6 "Credit lines").

Redemption of the 2022 super-subordinated notes for a total amount of €497 million

On June 20, 2025, Air France irrevocably notified Apollo Company of the redemption of €497 million of the 2022 super-subordinated notes on 28, July 2025.

The repayment was effective as of 28 July, 2025 for a total amount of €527 million of which €497 million for the nominal and €30 million for the accrued interests (see Note 28.3 "Perpetual").

Process for acquiring a majority stake in SAS

Air France-KLM Group initiated proceedings to take a majority stake in SAS. The Group currently holds a 19,9% stake in the Scandinavian carrier and since the summer of 2024, it has implemented a commercial cooperation between SAS, Air France and KLM in the form of extended codeshare and interline agreements, further strengthened by SAS joining the SkyTeam alliance.

Provided all the necessary conditions are met, Air France-KLM would fully acquire the stakes held by Castlelake and Lind Invest, bringing its own stake to 60.5%. The Danish State would retain its 26.4% stake in SAS and its seats on the Board of Directors.

Subject to the obtaining of all the necessary regulatory clearances and satisfaction of all conditions precedents, the ambition is to close in the second half of 2026.

The acquisition of this majority stake would give Air France-KLM control of SAS, which would become a subsidiary of the Air France-KLM Group.

The Group would hold the majority of seats on the airline's Board of Directors.

Air France-KLM and SAS remain for now commercial competitors.

Implementation of a Liquidity Contract

Air France-KLM implemented as of August 1, 2025 a liquidity contract on its own ordinary shares with an initial term of 12 months and renewed automatically for successive 12-month periods.

The purpose of this agreement is for Rothschild Martin Maurel to act as a market maker for Air France-KLM shares on the regulated market of Euronext Paris to promote the liquidity of transactions and the regularity of the listing of Air France-KLM shares.

To implement this contract, €10 million have been allocated to the liquidity account (see Note 28.2 “Treasury shares”).

Issuance of €500 million of bonds

Air France-KLM has placed €500 million of senior unsecured bonds on August 28, 2025, with a maturity of 5 years and a coupon of 3.75% (yield of 3.866%) under its EMTN program.

The cash inflow occurred on September 4, 2025 (see Note 31 “Financial liabilities”).

Redemption of the 2022 last-rank indefinite subordinated bond convertible into new shares and/or existing shares for a nominal amount of €305 million

On October 15, Air France–KLM Group notified the holders of last-rank indefinite subordinated bond convertible into new shares and/or existing shares its intention to redeem all of the outstanding hybrid Bonds from the First Hard Call Date at a price per hybrid Bonds equal to par (€100,000) plus accrued interest of 1,625 euro.

The payment occurred on Monday 24 November 2025 for a nominal value of €305 million to which were added €4,9 millions of accrued interest (see Note 28.3 “Perpetual”).

Acquisition of a 2.3% Stake in the Capital of Airline WestJet

On October 22, 2025, Air France-KLM finalized the acquisition of a 2.3% stake in the capital of Canadian airline WestJet for a total amount of $49 million. This transaction, initially announced on May 9, 2025, remained subject to certain approvals.

Air France-KLM purchased this stake from its joint venture partner Delta Air Lines, which acquired a minority stake of 15% in WestJet as part of a separate transaction also finalized on October 22 (which also included Korean Air’s acquisition of a 10% stake in WestJet).

The stakes acquired by the three airlines thus represent a total of 25% of WestJet’s capital (with 12.7% for Delta Air Lines, 10% for Korean Air, and 2.3% for Air France-KLM), sold by funds and co-investors affiliated with Onex Partners (see Note 22 “Other financial assets”).

3.2 Subsequent events

Issuance of €650 million of bonds within the EMTN program

Air France-KLM has placed €650 million of senior unsecured bonds on January 8, 2026, with a maturity of 5 years and a fixed annual coupon of 3.875% (yield of 4.033%) under its EMTN program.

Exceptional contribution on profits of large companies

The 2026 “Loi de finances” has extended by one year the exceptional contribution on the profits of large companies introduced under the 2025 “Loi de finances”.

The terms and the calculation base will remain unchanged. The 2026 exceptional contribution will be applied to the average corporate income tax due for the 2025 and 2026 financial years with the rate of 41,2%.

As the 2026 "Loi de finance” had not been adopted by December 31, 2025, this contribution was not taken into account in determining the current tax expense for the 2025 financial year. The amount would have represented €11 million (see Note 12 "Income Taxes").

NOTE 4 CHANGE IN THE CONSOLIDATION SCOPE

On February 1, 2024, KLM sold its 100%-owned subsidiary KLM Equipment Services B.V. to TCR International N.V. (TCR).

As of October 3, 2023, Air France-KLM had been selected by SAS AB's Board of Directors as the winning bidder in SAS's exit financing solicitation process, collectively with a consortium. After the receipt of regulatory approvals in Europe and the United States, the Air France-KLM Group finalized as of August 28, 2024 the acquisition of a 19.9% non-controlling stake in the share capital of SAS AB.

No significant acquisitions or disposals took place in 2025.

NOTE 5 ALTERNATIVE PERFORMANCE MEASURES

5.1 Current EBITDA

Period from January 1 to 31 December

(in € millions)	Notes	2025	2024
Revenues from ordinary activities	6.1	**33,007**	**31,459**
External expenses	7	**(19,393)**	(19,095)
Salaries and related costs	8	**(9,888)**	(9,461)
Taxes other than income taxes		**(180)**	(176)
Other current operating income and expenses	10	**1,512**	1,517
Current EBITDA	6.1	**5,058**	**4,244**

5.2 Operating free cash flow

Period from January 1 to December 31

(in € millions)	Notes	2025	2024
Net cash flow from operating activities	Statement of cash flows	**5,055**	3,496
Purchase of property plant and equipment and intangible assets	Statement of cash flows	**(4,449)**	(3,728)
Proceeds on disposal of property plant and equipment and intangible assets	Statement of cash flows	**1,391**	678
Operating free cash flow	32	**1,997**	**446**
Interest paid	Statement of cash flows	**(670)**	(664)
Interest received	Statement of cash flows	**170**	285
Payments on lease debts	Statement of cash flows	**(960)**	(891)
Adjusted operating free cash flow		**537**	**(824)**
Exceptional payments made/(received) [1]		**493**	1,095
Recurring adjusted operating free cash flow		**1,030**	**271**

[1] Exceptional payments made/(received), restated from operating free cash flow for the calculation of recurring adjusted operating free cash flow, correspond to the repayment of deferred social charges, pensions contributions and wage taxes granted during the Covid period, see Note 37.2 "Breakdown of the change in working capital resource".

NOTE 6 INFORMATION BY ACTIVITY AND GEOGRAPHICAL AREA

Business segments (Note 6.1)

The segment information is prepared on the basis of internal management data communicated to the Executive Committee, the Group's principal operational decision-making body.

The Group is organized around the following segments:

- Network: The revenues for this segment, which includes the Passenger and Cargo network, primarily come from passenger transportation services on scheduled flights with the Group's airline code (excluding Transavia), including flights operated by other airlines under code-share agreements. They also include code-share revenues, revenues from excess baggage and airport services supplied by the Group to third-party airlines and services linked to IT systems. Network revenues also include freight carried on flights operated under the codes of the airlines within the Group and flights operated by other partner airlines under code-share agreements. Other cargo revenues are derived principally from the sale of cargo capacity to third parties and the transportation of shipments on behalf of the Group by other airlines. Management monitors the performance of both network traffic and cargo jointly, as the two activities are intrinsically linked, mainly due to the significant volume of cargo transported in the holds of passenger aircraft ;
- Maintenance: Maintenance operating revenues are generated through maintenance services provided to other airlines and customers worldwide;
- Transavia: The revenues from this segment come from the "leisure" activity realized by Transavia;
- Other: The revenues from this segment come from various services provided by the Group and not covered by the three segments mentioned above.

The results of the business segments are those that are either directly attributable or that can be allocated on a reasonable basis to these business segments. Amounts allocated to business segments mainly correspond to the current EBITDA, current operating income and to the income from operating activities. Other elements of the income statement are presented in the "non-allocated" column.

Inter-segment transactions are evaluated based on normal market conditions.

Geographical segments (Note 6.2)

Activity by destination (Note 6.2.1)

Group Traffic sales by destination are broken down into seven geographical areas:

- Metropolitan France;
- Europe (excluding France) and North Africa;
- Caribbean, West Indies, French Guyana and Indian Ocean;
- Africa (excluding North Africa), Middle East;
- North America, Mexico and French Polynesia;
- South America (excluding Mexico);
- Asia and New Caledonia.

Activity by origin of sales area (Note 6.2.2)

Group external sales by origin of sale is generated in the following areas:

- France, excluding overseas departments and regions;
- Netherlands, excluding the Netherlands Antilles;
- Europe (excluding France and the Netherlands);
- United States;
- Canada;
- Rest of the world.

Assets by geographical area (Note 6.2.3)

As aircraft are by definition mobile and not assigned to specific routes, they are presented under the country of the entity's registered office.

Assets located in foreign establishments of Air France and KLM are not significant and are therefore respectively presented under France and Netherlands.

The assets sectorization by country is as follows:

- France;
- Netherlands;
- Rest of the world.

ACCOUNTING PRINCIPLES

Passenger and freight transportation

Sales related to air transportation operations, which consist of passenger and freight transportation, are recognized as revenue when the transportation service is provided.

The valuation of revenue, related to passenger tickets and freight airway bills issued and not used ("ticket breakage"), is based on a calculation using statistical rates, updated regularly and adjusted for non-recurring and specific events that may impact passenger behavior.

The transportation service is also the trigger for the recognition as external expenses of the commissions paid to agents (e.g. credit card companies and travel agencies) and the booking fees.

Both passenger tickets and freight airway bills are consequently recorded on the Balance Sheet as "Deferred revenue upon issuance date". The recognition of the revenue known as "ticket breakage" is deferred until the transportation date initially foreseen.

The Group applies the exemption provided by IFRS 15 which allows the balance of the outstanding transactions to remain unspecified as well as their planned recognition date for the performance obligations related to contracts with an initial term set at one year or less. If the tickets are not used, the performance obligations related to passenger and freight transportation effectively expire within one year.

Pursuant to the European Union's Regulation EC 261, the Group compensates passengers in the event of denied boarding and for flight cancellations or long delays. This compensation is booked as contra revenue. The Group recognizes a corresponding amount in liabilities for future refunds to passengers. The determination of this liability for future refunds relies on a statistical approach.

Passenger ticket taxes calculated on ticket sales are collected by the Group to be paid to the airport authorities. Therefore, they do not correspond to revenue. Taxes are recorded as a liability until such time as they are paid to the relevant airport authority as a function of the chargeability conditions (on ticket issuance or transportation).

The Group considers that the company that issues the airway bill acts as principal since the latter has control over the achievement of the performance obligation. When the Group issues freight airway bills for its goods carried by another carrier (airline company or road carrier), the Group acts as principal. Therefore, at the time of transportation the Group recognizes as revenue the amount invoiced to the customer in its entirety as well as the chartering costs invoiced by the other carrier for the service provision.

Maintenance

The main types of contracts with customers identified within the Group are mainly:

- Sales of maintenance and support contracts (Power by the hour contracts)

  Some maintenance and support contracts cover the airworthiness of engines, equipment or airframes, an airframe being an aircraft without engines and equipment. The invoicing of these contracts is based on the number of flight hours or landings of the goods concerned by these contracts.

  The different services included within each of these contracts consist of a unique performance obligation due to the existing interdependence between the services within the execution of these contracts.

  Revenue from maintenance and support services is recognized on a percentage of completion basis, based on the costs incurred, if they can be reliably measured, plus the expected margin.

  The transfer of the control of these services is performed continuously, As long as the margin on the contract cannot be measured in a reliable manner, the revenue will only be recognized at the level of the costs incurred.

  Forecast margins on the contracts are assessed through the forecast future cash flows that take into account the obligations and factors inherent to the contracts as well as other internal parameters to the contract selected using historical and/or forecast data.

  These forecast margins are regularly reviewed. If necessary, provisions are recorded as soon as any losses on completion of contracts are identified. Amounts invoiced to customers, and therefore mostly collected, which are not yet recognized as revenue, are recorded as liabilities on contracts (deferred revenue) at the accounting year end. Inversely, any revenue that has been recognized but not yet invoiced is recorded under assets (invoice to be issued) on the balance sheet at the accounting year end.

- Sales of spare parts repair and labor – Time & Material contracts

  These services which relate to engines, equipment or airframes, an airframe being an aircraft without engines and equipment, are generally short term.

  They consist of a unique performance obligation. The revenue is recognized as costs are incurred.

- Third-party procurement

  When the Group serves as a broker between its suppliers and end customers, the Group acts as an agent and hence, recognizes the margin that results from this operation as revenue.

6.1 Information by business segment

Year ended December 31, 2025

(in € millions)	Notes	Network	Maintenance	Transavia	Other	Non-allocated	Consolidation adjustments	Total
Passenger traffic revenues	6.2.1	24,113	–	3,505	–	–	–	27,618
Cargo traffic revenues	6.2.1	2,001	–	–	–	–	–	2,001
Other revenues [1]		1,102	2,307	(54)	32	–	–	3,387
External revenues	6.2.2	**27,216**	**2,307**	**3,451**	**32**	**–**	**–**	**33,006**
Intersegment revenues		26	3,263	1	272	–	(3,562)	–
Segment revenues		**27,242**	**5,570**	**3,452**	**304**	**–**	**(3,562)**	**33,006**
Other revenues		–	–	–	1	–	–	1
Revenues from ordinary activities		**27,242**	**5,570**	**3,452**	**305**	**–**	**(3,562)**	**33,007**
Aircraft fuel & SAF		(5,635)	(3)	(768)	–	–	–	(6,406)
Salaries and related costs		(6,997)	(1,261)	(842)	(807)	–	19	(9,888)
Others		(10,655)	(3,587)	(1,496)	540	–	3,543	(11,655)
Current EBITDA	5.1	**3,955**	**719**	**346**	**38**	**–**	**–**	**5,058**
Depreciation and amortization for the period		(2,178)	(452)	(395)	(29)	–	–	(3,054)
Income from current operations		**1,777**	**267**	**(49)**	**9**	**–**	**–**	**2,004**
Income from operating activities		1,775	265	(47)	9	–	–	2,002
Share of profits (losses) of associates		28	(15)	–	1	–	–	14
Net cost of financial debt and other financial income and expenses		–	–	–	–	(139)	–	(139)
Income taxes		–	–	–	–	(123)	–	(123)
NET INCOME		**1,803**	**250**	**(47)**	**10**	**(262)**	**–**	**1,754**
Segment assets		20,119	6,824	3,946	123	–	–	31,012
Non-allocated assets		–	–	–	–	8,433	–	8,433
TOTAL ASSETS		**20,119**	**6,824**	**3,946**	**123**	**8,433**	**–**	**39,445**
Segment liabilities		11,613	2,367	2,529	2	–	–	16,511
Non-allocated liabilities		–	–	–	–	5,056	–	5,056
Financial liabilities, lease debts, bank overdrafts and equity		–	–	–	–	17,878	–	17,878
TOTAL LIABILITIES		**11,613**	**2,367**	**2,529**	**2**	**22,934**	**–**	**39,445**
Purchase of property, plant and equipment and intangible assets	18	**(3,442)**	**(524)**	**(478)**	**(5)**	**–**	**–**	**(4,449)**
Other non-monetary items		**71**	**(18)**	**2**	**(1)**	**–**	**–**	**54**

[1] This line includes compensation paid to clients in accordance with EU261 (see Accounting Principles).

The non-allocated assets, amounting to €8.4 billion, comprise cash and cash equivalents of €4.7 billion (see Note 26 "Cash, cash equivalents and bank overdrafts"), other financial assets of €2.6 billion (see Note 22 "Other financial assets"), deferred tax of €0.7 billion (see Note 13.4 "Variation in deferred tax recorded during the period"), income taxes of €0.2 billion (see Note 25 "Other assets") and derivatives financial assets of €0.2 billion (see Note 35 "Financial risk management").

The non-allocated segment liabilities, amounting to €5.1 billion, mainly comprise pension provisions for €1.7 billion (see Note 29 "Pension assets and retirement benefits"), tax and employee-related liabilities of €2.2 billion (see Note 34 "Other liabilities"), other provisions litigation, restructuring and others for €0.7 billion (see Note 30 "Return obligation liability and provision for leased aircraft and other provisions") and derivatives financial liabilities of €0.5 billion (see Note 35 "Financial risk management").

Financial liabilities, lease debts, bank overdrafts and equity are not allocated.

Year ended December 31, 2024

(in € millions)	Notes	Network	Maintenance	Transavia	Other	Non-allocated	Consolidation adjustments	Total
Passenger traffic revenues	6.2.1	23,172	–	3,104	–	–	–	26,276
Cargo traffic revenues	6.2.1	1,994	–	–	–	–	–	1,994
Other revenues [1]		1,106	2,086	(35)	30	–	–	3,187
External revenues	6.2.2	**26,272**	**2,086**	**3,069**	**30**	**–**	**–**	**31,457**
Intersegment revenues		24	2,999	3	260	–	(3,286)	–
Segment revenues		**26,296**	**5,085**	**3,072**	**290**	**–**	**(3,286)**	**31,457**
Other revenues		–	–	–	2	–	–	2
Revenues from ordinary activities		**26,296**	**5,085**	**3,072**	**292**	**–**	**(3,286)**	**31,459**
Aircraft fuel & SAF		(6,134)	(4)	(769)	–	–	–	(6,907)
Salaries and related costs		(6,747)	(1,195)	(743)	(793)	–	17	(9,461)
Others		(10,011)	(3,378)	(1,260)	534	–	3,269	(10,846)
Current EBITDA	5.1	**3,403**	**508**	**300**	**33**	**–**	**–**	**4,244**
Depreciation and amortization for the period		(1,982)	(339)	(297)	(25)	–	–	(2,643)
Income from current operations		**1,421**	**170**	**3**	**7**	**–**	**–**	**1,601**
Income from operating activities		1,290	169	3	4	–	–	1,466
Share of profits (losses) of associates		(34)	9	–	6	–	–	(19)
Net cost of financial debt and other financial income and expenses		–	–	–	–	(874)	–	(874)
Income taxes		–	–	–	–	(84)	–	(84)
NET INCOME		**1,256**	**178**	**3**	**10**	**(958)**	**–**	**489**
Segment assets		18,276	6,118	2,902	131	–	–	27,427
Non-allocated assets		–	–	–	–	8,728	–	8,728
TOTAL ASSETS		**18,276**	**6,118**	**2,902**	**131**	**8,728**	**–**	**36,155**
Segment liabilities		11,330	2,083	2,139	2	–	–	15,554
Non-allocated liabilities		–	–	–	–	5,160	–	5,160
Financial liabilities, lease debts, bank overdrafts and equity		–	–	–	–	15,441	–	15,441
TOTAL LIABILITIES		**11,330**	**2,083**	**2,139**	**2**	**20,601**	**–**	**36,155**
Purchase of property, plant and equipment and intangible assets	18	**(2,848)**	**(527)**	**(353)**	**–**	**–**	**–**	**(3,728)**
Other non-monetary items		**9**	**(12)**	**2**	**(10)**	**(3)**	**–**	**(14)**

[1] This line includes compensation paid to clients in accordance with EU261 (see Accounting Principles).

The non-allocated assets, amounting to €8.7 billion, comprise cash and cash equivalents of €4.8 billion (see Note 26 "Cash, cash equivalents and bank overdrafts"), other financial assets of €2.6 billion (see Note 22 "Other financial assets"), deferred tax of €0.7 billion (see Note 13.4, "Variation in deferred tax recorded during the period"), income taxes of €0.2 billion (see Note 25 "Other assets") and derivatives financial assets of €0.4 billion (see Note 35 "Financial risk management").

The non-allocated segment liabilities, amounting to €5.2 billion, mainly comprise pension provisions for €1.7 billion (see Note 29 "Pension assets and retirement benefits"), tax and employee-related liabilities of €2.6 billion (see Note 34 "Other liabilities"), other provisions litigation, restructuring and others for €0.7 billion (see Note 30 "Return obligation liability and provision for leased aircraft and other provisions") and derivatives financial liabilities of €0.2 billion (see Note 35 "Financial risk management").

Financial liabilities, lease debts, bank overdrafts and equity are not allocated.

6.2 Information by geographical area

6.2.1 Activity by destination

TRAFFIC SALES BY GEOGRAPHICAL AREA OF DESTINATION

Year ended December 31, 2025

(in € millions)	Notes	Metropolitan France	Europe (excl. France), North Africa	Caribbean, French Guyana, Indian Ocean	Africa (excl. North Africa), Middle East	North America, Mexico, French Polynesia	South America (excl. Mexico)	Asia, New Caledonia	**Total**
Passenger	6.1	1,102	5,734	1,886	2,951	6,369	2,521	3,550	**24,113**
Cargo	6.1	226	385	41	266	275	242	566	**2,001**
Transavia	6.1	122	3,113	–	270	–	–	–	**3,505**
TOTAL TRANSPORTATION		**1,450**	**9,232**	**1,927**	**3,487**	**6,644**	**2,763**	**4,116**	**29,619**

Year ended December 31, 2024

(in € millions)	Notes	Metropolitan France	Europe (excl. France), North Africa	Caribbean, French Guyana, Indian Ocean	Africa (excl. North Africa), Middle East	North America, Mexico, French Polynesia	South America (excl. Mexico)	Asia, New Caledonia	Total
Passenger	6.1	1,113	5,573	1,856	2,940	5,988	2,311	3,391	**23,172**
Cargo	6.1	213	325	29	328	268	291	540	**1,994**
Transavia	6.1	133	2,757	–	214	–	–	–	**3,104**
TOTAL TRANSPORTATION		**1,459**	**8,655**	**1,885**	**3,482**	**6,256**	**2,602**	**3,931**	**28,270**

6.2.2 Activity by origin of sales area

EXTERNAL SALES BY GEOGRAPHICAL AREA

Year ended December 31, 2025

(in € millions)	Notes	France, excluding French overseas departments	Netherlands, excluding Dutch Caribbean	Europe (excluding France & Netherland)	USA	Canada	Rest of the world	**Total**
Transportation		6,903	2,861	5,716	4,202	790	5,642	26,114
Other sales[1]		510	117	100	43	2	330	1,102
Total Network	6.1	**7,413**	**2,978**	**5,816**	**4,245**	**792**	**5,972**	**27,216**
Transportation		1,372	1,578	433	35	–	87	3,505
Other sales[1]		(28)	(21)	(4)	–	–	(1)	(54)
Total Transavia	6.1	**1,344**	**1,557**	**429**	**35**	**–**	**86**	**3,451**
Maintenance	6.1	1,232	919	27	122	–	7	2,307
Others	6.1	8	23	1	–	–	–	32
TOTAL		**9,997**	**5,477**	**6,273**	**4,402**	**792**	**6,065**	**33,006**

[1] This line includes compensation paid to clients in accordance with EU261 (see Accounting Principles).

Year ended December 31, 2024

(in € millions)	Notes	France, excluding French overseas departments	Netherlands, excluding Dutch Caribbean	Europe (excluding France & Netherland)	USA	Canada	Rest of the world	Total
Transportation		6,552	2,782	5,564	4,046	811	5,411	25,166
Other sales[1]		544	175	104	27	4	252	1,106
Total Network	6.1	**7,096**	**2,957**	**5,668**	**4,073**	**815**	**5,663**	**26,272**
Transportation		1,165	1,591	270	18	1	59	3,104
Other sales[1]		(10)	(21)	(4)	–	–	–	(35)
Total Transavia	6.1	**1,155**	**1,570**	**266**	**18**	**1**	**59**	**3,069**
Maintenance	6.1	1,154	788	21	118	–	5	2,086
Others	6.1	9	22	(1)	–	–	–	30
TOTAL		**9,414**	**5,337**	**5,954**	**4,209**	**816**	**5,727**	**31,457**

[1] This line includes compensation paid to clients in accordance with EU261 (see Accounting Principles).

6.2.3 Assets by geographical area

ASSETS SECTORIZATION BY COUNTRY

Year ended December 31, 2025

(in € millions)	Notes	France	Netherlands	Rest of the world	**Total**
Intangible fixed assets	16	449	749	1	1,199
Flight equipment	17	8,194	5,457	—	13,651
Other tangible Assets	17	919	729	31	1,679
Right-of-use asset	19	6,442	2,988	22	9,452
TOTAL		**16,004**	**9,923**	**54**	**25,981**

Year ended December 31, 2024

(in € millions)	Notes	France	Netherlands	Rest of the world	Total
Intangible fixed assets	16	419	729	2	1,150
Flight equipment	17	7,251	5,096	—	12,347
Other tangible Assets	17	849	654	30	1,533
Right-of-use asset	19	5,497	2,076	19	7,592
TOTAL		**14,016**	**8,555**	**51**	**22,622**

NOTE 7 EXTERNAL EXPENSES

Period from January 1 to December 31 (in € millions)	2025	2024
Aircraft fuel	**(6,180)**	(6,737)
SAF	**(226)**	(170)
CO_2 quotas	**(346)**	(249)
Chartering costs	**(456)**	(497)
Landing fees and air route charges	**(2,331)**	(2,048)
Catering	**(975)**	(919)
Handling charges	**(2,178)**	(2,032)
Aircraft maintenance costs	**(3,494)**	(3,320)
Commercial and distribution costs	**(1,146)**	(1,060)
Other external expenses	**(2,061)**	(2,063)
TOTAL	**(19,393)**	**(19,095)**

A portion of external expenses, mainly aircraft fuel and maintenance, is sensitive to fluctuations in the US dollar exchange rate. The hedges covering this currency exposure are presented in Note 9 "Other current operating income and expenses".

NOTE 8 SALARIES AND NUMBER OF EMPLOYEES

ACCOUNTING PRINCIPLES

IFRS 2 "Share-based payment" requires share-based payment services to be recognized as an employee expense. These services are measured at the fair value of the instruments granted.

The accounting policies applied by the Group to recognize its defined obligations in accordance with IAS 19 (revised) are detailed in Note 29 "Pension assets and retirement benefits".

SALARIES AND RELATED COSTS

Period from January 1 to December 31 (in € millions)	2025	2024
Wages and salaries	**(6,900)**	(6,623)
Social contributions	**(1,320)**	(1,231)
Pension costs on defined contribution plans	**(1,053)**	(1,003)
Pension costs of defined benefit plans	**(168)**	(164)
Cost of temporary employees	**(266)**	(274)
Profit sharing	**(149)**	(78)
Payment linked with shares	**(2)**	(2)
Other expenses	**(30)**	(86)
TOTAL	**(9,888)**	**(9,461)**

Pension costs on defined contribution plans

The Group pays contributions to a multi-employer plan in France, the CRPN (public pension fund for crew). Since this multi-employer plan is assimilated with a French State plan, it is accounted for as a defined contribution plan in "pension costs on defined contribution plans".

All major KLM pension plans in the Netherlands are qualified as defined contribution scheme.

FULL-TIME EQUIVALENT [1]

Period from January 1 to December 31	2025	2024
Flight deck crew	**9,436**	9,047
Cabin crew	**23,098**	22,547
Ground staff	**47,040**	46,656
Temporary employees	**2,418**	2,480
TOTAL	**81,992**	**80,730**

[1] Calculations are made using the double-weighting method (time present over the period and working time).

NOTE 9 OTHER CURRENT OPERATING INCOME AND EXPENSES

Period from January 1 to December 31 (in € millions)	2025	2024
Capitalized production	**1,342**	1,353
Joint operation of routes	**(47)**	(2)
Operations-related currency hedges	**(31)**	24
Other	**248**	142
TOTAL	**1,512**	**1,517**

In 2024 and 2025, the line "Other" includes in particular indemnities received from suppliers to compensate operational issues supported by the Group.

NOTE 10 AMORTIZATION, DEPRECIATION AND PROVISIONS

Period from January 1 to December 31 (in € millions)	2025	2024
AMORTIZATION		
Intangible assets	**(171)**	(168)
Flight equipment	**(1,392)**	(1,215)
Other property, plant and equipment	**(197)**	(182)
Right-of-use assets	**(1,488)**	(1,257)
Sub-Total	**(3,248)**	**(2,822)**
DEPRECIATION AND PROVISIONS		
Inventories	**1**	(9)
Trade receivables	**31**	48
Risks and contingencies	**162**	140
Sub-Total	**194**	**179**
TOTAL	**(3,054)**	**(2,643)**

The amortization variations for intangible and tangible assets are presented in Notes 16 and 17, and for right-of-use assets in Note 19.

The variations relating to inventories and trade receivables are presented in Notes 23 and 24.

The balance sheet movements in provisions for risks and charges are detailed in Note 30.

NOTE 11 SALES OF AIRCRAFT EQUIPMENT AND OTHER NON-CURRENT INCOME AND EXPENSES

Period from January 1 to December 31 (in € millions)	**2025**	2024
Sales and leaseback	**4**	8
Other aeronautical sales	**39**	29
Sales of aeronautical assets	**43**	**37**
Restructuring costs	**(48)**	(55)
Other	**3**	(117)
Other non-current income and expenses	**(45)**	**(172)**

Year ended December 31, 2025

Sales and leaseback

The impact of aircraft sales and leasebacks resulted in a profit of €4 million in the income statement and a result on disposal of €1 279 million in the cash flow statement as of December 31, 2025.

Other non-current income and expenses

The impact of other non-current income and expenses includes a provision recorded by Air France as part of a Collective Mutual Termination Agreement for a net reversal amount of retirement provision for €(26) million and also mainly relates to KLM voluntary leave plans of €(16) million.

Year ended December 31, 2024

Sales and leaseback

The impact of aircraft sales and leasebacks resulted in a profit of €8 million in the income statement and a result on disposal of €584 million in the cash flow statement as of December 31, 2024.

Other aeronautical sales

The impact of other aeronautical sales mainly corresponds to a Boeing 777 refinancing for KLM and has led to a gain of €16 million as of December 31, 2024.

Other non-current income and expenses

The impact of other non-current income and expenses includes a compensation of €(115) million to be paid by Air France-KLM to Virgin as part of the renegotiation of a contract and the provision booked at Air France level in the context the restructuring of the domestic offer adaptation plan in Orly and of call centers for €(49) million.

NOTE 12 NET COST OF FINANCIAL DEBT AND OTHER FINANCIAL INCOME AND EXPENSES

Period from January 1 to December 31 (in € millions)	**2025**	2024
Income from marketable securities	**92**	138
Other financial income	**104**	165
Income from cash and cash equivalents	**196**	**303**
Interest on financial liabilities	**(313)**	(327)
Interest on lease debt	**(327)**	(292)
Capitalized interests	**60**	52
Other non-monetary items	**(12)**	(23)
Other financial income and expenses	**(35)**	(41)
Interests charges	**(627)**	**(631)**
Net cost of financial debt	**(431)**	**(328)**
Foreign exchange gains (losses), net	**608**	(219)
Financial instruments	**(7)**	(9)
Net (charge)/release to provisions	**(12)**	(12)
Undiscounting of provision	**(275)**	(280)
Other	**(22)**	(26)
Other financial income and expenses	**292**	**(546)**
TOTAL	**(139)**	**(874)**

Net cost of financial debt

Income from cash and cash equivalents mainly comprises interest income from marketable securities and other financial assets, as well as net income on disposals of marketable securities.

Foreign exchange gains (losses)

As of December 31, 2025, the foreign exchange result includes an unrealized currency gain of €652 million composed of:

- an unrealized gain of €486 million on return obligation liabilities and provisions on aircraft in US dollars;
- an unrealized gain of €151 million on the net debt, mainly composed of a gain of €82 million on US Dollar and a gain of €74 million on Japanese Yen;
- an unrealized gain of €15 million on other assets and liabilities mainly due to US dollars on the working capital.

As of December 31, 2024, the foreign exchange result included an unrealized currency loss of €(201) million composed of:

- an unrealized loss of €(221) million on return obligation liabilities and provisions on aircraft in US dollars;
- an unrealized gain of €24 million on the net debt, mainly composed of a loss of €(20) million on US Dollar, a gain of €26 million on Japanese Yen, a gain of €7 million on Swiss Franc and a gain of €11 million on other currencies;

Undiscounting of provision

The rate used to undiscount the long term return obligation liability and provision for leased aircraft and other provisions non current is 6.8% in 2025 against 7.3% in 2024 (see Note 30.1.1 “Return obligation liability and provision on leased aircraft”).

NOTE 13 INCOME TAXES

ACCOUNTING PRINCIPLES

The current tax expense (or income) is the estimated amount of tax due in respect of taxable income for the period.

Deferred taxes are recognized on temporary differences between the net booked value and the fiscal value of assets and liabilities recorded on the balance sheet, as well as on tax losses. They are recognized only to the extent that it is probable that a sufficiently precise future taxable profit will be generated at the level of the taxable entity. Deferred tax assets relating to tax losses are capitalized on the basis of the prospects of recoverability arising from the budget and mid-term plans prepared by the Group. The assumptions used are the same that the ones used for the impairment test.

The tax expense reported in the income statement comprises the current tax expense (or income) and the deferred tax expense (or income).

The tax rates used to measure deferred taxes are the ones enacted or substantively enacted at the balance sheet date.

Net deferred tax balances are determined on the basis of each entity's tax position.

Taxes payable and/or deferred are recognized in the income statement for the period, unless they are generated by a transaction or event recorded directly in equity. In such cases, they are recorded directly in equity.

Impact of the Contribution on Added Value of Enterprises

The CAVE (Contribution on Added Value of Enterprises/cotisation sur la valeur ajoutée des entreprises – CVAE) is calculated by the application of a tax rate to the added value generated by the company during the year. As the added value is a net amount of income and expenses, the CAVE meets the definition of a tax on profits as set out in IAS 12.2. Consequently, the expense relating to the CAVE is presented under the line "Income taxes".

13.1 Income tax charge

Current income tax expenses and deferred income tax are detailed as follows:

Period from January 1 to December 31 (in € millions)	2025	2024
Current tax (expense)/income and other taxes	**(203)**	**(31)**
Change in temporary differences	**(121)**	(74)
(Use/de-recognition)/recognition of tax loss carry forwards	**201**	21
Deferred tax income/(expense)	**80**	**(53)**
TOTAL	**(123)**	**(84)**

The current income tax charge relates to the amounts paid or payable to the tax authorities in the short term for the period, in accordance with the regulations prevailing in various countries and any applicable treaties.

French fiscal group

In France, the corporate tax rate, including additional contribution, is 25,83% for 2025.

Tax losses can be carried forward for an unlimited period. However, the amount of fiscal loss recoverable each year is limited to 50% of the profit for the period beyond the first million euros. The Group limits its recoverability horizon on the deferred tax losses of the French fiscal group to a period of five years, consistent with its strategic plan.

Exceptional contribution on profits of large companies

The 2025 "Loi de finances" has established a exceptional contribution on the profits of large companies.

The additional tax booked as of December 31, 2025 amounts to €11 million (41.2% on the average corporate income tax due for the 2024 and 2025 financial years).

Dutch fiscal group

In the Netherlands, the tax rate is 25.8% in 2025. Tax losses can be carried forward for an unlimited period. However, the amount of fiscal loss recoverable each year is limited to 50% of the profit for the period beyond the first million euros.

13.2 Tax recorded in equity (equity holders of Air France-KLM)

Period from January 1 to December 31 (in € millions)	**2025**	2024
Coupons on perpetual	**75**	–
Other comprehensive income that will be reclassified to profit and loss	**(73)**	21
Other comprehensive income that will not be reclassified to profit and loss	**12**	1
Equity instruments	**9**	2
Pensions	**3**	(1)
TOTAL	**14**	**22**

13.3 Effective tax rate

The difference between the standard and effective tax rates applied in France is detailed as follows:

Period from January 1 to December 31 (in € millions)	**2025**	2024
Income before tax	**1,863**	592
Standard tax rate in France	**25.83%**	25.83%
Theoretical tax calculated based on the standard tax rate in France	**(481)**	(153)
Differences in French / foreign tax rates	**(3)**	(5)
Non-deductible expenses or non-taxable income	**(3)**	(3)
Add / (Release) of deferred tax	**404**	94
CAVE impact	**(2)**	(4)
Exceptional contribution on profits of large companies	**(11)**	–
Other	**(27)**	(13)
INCOME TAX	**(123)**	**(84)**
Effective tax rate	**6.6%**	14.2 %

Deferred tax has been calculated on this basis of the 25,83% corporate income tax rate for the French tax group and the 25,80% corporate income tax rate for the Dutch tax group, applicable in 2025.

13.4 Variation in deferred tax recorded during the period

(in € millions)	December 31, 2024	Amounts recorded in income statement	Amounts recorded in OCI	Amounts recorded in equity	Reclassification and other	**December 31, 2025**
Flight equipment	(1,091)	(59)	–	–	–	**(1,150)**
Right-of-use assets	(1,343)	(239)	–	–	–	**(1,582)**
Pension assets	28	(5)	1	–	–	**24**
Financial liabilities	561	(52)	(2)	33	–	**540**
Lease debt	1,075	144	(83)	–	1	**1,137**
Deferred revenue on ticket sales	75	(61)	–	–	–	**14**
Other debtors and creditors	(34)	54	20	–	2	**42**
Provisions	375	69	3	–	–	**447**
Deductible financial interests	51	(19)	–	–	–	**32**
Others	(105)	46	–	–	(2)	**(61)**
Deferred tax corresponding to fiscal losses	1,068	202	–	–	–	**1,270**
DEFERRED TAX ASSET/(LIABILITY) NET	**660**	**80**	**(61)**	**33**	**1**	**713**

(in € millions)	December 31, 2023	Amounts recorded in income statement	Amounts recorded in OCI	Amounts recorded in equity	Reclassification and other	December 31, 2024
Flight equipment	(990)	(101)	–	–	–	(1,091)
Right-of-use assets	(1,023)	(320)	–	–	–	(1,343)
Pension assets	27	1	–	–	–	28
Financial liabilities	494	65	2	–	–	561
Lease debt	817	225	33	–	–	1,075
Deferred revenue on ticket sales	138	(63)	–	–	–	75
Other debtors and creditors	26	(39)	(14)	–	(7)	(34)
Provisions	305	71	(1)	–	–	375
Deductible financial interest	43	8	–	–	–	51
Others	(187)	80	2	–	–	(105)
Deferred tax corresponding to fiscal losses	1,048	20	–	–	–	1,068
DEFERRED TAX ASSET/(LIABILITY) NET	**698**	**(53)**	**22**	**–**	**(7)**	**660**

French fiscal group

The deferred taxes recognized on fiscal losses for the French fiscal group amounts to €1,025 million with a basis of €3,968 million as of December 31, 2025. As of December 31, 2024, it amounted to €746 million with a basis of €2,888 million. The deferred taxes increase on fiscal losses is explained by forecasts of future tax profits.

The total deferred-tax position of the French fiscal group stands at a net asset of €538 million (€456 million as of December 31, 2024).

Dutch fiscal group

The Dutch fiscal group recognized €241 million deferred taxes on fiscal losses with a basis of €932 million as of December 31, 2025. As of December 31, 2024, it amounted to €314 million with a basis of €1,217 million. This reduction is due to the consumption over the period of deferred taxes on tax losses.

The total deferred tax position of the Dutch fiscal group stands at a net asset of €163 million (versus a €196 million net asset as of December 31, 2024).

13.5 Unrecognized deferred tax assets

	December 31, 2025		December 31, 2024	
(in € millions)	**Basis**	**Tax**	Basis	Tax
Temporary differences	2,469	638	2,222	574
Tax losses	10,531	2,720	11,894	3,072
TOTAL	**13,000**	**3,358**	**14,116**	**3,646**

French fiscal group

As of December 31, 2025, the cumulative effect of the limitation of deferred tax assets results in the non-recognition of a deferred tax asset amounting to €3,284 million (corresponding to a basis of €12,714 million), of which €2,646 million relating to tax losses and €638 million relating to temporary differences.

As of December 31, 2024, the cumulative effect of the limitation of deferred tax assets resulted in the non-recognition of a deferred tax asset amounting to €3,572 million (corresponding to a basis of €13,829 million), of which €2,998 million relating to tax losses and €574 million relating to temporary differences.

Others

Other unrecognized tax assets mainly correspond to tax losses of Air France Group subsidiaries prior to tax consolidation.

NOTE 14 EARNINGS PER SHARE

ACCOUNTING PRINCIPLES

Earnings per share are calculated by dividing the net income attributable to the equity holders of Air France-KLM by the average number of shares outstanding during the period.

The average number of shares outstanding does not include treasury shares.

Diluted earnings per share are calculated by dividing the net income attributable to the equity holders of Air France-KLM, adjusted for the effects of dilutive instrument exercise, by the average number of shares outstanding during the period, adjusted for the effect of all potentially-dilutive ordinary shares.

Accordingly to IAS 33, the perpetual subordinated loan is considered to be preferred shares, the coupons are included in the basic earnings per share and diluted earning per share.

RESULTS USED FOR THE CALCULATION OF BASIC EARNINGS PER SHARE

As of December 31 (in € millions)	**2025**	2024
Net income for the period – Equity holders of Air France-KLM	**1,593**	317
Coupons on perpetual net after tax	**(61)**	(73)
Basic net income for the period – Equity holders of Air France-KLM	**1,532**	**244**

RESULTS USED FOR THE CALCULATION OF DILUTED EARNINGS PER SHARE

As of December 31 (in € millions)	**2025**	2024
Basic net income for the period – Equity holders of Air France-KLM	**1,532**	244
Consequence of potential ordinary shares on net income: interests paid on convertible bonds (after tax)	**12**	23
Net income for the period – Equity holders of Air France-KLM (taken for calculation of diluted earnings per share)	**1,544**	**267**

RECONCILIATION OF THE NUMBER OF SHARES USED TO CALCULATE EARNINGS PER SHARE

Period from January 1 to December 31	**2025**	2024
Weighted average number of:		
• common shares issued	**262,769,869**	262,769,869
• Treasury stock held regarding stock option plan and other treasury stock	**(166,738)**	(125,749)
Number of shares used to calculate basic earnings per share	**262,603,131**	**262,644,120**
Number of potentially dilutive shares	**17,963,503**	21,198,607
Number of ordinary and potential ordinary shares used to calculate diluted earnings per share	**280,566,634**	**283,842,727**

As a reminder, following the repayment of €452 million of OCEANE bonds on March 25, 2024 the number of potential dilutive shares linked to the outstanding OCEANE 2026 has therefore been decreased from 4,966,518 shares to 472,580 shares.

The remaining €48 million of bonds due March 25, 2026 have been repaid in cash on May 10, 2024 under the conditions set out in the Terms and Conditions of the said OCEANE 2026 for cancellation in accordance with the applicable law. These remaining bonds were repaid in advance. This residual redemption amount is equivalent of 2,654,942 of bonds. There is therefore no outstanding OCEANE 2026 bonds as of December 31, 2025.

On November 24, 2025, Air France–KLM Group redeemed the holders of last-rank indefinite subordinated bond convertible into new shares and/or existing shares. There is therefore no potential dilutive shares linked to this instrument as of December 31, 2025. (see Note 3 “Significant events”).

A weighted average number of potentially dilutive share during the period has been used to determine the diluted earning per share.

As of December 31, 2025, taking into account the above items, the basic earnings per share amounts to €5.83 and the diluted earnings per share amounts to €5.50.

NOTE 15 GOODWILL

ACCOUNTING PRINCIPLES

Goodwill corresponding, at the acquisition date, to the aggregate of the consideration transferred and the amount of any non-controlling interest of the acquired business minus the net amounts (usually at fair value) of the identifiable assets acquired and the liabilities assumed from the acquired entity.

Goodwill is measured in the functional currency of the acquired entity. It is recognized as an asset on the balance sheet.

It is not amortized and is tested for impairment test on a annual basis or whenever there is an indication that it may by impaired. As described in Note 21, the impairment loss can't be subsequently reversed.

If the fair values of the identifiable assets acquired and liabilities assumed exceed the consideration transferred, the resulting negative goodwill is recognized immediately in the income statement.

When a subsidiary or associate is sold, the amount of goodwill attributable to the sold company is included in the calculation of the gain or loss on disposal.

15.1 Detail of consolidated goodwill

As of December 31	2025			2024		
(in € millions)	**Gross value**	**Impairment**	**Net value**	Gross value	Impairment	Net value
Network	**204**	**–**	**204**	204	–	204
Maintenance	**19**	**–**	**19**	22	–	22
TOTAL	**223**	**–**	**223**	**226**	**–**	**226**

15.2 Movement in net book value of goodwill

As of December 31		
(in € millions)	**2025**	2024
Opening balance	**226**	**224**
Currency translation adjustment	**(3)**	2
CLOSING BALANCE	**223**	**226**

NOTE 16 INTANGIBLE ASSETS

ACCOUNTING PRINCIPLES

Intangible assets are recorded at initial cost less accumulated amortization and any accumulated impairment losses.

IT development costs are capitalized and amortized over their useful lives. The Group has the tools required to enable the tracking by project of all the stages of development, and, in particular, the internal and external costs directly related to each project during its development phase.

Identifiable intangible assets acquired with a finite useful life are amortized over their useful lives from the date they are available for use.

The KLM and Transavia brands and slots (takeoff and landing rights) acquired by the Group as part of the acquisition of KLM are identifiable intangible assets with an indefinite useful life. They are not amortized but tested annually for impairment or whenever there is an indication that the intangible asset may be impaired. If necessary, impairment as described in Note 21 “Impairment” is recorded.

Intangible assets with a definite useful life are amortized on a straight-line basis over the following periods:

Software	1 to 5 years
Licenses	Duration of contract
Information Technology developments	Up to 20 years[1]

[1] With certain exceptions, IT developments are amortized over the same useful life as the underlying software.

(in € millions)	Notes	Trademarks and slots	Software and capitalized IT costs	Total
GROSS VALUE				
Amount as of December 31, 2023		**265**	**2,290**	**2,555**
Additions / Increase	18	–	195	**195**
Disposals		(2)	(7)	**(9)**
Reclassification		(3)	(1)	**(4)**
Other		–	2	**2**
Amount as of December 31, 2024		**260**	**2,479**	**2,739**
Additions / Increase	18	–	221	**221**
Disposals		–	(64)	**(64)**
Amount as of December 31, 2025		**260**	**2,636**	**2,896**
DEPRECIATION				
Amount as of December 31, 2023		**(12)**	**(1,415)**	**(1,427)**
Charge to depreciation		(1)	(167)	**(168)**
Releases on disposals		–	2	**2**
Reclassification		4	–	**4**
Amount as of December 31, 2024		**(9)**	**(1,580)**	**(1,589)**
Charge to depreciation		(1)	(170)	**(171)**
Releases on disposals		–	63	**63**
Amount as of December 31, 2025		**(10)**	**(1,687)**	**(1,697)**
NET VALUE				
As of December 31, 2024		**251**	**899**	**1,150**
As of December 31, 2025		**250**	**949**	**1,199**

The intangible assets mainly comprise:

- the KLM and Transavia brands and slots (takeoff and landing) acquired by the Group as part of the acquisition of KLM. These intangible assets have an indefinite useful life as the nature of the assets means that they have no time limit;
- software and capitalized IT costs.

NOTE 17 TANGIBLE ASSETS

ACCOUNTING PRINCIPLES

Property, plant and equipment are recorded on the balance sheet at their acquisition or manufacturing cost, less accumulated depreciation and any accumulated impairment losses.

The cost includes financial expenses incurred, when directly attributable to the acquisition or production of a qualifying asset, until the asset is in service.

As prepayment on investments are not financed by specific borrowings, the capitalization of borrowing costs on the prepayments is based on the average borrowing rate for the period.

Flight equipment

The purchase price of aircraft equipment is denominated in foreign currencies. It is translated at the exchange rate at the date of the transaction or, if applicable, at the hedging price assigned to it. Manufacturers' discounts, if any, are deducted from the value of the related asset.

Aircraft are depreciated using the straight-line method over their average estimated useful life which is between 20 and 25 years for all types of aircraft except in specific cases.

During the operating cycle, and when establishing fleet replacement plans, the Group reviews whether the amortizable base or the useful life should be adjusted and, if necessary, determines whether a residual value should be recognized and the useful life adapted.

Any major aircraft airframe and engine overhaul including parts with limited useful lives are treated as a separate asset component with the cost capitalized. They are depreciated on the basis of units of work representing the consumption of economic benefits, i.e. the number of hours or flight cycles for potential engines and life limited parts, and on a straight-line basis up to the date of the next major overhaul for the airframe.

The other maintenance costs which do not extend the useful life or do not increase the value of the asset are recorded as expenses when it occurs.

Aircraft spare parts (maintenance business) which enable the use of the fleet are recorded as fixed assets and are amortized on a straight-line basis over the estimated residual lifetime of the aircraft/engine type on the world market. The useful life is limited to a maximum of 30 years.

Other property, plant and equipment

Other property, plant and equipment are depreciated using the straight-line method over their useful lives as follows:

Buildings	20 to 50 years
Fixtures and fittings	8 to 20 years
Flight simulators	10 to 20 years
Equipment and tooling	3 to 15 years

(in € millions)	Flight equipment				Other tangible assets					Total
	Owned aircraft	Assets in progress	Other	Total	Land and buildings	Equipment and machinery	Assets in progress	Other	Total	
GROSS VALUE										
January 1, 2024	**17,742**	**1,731**	**2,510**	**21,983**	**2,799**	**1,044**	**191**	**1,089**	**5,123**	**27,106**
Acquisitions	798	1,943	457	3,198	33	53	215	21	322	3,520
Disposals	(1,282)	–	(241)	(1,523)	(17)	(19)	(1)	(49)	(86)	(1,609)
Currency hedge	–	(108)	–	(108)	–	–	–	–	–	(108)
Reclassification	1,237	(1,713)	173	(303)	61	12	(111)	32	(6)	(309)
Currency translation	–	–	–	–	1	2	–	–	3	3
Others	(45)	65	3	23	–	–	3	(5)	(2)	21
December 31, 2024	**18,450**	**1,918**	**2,902**	**23,270**	**2,877**	**1,092**	**297**	**1,088**	**5,354**	**28,624**
Acquisitions	977	2,520	441	3,938	35	81	191	38	345	4,283
Disposals	(2,131)	–	(107)	(2,238)	(21)	(33)	–	(15)	(69)	(2,307)
Currency hedge	–	343	–	343	–	–	–	–	–	343
Reclassification (1)	1,743	(2,090)	116	(231)	93	28	(140)	19	–	(231)
Currency translation	–	–	–	–	(1)	(5)	(1)	–	(7)	(7)
Others	(13)	16	–	3	1	–	2	–	3	6
December 31, 2025	**19,026**	**2,707**	**3,352**	**25,085**	**2,984**	**1,163**	**349**	**1,130**	**5,626**	**30,711**
DEPRECIATION										
January 1, 2024	**(9,705)**	**–**	**(777)**	**(10,482)**	**(2,007)**	**(826)**	**–**	**(859)**	**(3,692)**	**(14,174)**
Charge to depreciation	(1,051)	–	(107)	(1,158)	(89)	(43)	–	(50)	(182)	(1,340)
Releases on disposal	725	–	158	883	10	18	–	28	56	939
Reclassification	(36)	–	(126)	(162)	–	–	–	–	–	(162)
Currency translation	–	–	–	–	–	(2)	–	–	(2)	(2)
Others	(4)	–	–	(4)	(1)	–	–	–	(1)	(5)
December 31, 2024	**(10,071)**	**–**	**(852)**	**(10,923)**	**(2,087)**	**(853)**	**–**	**(881)**	**(3,821)**	**(14,744)**
Charge to depreciation	(1,164)	–	(146)	(1,310)	(93)	(49)	–	(55)	(197)	(1,507)
Releases on disposal	863	–	42	905	20	32	–	14	66	971
Reclassification	(43)	–	(63)	(106)	–	5	–	(5)	–	(106)
Currency translation	–	–	–	–	1	4	–	–	5	5
December 31, 2025	**(10,415)**	**–**	**(1,019)**	**(11,434)**	**(2,159)**	**(861)**	**–**	**(927)**	**(3,947)**	**(15,381)**
NET VALUE										
December 31, 2024	**8,379**	**1,918**	**2,050**	**12,347**	**790**	**239**	**297**	**207**	**1,533**	**13,880**
December 31, 2025	**8,611**	**2,707**	**2,333**	**13,651**	**825**	**302**	**349**	**203**	**1,679**	**15,330**

(1) The "Other" column in the "Reclassification" line of the flight equipment includes €109 million corresponding to the repurchase of leased aircraft without cash flow.

Aeronautical assets under construction mainly comprise advance payments, engine maintenance work in progress and aircraft modifications.

Details of fixed assets given in guarantee are provided in the Note 39 "Other commitments".

Commitments to assets purchases are detailed in Notes 38 "Flight equipment orders" and 39 "Other commitments"

NOTE 18 CAPITAL EXPENDITURES

The detail of capital expenditures on tangible and intangible assets presented in the consolidated cash flow statements is as follows:

Period from January 1 to December 31

(in € millions)	Notes	**2025**	2024
Acquisition of flight equipment		**3,885**	3,195
Acquisition of other tangible assets		**345**	322
Acquisition of intangible assets	16	**221**	195
Change in fixed assets liabilities		**(2)**	16
TOTAL		**4,449**	**3,728**

The line “Acquisition of flight equipment” includes investments linked to the renewal of the fleet for new-generation aircraft, for an amount of €2,018 million as of December 31, 2025 (€1,419 million as of December 31, 2024).

NOTE 19 RIGHT-OF-USE ASSETS AND LEASE DEBT

ACCOUNTING PRINCIPLES

Lease contracts, as defined by IFRS 16 "Leases", are recorded in the balance sheet and lead to the recognition of:

- an asset representing a right of use of the asset leased during the lease term of the contract; and
- a liability related to the lease debt.

Assets (aeronautical and buildings) which are not eligible for an accounting treatment according to IFRS 16 are those:

- which were acquired by the airline or for which the airline took a major share in the acquisition process from the OEMs (Original Equipment Manufacturers);
- and which, in view of the contractual conditions, will almost certainly be purchased at the end of the lease term.

Since these financing arrangements are "in substance purchases" and not leases, the related liability is considered as a financial liability under IFRS 9 and the asset, as property, plant and equipment, according to IAS 16 (see Note 31 "Financial liabilities" – Debt on financial leases with bargain option and Note 31.3 "Other debt").

Measurement of the right-of use asset

At the commencement date, the right-of-use asset is measured at cost and comprises:

- the amount of the initial measurement of the lease debt, to which is added, if applicable, any lease payments made at or before the commencement date, less any lease incentives received;
- where relevant, any initial direct costs incurred by the lessee for the conclusion of the contract. These are incremental costs which would not have been incurred if the contract had not been concluded;
- estimated costs for the restoration and dismantling of the leased asset according to the terms of the contract in accordance with IFRIC 1. At the date of the initial recognition of the right-of-use asset, the lessee adds to these costs, the discounted amount of the restoration and dismantling costs contractually agreed through a return obligation liability or provision as described in Note 30. These costs also include maintenance obligations with regard to the engines and airframes.

Following the initial recognition, the right-of-use asset must be depreciated over the useful life of the underlying assets (lease term for the rental component, flight hours for the component relating to engine maintenance or on a straight-line basis for the component relating to the airframe until the date of the next major overhaul).

Measurement of the lease debt

At the commencement date, the lease debt is recognized for an amount equal to the present value of the lease payments over the lease term.

Amounts involved in the measurement of the lease debt are:

- fixed payments (including in-substance fixed payments; meaning that even if they are variable in form, they are in-substance unavoidable);
- variable lease payments that depend on an index or a rate, initially measured using the index or the rate in force at the lease commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease debt is subsequently measured based on a process similar to the amortized cost method using the discount rate:

- the lease debt is increased by the accrued interests resulting from the discounting of the lease debt, at the beginning of the lease period;
- less payments made.

The interest cost for the period as well as variable payments, not taken into account in the initial measurement of the lease debt and incurred over the relevant period, are recognized as costs.

The Group uses the implicit interest rate to determine the present value of the future payments and thus the lease debt for each aircraft. The "real estate" and "other assets" lease debt is measured using the debt marginal rate at the commencement date of the contract.

In addition, the lease debt may be remeasured in the following situations:

- change in the lease term;
- modification related to the assessment of the reasonably certain nature (or not) of the exercise of an option;
- remeasurement linked to the residual value guarantees;
- adjustment to the rates and indices according to which the rents are calculated when rent adjustments occur.

Types of capitalized lease contracts

"Aircraft" lease contracts

For the aircraft lease contracts fulfilling the capitalization criteria defined by IFRS 16, the lease term corresponds to the non-terminable period of each contract except in cases where the Group is reasonably certain of exercising the renewal options contractually foreseen. For example, this may be the case if substantial cabin customization has taken place whereas the residual lease term is significantly shorter than the useful life of the cabins. The accounting treatment of the maintenance obligations related to leased aircraft is outlined in Note 30.

Aircraft lease contracts concluded by the Group do not include guaranteed value clauses for leased assets.

The discount rate used to calculate the lease debt corresponds, for each aircraft, to the implicit interest rate induced by the contractual elements and residual market values. This rate is easy to calculate due to the availability of current and future data concerning the value of aircraft. It is recalculated on each contract renewal (prolongation). The implied rate of the contract is the discount rate that gives the aggregated present value of the minimum lease payments and the unguaranteed residual value. This present value should be equal to the sum of the fair value of the leased asset and any initial direct costs of the lessor.

Since most of the aircraft lease contracts are denominated in US dollars, starting from January 1, 2018 the Group put in place a cash flow hedge for its US dollar revenues via the lease debt in US dollars. Consequently, the revaluation of the Group's debt at the closing rate is accounted for in "Other comprehensive income".

"Real-estate" lease contracts

Based on its analysis, the Group has identified lease contracts according to the standard concerning surface areas rented in its hubs, lease contracts on buildings dedicated to the maintenance business, customized lounges in airports other than hubs and lease contracts on office buildings. The lease term corresponds to the non-terminable period, with most of the contracts not including renewal options.

The discount rate used to calculate the lease debt is determined, for each asset, according to the incremental borrowing rate at the signature date. The incremental borrowing rate is the rate that the lessee would pay to borrow the required funds to purchase the asset over a similar term, with a similar security and in a similar economic environment. This rate is achieved by the addition of the interest rate on government bonds and the credit spread. The coupon on government bonds is specific to the location, currency, period and maturity. The definition of the spread curve is based upon reference points, each point consisting of asset financing on assets other than aircraft.

"Other-assets" lease contracts

The main lease contracts identified correspond to company cars, pools of spare parts and engines. The lease term corresponds to the non-terminable period. Most of the contracts do not provide renewal options. The discount rate used to calculate the lease debt is determined, for each asset, according to the incremental borrowing rate at the signature debt. The incremental borrowing rate is the rate that the lessee would pay to borrow the required funds to purchase the asset over a similar term, with a similar security and in a similar economic environment (for the method used to determine the incremental borrowing rate, see the "Real estate lease contracts" paragraph above).

Types of non-capitalized lease contracts

The Group uses the two exemptions foreseen by IFRS 16 allowing for non-recognition in the balance sheet: short-term lease contracts and lease contracts for which the underlying assets have a low value.

Short duration lease contracts

These are contracts whose duration is equal to or less than 12 months. Within the Group, they mainly relate to leases of:

- surface areas in our hubs with a reciprocal notice-period equal to or less than 12 months in case expect in the case of a significant resource release;
- accommodations for expatriates with a notice period equal to or less than 12 months;
- spare engines for a duration equal to or less than 12 months.

Low value lease contracts

Low-value lease contracts concern assets with a value equal to or less than US$5,000. Within the Group, these include, notably, lease contracts on printers, tablets, laptops and mobile phones.

Sale and leaseback transactions

The Group qualifies as sale and leaseback transactions, operations which lead to a sale according to IFRS 15. More specifically, a sale is considered as such if there is no repurchase option on the goods at the end of the lease term. The results of the leaseback transactions are presented in Note 11 "Sales of aircraft equipment and other non-current income and expenses".

Transactions deemed to be a sale

If the sale by the vendor-lessee is qualified as a sale according to IFRS 15, the vendor-lessee must: (i) de-recognize the underlying asset, (ii) recognize a right-of-use asset equal to the retained portion of the net carrying amount of the asset sold.

Transaction not deemed to be a sale

If the sale by the vendor-lessee is not qualified as a sale according to IFRS 15, the vendor-lessee maintains the goods transferred on its balance sheet and recognizes a financial liability equal to the disposal price (received from the buyer-lessor).

The table below presents the right-of-use assets per category:

(in € millions)	Aircraft	Maintenance	Land & Real Estate	Others	**Total**
NET VALUE					
January 1, 2024	**3,138**	**2,165**	**591**	**62**	**5,956**
New contracts	1,223	470	103	17	1,813
Change in contracts	355	172	110	2	639
Reclassification	(3)	511	–	(1)	507
Amortization	(681)	(435)	(125)	(17)	(1,258)
Others	(1)	(64)	–	–	(65)
December 31, 2024	**4,031**	**2,819**	**679**	**63**	**7,592**
New contracts	1,660	598	79	23	2,360
Change in contracts	385	266	62	1	714
Reclassification	(10)	441	2	–	433
Amortization	(800)	(535)	(133)	(20)	(1,488)
Others	–	(155)	–	–	(155)
December 31, 2025	**5,266**	**3,431**	**688**	**67**	**9,452**

Excluding the sales and leasebacks operations of 2025, the line "new contracts" includes €786 million as of December 31, 2025 related to contracts for new-generation aircraft (€823 million as of December 31, 2024). The line "change in contracts" includes €313 million as of December 31, 2025 related to contracts for new-generation aircraft (€143 million as of December 31, 2024). The total amount over the period therefore amounts to €1,099 million as of December 31, 2025 (€966 million as of December 31, 2024), see Note 2.2.1 "Fleet modernization".

The line "Others" includes mainly movements of the return obligation liability following aircraft restitution (see Note 30).

The amount recognized in the income statement in respect of lease contracts not subject to IFRS 16 amounts to:

As of December 31 (in € millions)	**2025**	2024
Variable rents	**42**	64
Short term rents	**226**	195
Low value rents	**22**	22
TOTAL	**290**	**281**

The table below presents the lease debt per category:

As of December 31	**2025**			2024		
(in € millions)	**Non- current**	**Current**	**Total**	Non- current	Current	Total
Lease debt – Aircraft	**4,632**	**744**	**5,376**	3,834	780	4,614
Lease debt – Aircraft spare parts	**92**	**48**	**140**	115	61	176
Lease debt – Real estate	**704**	**122**	**826**	712	103	815
Lease debt – Other	**59**	**17**	**76**	53	15	68
Accrued interest	**–**	**27**	**27**	–	23	23
TOTAL – LEASE DEBT	**5,487**	**958**	**6,445**	**4,714**	**982**	**5,696**

To support their investments in new-generation aircraft, Air France has also entered into lease contracts with specific clauses linked to compliance with environmental criteria. On December 31, 2025, these financings amount for €598 million (€497 million as of December 31, 2024), booked in the line “lease debt aircraft”.

The tables below present the change in lease debt:

(in € millions)	December 31, 2024	New contracts and renewals of contracts	Reimbursement	Currency translation adjustment	Others	**December 31, 2025**
Lease debt – Aircraft	4,614	2,120	(756)	(595)	(7)	**5,376**
Lease debt – Aircraft spare parts	176	40	(65)	(11)	–	**140**
Lease debt – Real estate	815	136	(123)	(3)	1	**826**
Lease debt – Other	68	24	(16)	–	–	**76**
Accrued interest	23	–	–	(1)	5	**27**
TOTAL	**5,696**	**2,320**	**(960)**	**(610)**	**(1)**	**6,445**

(in € millions)	December 31, 2023	New contracts and renewals of contracts	Reimbursement	Currency translation adjustment	Others	December 31, 2024
Lease debt – Aircraft	3,478	1,607	(693)	225	(3)	4,614
Lease debt – Aircraft spare parts	128	105	(64)	6	1	176
Lease debt – Real estate	735	194	(116)	1	1	815
Lease debt – Other	68	19	(18)	–	(1)	68
Accrued interest	20	–	–	–	3	23
TOTAL	**4,429**	**1,925**	**(891)**	**232**	**1**	**5,696**

The lease debt maturities break down as follows:

(in € millions)	As of December 31, 2025	As of December 31, 2024
Y+1	**1,268**	1,278
Y+2	**1,103**	1,081
Y+3	**939**	923
Y+4	**833**	736
Y+5	**766**	610
Over 5 years	**3,291**	2,643
TOTAL	**8,200**	**7,271**
Including:		
• Principal	**6,445**	5,696
• Interest	**1,755**	1,575

NOTE 20 EQUITY AFFILIATES

ACCOUNTING PRINCIPLES

The accounting policies applied by the Group to recognize the equity affiliates is detailed in the Note 1.3 "Consolidation principles".

Movements over the period

The table below presents the movement in investments in associates and joint-ventures:

(in € millions)	Network	Maintenance	Catering	Other	Total
December 31, 2023	**2**	**46**	**58**	**23**	**129**
Share in net income of equity affiliates	(34)	9	(2)	8	**(19)**
Dividend distributions	(1)	–	–	(3)	**(4)**
Change in consolidation scope	101	–	1	–	**102**
Other variations	1	2	(1)	–	**2**
Fair value adjustment	4	–	–	–	**4**
Currency translation adjustment	–	2	–	–	**2**
December 31, 2024	**73**	**59**	**56**	**28**	**216**
Share in net income of equity affiliates	28	(15)	3	(2)	**14**
Dividend distributions	(1)	(1)	–	(7)	**(9)**
Other variations	(8)	1	2	(1)	**(6)**
Fair value adjustment	35	–	–	–	**35**
Currency translation adjustment	–	(4)	–	–	**(4)**
December 31, 2025	**127**	**40**	**61**	**18**	**246**

Acquisition of a non-controlling stake in the share capital of SAS AB (Network)

The Air France-KLM Group had finalized as of August 28, 2024, the acquisition of a 19,9% non-controlling stake in the capital of SAS AB.

The Group had invested a total of US$144.5 million (circa €133 million) in SAS AB, by subscribing for US$109.5 million (circa €101 million) of common shares.

Based on the analysis of the features of the transaction including the shareholders' agreement, the Group does not have the control of SAS AB either within the meaning of EU merger regulation nor based on IFRS 10. However despite they remain business competitors, the Air France-KLM Group meets the requirements of IAS 28 to account SAS AB for using the equity method since the acquisition date.

Air France-KLM initiated a process in 2024 to acquire a majority stake of 60.5% in SAS, subject to the necessary approvals. The transaction is planned for the second half of 2026 and would make SAS a subsidiary of the group, with Air France-KLM holding the majority of seats on the airline's board of directors. (see Note 3.1 "Significant events occurring during the period").

Maintenance

As of December 31, 2025 and 2024, the equity affiliates in the maintenance business mainly comprise joint-venture partnerships entered into by the Group to develop its maintenance activities worldwide. These partnerships, whose country localizations and percentages of interest are presented in Note 42.2 have been concluded either with airlines or with independent players in the maintenance market.

Servair group (Catering)

The Servair group is a French company in aviation catering.

Following the acquisition of Gategroup by HNA on December 22, 2016, Air France Finance and Gategroup finalized the agreement for the sale to Gategroup of 49.99% of the Servair share capital. On conclusion of this transaction, the operational control of Servair was transferred to Gategroup in application of the governance planned in the agreements between Air France and Gategroup.

Early 2021, the terms under which Air France could sell a 30% shareholding in Servair to Gategroup were re-negotiated. This resulted in the sale by Air France Finance, on May 31, 2021, of 15% of Servair shares for €71 million.

An agreement for the sale of the second 15% tranche was reached in 2023, with payment spread over three years.

In accordance with this agreement, Air France Finance received €24 million in December 2024 and then €24 million in September 2025, representing 5% of the shares in each transaction.

The remaining 5% of this second tranche remains recorded as an asset held for sale, pending payment.

The final payment, which is expected to amount to €24 million in cash, is scheduled for December 2026.

The remaining 20% were revalued accordingly to the IFRS 10 standard at their fair value based on the transaction value in the line "equity affiliates".

As of December 31, 2025, the Servair group remains booked according to the equity method, as it has been the case since December 31, 2016.

The net result from airline catering is mainly impacted by the Servair operating loss. However, the total fair value of the Group's 25,0% equity interest in the Servair group, including the put option recorded in the balance sheet in the lines other derivatives and assets held for sale, remains unchanged.

Other

As of December 31, 2025 and 2024, the equity affiliates linked to the Group's other businesses are mainly joint-venture partnerships entered into by the Group in the airport business. The localizations of the activities and the interest percentages in these partnerships are presented in Note 42.2.

NOTE 21 IMPAIRMENT

ACCOUNTING PRINCIPLES

In accordance with IAS 36 “Impairment of Assets”, tangible fixed assets, intangible assets, right-of-use assets and goodwill are tested for depreciation if there is an indication of impairment, and those with an indefinite useful life are tested at least once a year.

For this test, the Group deems the recoverable value of the asset to be the higher of the market value less cost of disposal and its value in use. The latter is determined according to the discounted future cash-flow method, estimated based on budgetary assumptions approved by management, using an actuarial rate which corresponds to the weighted average cost of the Group’s capital and a growth rate which reflects the market.

Revenues (network, leisure and maintenance), costs and investments forecasts are based on reasonable hypotheses and are the management’s best estimates. They are subject to the uncertainties prevailing at the time the test is performed.

The depreciation tests are carried out individually for each asset, except for those assets to which it is not possible to attach independent cash flows. In this case, these assets are regrouped within the CGU to which they belong and it is this which is tested. The CGUs correspond to the Group’s business segments: network, maintenance, leisure and others which are homogeneous asset groups whose use generates identifiable cash inflows.

When the recoverable value of an asset or CGU is inferior to its net book value, an impairment is recognized. The impairment of a CGU is charged in the first instance to goodwill, the remainder being charged to the other assets which comprise the CGU, prorated to their net book value.

The main intangible assets are IT developments. Projections for the use of the various systems are reviewed regularly, with depreciation rates adjusted where necessary. The Group's aircraft represent its main tangible assets. Airlines update their fleet plans very regularly based on the use of each aircraft. These usage projections may be based on external indicators taken as a whole, such as the economic, geopolitical and market context and the legal environment (IAS 36.12 (b)). If a registration or sub-fleet of aircraft were to cease flying sooner than expected, the depreciation rates would be adjusted accordingly. If a decision to cease operations were made with almost immediate effect, an impairment loss would be recognized immediately in order to bring the carrying amount of the assets to their market value.

Monitoring aircraft utilization projections is the main indicator of impairment within the meaning of IAS 36.12.(f). No evidence of impairment has been identified as at 31 December 2025.

Given the existence of goodwill and intangible assets with indefinite useful lives, an impairment test has been carried out, in accordance with IAS 36, in order to verify that the net assets of the cash-generating units (CGUs) do not exceed their recoverable amount. The test is performed based on the values as of September 30 for the annual closing.

The Group monitors any significant changes that could affect this calculation in the last quarter.

The Group's CGUs correspond to the Group's business segments (see Note 6.1 "Information by business segment"). Their carrying amounts break down as follows:

As of September, 30	Network		Maintenance		Transavia		Other/Non allocated	
(in € millions)	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Segment assets	**19,846**	18,108	**6,823**	6,020	**3,637**	2,551	**8,227**	8,220
Segment liabilities	**(11,547)**	(11,062)	**(2,253)**	(2,041)	**(2,382)**	(1,894)	**(22,351)**	(19,902)
NET SEGMENT ASSETS (LIABILITIES)	**8,299**	**7,046**	**4,570**	**3,979**	**1,255**	**657**	**(14,124)**	**(11,682)**

The recoverable amount of the net assets of the CGUs has been determined by reference to their value in use as of September 30, 2025, based on a five-year target plan presented by Management to the Board of Directors early December 2025. Subject to the uncertainties associated with the current situation, this plan is based on revenue, cost and investment projections that are based on reasonable assumptions and correspond to Management's best estimates, including:

- higher productivity gains that will help to mitigate the negative impact of some external factors and geopolitical tensions;
- the increase in the price of CO_2 emission allowances, the implementation of the international system for offsetting and reducing emissions (CORSIA) from 2026 and the gradual disappearance of free allowances until 2026 in the European Union Emissions Trading Scheme (ETS) as detailed in the assumptions below;
- a growing trajectory for the use of Sustainable Aviation Fuel (SAF), which should reach up to 10% by 2030, and the Group's ability to pass on the additional costs to passengers in the price of air tickets;
- a plan to invest in new-generation aircraft that are up to 25% more efficient in terms of fuel consumption and therefore CO_2 emissions, and generate less noise, as presented in Note 38 "Flight equipment orders". The new-generation aircraft will represent up to 80% of the fleet in 2030. The group plans to continue with the same strategy beyond the five-year plan. The investment plan extends beyond 2030, the final year of this plan.

The two aforementioned elements, combined with operational efficiency measures aimed at reducing CO_2 emissions across all of the Group's activities, contribute significantly to the Group's environmental efforts set out in a Transition Plan for climate change mitigation verified by the SBTI.

The hypothesis taken into account in the five year plan, and beyond in the final year, for Network and Transavia are as follows :

As of December 31	2026	2027	2028	2029	2030
CO_2 quotas price (EUR/ton)	78	80	83	86	89
SAF price (EUR/metric tons)	1,231	1,220	1,269	1,182	1,590
Fuel price before hedging (USD/metric tons)	699/713	693/696	692/695	696/699	697/706

Beyond this period, the Group uses the long-term growth and current operating margin assumptions shown in the table below.

	Network		Maintenance		Transavia	
As of December 31	**2025**	2024	**2025**	2024	**2025**	2024
Operating margin rates	**7.4%**	7.4%	**6.0%**	6.0%	**8.2%**	8.2%
Long-term growth rates	**1.0%**	1.0%	**1.0%**	1.0%	**1.0%**	1.0%

The long-term growth rate and the current operating margin rates used by the Group for the realization of the test, which are relatively conservative, make it possible to take account of the uncertainties that apply to the Group's three segments, in particular the acceptability of air transport.

On the other hand, the Group has not taken into account technological advances not available at the closing date, nor potential future changes in law or regulations not yet voted (kerosene taxes, limitation of the number of slots, etc.).

Furthermore, the discount rate for the impairment test is the weighted average cost of capital (WACC), identical for each business unit.

Cost of capital

	2025	2024
Cost of stockholders' equity	**11.0%**	10.1%
Marginal cost of debt, net of tax	**3.1%**	3.3%
PERCENTAGE OF STOCKHOLDERS' EQUITY/TARGET DEBT		
Stockholders' equity	**48.0%**	47.0%
Debt	**52.0%**	53.0%
WEIGHTED AVERAGE COST OF CAPITAL AFTER TAXATION	**6.9%**	**6.5%**

As a result of the test, no impairment was recognized on the Group's CGUs (as for the year ended December 31, 2024).

The Group has conducted the tests with the following sensitivity:

- with a WACC 50 bps higher associated with a 50 bps decrease in the long-term growth rate;
- with a 50 bps increase in WACC associated with a 50 bps decrease in target current operating margins.

The Network and Transavia activities are not sensitive to these parameters. The results associated to maintenance are more sensitive. However, for this CGU, the tested assets mainly consists in property, plant and equipment including spare parts and spare engines, and inventories. The net booked value of these aeronautical assets would therefore not be at risk considering their market value and in particular considering the current context of persistent supply difficulties.

However, the Group does not perform sensitivity tests to capacity forecasts (seats per kilometers) as a reduction in capacity generally means higher unit revenues which balance out the negative effect of the reduction. It also does not test the sensitivity neither to fuel prices given the industry's tendency to pass the impact on to ticket prices, nor to SAF prices considering its ability demonstrated so far to include it in the selling prices.

NOTE 22 OTHER FINANCIAL ASSETS

ACCOUNTING PRINCIPLES

Investments in equity instruments

Investments in equity securities qualifying as equity instruments are recorded at fair value in the Group's balance sheet. For publicly-traded securities, the fair value is considered to be the market price at the closing date. For non-quoted securities, the valuation is made on the basis of the financial statements of the entity.

The valuation of equity instruments is either in fair value through the income statement or in fair value through other comprehensive income:

- when the instrument is deemed to be a cash investment, i.e. it is held for the purposes of monetary transactions, its revaluations are recorded in "Other financial income and expenses";
- when the instrument is deemed to be a business investment, i.e. it is held for strategic reasons (as it mainly consists of investments in companies whose activity is very close to that of the Group), its revaluations are recorded in "Other comprehensive income" non-recyclable. Dividends are recorded in the income statement.

Financial assets at fair value through profit and loss

Financial assets include financial assets at fair value through profit and loss (French mutual funds such as SICAV, FCP, certificates, etc.) that the Group intends to sell in the near term to realize a capital gain, or that are part of a portfolio of identified financial instruments managed collectively and for which there is evidence of a practice of short-term profit taking. They are classified in the balance sheet as other current financial assets.

As of December 31	2025			2024		
(in € millions)	**Current**	**Non-current**	***Of which: pledged or secured*** [3]	Current	Non-current	*Of which: pledged or secured* [3]
EQUITY INSTRUMENTS[1]						
Equity instruments [2]	**–**	**103**	**–**	–	56	–
At fair value through OCI	**–**	**93**	**–**	–	47	–
At fair value through P&L	**–**	**10**	**–**	–	9	–
DEBT INSTRUMENTS AT FAIR VALUE THROUGH P&L[1]						
Marketable securities	**988**	**–**	***259***	1,046	–	*260*
Bonds	**342**	**815**	***160***	115	944	*161*
DEBT INSTRUMENTS – AT AMORTIZED COST						
Deposits on lease contracts	**5**	**75**	**–**	8	90	–
Deposits on financial liabilities	**1**	**84**	**–**	1	96	–
Other loans and deposits	**24**	**250**	**–**	20	215	–
Gross value	**1,360**	**1,327**	***419***	**1,190**	**1,401**	**421**
Impairment at opening date	**–**	**(32)**	**–**	–	(29)	–
New impairment charge	**–**	**(6)**	**–**	–	(6)	–
Use/Reversal	**–**	**2**	**–**	–	2	–
Other	**–**	**(24)**	**–**	–	1	–
Impairment at closing date	**–**	**(60)**	**–**	**–**	**(32)**	**–**
TOTAL	**1,360**	**1,267**	***419***	**1,190**	**1,369**	**421**

(1) See Note 36 "Valuation methods for financial assets and liabilities at their fair value" for the fair value valuation method.
(2) See table change in equity instruments below.
(3) Including €366 million as of December 31, 2025 (€365 million as of December 31, 2024) in the context of the litigation concerning the anti-trust laws in the air-freight industry (See Note 30.1.4 "Litigation concerning anti-trust laws in the air-freight industry").

EQUITY INSTRUMENTS

	Fair Value (in €millions)	% interest	Stockholder's equity (in billions of currency)	Net income (in billions of currency)	Classification methodology	Stock price	Closing date
As of December 31, 2025							
GOL Linhas Aéreas[1]	0	1%	NA[2]	NA[2]	OCI	1 BRL	December 2025
Kenya Airways	10	7.8%	NA[2]	NA[2]	OCI	NA[2]	December 2025
Westjet	38	2,3 %	NA[2]	NA[2]	OCI	Not listed	December 2025
Other	55	–	–	–	–	–	–
TOTAL	**103**						
As of December 31, 2024							
GOL Linhas Aéreas[1]	1	1%	NA[2]	NA[2]	OCI	1 BRL	December 2024
Kenya Airways	13	7.8%	NA[2]	NA[2]	OCI	NA[2]	December 2024
Other	42	–	–	–	–	–	–
TOTAL	**56**						

[1] Listed company.
[2] Not-available.

CHANGE IN EQUITY INSTRUMENTS

(in € millions)	Instrument revalued through OCI	Instrument revalued through P&L	**Total**
Amount as of December, 31, 2023	**45**	**7**	**52**
Additions	1	2	3
Change in fair value	1	–	1
Amount as of December, 31, 2024	**47**	**9**	**56**
Additions	48	2	50
Change in fair value	(1)	(1)	(2)
Other	(1)	–	(1)
Amount as of December, 31, 2025	**93**	**10**	**103**

WestJet acquisition

The "additions" line mainly includes the acquisition of a 2.3% stake in the share capital of the Canadian airline Westjet for a total amount of 38 million euros (see Note 3.1 "Significant events occurring during the period").

Transfer of non-deconsolidating financial assets

Receivables delegation agreement

The Group entered into a loan agreement secured by Air France's 1% housing loans. For each of the CILs (Comités interprofessionnels du logement), Air France and the bank concluded, in July 2012, a tripartite receivables delegation agreement with reference to the loan agreement. Through this agreement, the CILs commit to repaying the bank directly on each payment date. These are imperfect delegations: in the event of non-repayment by the CILs, Air France remains liable to the bank for repayments of the loan and interest.

As of December 31, 2025, the amount of transferred receivables stood at €67 million (versus €74 million as of December 31, 2024) and is included in the line "deposits on financial liabilities". The associated loan stood at €59 million as of December 31, 2025 (versus €64 million as of December 31, 2024).

NOTE 23 INVENTORIES

ACCOUNTING PRINCIPLES

Inventories are measured at the lower of their cost and net realizable value.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present condition and location. These costs include the direct and indirect production costs incurred under normal operating conditions.

Inventories are valued on a weighted average basis.

The net realizable value of the inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

(in € millions)	As of December 31, 2024	Change in working capital [1]	Depreciation expense [2]	Use of provisions [2]	Currency translation adjustment	Others	As of December 31, 2025
Aeronautical spare parts	994	77	–	–	(8)	(3)	1,060
Other supplies	197	(27)	–	–	–	–	170
Work in progress	32	2	–	–	(1)	(11)	22
Gross value	**1,223**	**52**	**–**	**–**	**(9)**	**(14)**	**1,252**
Aeronautical spare parts	(262)	–	(12)	12	2	2	(258)
Other supplies	(2)	–	–	–	–	–	(2)
Work in progress	–	–	–	–	–	–	–
Depreciation	**(264)**	**–**	**(12)**	**12**	**2**	**2**	**(260)**
NET VALUE	**959**	**52**	**(12)**	**12**	**(7)**	**(12)**	**992**

(in € millions)	As of December 31, 2023	Change in working capital [1]	Depreciation expense [2]	Use of provisions [2]	Currency translation adjustment	Others	As of December 31, 2024
Aeronautical spare parts	889	101	–	–	4	–	994
Other supplies	192	5	–	–	–	–	197
Work in progress	27	5	–	–	1	(1)	32
Gross value	**1,108**	**111**	**–**	**–**	**5**	**(1)**	**1,223**
Aeronautical spare parts	(252)	–	(28)	19	(1)		(262)
Other supplies	(3)	–	–	–	–	1	(2)
Work in progress	–	–	–	–	–	–	–
Deprecation	**(255)**	**–**	**(28)**	**19**	**(1)**	**1**	**(264)**
NET VALUE	**853**	**111**	**(28)**	**19**	**4**	**–**	**959**

[1] See Note 37.2 Breakdown of the change in working capital resource
[2] See Note 10 Amortization, depreciation and provisions

NOTE 24 TRADE ACCOUNTS RECEIVABLES

ACCOUNTING PRINCIPLES

Trade receivables are considered to be assets issued by the Group and are initially recorded at fair value. They are subsequently valued using the amortized cost method. In addition, they are written off based on the expected loss.

Regarding the impairment of trade receivables, the Group has chosen the simplified method approach in that the automated customer invoicing and settlement processes for the Network business through clearing houses significantly limit the credit risk. The Group also uses credit insurance to reduce the risk of potential default regarding trade receivables concerning the clients of the Maintenance activity.

(in € millions)	As of December 31, 2024	Change in working capital [1]	Depreciation expense [2]	Use of provisions [2]	Reversal of unnecessary provisions [2]	Currency translation adjustment	Others	As of December 31, 2025
Airlines	212	35	–	–	–	(7)	(14)	226
Other clients:								
• Network	886	(11)	–	–	–	(6)	2	871
• Maintenance	1,010	136	–	–	–	(25)	11	1,132
• Leisure	69	7	–	–	–	1	–	77
• Other	37	(2)	–	–	–	–	(1)	34
Gross value	**2,214**	**165**	**–**	**–**	**–**	**(37)**	**(2)**	**2,340**
Airlines	(16)	–	–	–	–	–	–	(16)
Other clients:								
• Network	(57)	–	(8)	23	19	6	(13)	(30)
• Maintenance	(87)	–	(6)	4	–	1	14	(74)
• Leisure	(2)	–	–	–	–	–	–	(2)
• Other	–	–	–	–	–	–	(1)	(1)
Depreciation	**(163)**	**–**	**(14)**	**27**	**19**	**7**	**–**	**(124)**
NET VALUE	**2,051**	**165**	**(14)**	**27**	**19**	**(30)**	**(2)**	**2,216**

(in € millions)	As of December 31, 2023	Change in working capital [1]	Depreciation expense [2]	Use of provisions [2]	Reversal of unnecessary provisions [2]	Currency translation adjustment	Others	As of December 31, 2024
Airlines	231	(25)	–	–	–	6	–	212
Other clients:								
• Network	1,032	(147)	–	–	–	5	(4)	886
• Maintenance	964	33	–	–	–	18	(5)	1,010
• Leisure	82	(13)	–	–	–	–	–	69
• Other	51	(11)	–	–	–	–	(3)	37
Gross value	**2,360**	**(163)**	**–**	**–**	**–**	**29**	**(12)**	**2,214**
Airlines	(15)	–	(1)	–	–	–	–	(16)
Other clients:								
• Network	(74)	–	(12)	53	1	(6)	(19)	(57)
• Maintenance	(117)	–	(1)	9	–	(1)	23	(87)
• Leisure	(1)	–	(1)	–	–	–	–	(2)
• Other	–	–	–	–	–	–	–	–
Depreciation	**(208)**	**–**	**(15)**	**62**	**1**	**(7)**	**4**	**(163)**
NET VALUE	**2,152**	**(163)**	**(15)**	**62**	**1**	**22**	**(8)**	**2,051**

[1] See Note 37.2 Breakdown of the change in working capital resource
[2] See Note 10 Amortization, depreciation and provisions

NOTE 25 OTHER ASSETS

ACCOUNTING PRINCIPLES

CO_2 quotas

Since January 1, 2012, airlines have been subject to the Emission Trading Scheme (ETS) regulations for all flights to or from the European Economic Area.

Additionally, since January 1, 2020, Air France has been compensating all the CO_2 emissions of its customers on the French domestic routes.

The ICAO has also put in place the CORSIA program, adopted by most countries, including France. This program consists of offsetting, through certified CO_2 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.

As from January 1, 2023 and in the absence of IFRS standards or interpretations governing ETS accounting and considering CO_2 quotas as an operating expense linked to fuel expenses, the Group considers that the operating cash flow is the most representative of this outflow. The Group therefore decided to adjust its accounting treatment as described below:

- free CO_2 quotas allocated by the State and the ones purchased on the market recognized as intangible assets is now disclosed in the line "other assets" of the consolidated balance sheet and as an operating cash flow in the consolidated cash flow statement. These assets cannot be amortized;
- the expense corresponding to the obligation to surrender quotas of the period is integrated in the "external expenses" of the consolidated income statement (see Note 7 « External expenses »);
- the obligation to surrender rights valued at acquisition cost for acquired rights – including free quotas – and at market price for rights not yet acquired remains a provision on the liability side (see Note 30 « Return obligation liability and provision for leased aircraft and other provisions »).

When the quotas corresponding to the actual emissions are returned to the State, the provision is cleared in exchange of the returned assets.

As of December 31	2025			2024		
(in € millions)	**Current**	**Non-current**	**Total**	Current	Non-current	Total
Suppliers with debit balances	**243**	**–**	**243**	231	–	231
State receivables (including tax credit)	**169**	**–**	**169**	173	–	173
CO_2 quotas	**277**	**270**	**547**	256	214	470
Prepaid expenses	**236**	**–**	**236**	265	–	265
Other debtors	**302**	**8**	**310**	340	–	340
Gross value	**1,227**	**278**	**1,505**	**1,265**	**214**	**1,479**
Opening valuation allowance	**(5)**	**–**	**(5)**	(5)	–	(5)
Charge to allowance	**–**	**–**	**–**	(1)	–	(1)
Others	**2**	**–**	**2**	–	–	–
Closing valuation allowance	**(3)**	**–**	**(3)**	**(5)**	**–**	**(5)**
TOTAL	**1,224**	**278**	**1,502**	**1,260**	**214**	**1,474**

(in € millions)	As of December 31, 2024	Change in working capital [1]	Depreciation expense	Use of provisions	Reversal of unnecessary provisions	Currency translation adjustment	Others	**As of December 31, 2025**
Suppliers with debit balances	231	13	–	–	–	(1)	–	243
State receivables (including tax credit)	173	(3)	–	–	–	(1)	–	169
CO_2 quotas	470	77	–	–	–	–	–	547
Prepaid expenses	265	(30)	–	–	–	–	1	236
Other debtors	340	13	–	–	–	(1)	(42)	310
Gross value	**1,479**	**70**	**–**	**–**	**–**	**(3)**	**(41)**	**1,505**
CO_2 quotas	(4)	–	–	–	4	–	–	–
Other debtors	(1)		–	–	–	–	(3)	(4)
Depreciation	**(5)**	**–**	**–**	**–**	**4**	**–**	**–**	**(1)**
NET VALUE	**1,474**	**70**	**–**	**–**	**4**	**(3)**	**(43)**	**1,502**

[1] See Note 37.2 Breakdown of the change in working capital resource

(in € millions)	As of December 31, 2023	Change in working capital [1]	Depreciation expense	Use of provisions	Reversal of unnecessary provisions	Currency translation adjustment	Others	**As of December 31, 2024**
Suppliers with debit balances	223	6	–	–	–	1	1	231
State receivables (including tax credit)	162	11	–	–	–	–	–	173
CO_2 quotas	395	77	–	–	–	–	(2)	470
Prepaid expenses	262	5	–	–	–	–	(2)	265
Other debtors	236	106	–	–	–	4	(6)	340
Gross value	**1,278**	**205**	**–**	**–**	**–**	**5**	**(9)**	**1,479**
CO_2 quotas	(4)	–	–	–	–	–	–	(4)
Other debtors	(1)	–	(1)	–	–	–	1	(1)
Depreciation	**(5)**	**–**	**(1)**	**–**	**–**	**–**	**1**	**(5)**
NET VALUE	**1,273**	**205**	**(1)**	**–**	**–**	**5**	**(8)**	**1,474**

[1] See Note 37.2 Breakdown of the change in working capital resource

NOTE 26 CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS

ACCOUNTING PRINCIPLES

Cash and cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

As of December 31	2025		2024	
(in € millions)	**Total**	**Of which: pledged or secured**	Total	Of which: pledged or secured
Liquidity funds (SICAV) (assets – debt instruments)	**1,203**	**7**	1,442	7
Bank deposits (assets – debt instruments) and term accounts	**1,526**	**–**	1,543	–
Cash in hand	**1,985**	**–**	1,844	–
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS	**4,714**	**7**	**4,829**	**7**

NOTE 27 ASSETS HELD FOR SALE

The line "Assets held for sale" includes the Group's 5% equity interest in Servair shares and intended to be sold (see Note 20 "Equity affiliates").

NOTE 28 EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF AIR FRANCE-KLM SA

28.1 Issued capital & additional paid-in capital

ACCOUNTING PRINCIPLES

Additional paid-in capital represents the difference between the nominal value of the equity securities issued and the value of contributions in cash or in kind received by Air France-KLM.

Capital increase costs are deducted from paid-in capital if any.

As of December 31, 2025, the issued capital of Air France-KLM comprised 262,769,869 fully paid-up shares with a par value of €1 and the share capital of the Air France-KLM Group amounts to €263 million.

At December 31, 2025, additional paid-in capital stands at €7,560 million.

Each share is entitled to one vote. However, since April 3, 2016, shareholders who have owned their shares for at least two years have benefited from double voting rights.

The new shares are immediately entitled to double voting rights, provided they have been held in registered form, if at the date of the reverse stock-split each of the old shares from which they were issued was entitled to double voting rights. In the event of a reverse split of existing shares that have been held in registered form since different dates, the period used to determine the double voting rights of the new shares is deemed to begin on the most recent date on which the existing shares were held in registered form.

Authorized stock

The Combined General Meeting of June 4, 2025 authorized the Board of Directors, for a period of 26 months from the date of the Meeting of June 4, 2025 (i.e. until August 4, 2027), to issue shares and/or other securities giving immediate or future access to the capital of Air France-KLM and/or to carry out capital increases by offering to qualified investors or a restricted circle of investors.

As of December 31, 2025, the available balance of these authorizations is approximately €131 million, no capital transaction has been carried out during the year 2025.

Breakdown of the share capital and voting rights

The breakdown of the share capital and voting rights is as follows:

	Number of shares		% of capital		% of voting rights	
As of December 31	**2025**	2024	**2025**	2024	**2025**	2024
French State	**73,520,630**	73,520,630	**28.0**	28.0	**28.9**	27.5
Dutch State	**24,000,000**	24,000,000	**9.1**	9.1	**12.8**	13.3
CMA CGM	**23,134,825**	23,134,825	**8.8**	8.8	**12.3**	12.8
China Eastern Airlines	**12,023,544**	12,023,544	**4.6**	4.6	**6.4**	6.7
Employees and former employees	**7,797,528**	8,101,493	**3.0**	3.1	**4.2**	3.0
Delta Air Lines	**7,340,118**	7,340,118	**2.8**	2.8	**3.9**	4.1
SPAAK[1]	**2,241,065**	2,241,065	**0.9**	0.9	**1.2**	1.2
Treasury shares	**148,204**	111,642	**0.1**	–	**–**	–
Public	**112,563,955**	112,296,552	**42.8**	42.7	**30.3**	31.4
TOTAL	**262,769,869**	**262,769,869**	**100**	**100**	**100**	**100**

[1] Stichting Piloten Aandelen Air France-KLM.

The line "Employees and former employees" includes the shares held by employees and former employees identified in the "Fonds communs de placement d'entreprise (FCPE)".

As of December 31, 2025, all securities have been issued and paid up.

28.2 Treasury shares

ACCOUNTING PRINCIPLES

Air-France-KLM shares held by the Group are recorded as a deduction from the Group's consolidated equity at the acquisition cost. Subsequent sales are recorded directly in equity. No gains or losses are recognized in the Group's income statement.

As of December 31, 2025, Air France-KLM Group holds 148,204 treasury shares valued at €27 million.

Air France-KLM implemented as of August 1, 2025 a liquidity contract on its own ordinary shares with an initial term of 12 months and renewed automatically for successive 12-month periods. As of December 31, 2025, no treasury share are held by Rothschild Martin Maurel.

All of these treasury shares are classified as a reduction of equity.

28.3 Perpetual

ACCOUNTING PRINCIPLES

A financial instrument is considered as an equity instrument if it does not include a contractual obligation:

- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the issuer.

(in € millions)		Notes	December 31, 2024	Repayment – Nominal	Issuance – Nominal	Monetary change – Coupons	Non-monetary change	**December 31, 2025**
2023 perpetual super-subordinated bonds	Nominal	28.3.1	727	–	–	–	–	**727**
	Coupons		44	–	–	(55)	55	**44**
Last-rank indefinite subordinated bond convertible into new shares and/or existing shares	Nominal	28.3.2	305	(305)	–	–	–	**–**
	Coupons		2	–		(19)	17	**–**
Subordinated bonds 2025	Nominal	28.3.3	–	–	494		6	**500**
	Coupons		–			(7)	17	**10**
TOTAL PERPETUAL – ATTRIBUTABLE TO EQUITY HOLDERS OF AIR FRANCE-KLM			**1,078**	**(305)**	**494**	**(81)**	**95**	**1,281**
2022 perpetual super-subordinated bonds	Nominal	28.6.1	497	(497)			–	**–**
	Coupons		13	–	–	(30)	17	**–**
July 2023 perpetual super-subordinated bonds	Nominal	28.6.2	498	–	–	–	–	**498**
	Coupons		16	–	–	(34)	35	**17**
November 2023 perpetual super-subordinated bonds	Nominal	28.6.3	1,493	–		–		**1,493**
	Coupons		13	–	–	(96)	101	**18**
TOTAL PERPETUAL – NON-CONTROLLING INTERESTS			**2,530**	**(497)**	**–**	**(160)**	**153**	**2,026**
Total cash flows		5.2.5		(802)	494	(241)		

(in € millions)		Notes	December 31, 2023	Repayment – Nominal	Issuance – Nominal	Monetary change – Coupons	Non-monetary change	**December 31, 2024**
2023 perpetual super-subordinated bonds	Nominal	28.3.2	727	–	–	–	–	727
	Coupons		42	–	–	(51)	53	44
Last-rank indefinite subordinated bond convertible into new shares and/or existing shares	Nominal	28.3.3	305	–	–	–	–	305
	Coupons		2	–	–	(20)	20	2
TOTAL PERPETUAL – ATTRIBUTABLE TO EQUITY HOLDERS OF AIR FRANCE-KLM			**1,076**	**–**	**–**	**(71)**	**73**	**1,078**
2022 perpetual super-subordinated bonds	Nominal	28.6.1	497	–	–	–	–	497
	Coupons		13	–	–	(30)	30	13
July 2023 perpetual super-subordinated bonds	Nominal	28.6.2	498	–	–	–	–	498
	Coupons		15	–	–	(34)	35	16
November 2023 perpetual super-subordinated bonds	Nominal	28.6.3	1,493	–	–	–	–	1,493
	Coupons		8	–	–	(96)	101	13
TOTAL PERPETUAL – NON-CONTROLLING INTERESTS			**2,254**	**–**	**–**	**(160)**	**166**	**2,530**
Total cash flows		5.2.5				(231)		

28.3.1 2023 perpetual super-subordinated bonds

The Group refinanced €320 million on March 17, 2023 and €407 million on April 19, 2023 a previous tranche of deeply subordinated notes issued in 2021, by issuing new perpetual subordinated notes with the French State qualified as compensatory aid, for Air France.

These new subordinated notes, which are not subject to operational constraints, carry similar financial conditions to those refinanced (coupons of 7.5% until March 2029, then an increase in the interest rate to 8% from March 2029, followed by a coupon corresponding to a reference rate (12-month Euribor) plus a margin of 10.4% from March 2030).

The coupon paid during the year amounted to €55 million, and at December 31, 2025, the balance of accrued interest on subordinated notes totaled €44 million.

This issuance of super-subordinated notes is part of the aid package authorized by the European Commission in February 2023, which allows the French government to compensate Air France for up to €1.4 billion in Covid-19 related losses incurred between March 17, 2020 and June 30, 2020. This aid can be mobilized for Air France in several tranches and in various form. In this context, the 2026 Finance Act would allow the State to write off €727.8 million in debt under the super-subordinated bonds.

28.3.2 Last-rank indefinite subordinated bond convertible into new shares and/or existing shares

On November 16, 2022, Air France-KLM Group issued last-rank indefinite subordinated bonds, convertible into new shares and/or existing shares, for a nominal amount of €301 million, net of issuance costs.

The bonds had been issued at par with a nominal value per bond of €100,000 and with a conversion/exchange premium of 22.5% over the reference Air France-KLM share price.

From the issue date until November 23, 2025, the bonds bear interest at a nominal rate of 6.5% per annum, payable quarterly in arrears. From November 23, 2025, the bonds will bear interest at a rate equal to 1,300 basis points above the applicable three-year Euro Mid-Swap rate as reference rate, subject to review every three years thereafter. Interest is payable quarterly in arrears.

The bonds are for an indefinite period, and the Air France-KLM Group may, at its option, redeem all the bonds early at par plus interest, for the first time on November 23, 2025, or over the period from December 14, 2024 to November 23, 2025 if certain conditions linked to the Air France-KLM share price are met.

Bondholders may exercise their conversion/exchange right at any time until November 10, 2025. The conversion/exchange ratio was initially 65,496.4632 Air France-KLM shares per bond at December 31, 2022.

However, following the reverse stock-split and by decision of the Chief Executive Officer, the conversion ratio of the last-ranking perpetual subordinated bonds, convertible into new shares and/or exchangeable for existing shares, has been adjusted and amounts to 6,549.6463 Air France-KLM shares per bond.

On October 15, 2025, Air France-KLM Group notified the holders of last-rank indefinite subordinated bond convertible into new shares and/or existing shares its intention to redeem all of the outstanding hybrid bonds from the First Hard Call Date at a price per hybrid bond equal to par (€100,000) plus accrued interest of €1,625.

The payment occurred on November 24, 2025 for a nominal value of €305 million to which were added €4,9 million accrued interest.

Lastly, the coupon paid during the year amounted to €19 million, and at December 31, 2025, the balance of accrued coupon is nil.

For details of deeply subordinated notes included in "Non-controlling interests", see Note 28.6.

28.3.3 2025 Subordinated bonds

Air France-KLM has placed €500 million of hybrid bonds on May 15, 2025, with a fixed annual coupon of 5.75% (yield of 5.875%) until the first reset date.

The coupon paid during the year amounted to €7 million, and at December 31, 2025, the balance of accrued interest on subordinated notes totaled €10 million

28.4 Reserves and retained earnings

As of December 31 (in € millions)	Notes	2025	2024
Legal reserve		**70**	70
Defined pension benefit reserves[1]		**(346)**	(430)
Derivatives reserves[1]	28.5	**123**	(74)
Equity instrument reserves[1]		**(49)**	(56)
Equity affiliates reserves		**40**	4
Other reserves		**(10,210)**	(10,469)
Net income (loss) – Group share		**1,593**	317
TOTAL		**(8,779)**	**(10,638)**

[1] After deferred tax.

As of December 31, 2025, the legal reserve of €70 million represents 27% of Air France-KLM's issued capital. French company law requires a limited company (société anonyme) to allocate 5% of its unconsolidated statutory net income each year to this legal reserve until it reaches 10% the Group's issued capital. The amount allocated to this legal reserve is deducted from the distributable income for the current year.

The legal reserve of any company subject to this requirement may only be distributed to shareholders upon liquidation of the company.

28.5 Derivatives instruments reserves

Derivatives instruments reserves are composed as follows (before the effect of deferred tax):

(in € millions)	December 31, 2024	Variation of fair value	Recycling in income statement	**December 31, 2025**	Recycling allocated by heading
Fuel	(116)	(184)	122	**(178)**	External expenses
Interest rate	108	3	(21)	**90**	Cost of financial debt
Currency exchange – Operating	82	(179)	31	**(66)**	Other income and expenses
Currency exchange – Financial liabilities	(3)	20	(12)	**5**	Other financial expenses
Currency exchange – Capital expenditures	19	96	–	**115**	
Revenues	(207)	414	(4)	**203**	Revenues
European carbon emission allowances (ETS)	18	(17)	–	**1**	
Deferred tax	25	–	(73)	**(48)**	Income tax
TOTAL	**(74)**	**153**	**43**	**122**	

28.6 Non-controlling interests

28.6.1 2022 perpetual super subordinated bonds

On July 13, 2022, following the €500 million investment agreement between Air France-KLM Group and Apollo, the latter subscribed to:

- a capital increase in the Air France operating subsidiary, Air France Spare Engines Management, for an amount of €3 million;
- perpetual bonds issued by the Air France operating subsidiary for an amount of €497 million.

The perpetual bonds, which meet the criteria for equity under IFRS, bear interest at 6% for the first three years, after which gradual step ups and a cap will apply.

The Group had the option to redeem the notes at any time after the third year.

On June 20, 2025, Air France irrevocably notified Apollo Company of the redemption of €497 million of the 2022 super-subordinated notes on July 28, 2025.

The repayment was effective as of July 28, 2025 for a total amount of €527 million. (See Note 3.1 "Significant events occurring during the period").

The coupon paid during the year amounted to €30 million and as of December 31, 2025 the balance of accrued coupon is nil.

28.6.2 July 2023 perpetual super subordinated bonds

On July 14, 2023, following the €500 million investment agreement between the Air France-KLM Group and Apollo, the latter subscribed to:

- a capital increase in the Air France operating subsidiary, Air France Component Asset Management, for an amount of €2 million;
- perpetual bonds issued by the Air France operating subsidiary for an amount of €498 million.

The perpetual bonds, which qualify as equity under IFRS, bear interest at 6.9% for the first three years, after which gradual increases and a cap will be applied. The Group has the option of redeeming the securities at any time after the third year.

The coupon paid during the year amounted to €34 million and as of December 31, 2025, the balance of accrued coupon totaled to €17 million.

28.6.3 November 2023 perpetual super subordinated bonds

On November 30, 2023, Air France-KLM and Apollo Global Management finalized the investment transaction for an amount of €1,500 million, the latter subscribed to:

- a capital increase in the Air France operating subsidiary, Flying Blue Miles, for an amount of €7 million;
- perpetual bonds issued by the Air France operating subsidiary for an amount of €1,493 million.

The perpetual bonds carry a coupon of 6.4% for the first four years, with the option of repayment at an overall cost of financing of 6.75% up to this first call date.

The coupon paid during the year amounted to €96 million and as of December 31, 2025, the balance of accrued coupon totaled to €18 million.

NOTE 29 PENSION ASSETS AND RETIREMENT BENEFITS

ACCOUNTING PRINCIPLES

The Group's obligations in respect of defined benefit pension plans, including termination indemnities, are calculated in accordance with IAS 19 Revised "Employee Benefits", using the projected units of credit method based on actuarial assumptions and considering the specific economic conditions in each country concerned. The commitments are covered either by insurance or pension funds or by provisions recorded on the balance sheet as and when rights are acquired by employees.

The Group recognizes all its pension costs (defined contribution and defined benefit) in recurring operating income under "personnel costs". Changes in plans with a material impact are reported under "Other non current income and expenses". Plan curtailments, when linked to restructuring, are also presented under "Other non current income and expenses".

The Group recognizes in other comprehensive income all actuarial gains and losses on post employment plans, the difference between actual and expected return on pension assets, and the impact of any asset ceiling. When a defined-benefit pension plan is converted to a defined-contribution pension plan or closed, the amounts recognized in other comprehensive income are reclassified to other reserves.

Actuarial gains and losses long term benefit plans (mainly long services awards) are recognized in the income statement.

Pension Assets

As of December 31, 2025, taking into account the financial conditions, the pension plans in the United Kingdom and in Canada are in a surplus situation according to IAS 19 for an amount of €57 million (€66 million as of December 31, 2024).

Given the plan settlement, the agreement with the trustees and the application of IFRIC 14, this surplus is fully recognized in the balance sheet. The variation is as follows:

As of December 31 (In € millions)	**2025**	2024
Opening balance	**66**	**45**
Net periodic pension (cost)/income	**2**	(1)
Payments of benefits and contributions to the funds	**3**	10
Reclassification	**–**	4
Fair value revaluation	**(10)**	5
Currency translation adjustment	**(4)**	3
CLOSING BALANCE	**57**	**66**

Retirement benefits

(in € millions)	Retirement benefits
As of December 31, 2023	**1,685**
Of which: Non-current	1,685
New provision	154
Reversal of provision	(63)
Fair value revaluation	(95)
Currency translation adjustment	2
Reclassification	3
As of December 31, 2024	**1,686**
Of which: Non-current	1,686
New provision	170
Reversal of provision	(109)
Fair value revaluation	(89)
Currency translation adjustment	(4)
As of December 31, 2025	**1,654**
Of which: Non-current	1,654

29.1 Characteristics of the main defined benefit plans

The Group has a large number of retirement and other long-term benefit plans for its employees, several of which are defined benefit plans. The specific characteristics of the plans (benefit formulas, funding policies and types of assets held) vary according to the regulations and laws in the particular countries in which the employees are located.

Air France pension plan (CRAF) – France

The employees covered by this plan are the Air France Ground Staff affiliated to the CRAF until December 31, 1992.

The participants receive, or will receive on retirement, an additional pension paid monthly or a lump sum based on the monthly annuity and definitively calculated based on the data known as of December 31, 1992 and expressed in the form of points. The value of each point is adjusted every year based on the weighted increases seen in the CNAV and AGIRC-ARRCO schemes over the last twelve months.

Until 2009, the CRAF had the legal form of a supplementary pension institution (pursuant to the "Code de la Sécurité sociale"). With this status, the CRAF was responsible, on behalf of the Air France ground staff employed in France, for managing the pension plan resulting from the merging of the Air France ground staff plan with the mandatory pension plan for the private sector.

Following the 2003 law on pension reform foreseeing the disappearance of supplementary pension institutions as of December 31, 2009, the CRAF's Board of Directors opted to transform it into an institution managing supplementary pensions. The CRAF is now responsible for the administrative functions linked to the plan. The pension rights were not amended by this reform. Air France is directly responsible for the pension obligations.

As of December 31, 2009, all the funds managed by the CRAF had been transferred to two insurance companies. On December 31, 2012, one of the insurance contracts was terminated and its funds were transferred to the other, which thus became the only insurer.

This guarantees a capital of 17% equal to the amount of capital invested in units of account in its collective fund, this percentage being automatically set to increase over time. The annual payments made by Air France to the insurance company are governed by the agreement signed with the employee representative bodies on December 14, 2009. The minimum annual payment defined by this agreement amounts to €32.5 million as long as the life annuity guaranteed by the insurer does not reach 85% of the benefits payments for this plan without future revaluations. If the value of the funds falls below 50% of the total obligations calculated for funding purposes, Air France is required to make an additional payment to achieve a minimum 50% coverage rate.

As of December 31, 2025, the coverage of liabilities by reserves is 78% in 2025 (68% in 2024).

The funds are invested in bonds, equities and general assets of the insurance company. Studies of assets/liabilities allocation are carried out regularly, to verify the relevance of the investment strategy.

Air France end of service benefit plan (ICS) – France

Pursuant to French regulations and the Company agreements, every employee receives an end of service indemnity on retirement.

In France, this indemnity depends on the number of years of service, the professional category of the employee (flight deck crew, cabin crew, ground staff, agent, technician and executive) and, in some cases, on the age of the employee at retirement. There is no mandatory minimum funding requirement for this scheme.

On retirement, employees consequently receive an end of service indemnity based on their final salaries over the last twelve-months and on their seniority. The indemnity is only payable to employees on their retirement date.

Air France has nevertheless signed contracts with three insurance companies to partly pre-finance the plan. Air France has sole responsibility for payment of the indemnities, but remains free to make payments to these insurance companies.

The relevant outsourced funds are invested in bonds and equities.

As of December 31, 2025, the two French plans presented above represented a respective 67% (67% in 2024 as well) of the Group's defined benefit obligation and 48% (45% in 2024) of the Group's pension plan assets.

29.2 Description of the actuarial assumptions and related sensitivities

Actuarial valuations of the Group's benefit obligation were made as of December 31, 2025 and 2024.

These calculations include:

- assumptions on staff turnover and the life expectancy of the plan beneficiaries;
- assumptions on salary and pension increases;
- assumptions on retirement ages varying from 55 to 68 years depending on the localization and applicable laws;
- inflation rates determined with reference to the inflation swaps applied to the Group's cash flows and based on the duration of the schemes:

As of December 31	**2025**	2024
Euro zone – Duration 10 to 15 years	**2.00%**	2.00%
United Kingdom – Duration 13 years	**3.95%**	3.25%

- discount rates used to determine the actuarial present value of the projected benefit obligations.

The discount rates for the different geographical areas are thus determined based on the duration of each plan, taking into account the average trend in interest rates on investment grade bonds, observed on the main available indices. In some countries, where the market in this type of bond is not sufficiently broad, the discount rate is determined with reference to government bonds. Most of the Group's benefit obligations are located in the Eurozone and in the United Kingdom, where the discount rates used are as follows:

As of December 31	**2025**	2024
Euro zone – Duration 10 to 15 years	**3.75%**	3.30%
United Kingdom – Duration 13 years	**5.55%**	5.45%

The duration rates presented concern mainly plans located in France and the United Kingdom:

- discount rates used to determine the actuarial present value of the service cost. Since January 1, 2017, by using adequate flows, the Group has refined its calculations on the discount rate used for the service-cost calculation for the ICS plan in France. As of December 31, 2025, in the euro zone, the discount rates used to calculate the service cost is equal to the rates used to discount the liabilities;
- on average, the main assumptions used to value the liabilities are summarized below;
  - the rate of salary increase is 2.82% for the Group as of December 31, 2025 against 2.90% as of December 31, 2024,
  - the rate of pension increase is 2.56% for the Group as of December 31, 2025 against 2.43% as of December 31, 2024
  - the sensitivity of the pension obligations to a change in assumptions, based on actuarial calculations, is as follows:

OBLIGATION SENSITIVITY TO THE INFLATION RATE

(in € millions)	**Sensitivity of the assumptions for the year ended December 31, 2025**	Sensitivity of the assumptions for the year ended December 31, 2024
25 bp increase in the inflation rate	**48**	51
25 bp decrease in the inflation rate	**(48)**	(49)

OBLIGATION SENSITIVITY TO THE DISCOUNT RATE

(in € millions)	**Sensitivity of the assumptions for the year ended December 31, 2025**	Sensitivity of the assumptions for the year ended December 31, 2024
100 bp increase in the discount rate	**(205)**	(224)
100 bp decrease in the discount rate	**235**	257

OBLIGATION SENSITIVITY TO SALARY INCREASE (EXCLUDING INFLATION)

(in € millions)	**Sensitivity of the assumptions for the year ended December 31, 2025**	Sensitivity of the assumptions for the year ended December 31, 2024
25 bp increase in the salary increase rate	**37**	39
25 bp decrease in the salary increase rate	**(36)**	(37)

OBLIGATION SENSITIVITY TO PENSION INCREASE

(in € millions)	**Sensitivity of the assumptions for the year ended December 31, 2025**	Sensitivity of the assumptions for the year ended December 31, 2024
25 bp increase in the pension increase rate	**16**	16
25 bp decrease in the pension increase rate	**(15)**	(15)

29.3 Evolution of commitments

The following table details the reconciliation between the benefits obligation and the plan assets of the Group and the amounts recorded in the financial statements for the years ended December 31, 2025 and December 31, 2024:

	As of December 31, 2025					As of December 31, 2024				
(in € millions)	Netherlands	France	UK	Others	Total	Netherlands	France	UK	Others	Total
Benefit obligation at beginning of year	**217**	**1,913**	**502**	**106**	**2,738**	**211**	**1,947**	**531**	**107**	**2,796**
Service and administrative costs	9	86	2	3	100	10	84	3	3	100
Interest cost	7	61	26	5	99	8	61	24	5	98
Plan amendments, curtailments and settlements	–	5	–	–	5	–	(11)	–	–	(11)
Settlements	–	–	–	–	–	–	–	–	–	–
Benefits paid	(21)	(92)	(37)	(8)	(158)	(21)	(88)	(31)	(15)	(155)
Actuarial loss/(gain) demographic assumptions	–	1	5	–	6	(6)	(42)	(3)	–	(51)
Actuarial loss/(gain) financial assumptions	(2)	(60)	(14)	1	(75)	1	(37)	(50)	3	(83)
Actuarial loss/(gain) experience gap	11	(17)	2	1	(3)	15	2	3	–	20
Change in currency exchange rates	–	–	(25)	(7)	(32)	(1)	(3)	25	3	24
Benefit obligation at end of year	**221**	**1,897**	**461**	**101**	**2,680**	**217**	**1,913**	**502**	**106**	**2,738**
Including benefit obligation resulting from schemes totally or partly funded	–	1,812	461	67	2,340	–	1,836	502	69	2,407
Including unfunded benefit obligation	221	85	–	34	340	217	77	–	37	331
Fair value of plan assets at beginning of year	**–**	**506**	**566**	**47**	**1,119**	**–**	**532**	**576**	**48**	**1,156**
Actual return on plan assets	–	29	13	3	45	–	28	(16)	5	17
Employers' contributions	–	33	3	1	37	–	33	10	–	43
Settlements	–	–	–	–	–	–	–	–	–	–
Benefits paid	–	(46)	(37)	(4)	(87)	–	(86)	(31)	(5)	(122)
Change in currency exchange rates and others	–	–	(28)	(3)	(31)	–	(1)	27	(1)	25
Fair value of plan assets at the end of year	**–**	**522**	**517**	**44**	**1,083**	**–**	**506**	**566**	**47**	**1,119**
Pension asset	–	–	56	1	57	–	–	64	2	66
Provision for retirement benefits	(221)	(1,375)	–	(58)	(1,654)	(217)	(1,407)	–	(61)	(1,685)
Net amount recognized	**(221)**	**(1,375)**	**56**	**(57)**	**(1,597)**	**(217)**	**(1,407)**	**64**	**(59)**	**(1,619)**
Service and administrative costs	9	86	2	3	100	10	84	3	3	100
Net interest cost/(income)	7	45	(3)	2	51	8	44	(2)	2	52
Plan amendments, curtailment and settlement	–	5	–	–	5	–	(11)	–	–	(11)
Actuarial losses/ (gain) recognized in income statement	10	–	–	–	10	12	1	–	–	13
Net periodic cost	**26**	**136**	**(1)**	**5**	**166**	**30**	**118**	**1**	**5**	**154**

Amendments, curtailment and settlement of pension plans

As of December 31, 2025

A partial buy-in for the pension fund in Great Britain has been carried out for KLM. The plan remains a defined-benefits plan accounted for as of December 31, 2025.

As of December 31, 2024

As of December 31, 2024, a provision has been recognized for Air France's restructuring domestic offer from Paris Orly and call centers' adaptation plan involving a €11 million impact on the concerned defined benefits plans.

29.4 Asset allocation

The weighted average allocation of the funds invested in the Group's pension and other long-term benefit plans is as follows:

	Funds invested as of December 31, 2025		Funds invested as of December 31, 2024	
(in %)	**France**	**Other**	France	Other
Equities	18	3	18	6
Bonds	50	19	54	36
Real estate	–	–	–	2
Insurance	–	72	–	10
Others	32	6	28	46
TOTAL	**100**	**100**	**100**	**100**

The equity portion is mainly invested in active markets in Europe, the United States and emerging countries.

The bonds primarily comprise government bonds, rated at least BBB, and invested in Europe, the United States and emerging countries.

The Group's pension assets do not include assets occupied or used by the Group.

29.5 Expected cash outflows and risks linked to the pension obligations

The employer contributions relating to the defined benefit pension plans amount to €36 million for the year ended December 31, 2026. The weighted average duration of the obligation is 8.35 years.

The funding, capitalization and matching strategies implemented by the Group are presented in Note 29.1.

NOTE 30 RETURN OBLIGATION LIABILITY AND PROVISION FOR LEASED AIRCRAFT AND OTHER PROVISIONS

ACCOUNTING PRINCIPLES

The Group recognizes return obligation liabilities and provisions in respect of the required maintenance obligations within the framework of the leasing of aircraft from lessors. The constitution of these return obligation liabilities and provisions depends on the type of maintenance obligations to fulfill before returning these aircraft to the lessors: overhaul and restoration work, airframe and engine potential reconstitution as well as the replacement of limited life parts.

Restitutions liabilities and provisions for leased aircraft are revalued each year to take account of changes in the discount rate. This discount rate is determined using free interest rate assumptions, plus a spread on risky debt.

The effect of undiscounting and translation of foreign currency denominated restitution liabilities and provisions are recognized in "other financial income and expenses" (see Note 12 "Cost of financial debt and other financial income and expenses").

Overhaul and restoration works (not depending on aircraft utilization)

Costs resulting from work required to be performed just before returning aircraft to the lessors, such as aircraft overhaul ("C Check") are recognized as provisions as of the inception of the contract in accordance with IFRC1. The counterpart of these provisions is booked as a complement through the initial book value of the aircraft right-of-use assets. This complement to the right-of-use asset is depreciated over the lease term.

Airframe and engine potentials reconstitution (depending on the utilization of the aircraft and its engines)

In accordance with IFRC1, the airframe and the engine potentials as well as the limited life parts are recognized as a complement to the right-of-use assets since they are considered as fully-fledged components, as distinct from the physical components which are the engine and the airframe. These components are the counterparts of the return obligation liability, recognized in its totality at the inception of the contract. When maintenance events aimed at reconstituting these potentials or replacing the limited life parts take place, the costs incurred are capitalized. These potentials and the limited life parts are depreciated over the period of use of the underlying assets (flight hours for the engine potentials component, straight-line for the airframe potentials component and cycles for the limited life parts).

Provisions for CO_2 quota surrenders

Please refer to the accounting principles in Note 25 "Other assets".

Others provisions

The Group recognizes a provision in the balance sheet when it has an existing legal or implicit obligation to a third party as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amounts recorded as provisions are discounted when the effect of the passage of time is material. The effect of the time value of money is presented as a component of "Other financial income and expenses".

A provision for onerous contracts is recognized when the unavoidable costs of meeting the contractual obligations exceed the expected economic benefits. Within the Group, the issue of onerous contracts is limited to the Maintenance business.

Restructuring provisions are recognized once the Group has established a detailed and formalized restructuring plan which has been announced to the parties concerned.

(in € millions)	Return obligation liability on leased aircraft	Maintenance on leased aircraft	Restructuring	Litigation	Provisions for CO_2 quota surrenders [1]	Others	**Total**
Amount as of January 1, 2024	**3,802**	**161**	**82**	**516**	**213**	**110**	**4,884**
Of which: Non-current	*3,532*	*148*	–	*36*	–	*89*	*3,805*
Current	*270*	*13*	*82*	*480*	*213*	*21*	*1,079*
New provision	–	8	74	65	254	6	407
Use of provision	(159)	(29)	(62)	(103)	(217)	(10)	(580)
Reversal of unnecessary provisions	–	–	(7)	(16)	–	(3)	(26)
New lease contract/Change in lease contract	459	15	–	–	–	19	493
Currency translation adjustment	220	1	–	–	–	1	222
Accretion impact	267	8	–	–	–	4	279
Others	(17)	5	–	2	–	5	(5)
Amount as of December 31, 2024	**4,572**	**169**	**87**	**464**	**250**	**132**	**5,674**
Of which: Non-current	*4,163*	*153*	–	*69*	–	*108*	*4,493*
Current	*409*	*16*	*87*	*395*	*250*	*24*	*1,181*
New provision	1	9	53	22	319	37	441
Use of provision	(161)	(10)	(34)	(7)	(244)	(8)	(464)
Reversal of unnecessary provisions	(26)	–	(1)	(8)	–	(1)	(36)
New lease contract/Change in lease contract	806	16	–	–	–	5	827
Currency translation adjustment	(482)	(4)	–	–	–	(2)	(488)
Accretion impact	266	7	–	–	–	6	279
Others	(275)	(1)	(1)	1	1	2	(273)
Amount as of December 31, 2025	**4,701**	**186**	**104**	**472**	**326**	**171**	**5,960**
Of which: Non-current	*4,381*	*173*	–	*72*	*43*	*149*	*4,818*
Current	*320*	*13*	*104*	*400*	*283*	*22*	*1,142*

[1] Provisions and reversals are presented under the change in working capital resource section in the cash flow statement see note 37.2 "Breakdown of the change in working capital resource"

The movements in provisions for litigation and other risks and charges with an impact on the income statement are booked in the lines of the income statement corresponding to the nature of the expenses.

The line "Others" mainly corresponds to reclassification with the right of use for leased aircraft following the restitution of aircraft.

30.1 Provisions

30.1.1 Return obligation liability and provision on leased aircraft

The discount rate used to calculate these restitution liabilities and provisions is 6,3% as of December 31, 2025 against 6,8% as of December 31, 2024 (see Note 12 "Net cost of financial debt and other financial income and expenses").

The provisions cover costs in euros and in US dollars; therefore, the discount rate is weighted in the same proportions between the two risk-free rates: 2,29% for the euro and 3,69% for the dollar. In addition, a spread of 3,08% is added.

30.1.2 Restructuring provisions

The movements in restructuring provisions with a significant impact on the income statement are booked in "Other non-current income and expenses" (see Note 11 "Sales of aircraft equipment and other non-current income and expenses").

30.1.3 Litigation

In the normal course of its activities, the Air France-KLM Group, its subsidiaries Air France and KLM (and their subsidiaries) are involved in litigation cases, some of which may be significant.

An assessment of litigation risks with third parties has been carried out with the Group's attorneys and provisions have been recorded whenever circumstances require.

The provisions for disputes also include provisions for tax contingencies that are not covered by IAS 12. Such provisions are created when the Group estimates, in the context of tax audits, that the tax authorities may challenge a tax position taken by the Group or one of its subsidiaries.

30.1.4 Litigation concerning anti-trust laws in the air-freight industry

Air France, KLM and Martinair, a wholly-owned subsidiary of KLM since January 1, 2009, have been involved, since February 2006, with up to twenty-five other airlines in investigations initiated by some antitrust authorities around the world, with respect to allegations of anti-competitive agreements or concerted actions in the air freight industry.

As of December 31, 2021, most of these investigations had been terminated following the entry into plea agreements between the three companies of the Group and the appropriate competition authorities, providing for the payment of settlement amounts or fines, with the exception of the proceeding initiated by the European Commission which is still pending.

In Europe, the decision of the European Commission of 2010 against eleven air cargo carriers, including the companies of the Group, Air France, KLM and Martinair, was annulled by the General Court of the European Union on December 16, 2015 because it contained a contradiction regarding the exact scope of the practices sanctioned. On March 17, 2017, the European Commission issued a new decision against the aforementioned cargo carriers, including Air France, KLM and Martinair. The total amount of fines imposed in respect of this decision at the Air France-KLM Group level was €339 million. This amount was slightly reduced by €15.4 million as compared to the initial decision owing to a lower fine for Martinair due to technical reasons. On May 29 and 30, 2017, the Group companies filed an appeal against this decision before the General Court of the European Union. The hearings before the General Court took place on June and July 2019.

The General Court decision in March 2022 confirmed the fines against Air France-KLM Group companies. The Group companies lodged appeals to the European Union Court of Justice and hearings were held before the European Court of Justice in 2024. In its opinion on September 2024, the Advocate General proposed to the court to dismiss the appeals. Final judgment of the European Court of Justice will be rendered on February 26, 2026. As of December 31, 2025, the Group has maintained a provision of €366 million covering the total amount of these fines (and including interests).

Financial assets of the same amount are pledged (See Note 22 "Other financial assets").

30.1.5 Case brought against KLM by (former) Martinair pilots

In 2015, a case was brought against KLM by 152 (former) Martinair airline pilots, hereafter called "Vrachtvliegers". In 2016 and 2018, the District Court and Court of Appeal ruled in favor of KLM and rejected all claims of plaintiffs. In November 2019, however, the Supreme Court ruled against KLM on the basis of lack of sufficient motivation and referred the case to another Court of Appeal. On June 8, 2021, this Court of Appeal rendered its judgment in favor of the plaintiffs, the former Martinair pilots, ruling that the transfer of the cargo department qualifies as a transfer of undertaking.

According to the ruling the rights and obligations under the employment contracts of 116 Martinair pilots automatically transfer to KLM as per January 1, 2014. The Court of Appeal rejected the plaintiffs' claim to also transfer the rights regarding seniority accrued at Martinair.

Vrachtvliegers filed complaints on August 8, 2021 at the Supreme Court claiming that the rights regarding seniority accrued at Martinair should transfer to KLM. On June 24, 2022, the General Attorney has given the advice to the Supreme Court that the complaints should be rejected. On January 20, 2023, the Supreme Court ruled that this claim is denied.

The pilots also started a new court case about the implementation by KLM of the "transfer of undertaking". The hearing took place on November 15, 2023. The Court rendered a decision on January 11, 2024, in which all claims have been declined except that seniority built up within Martinair should be respected in case of dismissal (which is in line with current law). The majority (232 persons) of the Vrachtvliegers filed for appeal against the verdict. On April 21, 2026, the court hearing ("pleidooi") will take place (Hof Amsterdam).

As of December 31, 2025 the provision amounted to €22 million (unchanged compared with December 31, 2024).

30.1.6 Other provisions

Other provisions relate principally to provisions for onerous contracts and provisions for the dismantling of buildings on non-freehold land.

30.2 Contingent liabilities

The Group is involved in governmental, judicial and arbitration procedures for which in some cases provisions have not been recorded in the financial statements in accordance with the applicable accounting rules.

Indeed, at this stage in these procedures, the Group is not in a position to give a reliable financial estimate of the potential loss that could be incurred in connection with these disputes.

Moreover, the Group believes that any additional disclosed information could be harmful to our legal position procedures.

30.2.1 Litigations concerning anti-trust laws in the air-freight industry

Following the initiation of various investigations by the competition authorities in February 2006 and the European Commission decision in 2010, several collective and individual actions were brought by forwarders and air-freight shippers in the civil courts against Air France, KLM and Martinair, and other cargo operators, in a number of civil jurisdictions.

Under these civil lawsuits, shippers and freight forwarders are claiming for damages to compensate alleged higher prices due to alleged competition law infringement.

For Air France, KLM and Martinair, certain civil claims are still pending in the Netherlands and in Norway. The Group companies and the other airlines involved in these lawsuits continue to vigorously oppose these civil claims.

30.2.2 Other litigations

Rio-Paris AF447 flight

On March 28, 2011, Air France and Airbus were indicted for unvoluntary manslaughter of the 228 victims who died in the crash of the AF447 Rio-Paris flight on June 1, 2009.

The investigating judges of the Court of First Instance ruled in favor of Air France and Airbus by issuing an order dismissing the case on September 4, 2019.

The Public Prosecutor's Office and most of the civil parties (including the Pilots' associations and unions) appealed this decision. The Paris Court of Appeal ruled on May 12, 2021, referring Airbus and Air France to the Criminal Court. The criminal trial took place from October 10 to December 8, 2022 at Paris Criminal Court. After an acquittal by the Public Prosecutor's Office, the Court issued a judgment of acquittal on April 17, 2023, based on the absence of a causal link between the faults found and the accident. On April 27, 2023, the Public Prosecutor's Office appealed against the acquittal of Airbus and Air France.

The Appeal proceedings took place before the Paris Court of Appeal from September 29 to November 27, 2025. The Advocate Generals requested that the judgment of the Paris Criminal Court be overturned and that a conviction for unvoluntary manslaughter be handed down against Air France and Airbus, on the grounds of criminal offenses that contributed to the accident in an indirect but certain manner. Each of the two companies faces a maximum fine of 225,000 euros. They have presented arguments seeking acquittal.

The judgment of the Paris Court of Appeal will be issued on May 21, 2026.

Litigations on State Aid

In 2020, the implementation of the measures to reinforce the Group's liquidity (i.e. (i) a loan guaranteed by the French State (PGE) in the amount of €4 billion and a €3 billion loan from the French State, as well as (ii) a revolving credit facility of €2.4 billion guaranteed by the Dutch State and a €1 billion loan from the Dutch State), were approved by the European Commission under the Covid-19 State Aid rules (decisions respectively of May 4, 2020 and July 13, 2020), this latter decision having been replaced, after annulment for failure to state reasons, by a decision dated July 16, 2021).

On April 6, 2021, the Group announced the first part of its overall recapitalization plan. Certain measures in this plan contained State Aid (so-called "Covid-19 recapitalization" program) which were accordingly notified by the French authorities to the European Commission, the latter approving them in its decision of April 5, 2021. This decision made the approval of the measures subject to a number of commitments undertaken by the French State and leading notably to the allocation by Air France of landing and take-off slots to a designated third-party carrier at Orly airport.

Like most of the decisions with respect to airlines receiving Covid-19 State Aid, the European Commission's decisions granting support measures to Air France and KLM have been subject to annulment proceedings brought by Ryanair. On December 20, 2023 and February 7, 2024, the General Court of the European Union annulled the decisions of the European Commission mentioned above. These annulments were made solely on the grounds of an incorrect determination of the beneficiary of these aids, which, according to the judgment of the Tribunal, should have been the Group. Air France-KLM, Air France, KLM, and the European commission have lodged appeals for annulment before the Court of Justice of the European Union against the Tribunal's rulings. The Court of Justice of the European Union has yet to rule on these appeals.

Uncertainty remains as to the legal and financial consequences of cancelling the decisions approving State Aid until a final ruling is obtained from the courts of the Union.

It should be noted that, in the course of 2022 and 2023 and pursuant to the applicable legal framework, the Group repaid in full the aforementioned Covid-19 liquidity including the recapitalization State aid, which were subject to the aforementioned commitments and constraints (commitments, behavioral measures, application of interest). As a result, the Air France-KLM holding company, Air France and KLM are therefore fully released, since April 2023, from the aforementioned undertakings and constraints which had been linked to this Covid-19 recapitalization aid.

The European Commission, re-approved on July 10, 2024, the Group's liquidity support measures in a single decision, addressed to the French and Dutch States, confirming their compatibility with Union law. This decision was challenged again before the General Court of the European Union by Ryanair on April 14, 2025. Air France-KLM, Air France and KLM intervened, alongside the French and Dutch governments, in support of the European Commission's defense. The Court of Justice of the European Union has yet to rule on this appeal.

Moreover, as it has done in similar cases, the European Commission may also decide, if necessary, to initiate a formal examination procedure on the recapitalization measures, during which the Group will defend its interests to the best of its ability.

In January 2025, the Group was informed that Ryanair had filed an appeal before the Paris Administrative Court against the French State following the aforementioned 2023 and 2024 annulment rulings of the General Court of the European Union. Ryanair's request seeks to compel the State to recover any advantage granted by the State that is alleged to have not yet been reimbursed, along with illegality interest. On July 3, 2025, Air France-KLM and Air France joined as parties to defend this action with the French State. They oppose any recovery, especially given that the States complied with the rules by notifying the aid and implementing it following the Commission's approval. The proceeding is ongoing.

In April 2025, the Group was also informed of similar proceedings brought by Ryanair against the Dutch authorities concerning the decision on aid granted to KLM in 2020. The Dutch Ministry of Finance dismissed this appeal, which is now being contested before the Administrative Court of The Hague. The proceeding is ongoing.

In view of the aforementioned new approval in July 2024 as regards the liquidity aid, these appeals could give rise only to the payment of so-called "illegality interest" for the period between the granting of this aid and its new approval in July 2024 (the principal amount of liquidity aid no longer being subject to any recovery), subject to the outcome of a forthcoming judgment of the General Court of the European Union on Ryanair's new appeal of April 2025 against this July 2024 decision. In respect of recapitalization measures, a recovery of an amount to be determined could be added to the amounts already reimbursed.

If the Court of Justice of the European Union were to annul the aforementioned rulings of the General Court of the European Union, Ryanair's appeal would become moot.

Except as indicated in 30.1 and 30.2, the Company is not aware of any litigation, governmental, legal or arbitration proceedings (including any proceedings of which the issuer is aware, which are pending or which it is threatened with) which may have or have recently had a material effect on the Company's financial position, results of operations, assets or profitability, for a period covering at least the last twelve months.

NOTE 31 FINANCIAL LIABILITIES

ACCOUNTING PRINCIPLES

Convertible bonds

Convertible bonds are deemed to be financial instruments comprising two components: a bond component recorded as debt and a stock component recorded in equity. The bond component is equal to the discounted value of all the coupons due on the bond at the rate of a simple bond that would have been issued at the same time as the convertible bond. The value of the stock component recorded in the Group's equity is calculated by the difference between this value and the bond's nominal value at issuance.

The difference between the financial expense recorded and the amounts effectively paid out is added, at each closing date, to the amount of the debt component so that, at maturity, the amount to be repaid if there is no conversion equals the redemption price.

Financial liabilities

Borrowings and financial liabilities are recognized initially at fair value. Subsequent to the initial measurement, they are recorded:

- at their net book value for bonds;
- based on amortized cost calculated using the effective interest rate for the other financial liabilities. Under this principle, any redemption and issue premiums, as well as issue costs, are recorded as debt in the balance sheet and amortized as financial income or expense over the life of the loans using the effective interest method.

As of December 31		2025			2024		
(in € millions)	Notes	**Non current**	**Current**	**Total**	Non current	Current	Total
Perpetual subordinated loan in Yen	31.1.1	**109**	**–**	**109**	123	–	123
Perpetual subordinated loan in Swiss francs	31.1.2	**402**	**–**	**402**	398	–	398
Sustainability-linked bonds	31.2.2	**500**	**500**	**1,000**	1,000	–	1,000
Plain vanilla Bonds	31.2.3	**1,150**	**406**	**1,556**	1,078	515	1,593
Debt on leases with bargain option		**3,759**	**585**	**4,344**	3,527	642	4,169
Other financial liabilities	31.3	**1,344**	**198**	**1,542**	1,127	421	1,548
Accrued interest		**1**	**114**	**115**	1	114	115
TOTAL – FINANCIAL LIABILITIES		**7,265**	**1,803**	**9,068**	**7,254**	**1,692**	**8,946**
Of which secured financial liabilities				**5,618**			5,547

To support their investments in new-generation aircraft, Air France and KLM have also entered into financing with specific clauses linked to compliance with environmental criteria. On December 31, 2025, these financings amount for:

- €573 million booked in the line "Other debt";
- €1326 million booked in the line "Debt on leases with bargain option".

CHANGE IN FINANCIAL LIABILITY

(in € millions)	Notes	December 31, 2024	New financial debt	Reim-bursement of financial debt	Currency translation adjustment	Other [1]	**December 31, 2025**
Perpetual loan in Japanese Yen and Swiss Francs	31.1.1 & 31.1.2	521	–	–	(10)	–	**511**
Sustainability-linked bonds	31.2.2	1,000	–	–	–	–	**1,000**
Plain vanilla Bonds	31.2.3	1,593	500	(515)	(22)	–	**1,556**
Debt on leases with bargain option		4,169	951	(667)	(128)	19	**4,344**
Other financial liabilities	31.3	1,548	220	(438)	(6)	217	**1,541**
Accrued interest		115	–	–	–	1	**116**
TOTAL		**8,946**	**1,671**	**(1,620)**	**(166)**	**237**	**9,068**

[1] The "Other" column includes €212 million corresponding to the refinancing of leased aircraft without cash flow.

(in € millions)	Notes	December 31, 2023	New financial debt	Reim-bursement of financial debt	Currency translation adjustment	Other	December 31, 2024
Perpetual loan in Japanese Yen and Swiss Francs	31.1.1 & 31.1.2	533	–	–	(12)	–	521
OCEANE (convertible bonds)	31.2.1	498	–	(500)	–	2	–
Sustainability-linked bonds	31.2.2	1,000	–	–	–	–	1,000
Plain vanilla Bonds	31.2.3	1,681	650	(753)	15	–	1,593
Debt on leases with bargain option		3,893	660	(441)	10	47	4,169
Other financial liabilities	31.3	1,478	299	(236)	2	5	1,548
Accrued interest		119	–	–	–	(4)	115
TOTAL		**9,202**	**1,609**	**(1,930)**	**15**	**50**	**8,946**

31.1 Perpetual subordinated debt

31.1.1 KLM Perpetual subordinated debt in Japanese Yen

In 1999, the KLM Group issued perpetual subordinated bonds in Japanese Yen (JPY) for a principal amount of JPY 30 billion.

Since August 28, 2019, KLM has partially redeemed an amount of JPY 10 billion, leaving the residual outstanding principal amount at JPY 20 billion, i.e. €109 million as of December 31, 2025. Since this date, the interests rate applicable on the residual nominal amount has been reset at a fixed rate of 4% per annum.

The residual nominal amount of these perpetual bonds can be redeemed at KLM's discretion on each fifth anniversary of the first interest payment date, August 28, 1999. The next option date for redemption at Par is thus August 28, 2029. Note that an indemnity is due if the JPY loan is redeemed in a currency other than the JPY.

This debt is subordinated to all other existing and future debt at KLM.

31.1.2 KLM perpetual subordinated debt in Swiss Francs

The perpetual subordinated bond debt in Swiss Francs (CHF) was issued by KLM in two tranches, one in 1985 and one in 1986. The initial nominal amount for these two perpetual bonds combined was CHF 500 million.

Over the years, KLM has proceeded with several partial buy back transactions to partially redeem the debt. As a result, the total amount now outstanding is CHF 375 million, i.e. €402 million as of December 31, 2025.

Concerning the tranche issued in 1985, KLM is entitled to early redeem at Par the then-prevailing outstanding residual amount on each tenth anniversary of the interest payment date. The next "call date" is February 12, 2035. The coupon reset date is fully aligned with the above mentioned frequency. If the call option is not exercised, the next coupon reset date is February 12, 2035. The coupon as of December 31, 2025 was 1% per annum.

Concerning the tranche issued in 1986, the KLM Group is entitled to early redeem the outstanding residual nominal amount at Par on each fifth anniversary of the interest payment date. The next "call date" is May 15, 2026. The call price amount in 2001 was 101.75% of the notional face value, and thereafter with a premium declining by 0.25% on each fifth anniversary of the interest payment date. From May 15, 2036, the amount of early redemption will thus be set at 100% of the residual Par. The debt is subject to the payment of a coupon of 5.75% per annum.

The two CHF perpetual bond debts are ranked "pari passu" with the JPY perpetual loan debt and are subordinated to all other existing and future debt at KLM.

31.2 Bonds

31.2.1 OCEANE

On March 20, 2019, Air France-KLM issued 27,901,785 bonds convertible and/or exchangeable for new or existing Air France-KLM shares (OCEANE) with a maturity date fixed at March 25, 2026 for a total nominal amount of €500 million. Each bond has a nominal value of €17.92. The annual coupon amounts to 0.125%. The conversion period of these bonds runs from May 4, 2019 to the seventh working day preceding the normal or early reimbursement date.

Repayment at par, plus accrued interest, has been possible on March 25, 2024 at the request of the bond holders. Air France-KLM could enforce the cash reimbursement of these bonds by exercising a call option running from April 15, 2022 if the share price exceeds 130% of the nominal, i.e. €23.29, encouraging OCEANE bond holders to convert their bonds into Air France-KLM shares.

Upon issue of these convertible bonds, Air France-KLM recorded a debt of €446 million, corresponding to the present value of future payments of interest and nominal discounted at the rate of a similar bond without a conversion option. The option value, calculated by deducting this debt value from the total nominal amount of the issue (i.e. €500 million), was recorded in equity.

Following the realization of the capital increase of Air France-KLM Group on June 16, 2022, to ensure that the rights of the OCEANE bond holders are maintained in accordance with the applicable legal and regulatory provisions and the terms and conditions of the OCEANE bonds, the conversion/exchange ratio has been adjusted as from June 16, 2022 from a parity of 1 Air France-KLM share per OCEANE bond to a parity of 1.783 Air France-KLM share per OCEANE bond.

Following the reverse share split and the simultaneous acknowledgment of the capital reduction on August 31, 2023, to ensure that the rights of the OCEANE bond holders are maintained in accordance with the applicable legal and regulatory provisions and the terms and conditions of the OCEANE bonds, the conversion/exchange ratio has been adjusted as from August 31, 2023 from a parity of 1 Air France-KLM share per OCEANE bond to a parity of 0.178 Air France-KLM share per OCEANE bond.

This operation had no impact on the value recorded under financial liabilities.

On March 25, 2024 Air France-KLM has repaid at the request of the bondholders, €452 million of the outstanding €500 million of the bonds convertible into new shares and/or exchangeable for existing shares due March 25, 2026.

This amount is equivalent of 25,246,843 of bonds. This early redemption option on March 25, 2024 was part of the terms and conditions of the bonds.

The remaining €48 million of bonds due March 25, 2026 have been repaid in cash on May 10, 2024 under the conditions set out in the Terms and Conditions of the said OCEANE 2026 for cancellation in accordance with the applicable law. The residual redemption amount is equivalent of 2,654,942 of bonds.

There is no outstanding OCEANE bonds as of December 31, 2024.

31.2.2 Sustainability-linked bonds

On January 9, 2023, Air France-KLM has placed a sustainability-linked bonds, for a nominal amount of €1 billion, linked to the Company's target to reduce its jet fuel greenhouse gas (GHG) emission per revenue tonne kilometer (RTK) up to 10% by 2025, compared to a 2019 baseline.

The emission is composed of two tranches:

- a €500 million with a maturity as of May 31, 2026 and a coupon of 7.250%; and
- a €500 million with a maturity as of May 31, 2028 and a coupon of 8.125%. This second tranche has been accounted for in non current financial liabilities in the balance sheet as of December 31, 2025.

Air France-KLM and its airlines faced some headwinds to its GHG intensity progression including delays in 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 time on certain routes caused by different geopolitical circumstances.

Air France-KLM has not achieved the sustainability performance target of reduction of its GHG emission intensity by 10% from a 2019 baseline by 2025, as defined in the final terms of the Sustainability Linked Bonds issued in January 2023.

It results in the following consequences :

- For bonds maturing on May 31, 2026 : payment of a €750 redemption premium per bond on May 31, 2026;
- For bonds maturing on May 31, 2028 : a 0.375% step-up on the coupons to be paid on 31 May 2027 and on 31 May 2028.

31.2.3 Plain vanilla bonds

Bond	Issuing date	Amount issued (in millions)	Amount issued in euros (in millions)	Amount outstanding in euros (in millions)	Maturity date	Coupon
$ Bond issued in 2016[1]	Dec. 15, 2016	$145	€ 137	€ 124	Dec. 15, 2026	4.35%
€ Bond issued in 2020	Jan. 16, 2020	€750	€750	€0	Jan. 16, 2025	1.875%
€ Bond issued in 2021	Jul. 1, 2021	€500	€500	€282	Jul. 1, 2026	3.875%
€ Bond issued in 2024	May 23, 2024	€650	€650	€650	May 23, 2029	4.625%
€ Bond issued in 2025	Sept. 04, 2025	€500	€500	€500	Sept. 04, 2030	3.750%
TOTAL				**€1.556**		

[1] Bonds issued to Asian institutional investors via an unlisted private placement.

Issuance of a €650 million bonds and tender offer on two series of existing notes

Issuance of a €650 million bonds

On May 23, 2024 Air France-KLM has made the issuance of new notes for a total principal amount of €650 million with a five-year maturity and bearing coupon at an annual rate of 4.265% under its Euro Medium Term Notes Program. The net proceeds has been used to finalize the tender offer launched on May 13, 2024 as described in the paragraph below.

Tender offer on two series of existing notes

On May 24, 2024, Air France-KLM finalized the tender offer on two series of existing notes announced on May 13, 2024:

- €750 million notes with a 1.875% coupon due January 16, 2025;
- €500 million notes with 3.875% coupon due July 1, 2026.

On these two series of existing notes for a total principal amount of €452.7 million, representing 36.2% of the outstanding existing notes, have been tendered for purchase in the tender offer and €452.7 million have been accepted, of which €234.8 million of 2025 notes and €217.9 million of 2026 notes.

As a result, the principal amount of these outstanding existing notes after completion of the tender offer will be €797.3 million, of which €512.2 million of 2025 notes and €282.1 of 2026 notes.

Issuance of the €500 million bond issued in 2025

On August 28, 2025, Air France-KLM has successfully placed €500 million of senior unsecured bonds as part of its EMTN (Euro Medium Term Notes) program. The bonds have a maturity of five years and offer a fixed annual coupon of 3.75% (yield of 3.866%). The proceeds from the issue will be used for the group's general financing needs.

Repayment of the €750 million bond issued in 2020

On January 16, 2025, Air France-KLM has repaid a the outstanding €515 million from a bond issued in 2020.

31.3 Other debt

Other debt breaks down as follows:

As of December 31 (in € millions)	2025	2024
Reservation of ownership clause and mortgage debt	**1,273**	1,336
Other debt	**269**	212
TOTAL	**1,542**	**1,548**

Sales with retention of title clause (ROT) and mortgage debt are debts secured by aircraft. The mortgage is filed with the national Civil Aviation Authority (the DGAC in France) in order to be publicly available to third parties. A mortgage grants to its beneficiary a right to enforce the security (by order of a judge), the sale of the asset and a priority claim on the sale proceeds in line with the amount of the loan, the balance reverting to the other creditors.

Besides, to support their investments in new-generation aircraft, Air France and KLM have also entered into financing contracts with specific clauses linked to compliance with environmental criteria, notably the incorporation of SAF and the share of new-generation aircraft in the fleet. These financings amount for €573 million as of December 31, 2025. There are no elements in the aircraft financing agreements that could cause the group to be in default as of December 31, 2025.

31.4 Maturity analysis

The financial liabilities maturities break down as follows:

As of December 31 (in € millions)	2025	2024
Maturities in		
Y+1	**2,113**	2,065
Y+2	**959**	1,848
Y+3	**1,364**	823
Y+4	**1,626**	1,132
Y+5	**1,266**	1,481
Over 5 years	**3,176**	3,188
TOTAL	**10,504**	**10,537**
Including:		
• Principal	**9,068**	8,946
• Interests	**1,436**	1,591

As of December 31, 2025, the expected financial costs amount to €310 million for the 2025 financial year, €704 million for the 2026 to 2029 financial years, and €422 million thereafter.

As of December 31, 2025, the KLM perpetual subordinated notes are included in the line “Over 5 years”.

The bonds issued in 2016, 2020, 2021, 2024 and 2025 will be reimbursed on their contractual maturity dates (see Note 31.2 “Bonds”).

31.5 Currency analysis

The breakdown of financial liabilities by currency after the impact of derivative instruments is as follows:

As of December 31 (in € millions)	2025	2024
Euro	**7,267**	7,003
US Dollar	**579**	652
Swiss franc	**414**	409
Yen	**808**	882
TOTAL	**9,068**	**8,946**

31.6 Credit lines

On April 18, 2023 Air France-KLM, Air France and KLM have signed two ESG ("Environmental, Social and Governance") KPI-Linked Revolving Credit Facilities ("RCF") with a pool of international financial institutions, for a total amount of €2.2 billion.

For each facility, a set of ESG linked Key Performance Indicators are embedded in the financing cost. These indicators are in line with Air France-KLM and the two airlines' commitment to sustainable development and a gradual decarbonization of activities. The two RCF's include a financing cost margin adjustment mechanism (upward or downward) conditional to the independent achievement of these dedicated Indicators (reduction of the unit CO_2 emission, increase of the share of SAF, among others).

Air France-KLM and Air France

Air France-KLM and Air France as combined borrowers, signed a €1.2 billion Sustainability-Linked RCF. This facility included an accordion increase option executed during the first quarter of 2024 for an amount of €90 million bringing the amount available to €1.3 billion.

The RCF also had an initial maturity in 2026 and two one-year extension options. In April 2024, one extension option has been executed, extending the maturity to 2027.

On July 18, 2024, a new amendment has been signed for Air France-KLM and Air France credit facility involving an extension of the maturity to July 2028 associated with a one-year extension option and an increase of the facility from €1.3 to €1.4 billion.

On June 27, 2025, a new amendment has been signed for Air France-KLM and Air France credit facility involving an extension of the maturity to July 2029.

In addition, certain financial covenants also apply to this credit facility :

- Interest Coverage Ratio (ICR), defined as consolidated EBITDA to consolidated net cost of financial debt. The ICR is calculated over a period of 12 months ending on the testing date. The ICR should be greater than 2.5;
- Asset Cover (AS), defined as the ratio of consolidated unsecured assets to consolidated unsecured net debt. The AS calculation should not be between 0 and 1;
- Any new unsecured financing raised by a subsidiary of the group must not represent more than 30% of the group's unsecured debt.

Moreover, some Environmental, Social and Governance ('ESG') dedicated indicators, related to reduction of the unit CO_2 emission, increase of the share of SAF and increase of females in management positions, are applicable. This results in a financing cost margin adjustment mechanism (upward or downward) conditional to the independent achievement of these dedicated indicators.

As per December 31, 2025, these financial covenants and ESG dedicated indicators are met, and no amounts have been drawn under the revolving credit facility.

KLM

KLM signed in 2023 an ESG KPI-Linked Revolving Credit Facility for an amount of €1 billion indexed to ESG (Environmental, Social and Governance) performance indicators.

This new facility has an initial 2027 maturity, includes two one-year extension options, executed in 2023 and 2025, extending the maturity to 2029.

In addition, certain financial covenants also apply to this credit facility :

- Interest Coverage Ratio (ICR), defined as consolidated EBITDA to consolidated net cost of financial debt. The ICR is calculated over a period of 12 months ending on the testing date. The ICR should be greater than 2.5;
- Asset Cover (AS), defined as the ratio of consolidated unsecured assets to consolidated unsecured net debt. The AS calculation should not be between 0 and 1;
- Guarantee Cover (GC), defined as, that at all times, the aggregate EBITDA, the aggregate revenues and the aggregates gross assets of the Company, (excluding intragroup), must exceed 75 per cent of the consolidated parameters.

Moreover, some Environmental, Social and Governance ('ESG') dedicated indicators, related to reduction of the unit CO_2 emission, increase of the share of SAF and increase of females in management positions, are applicable. This results in a financing cost margin adjustment mechanism (upward or downward) conditional to the independent achievement of these dedicated indicators.

As per December 31, 2025, these financial covenants and ESG dedicated indicators are met, and no amounts have been drawn under the revolving credit facility.

On top of this credit line, KLM has three other credit lines amounting to €0.1 billion.

The total undrawn portion as of December 31, 2025 amounts to €2.5 billion for the Group.

31.7 Market value of financial liabilities

Market values are estimated for most of the Group's financial liabilities using a variety of methods that are theoretical in nature:

- based on market prices as of December 31, 2025 and December 31, 2024;
- by discounting future flows at market interest rates for instruments with similar characteristics.

However the estimated amounts as of December 31, 2025 and December 31, 2024 are not representative of the gains or losses that would be recorded at maturity.

The application of different methods and assumptions could therefore have a significant impact on the estimated market value.

The table below indicates the estimated market value and net book value of the financial liabilities:

As of December 31	2025		2024	
(in € millions)	**Net book value**	**Estimated market value**	Net book value	Estimated market value
Perpetual subordinated loans	**511**	**451**	521	451
Sustainability-linked bonds	**1,000**	**1,063**	1,000	1,090
Plain vanilla Bonds	**1,556**	**1,574**	1,593	1,602
Debt on financial leases with bargain option	**4,344**	**5,215**	4,169	5,106
Other loans	**1,542**	**1,538**	1,378	1,371
Other financial liabilities	**115**	**115**	285	285
TOTAL – FINANCIAL LIABILITIES	**9,068**	**9,956**	**8,946**	**9,905**

NOTE 32 NET DEBT

As of December 31			
(in € millions)	Notes	**2025**	2024
Current and non-current financial liabilities	31	**9,068**	8,946
Current and non-current lease debt	19	**6,445**	5,696
Accrued interest	31 & 19	**(142)**	(138)
Deposits related to financial liabilities	22	**(85)**	(97)
Deposits related to lease debt	22	**(80)**	(98)
Derivatives impact on debt		**44**	(45)
Gross financial liabilities (I)		**15,250**	**14,264**
Cash and cash equivalents	26	**4,714**	4,829
Marketable securities > 3 months	22	**988**	1,046
Bonds	22	**1,156**	1,057
Net cash (II)		**6,858**	6,932
NET DEBT (I-II)		**8,392**	**7,332**

As of December 31, 2025, net cash and cash equivalents included €426 million (compared with €428 million as of December 31, 2024) pledged or blocked (see Notes 22 "Other financial assets" and 26 "Cash, cash equivalents and bank overdrafts").

In addition, the Group has undertaken to maintain a level of cash in some operating subsidiaries. As of December 31, 2025, this represented a total amount of €700 million (compared with €725 million as of December 31, 2024).

As of December 31 (in € millions)	Notes	**2025**	2024
Opening net debt		**7,332**	5,041
Operating free cash flow	Cash Flow Statement	**(1,997)**	(446)
Interest paid	Cash Flow Statement	**670**	664
Interest received	Cash Flow Statement	**(170)**	(285)
Dividends received		**(9)**	–
Paid coupon on perpetual and on subordinated bonds convertible into new share and/or exchangeable for existing shares	28.3 & 28.6	**241**	231
Purchase of SAS shares (equity affiliate)	3.1	**–**	88
Other various purchase of shares		**–**	5
Proceeds of disposal of non-consolidated entities		**(24)**	(32)
Refinancing from leased to owned aircraft without cash outflow	31	**212**	–
Issuance of perpetual	28.3 & 28.6	**(494)**	–
Repayment of perpetual	28.3 & 28.6	**802**	–
Investment in Westjet (value of the shares - non consolidated)	3.1	**38**	–
New lease debts (new and renewed contracts)	19	**2,320**	1,925
Unrealized exchange gains and losses on lease financial debts through OCI		**(410)**	156
Impact of derivatives on net debt		**88**	(45)
Currency translation adjustment in the income statement		**(239)**	10
Other non-monetary variations of the net debt		**32**	20
CLOSING NET DEBT		**8,392**	**7,332**

NOTE 33 LOYALTY PROGRAM

ACCOUNTING PRINCIPLES

The airlines of the Group have a common frequent flyer program "Flying Blue". This program enables members to acquire Miles as they fly with Air France, KLM and airline partners and from transactions with non-airline partners (credit card companies, hotels, car rental agencies). These Miles entitle members to a range of benefits such as free flights with Air France, KLM and their airline partners or other free services with non-airline partners.

Miles are considered as separate elements of a sale of a ticket with multiple elements and one part of the price of the initial sale of the ticket is allocated to these Miles and deferred until the Group's commitments relating to these Miles have been met.

The deferred amount due in relation to the acquisition of Miles by members is estimated:

- according to the fair value of the Miles, defined as the amount for which the benefits could be sold separately;
- after taking into account the redemption rate, corresponding to the probability that the Miles will be used by members, using a statistical method.

With regard to the re-invoicing of Miles between the partners in the program, the margins realized on sales of these Miles are recorded immediately in the income statement.

Within Air-France-KLM, there are two loyalty programs: Flying Blue and BlueBiz. For those two programs, the amount recognized in liabilities is as follows:

(in € millions)	**2025**	2024
Flying Blue	**855**	831
BlueBiz	**66**	75
TOTAL	**921**	**906**

As of December 31, 2025 the deferred revenues relating to Flying Blue miles loyalty program expected to be used amount to €855 million, after taking into account a redemption rate.

The liabilities have evolved as follows:

Flying Blue – Deferred revenues

(in € millions)	**2025**	2024
As of January 1	**831**	**802**
Accumulation	**531**	486
Redemption	**(507)**	(457)
As of December 31	**855**	**831**

NOTE 34 OTHER LIABILITIES

As of December 31	2025			2024		
(in € millions)	**Current**	**Non-current**	**Total**	Current	Non-current	Total
Tax liabilities	**465**	**181**	**646**	469	413	882
Airlines taxes	**1,011**	**–**	**1,011**	879	–	879
Employee-related liabilities	**1,500**	**55**	**1,555**	1,409	328	1,737
Liabilities on fixed assets	**40**	**–**	**40**	47	9	56
Deferred income	**1,192**	**215**	**1,407**	982	29	1,011
Prepayments received	**573**	**–**	**573**	576	–	576
Other	**266**	**94**	**360**	306	125	431
TOTAL	**5,047**	**545**	**5,592**	**4,668**	**904**	**5,572**

Non-current deferred income mainly relates to long-term contracts in the maintenance business (see Note 39.5 “Order book”).

The variation of the other liabilities as of December 31, 2025 is as follows:

(in € millions)	**As of December 31, 2024**	**Change in working capital [1]**	**Investing cash flow**	**Currency translation adjustment**	**Others**	**As of December 31, 2025**
Tax liabilities	882	(196)	–	–	(40)	646
Airlines taxes	879	132	–	–	–	1,011
Employee-related liabilities	1,737	(188)	–	–	6	1,555
Liabilities on fixed assets	56	–	(7)	–	(9)	40
Deferred income	1,011	335	–	(1)	62	1,407
Prepayments received	576	89	–	(27)	(65)	573
Other debts	431	(9)	–	(22)	(40)	360
TOTAL	**5,572**	**163**	**(7)**	**(50)**	**(86)**	**5,592**

[1] See Note 37.2 Breakdown of the change in working capital resource

The variation of the other liabilities as of December 31, 2024 is as follows:

(in € millions)	**As of December 31, 2023**	**Change in working capital [1]**	**Investing cash flow**	**Currency translation adjustment**	**Others**	**As of December 31, 2024**
Tax liabilities	1,049	(158)	–	–	(9)	882
Airlines taxes	908	(28)	–	–	(1)	879
Employee-related liabilities	2,588	(844)	–	–	(7)	1,737
Liabilities on fixed assets	63	–	(15)	1	7	56
Deferred income	951	63	–	–	(3)	1,011
Prepayments received	464	102	–	11	(1)	576
Other debts	355	82	–	10	(16)	431
TOTAL	**6,378**	**(783)**	**(15)**	**22**	**(30)**	**5,572**

[1] See Note 37.2 Breakdown of the change in working capital resource

NOTE 35 FINANCIAL RISK MANAGEMENT

ACCOUNTING PRINCIPLES

Derivative financial instruments

The Group uses various derivative financial instruments to hedge its exposure to the risks incurred on shares, exchange rates, changes of interest rates or fuel prices and ETS (Emission Trading Scheme).

Forward currency contracts and options are used to hedge exposure to exchange rates.

The Group also uses interest rate swaps to manage its exposure to interest rate risk. Most of the swaps traded convert floating-rate debt to fixed-rate debt.

The exposure to fuel risk is hedged by swaps or options on jet fuel, diesel or Brent.

Finally, the risk related to the ETS is hedged by forwards.

Most of these derivatives are classified as hedging instruments if the derivative is eligible as a hedging instrument and if the hedging relationships are documented as required by IFRS 9 "Financial Instruments".

These derivative instruments are recorded on the Group's consolidated balance sheet at their fair value adjusted for the market value of the Group's credit risk (DVA) and the credit risk of the counterparty (CVA). The method of accounting for changes in fair value depends on the classification of the derivative instruments.

There are three classifications:

- Derivatives classified as fair value hedge

  Changes in the fair value of the derivative are recorded through the income statement and offset within the limit of its effective portion against the changes in the fair value of the underlying item (asset, liability or firm commitment), which are also recognized through the income statement.

- Derivatives classified as cash flow hedge

  Changes in fair value of the derivative are recorded in other comprehensive income for the effective portion and are reclassified as income when the hedged element affects earnings. The ineffective portion is recorded as financial income or losses until the termination of the derivative. When the termination occurs, the residual ineffective portion is recycled on the hedged item.

- Derivatives classified as trading

  Changes in the fair value of the derivative are recorded as financial income or losses.

For options, only the intrinsic risk can be hedged. The time value is excluded as it is considered as a cost of hedging. The change in fair value of the option time value is recognized in other comprehensive income in so far as it relates to the hedged item. When the latter occurs (if the hedged item is transaction related), the change in fair value is then recycled and impacts the hedged item or is amortized over the hedging period (if the hedged item is time-related).

The difference in time value between non-aligned structured options and the related "vanilla" ("aligned") options is recognized in the profit and loss account.

Regarding forward contracts, only the spot component is considered as a hedging instrument, since the forward element is considered as a hedging cost and accounted for similarly to the option time value.

The currency swap basis spread is also excluded from the hedging instrument and considered to be a hedging cost.

Non-current derivative financial assets

The Group considers that the change in credit risk on the non-current derivative financial assets since their initial recognition is limited due to the current selection criteria (e.g. type of instrument, counterparty rating, maturity). The impairment recorded by the Group consists of the expect credit loss over the 12 months following the closing date.

Purchases and sales of financial assets are booked as of the transaction date.

The aim of the Air France-KLM Group's risk management strategy is to reduce its exposure to such risks. Market risk coordination and management is the responsibility of the Risk Management Committee (RMC) which is composed of the Chief Financial Officer of Air France-KLM, and the Deputy Chief Financial Officer, head of Financial Operations of Air France-KLM, and the Chief Financial Officers of Air France and of KLM.

The RMC decides on the derivative instruments to be implemented, the targets for hedging ratios and the periods and instrument types.

To implement the most appropriate strategy to each circumstance, any type of instrument may be used provided it qualifies as hedging within IFRS. As a general rule, no trading or speculation is allowed. Any exception to this rule must be approved by the Risk Management Committee.

As of December 31, 2025, the fair value of the Group's derivative financial assets and liabilities and their expected maturities are as follows:

(in € millions)	Notes		Total	Y+1	Y+2	Y+3	Y+4	Y+5	> Y+5
Fuel – derivative instruments	35.1	Asset	5	5	–	–	–	–	–
		Liability	(169)	(149)	(20)	–	–	–	–
Interest rate – derivative instruments	35.2	Asset	46	4	3	–	2	8	29
		Liability	(14)	(1)	(2)	–	–	–	(11)
Currency exchange – debt derivative instruments	35.3	Asset	12	5	4	3	–	–	–
		Liability	(55)	(21)	(13)	(8)	–	–	(13)
Currency exchange – operating derivative instruments	35.3	Asset	24	17	7	–	–	–	–
		Liability	(88)	(63)	(25)	–	–	–	–
Currency exchange – Capex	35.3	Asset	8	1	5	1	1	–	–
		Liability	(128)	(21)	(41)	(16)	(22)	(28)	–
Carbon credit – derivative instruments	35.4	Asset	1	1	–	–	–	–	–
		Liability	–	–	–	–	–	–	–
Other – derivative instruments		Asset	55	–	–	–	–	–	55
		Liability	–	–	–	–	–	–	–
TOTAL		**ASSET**	**151**	**33**	**19**	**4**	**3**	**8**	**84**
		LIABILITY	**(454)**	**(255)**	**(101)**	**(24)**	**(22)**	**(28)**	**(24)**

See Note 36 "Valuation methods for financial assets and liabilities at their fair value" for the fair value valuation method.

As of December 31, 2024, the fair value of the Group's derivative financial assets and liabilities and their expected maturities were as follows:

(in € millions)	Notes		Total	Y+1	Y+2	Y+3	Y+4	Y+5	> Y+5
Fuel – derivative instruments	35.1	Asset	27	22	5	–	–	–	–
		Liability	(115)	(110)	(5)	–	–	–	–
Interest rate – derivative instruments	35.2	Asset	78	27	6	2	–	2	41
		Liability	(21)	–	–	(3)	–	–	(18)
Currency exchange – derivative instruments	35.3	Asset	36	19	11	5	1	–	–
		Liability	–	–	–	–	–	–	–
Currency exchange – operating derivative instruments	35.3	Asset	93	62	31	–	–	–	–
		Liability	(22)	(17)	(5)	–	–	–	–
Currency exchange – Capex	35.3	Asset	137	100	16	12	4	3	2
		Liability	(9)	(8)	(1)	–	–	–	–
Carbon credit – derivative instruments	35.4	Asset	19	19	–	–	–	–	–
		Liability	(2)	(2)	–	–	–	–	–
Other – derivative instruments		Asset	53	–	–	53	–	–	–
		Liability	–	–	–	–	–	–	–
TOTAL		**ASSET**	**443**	**249**	**69**	**72**	**5**	**5**	**43**
		LIABILITY	**(169)**	**(137)**	**(11)**	**(3)**	**–**	**–**	**(18)**

See Note 36 "Valuation methods for financial assets and liabilities at their fair value" for the fair value valuation method.

35.1 Risk linked to fuel prices

The fuel bill is one of the largest cost items for airlines, making oil price volatility a risk for the air transport industry. A sharp increase in the oil price can have a very material negative impact on the profitability of airlines, particularly if the economic environment does not enable them to adjust their pricing strategies. Similarly, a sharp decline in fuel prices is favorable for airline profitability. However, the way in which airlines pass on a sharp fall in the fuel price in their fares is a factor of significant uncertainty.

In addition to fare adjustments and permanent efforts to reduce fuel consumption, the Group has implemented a policy of systematically hedging the fuel price risk.

The hedging strategy:

- sets the time span of the hedges;
- sets the target hedging ratios to be reached for the coming quarters;
- the hedging uses simple futures or option-based instruments, eligible for hedging pursuant to the accounting standards in force.

In respect of the application of IFRS 9, hedging by component is applied. Since the Group's fuel procurement is strongly correlated to the Jet Kerosene Cargoes CIF NWE Index, components specific to this fuel risk are used (Brent ICE, Gasoil ICE, Jet CIF NWE) to align the fuel hedging accounting and the Group's risk management policy more effectively.

In a context of high volatility and tension in the commodity market due to the geopolitical events since 2022, the Air France-KLM Group has incorporated new hedging instruments on crack spreads in order to better cover the risk associated with the decoupling between indices reflecting the price of crude oil (Brent ice) and indices reflecting the price of refined products (Gasoil ICE and Jet CIF NEW).

The fuel hedging policy in place since the first quarter of 2024 has been updated at the Audit Committee meeting in December 2025, and came into effect in the first quarter of 2026. The hedging strategy, which had previously been based on a rolling 18-month period, has been extended to 24 months. The hedging portfolio will represent 87% of annual consumption.

The Group's commitments on Brent, Gas Oil and Jet CIF are presented below, at their nominal value:

As of December 31, 2025		Maturity below	Maturities between 1 and 5 years					
(in € millions)	Nominal	1 year	1-2 years	2-3 years	3-4 years	4-5 years	+5 years	Fair value
CASH FLOW HEDGING OPERATING FLOWS								
Forward purchases	75	74	1	–	–	–	–	(3)
Options	4,140	3,364	776	–	–	–	–	(138)
Others	134	124	10					(8)
Sub-total	**4,349**	**3,562**	**787**	**–**	**–**	**–**	**–**	**(149)**
Receivables/payables on fuel hedges	–	–	–	–	–	–	–	(15)
TOTAL	**4,349**	**3,562**	**787**	**–**	**–**	**–**	**–**	**(164)**
Price after hedge USD/Metric Tons (*)	–	733	–	–	–	–	–	–

(*) The price after hedge of the total fuel expenses is equal to the market price, to which unitary into-plane costs and hedge results have been added. The hedge results reflect the payout of the hedging strategy based on the forward curve as of December 31, 2025.

As of December 31, 2024		Maturity below	Maturities between 1 and 5 years					
(in € millions)	Nominal	1 year	1-2 years	2-3 years	3-4 years	4-5 years	+5 years	Fair value
CASH FLOW HEDGING OPERATING FLOWS								
Forward purchases	54	54	–	–	–	–	–	1
Options	2,835	2,507	328	–	–	–	–	(71)
Other	278	241	37					–
Sub-total	**3,167**	**2,802**	**365**	**–**	**–**	**–**	**–**	**(70)**
Receivables/payables on fuel hedges	–	–	–	–	–	–	–	(18)
TOTAL	**3,167**	**2,802**	**365**	**–**	**–**	**–**	**–**	**(88)**
Price after hedge USD/Metric Tons	–	797	–	–	–	–	–	–

Fuel hedge sensitivity

At closing date a +/-10 USD variation in the price of a barrel of Brent generates a variation of fair value of derivatives which has the following impact on income before tax and on "gains/(losses) taken to equity":

As of December 31 (in € millions)	2025 Increase of USD 10 per barrel of Brent	2025 Decrease of USD 10 per barrel of Brent	2024 Increase of USD 10 per barrel of Brent	2024 Decrease of USD 10 per barrel of Brent
Gains/(losses) taken to equity	**460**	**(496)**	387	(418)

35.2 Interest rate risk

A portion of the financial liabilities (including lease debt) is contracted at floating rates. However, to limit its volatility, Air France-KLM has used option and swap strategies involving the use of derivatives to convert a significant proportion of its floating-rate debt into fixed rates.

To manage the interest rate risk on its short and long-term borrowings, the Group uses instruments with the following nominal values:

As of December 31, 2025 (In € millions)	Nominal	Balance sheet item of underlying items	Maturity below 1 year	Maturities between 1 and 5 years 1-2 years	2-3 years	3-4 years	4-5 years	+5 years	Fair value
Operations qualified as cash flow hedging	**3,013**		**399**	**258**	**31**	**62**	**256**	**2,007**	**34**
Rate swaps	2,025	Financial liabilities	349	208	31	62	256	1,119	39
Options	988	Financial liabilities	50	50	–	–	–	888	(5)
Operations qualified as fair value hedging	**12**		**12**	**–**	**–**	**–**	**–**	**–**	**(2)**
Rate swaps	12	N/A	12	–	–	–	–	–	(2)
TOTAL	**3,025**		**411**	**258**	**31**	**62**	**256**	**2,007**	**32**

As of December 31, 2024 (In € millions)	Nominal	Balance sheet item of underlying items	Maturity below 1 year	Maturities between 1 and 5 years 1-2 years	2-3 years	3-4 years	4-5 years	+5 years	Fair value
Operations qualified as cash flow hedging	**2,539**		**561**	**230**	**109**	**31**	**70**	**1,538**	**53**
Rate swaps	2,112	Financial liabilities	561	130	59	31	70	1,261	59
Options	427	Financial liabilities	–	100	50	–	–	277	(6)
Operations qualified as fair value hedging	**34**		**22**	**12**	**–**	**–**	**–**	**–**	**4**
Rate swaps	34	N/A	22	12	–	–	–	–	4
TOTAL	**2,573**		**583**	**242**	**109**	**31**	**70**	**1,538**	**57**

Due to hedging, interest rate exposure based on net debt items is shown below. This table breaks down net book value before and after hedging, according to fixed rate, floating rate and without rate:

As of December 31	2025		2024	
(in € million)	**Before hedge**	**After hedge**	Before hedge	After hedge
Financial liabilities at fixed rate	11,732	13,450	10,744	12,136
Financial liabilities at variable rate	3,630	1,912	3,780	2,388
Financial liabilities without rate	(112)	(112)	(260)	(260)
Total Financial liabilities	**15,250**	**15,250**	**14,264**	**14,264**
Net liquidity at fixed rate	2,071	2,071	2,046	2,046
Net liquidity at variable rate	2,828	2,828	3,715	3,715
Net liquidity without rate	1,959	1,959	1,171	1,171
Total Net liquidity	**6,858**	**6,858**	**6,932**	**6,932**
Net debt at fixed rate	9,662	11,379	8,698	10,090
Net debt at floating rate	802	(915)	65	(1,327)
Net debt without rate	(2,072)	(2,072)	(1,431)	(1,431)
TOTAL NET DEBT	**8,392**	**8,392**	**7,332**	**7,332**

Net debt items are detailed in Note 32 “Net debt”.

As of December 31, 2025, without-rate financial assets mainly include cash as in December 31, 2024.

Interest rate sensitivity

The Group is exposed to the risk of interest rate variations. A 100 basis point variation (increase or decrease) in interest rates would have an impact of €17 million on the financial income for the year ended December 31, 2025 versus €17 million for the year ended December 31, 2024.

35.3 Exchange rate risk

Most of the Air France-KLM Group’s revenues are generated in euros. However, because of its international activities, the Group incurs a foreign exchange risk. The principal exposure relates to the US dollar. Since the expenditure on items such as fuel and components exceeds the amount of revenues in dollars, the Group is a net buyer of US dollars. As a result, any significant appreciation in the dollar against the euro could result in a negative impact on the Group’s financial results.

On the other hand, Air France-KLM Group is a net seller of other currencies, the level of revenues in these currencies exceeding its expenditure. This exposure is far less significant than on the US dollar. As a result, any significant decline in these currencies against the euro would have a negative effect on the Group’s financial results.

The management of the Group’s exchange rate risk is carried out based on the forecasted net exposure for each currency. Currencies which are highly correlated to the US dollar are aggregated with the US dollar exposure.

For each currency hedged, the time span of the hedging is a rolling 12 to 24-month period, the first four quarters having more hedging than the following four.

Aircraft are mostly paid for in US dollars, meaning that the Group is exposed to an appreciation in the dollar relative to the euro in terms of its investments in flight equipment. The hedging strategy provides the gradual implementation of hedging between the aircraft order date and their delivery.

The exchange rate risk on the Group’s financial debt is limited. As of December 31, 2025, 80% of the Group’s financial debt, after taking into account derivative instruments, was euro-denominated, thereby significantly reducing the risk of currency fluctuation on the debt. The exchange rate risk on debt denominated in other currencies mostly concerns the Yen for 9%, the US dollar for 6% and the Swiss franc for 5% (see note 31.5).

Since the application of IFRS 16 by the Group as of January 1, 2018, the aircraft operating leases, which are mostly denominated in US dollars, have been recognized in the Group’s debt. This debt is recognized as hedge of future operating revenues in USD. For airlines not generating US dollar revenues, US dollar-denominated assets and currency hedges are in place to mitigate this exchange rate risk.

The nominal amounts of forwards and options linked to exchange rates are detailed below given the nature of the hedging operations:

As of December 31, 2025	Hedged item		Maturity below 1	Maturities between 1 and 5 years					Fair
(in € millions)	Nominal	Balance sheet Item	year	1-2 years	2-3 years	3-4 years	4-5 years	+5 years	value
Cash flow hedging of operating flows	**2,872**		**1,874**	**998**	**–**	**–**	**–**	**–**	**(64)**
Exchange rate options	1,478	N/A	975	503	–	–	–	–	(22)
Forward purchases	1,149	N/A	657	492	–	–	–	–	(44)
Forward sales	245	N/A	242	3	–	–	–	–	2
Fair value hedging of flight equipment acquisition	**4,222**		**894**	**1,227**	**618**	**730**	**753**	**–**	**(120)**
Forward purchases	3,641	Other commitments	832	927	591	538	753	–	(125)
Forward sales	581	Other commitments	62	300	27	192	–	–	5
Cash flow hedges on debt	**155**		**155**	**–**	**–**	**–**	**–**	**–**	**(16)**
Forward purchases	31	Financial liabilities	31	–	–	–	–	–	(3)
Cross Currency Swap	124	Financial liabilities	124	–	–	–	–	–	(13)
Fair value hedges on debt	**391**		**137**	**108**	**83**	**63**	**–**	**–**	**(17)**
Forward purchases	391	Lease debt	137	108	83	63	–	–	(17)
Operations on debt qualified in fair value through P&L	**256**		**102**	**61**	**57**	**36**	**–**	**–**	**(10)**
Forward purchases	256	Lease debt	102	61	57	36	–	–	(10)
Trading of flight equipment acquisition and operating flows	**510**		**510**	**–**	**–**	**–**	**–**	**–**	**(1)**
Forward purchases	510	N/A	510						(1)
TOTAL	**8,406**		**3,672**	**2,394**	**758**	**829**	**753**	**–**	**(228)**

As of December 31, 2024	Hedged item		Maturity below 1	Maturities between 1 and 5 years					Fair
(in € millions)	Nominal	Balance sheet Item	year	1-2 years	2-3 years	3-4 years	4-5 years	+5 years	value
Cash flow hedging of operating flows	**3,013**		**1,963**	**1,050**	**–**	**–**	**–**	**–**	**71**
Exchange rate options	1,656	N/A	1,043	613	–	–	–	–	31
Forward purchases	1,010	N/A	632	378	–	–	–	–	53
Forward sales	347	N/A	288	59	–	–	–	–	(13)
Fair value hedging of flight equipment acquisition	**3,343**		**2,353**	**334**	**240**	**137**	**108**	**171**	**128**
Forward purchases	2,904	Other commitments	1,945	303	240	137	108	171	137
Forward sales	439	Other commitments	408	31	–	–	–	–	(9)
Cash flow hedges on debts	**177**		**31**	**–**	**146**	**–**	**–**	**–**	**2**
Forward purchases	31	Financial liabilities	31	–	–	–	–	–	–
Cross Currency Swap	146	Financial liabilities	–	–	146	–	–	–	2
Fair value hedges on debt	**453**		**139**	**133**	**103**	**78**	**–**	**–**	**22**
Forward purchases	453	Lease debt	139	133	103	78	–	–	22
Operations on debt qualified in fair value through P&L	**189**		**118**	**56**	**15**	**–**	**–**	**–**	**12**
Forward purchases	189	Lease debt	118	56	15	–	–	–	12
TOTAL	**7,175**		**4,604**	**1,573**	**504**	**215**	**108**	**171**	**235**

Currency hedge sensitivity

The value in euros of the monetary assets and liabilities is presented below:

As of December 31	Monetary assets		Monetary liabilities	
(in € millions)	**2025**	2024	**2025**	2024
US dollar	**1,334**	1,165	**5,173**	5,613
Pound sterling	**45**	47	**15**	16
Yen	**26**	27	**795**	866
Swiss francs	**9**	12	**419**	414
Others	**22**	15	**20**	21

The amounts of monetary assets and liabilities disclosed above do not include the effect of the revaluation of assets and liabilities documented in fair value hedge.

The impact on “income before tax” and on “gains/(losses) taken to equity” of a 10% appreciation in foreign currencies relative to the euro is presented below:

As of December 31	US dollar		Pound sterling		Yen	
(in € millions)	**2025**	2024	**2025**	2024	**2025**	2024
Income before tax	**(119)**	(178)	**3**	10	**(75)**	(83)
Gains/(losses) taken to equity	**382**	676	**(31)**	(79)	**–**	(12)

The impact of the change in fair value of currency derivatives on "income before tax" and on "gains/(losses) taken to equity" of a 10% depreciation in foreign currencies relative to the euro is presented below:

As of December 31	US dollar		Pound sterling		Yen	
(in € millions)	**2025**	2024	**2025**	2024	**2025**	2024
Income before tax	**122**	174	**(3)**	3	**74**	81
Gains/(losses) taken to equity	**(360)**	(595)	**25**	40	**–**	11

35.4 Carbon credit risk

As an air transport operator, the Air France-KLM Group emits carbon dioxide. As such, it fully complies with regulatory measures to reduce carbon emissions (see Note 25). These include the EU Emissions Trading Scheme (EU ETS), which has been in force at European level since 2012 for aviation. The European institutions have confirmed the intra-European scope of the EU-ETS, thus reinforcing CORSIA's future role in defining clearing solutions for international flights.

They have also programmed the gradual end of allowances allocated free of charge to air operators. From 2026 onwards, this new measure will require the Air France-KLM Group to purchase emission rights (credits) for all its flights to and from the European Union (intra-European flights).

To minimize the consequences of the necessary strengthening of the European carbon market and the gradual increase in the price of credits, Air France-KLM is responding through a proactive financial policy based on the purchase of forward credits.

As of 1 January 2025, the Group applies the exemption provided for in IFRS 9 for own use and no longer recognizes instruments traded since that date.

As of December 31, 2025, the Group has hedged its future purchases of CO_2 quotas as follows:

As of December 31, 2025		Maturity below 1 year	Maturities between 1 and 5 years				
(In € millions)	Nominal		1-2 years	2-3 years	3-4 years	4-5 years	+5 years
Operating flows as cash flow hedging	**214**	**214**	**–**	**–**	**–**	**–**	**–**
Forwards	214	214	–	–	–	–	–
TOTAL	**214**	**214**	**–**	**–**	**–**	**–**	**–**

As of December 31, 2024		Maturity below 1 year	Maturities between 1 and 5 years					Fair value
(In € millions)	Nominal		1-2 years	2-3 years	3-4 years	4-5 years	+5 years	
Operating flows as cash flow hedging	**240**	**235**	**5**	**–**	**–**	**–**	**–**	**17**
Forwards	240	235	5	–	–	–	–	17
TOTAL	**240**	**235**	**5**	**–**	**–**	**–**	**–**	**17**

35.5 Counterpart risk

The transactions involving potential counterparty risk are as follows:

- financial investments measured at fair market value;
- derivative instruments measured at fair value;
- trade receivables: risk limited due to the large number and geographical diversity of the customers.

Counterparty risk linked to financial investments and derivative instruments is managed by the Risk Management Committee which establishes limits by counterparty based on the quality of their financial position.

In order to assess financial position of its counterparties, the Group relies on their financial data, as well as on any public information providing analysis on those. Regarding mutual funds (OPCVM) the risk is considered as negligible thanks to large diversification and regulatory provisions applicable to these supports. The RMC also monitors the trend in the respective proportion each counterparty represents of the overall hedging portfolio (fuel, currency and interest rate) and investments. The positions of both Air France and KLM, together with those of the Air France-KLM parent company, are taken into account in the assessment of the overall exposure. Any exceeding of a limit immediately results in the implementation of corrective measures.

NOTE 36 VALUATION METHODS FOR FINANCIAL ASSETS AND LIABILITIES AT THEIR FAIR VALUE

ACCOUNTING PRINCIPLES

Fair value hierarchy of the financial assets and liabilities

The table presenting a breakdown of financial assets and liabilities categorized by value meets the amended requirements of IFRS 7 "Financial Instruments: Disclosures". The fair values are classified using a scale which reflects the nature of the market data used to make the valuations.

This scale has three levels of fair value:

- Level 1: Fair value calculated from the exchange rate/price quoted on an active market for identical instruments;
- Level 2: Fair value calculated from valuation methods based on observable data such as the prices of similar assets and liabilities or scopes quoted on an active market;
- Level 3: Fair value calculated from valuation methods which rely completely or partly on non observable data such as market prices from an inactive market or valuation based on multiples for non listed stocks.

The Group's financial assets and liabilities are broken down into the three classification levels as follows:

		Level 1 – quoted prices and cash		Level 2 – internal modeling using observable factors		Level 3 – internal modeling using non-observable factors		Total	
As of December 31									
(In € millions)	Notes	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Equity instruments	22	**42**	42	**14**	14	**47**	–	**103**	56
Debt instruments	22	**1,134**	1,062	**976**	1,007	**35**	34	**2,145**	2,103
Derivative instruments assets	35	**–**	–	**151**	443	**–**	–	**151**	443
Cash equivalents	26	**3**	–	**2,726**	2,985	**–**	–	**2,729**	2,985
Cash in hand	26	**1,985**	1,844	**–**	–	**–**	–	**1,985**	1,844
TOTAL ASSETS		**3,164**	**2,948**	**3,867**	**4,449**	**82**	**34**	**7,113**	**7,431**
Derivative instruments liabilities	35	**–**	–	**(454)**	(169)	**–**	–	**(454)**	(169)
TOTAL LIABILITIES		**–**		**(454)**	**(169)**	**–**	**–**	**(454)**	**(169)**

NOTE 37 CONSOLIDATED STATEMENT OF CASH FLOW AND OPERATING FREE CASH FLOW

37.1 Other non-monetary items and impairment

Other non-monetary items and impairment can be analyzed as follows:

As of December 31 (in € millions)	Notes	2025	2024
Variation of provisions relating to restructuring plan		**13**	(6)
Variation of provisions relating to pension		**60**	93
Variation of other provisions		**(2)**	(98)
Changes to the pension plans	29.3	**5**	(11)
Share-based payment		**2**	3
Other		**(24)**	5
TOTAL OTHER NON MONETARY ITEMS		**54**	**(14)**
Impairment		**(1)**	–
TOTAL – IMPAIRMENT		**(1)**	**–**

37.2 Breakdown of the change in working capital resource

As of December 31 (in € millions)	Notes	2025	2024
Monetary (increase) / decrease in inventories	23	**(52)**	(111)
Monetary (increase) / decrease in trade receivables	24	**(165)**	163
Monetary increase / (decrease) in trade payables		**154**	148
Monetary increase / (decrease) in advanced ticket sales		**153**	250
Monetary increase / (decrease) in miles for loyalty program	33	**15**	7
Monetary (increase) / decrease in other assets	25	**(70)**	(205)
Monetary increase / (decrease) in other liabilities	34	**163**	(783)
Change in provision for CO_2 quota surrenders	30	**77**	37
Change in receivables/payables on fuel hedging		**(2)**	15
CHANGE IN WORKING CAPITAL RESOURCE		**273**	**(479)**

The line “Monetary increase / (decrease) in other liabilities” is impacted by the reimbursement of deferred social charges during Covid (€493 million in 2025 and €1,095 million in 2024).

Differences between balance sheet items and monetary changes specified in the chart are mainly due to foreign exchange impact.

NOTE 38 FLIGHT EQUIPMENT ORDERS

Due dates of firm orders commitments for the purchase of aircraft equipment are as follows:

As of December 31 (in € millions)	**2025**	2024
Y+1	**2,307**	2,505
Y+2	**3,181**	2,398
Y+3	**3,110**	3,682
Y+4	**2,933**	3,087
Y+5	**1,915**	2,064
> Year Y+5	**1,146**	661
TOTAL	**14,592**	**14,397**

These commitments mainly relate to amounts in US dollars, converted into euros at the closing date exchange rate. All these amounts are hedged.

The number of aircraft under firm order as of December 31, 2025 increased by 24 units compared with December 31, 2024, due to 29 aircraft deliveries, 54 purchase options conversion, and 1 order cancellation, and stood at 215 aircraft.

Delivery calendar as of December 31, 2025

	To be delivered in						
Aircraft type	Y+1	Y+2	Y+3	Y+4	Y+5	Beyond Y+5	**Total**
LONG-HAUL FLEET – PASSENGER							
A350	7	11	9	15	11	3	**56**
B787	1	–	–	–	–	–	**1**
LONG-HAUL FLEET – CARGO							
A350F	–	1	2	–	3	–	**6**
MEDIUM-HAUL FLEET							
A220	10	10	5	–	–	–	**25**
A320neo / A 321neo	15	28	32	21	21	–	**117**
REGIONAL FLEET							
E195-2	–	–	–	5	5	–	**10**
TOTAL	**33**	**50**	**48**	**41**	**40**	**3**	**215**

NOTE 39 OTHER COMMITMENTS

39.1 Commitments made

As of December 31 (in € millions)	2025	2024
Commitments to leased aircraft, not yet in operation	**271**	1,253
Warranties, sureties and guarantees	**383**	393
Other purchase commitments	**342**	180

39.2 Commitments given subject to variable conditions and not valued

Strengthened Stake in SAS AB

Air France-KLM has begun a process aimed at taking a majority stake in the capital of SAS. The Group currently holds 19.9% of the Scandinavian airline's capital and, in the summer of 2024, initiated a commercial cooperation between Air France, KLM, and SAS, based on expanded code-sharing and interline marketing agreements. This cooperation has been strengthened by SAS joining the SkyTeam alliance.

Subject to the fulfillment of all required conditions, Air France-KLM would proceed to acquire all shares held by Castlelake and Lind Invest, thus increasing its own stake in SAS to 60.5%. The Danish State would retain its 26.4% stake as well as its seats on the Board of Directors (see Note 3.1 "Significant events occurring during the period").

SAF Supply Contracts

As part of its decarbonization strategy, the Air France-KLM Group has entered into SAF supply contracts with the following partners:

- Neste: the contract covers 0.4 million tons of SAF until 2030;
- DG Fuels: the contract covers 0.6 million tons of SAF over the period 2027 to 2036;
- SkyNRG: the contract covers 1 million tons of SAF over the period 2028 to 2043;
- TotalEnergies: the contract provides for up to 1.5 million tonnes until 2035.

Servair

The Servair group is a French company in aviation catering (see Note 20 "Equity affiliates".

Following the acquisition of Gategroup by HNA on December 22, 2016, Air France Finance and Gategroup finalized the agreement for the sale to Gategroup of 49.99% of the Servair share capital. On conclusion of this transaction, the operational control of Servair was transferred to Gategroup in application of the governance planned in the agreements between Air France Finance and Gategroup.

As of December 31, 2025, the 25% not yet sold to Gategroup have not been valued in the commitments given (or received).

39.3 Commitments received

As of December 31 (in € millions)	2025	2024
Warranties, sureties and guarantees	**10**	12

39.4 Restrictions and pledges

The restrictions and pledges as of December 31, 2025 are as follows:

(in € millions)	Amount pledged	NBV of balance sheet entry concerned	Corresponding %
Intangible assets	–	1,199	– %
Tangible assets	5,812	15,330	37.9 %
Other financial assets	593	2,627	22.6 %
TOTAL	**6,405**	**19,156**	**33.4 %**

39.5 Order book

Long term contracts of the maintenance business

On December 31, 2025, the future revenues from long-term contracts in the maintenance business amount to €9,714 million. The Group expects around 56% of the order book to be recognized as revenue over the next four years.

The table below presents the reconciliation between the order book according to accounting principles and the order book as described in the Management report:

As of December 31 (in € millions)	2025
Maintenance order book according to accounting definition	**9,714**
Contracts with no client' obligations	**198**
Cash received not recognized in revenues[1]	**(794)**
PUBLISHED ORDER BOOK IN THE MANAGEMENT REPORT[2]	**9,118**

(1) Included in the deferred income (Note 34 "Other liabilities").
(2) Representing $10,714 million (see section 1.3.3 "Maintenance business").

Passenger and freight transportation

As indicated in Note 6 "Information by activity and geographical area", the Group applies the exemption provided by IFRS 15 considering the tickets and freight transport vouchers' validity period up to one year.

Loyalty program

Information on the loyalty program is presented in Note 33 "Loyalty program".

NOTE 40 RELATED PARTIES

40.1 Transactions with the principal executives

The total compensation recorded as costs for the members of the Group Executive Committee in respect of their functions within the group breaks down as follows:

Period from January 1 to December 31 (in € millions)	**2025**	2024
Short-term employee benefits	**9.9**	9.8
Post-employment benefits	**2.1**	2.0
Share-based payment	**1.2**	2.8
TOTAL	**13.2**	**14.6**

The compensation of the non-executive Chairwomen of the Board amounts to €0.35 million.

Directors' fees booked in expenses and paid amount to €1.39 million as of December 31, 2025, versus €0.84 million as of December 31, 2024.

40.2 Transactions with the other related parties

The total amounts of transactions with related parties are as follows:

As of December 31 (in € millions)	**2025**	2024
ASSETS		
Trade receivables	**185**	206
Other current assets	**7**	10
Other non-current assets	**2**	2
TOTAL	**194**	**218**
LIABILITIES AND EQUITY		
Perpetual	**1,228**	1,033
Trade payables	**210**	179
Other current liabilities	**302**	232
Other non-current liabilities	**–**	(1)
TOTAL	**1,740**	**1,443**

As of December 31 (in € millions)	**2025**	2024
Sales	**396**	323
Landing fees and air route charges	**(548)**	(449)
Other external expenses	**(12)**	(10)
Passenger service	**(313)**	(310)
Other	**(269)**	(225)
TOTAL	**(746)**	**(671)**

As a part of its normal business, the Group enters into transactions with related parties including transactions with State-owned and governmental entities such as the French Defense Ministry, the Paris Airport Authority ("Aéroports de Paris", or "ADP"), Amsterdam Airport Schiphol, the Dutch and French States and the French civil aviation regulator ("DGAC"). Air France-KLM considers that such transactions are concluded on terms equivalent to those on transactions with third parties.

The most significant transactions are described below:

- Aéroports de Paris (ADP) :
  - land and property rental agreements,
  - airport and passenger-related fee arrangements.

  In addition, ADP collects airport landing fees on behalf of the French State.

  Total expenses incurred by the Group in connection with the aforementioned arrangements amounted to a respective €324 million and €358 million for the periods ended December 31, 2025 and December 31, 2024;
- Amsterdam Airport Schiphol (AAS):
  - land and property rental agreements,
  - airport and passenger-related fee arrangements.

  In addition, AAS collects airport fees on behalf of the Dutch State.

  Total expenses incurred by the Group in connection with the aforementioned arrangements amounted to € 295 million for the period ended December 31, 2025 versus €203 million as of December 31, 2024;
- French Defense Ministry:

  Air France-KLM has entered into contracts with the French Defense Ministry concerning the maintenance of aircraft of the French Air Force. The net revenue derived from this activity amounts to €109 million for the year ended December 31, 2025 versus €72 million as of December 31, 2024;
- *Direction générale de l'aviation civile* (DGAC):

  This civil aviation regulator is under the authority of the French Ministry of Transport, which manages security and safety in the French air space and at airports. As a result, the DGAC charges fees to Air France-KLM for the use of installations and services which amounts to €96 million as of December 31, 2025 versus €87 million for the year ended December 31, 2024;
- CMA-CGM:

  As part of the Air France-KLM capital increase carried out on June 16, 2022, CMA-CGM became a new shareholder of the Group. The commercial partnership between CMA-CGM and the Group relating to the Cargo business has started in 2023. As of December 31, 2024, transactions with this CMA-CGM amount to €(20) million. Air France-KLM and CMA CGM have decided to terminate the agreements signed in May 2022 with effect from March 31, 2024. CMA CGM stepped down from the Air France-KLM Board of Directors on March 31, 2024. The revenue as of December 31, 2025 with CMA-CGM is not significant;
- China Eastern Airlines:

  The net revenue derived by the Group in connection with the aforementioned arrangement amounted to €12 million for the periods ended December 31, 2025 compared to €12 million as of December 31, 2024;
- Delta Air Lines:

  The net revenue derived by the Group in connection with the aforementioned arrangement amounted to a respective €225 million and €191 million for the periods ended December 31, 2025 and December 31, 2024;
- French States:

  As of December 31, 2025 the line "Perpetual" corresponds to the perpetual granted by the French State (see Note 28.3.1 "2023 perpetual super-subordinated bonds");
- Westjet:

  On 22 October 2025, Air France-KLM finalized the acquisition of a 2.3% stake in Canadian airline WestJet for €35 million, as described in Note 3.1 "Significant events occurring during the period". The revenue with Westjet is not significant for the period ended December 31, 2025.
- SAS AB

  The Air France-KLM Group has initiated a process to acquire a majority stake in SAS. The Group currently holds 19.9% of the Scandinavian airline's capital and, in the summer of 2024, initiated commercial cooperation between Air France, KLM and SAS, based on expanded code-sharing and interline marketing agreements. This cooperation was strengthened by SAS's entry into the SkyTeam alliance. For the financial year ended 31 December 2025, revenue relating to this company amounted to €6 million and was not significant in 2024.

NOTE 41 STATUTORY AUDITORS' FEES

KPMG	2025				2024			
As of December 31	Statutory auditor		Network		Statutory auditor		Network	
(in € millions)	Amount	%	Amount	%	Amount	%	Amount	%
Statutory audit, certification, review of stand-alone and consolidated accounts	**2.0**	**77%**	**1.4**	**88%**	**2.1**	**78%**	**1.6**	**89%**
• Air France-KLM S.A.	**0.5**		**–**		0.6		–	
• Consolidated subsidiaries	**1.5**		**1.4**		1.5		1.6	
Sustainability Statement audit fees	**0.4**	**15%**	**–**	**– %**	**0.4**	**15%**	**–**	**– %**
• Air France-KLM S.A.	**0.4**		**–**		0.4		–	
Other ancillary services and audit services[1]	**0.2**	**8%**	**0.2**	**12 %**	**0.2**	**7%**	**0.2**	**11 %**
• Air France-KLM S.A.	**0.1**		**–**		0.1		–	
• Consolidated subsidiaries	**0.1**		**0.2**		0.1		0.2	
TOTAL – AIR FRANCE-KLM	**2.6**		**1.6**		**2.7**		**1.8**	

PwC	2025				2024			
As of December 31	Statutory auditor		Network		Statutory auditor		Network	
(in € millions)	Amount	%	Amount	%	Amount	%	Amount	%
Statutory audit, certification, review of stand-alone and consolidated accounts	**1.8**	**78%**	**1.3**	**100%**	**1.8**	**75%**	**1.4**	**100%**
• Air France-KLM S.A.	**0.6**		**–**		0.6		–	
• Consolidated subsidiaries	**1.2**		**1.3**		1.2		1.4	
Sustainability Statement audit fees	**0.4**	**18%**	**–**	**– %**	**0.4**	**17%**	**–**	**– %**
• Air France-KLM S.A.	**0.4**		**–**		0.4		–	
Other ancillary services and audit services[1]	**0.1**	**4%**	**–**	**– %**	**0.2**	**8%**	**–**	**– %**
• Air France-KLM S.A.	**0.1**		**–**		0.2		–	
• Consolidated subsidiaries	**–**		**–**		–		–	
TOTAL – AIR FRANCE-KLM	**2.3**		**1.3**		**2.4**		**1.4**	

[1] Other ancillary services and audit services mainly relate to issuance of attestations.

NOTE 42 CONSOLIDATION SCOPE

As of December 31, 2025, the scope includes 80 fully consolidated entities, 21 equity affiliates and 1 joint operation.

Based on the Air France-KLM ownership in terms of both voting rights and equity interest, and on the functioning mode of the Group's Executive Committee, Air France-KLM has the power to manage the KLM Group's financial and operational strategies and controls KLM. As a result, KLM is fully consolidated in Air France-KLM's consolidated financial statements.

The interest percentage in KLM is calculated based on the ordinary shares.

42.1 Consolidated entities

Entity	Country	Segment	% interest	% control
AIR FRANCE SA	France	Multisegment	100	100
KONINKLIJKE LUCHTVAART MAATSCHAPPIJ N.V.	Netherlands	Multisegment	100	49
AIR FRANCE BRAND HOUSE	France	Network	100	100
AIRTRADE HOLDINGS B.V.	Netherlands	Network	100	100
BLUE CONNECT	Mauritius	Network	70	70
BLUE TEAM VIII	France	Network	100	100
BLUELINK	France	Network	100	100
BLUELINK INTERNATIONAL	France	Network	100	100
BLUELINK INTERNATIONAL AUSTRALIA	Australia	Network	100	100
BLUELINK INTERNATIONAL CHILE	Chile	Network	100	100
BLUELINK INTERNATIONAL CZ S.R.O.	Czech Rep.	Network	100	100
BLUELINK INTERNATIONAL MAURITIUS	Mauritius	Network	100	100
BLUELINK INTERNATIONAL STRASBOURG	France	Network	100	100
CYGNIFIC B.V.	Netherlands	Network	100	49
CYGNIFIC CURACAO B.V.	Netherlands	Network	100	49
FLYINGBLUE MILES SAS	France	Network	98	98
HABADO SAS	France	Network	100	100
HADABA B.V.	Netherlands	Network	100	49
HOP!	France	Network	100	100
IASA INCORPORATED	Philippines	Network	100	49
INTERNATIONAL AIRLINE SERVICES LIMITED	United Kingdom	Network	100	49
KLM CITYHOPPER B.V.	Netherlands	Network	100	49
KLM CITYHOPPER UK LTD	United Kingdom	Network	100	49
KLM LUCHTVAARTSCHOOL B.V.	Netherlands	Network	100	49
MARTINAIR HOLLAND N.V.	Netherlands	Network	100	49
MEXICO CARGO HANDLING	Mexico	Network	100	100
REGIONAL JET CENTER B.V.	Netherlands	Network	100	49
SODEXI	France	Network	65	65
STICHTING STUDENTENHUISVESTINGVLIEGVELD EELDE	Netherlands	Network	100	49
AFI KLM E&M (BEIJING) LINE MAINTENANCE CO LTD	China	Maintenance	100	100
AFI KLM E&M TEARDOWN MANAGEMENT SAS	France	Maintenance	100	100
AFI SPARE ENGINE MANAGEMENT	France	Maintenance	100	100
AIR FRANCE COMPONENT ASSET MANAGEMENT	France	Maintenance	98	98
AIR FRANCE INDUSTRIE US	United States	Maintenance	100	100
AIR FRANCE KLM COMPONENT SERVICES CO LTD	China	Maintenance	100	100
AIR ORIENT SERVICES	France	Maintenance	100	100

Entity	Country	Segment	% interest	% control
ALPHA COMPONENT SOLUTIONS	France	Maintenance	100	100
BARFIELD INC	United States	Maintenance	100	100
BARFIELD PRECISION ELECTRONICS INC	United States	Maintenance	100	100
CRMA	France	Maintenance	100	100
EUROPEAN PNEUMATIC COMPONENT	Netherlands	Maintenance	100	49
KLM E&M INDIA	India	Maintenance	100	49
KLM E&M MALAYSIA SDN BHD	Malaysia	Maintenance	100	49
KLM LINE MAINTENANCE NIGERIA LTD.	Nigeria	Maintenance	100	49
KLM UK ENGINEERING LTD.	United Kingdom	Maintenance	100	49
TRANSAVIA AIRLINES B.V.	Netherlands	Transavia	100	49
TRANSAVIA AIRLINES C.V.	Netherlands	Transavia	100	49
TRANSAVIA COMPANY SAS	France	Transavia	100	100
TRANSAVIA FRANCE SAS	France	Transavia	100	100
TRANSAVIA VENTURES B.V.	Netherlands	Transavia	100	49
AIR FRANCE FINANCE SAS	France	Other	100	100
AIR FRANCE KLM E&M PARTICIPATIONS SAS	France	Other	100	100
AIR FRANCE KLM FINANCE SAS	France	Other	100	100
AIRPORT MEDICAL SERVICES B.V.	Netherlands	Other	80	39
AIRPORT MEDICAL SERVICES C.V.	Netherlands	Other	80	39
AMSTERDAM SCHIPHOL PIJPLEIDING C.V.	Netherlands	Other	76	49
ASP BEHEER B.V.	Netherlands	Other	60	49
B.V. KANTOORGEBOUW MARTINAIR	Netherlands	Other	100	49
BIGBLANK	France	Other	100	100
BLUE TEAM V SAS	France	Other	100	100
BLUE TEAM XI	France	Other	100	100
BLUE TEAM XII	France	Other	100	100
BLUE TEAM XIV	France	Other	100	100
BLUE TEAM XVI	France	Other	100	100
BLUE TEAM XVII	France	Other	100	100
BLUE YONDER XIV B.V.	Netherlands	Other	100	49
INTERNATIONALE FINANCIERING EN MANAGEMENT	Netherlands	Other	100	49
KLM AIR CHARTER B.V.	Netherlands	Other	100	49
KLM CATERING SERVICES SCHIPHOL B.V.	Netherlands	Other	100	49
KLM HEALTH SERVICES B.V.	Netherlands	Other	100	49
KLM INTERNATIONAL CHARTER B.V.	Netherlands	Other	100	49
KLM OLIEMAATSCHAPPIJ B.V.	Netherlands	Other	100	49
MARTINAIR VLIEGSCHOOL VLIEGVELD LELYSTAD BV	Netherlands	Other	100	49
ORION-STAETE B.V.	Netherlands	Other	100	49
PELICAN	Luxemburg	Other	100	100
PYRHELIO-STAETE B.V.	Netherlands	Other	100	49
RIGEL-STAETE B.V.	Netherlands	Other	100	49
STICHTING GARANTIEFONDS KLM LUCHTVAARTSCHOOL	Netherlands	Other	100	49
TRAVEL INDUSTRY SYSTEMS B.V.	Netherlands	Other	100	49
TREASURY SERVICES KLM B.V.	Netherlands	Other	100	49
WEBLOK B.V.	Netherlands	Other	100	49

42.2 Equity affiliates

Entity	Country	Segment	% interest	% control
ADM BLUE	Madagascar	Network	40	40
ADM BLUE SENEGAL SA	Senegal	Network	40	40
SAS SCANDINAVIAN AIRLINES	Sweden	Network	20	20
AAF SPARES LIMITED	Ireland	Maintenance	50	50
AEROSTRUCTURES MIDDLE EAST SERVICES	United Arab	Maintenance	50	50
AEROTECHNIC INDUSTRIES	Morocco	Maintenance	50	50
BONUS TECH	United States	Maintenance	50	50
BONUS TECH SERVICES	United States	Maintenance	50	50
IGO SOLUTIONS SAS	France	Maintenance	33	33
MAX MRO SERVICE	India	Maintenance	26	26
SHS TECHNICS	Senegal	Maintenance	49	49
SINGAPOUR COMPONENT SOLUTIONS PTE	Singapore	Maintenance	50	50
SPAIRLINERS	Germany	Maintenance	50	50
TURBINE SUPPORT INTERNATIONAL LLC	United States	Maintenance	50	50
XCELLE AMERICAS LLC	United States	Maintenance	50	50
INTERNATIONAL AEROSPACE MANAGEMENT COMPANY S.C.R.L.	Italy	Other	25	25
MAINPORT INNOVATION FUND	Netherlands	Other	25	25
MAINPORT INNOVATION FUND BV II	Netherlands	Other	24	24
SCHIPHOL LOGISTICS PARK CV	Netherlands	Other	53	45
SERVAIR	France	Other	25	25
TERMINAL ONE GROUPE ASSOCIATION	United States	Other	33	33

42.3 Joint operations

Entity	Country	Segment	% interest	% control
AIRFOILS ADVANCES SOLUTIONS SAS	France	Maintenance	49	49

5.4 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended December 31, 2025

To the Annual General Meeting of Air France-KLM S.A.,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Air France-KLM S.A. for the year ended December 31, 2025.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2025 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1, 2025 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Recoverability of flight equipment assets (Notes 2, 17, 19 and 21 to the consolidated financial statements)

Risk identified	Our response
Flight equipment and aircraft right of use assets amounted to €13.7 billion and €8.7 billion net value respectively as of December 31, 2025. As indicated in the Note 17 "Tangible assets" to the consolidated financial statements, during the operating cycle, and when establishing fleet replacement plans, the Group reviews whether the amortizable base or the useful life of the assets should be adjusted and, if necessary, determines whether a residual value should be recognized and the useful life adapted. Moreover, in accordance with IAS 36 "Impairment of Assets", and as specified in Note 21 "Impairment" to the consolidated financial statements, property, plant and equipment, intangible assets, right-of-use assets and goodwill are tested for impairment if there is an indication of impairment, and at least once a year for goodwill and intangible assets with an indefinite useful life. Assets that cannot be directly linked to independent cash flows are grouped together into Cash Generating Units (CGU) to perform the impairment test. The Group concluded that the CGUs correspond to the Group's business segments -notably the Network, Maintenance and Transavia activities. Their value in use is determined based on particularly sensitive forward-looking assumptions, given the current context which has uncertainty due to the geopolitical and macro-economic environment and the increasing impact of ESG considerations. These assumptions include the discounted cash flows derived from the 5-year budget figures prepared by Management and presented to the Board of Directors, the discount rate corresponding to the weighted average cost of capital, and the growth rates reflecting assumptions relating to mid- and long-term business development. Such cash flows also reflect the Group's environmental objectives reflected in its transition plan as well as the impacts related to expected or probable regulatory changes in terms of environment (modernization of the fleet, development of sustainable aviation fuel "SAF and increase in the cost of carbon credits). As indicated in Note 2 "Sustainable development and climate" to the consolidated financial statements, the Group's environmental objectives have not led to the recognition of any impairment or acceleration of depreciation on its assets. We considered the valuation of those assets to be a key audit matter in light of their significant amount and of the high degree of judgment and estimates required by Management to determine their recoverable value.	We assessed the procedures and controls implemented by the Group to determine and review the useful lives of flight equipment assets and assessing their consistency with the Group's environmental objectives included in the Group's transition plan. Also, we assessed the procedures and controls implemented to identify indicators of impairment, and for the purpose of the impairment test, calculate the book value of non-current assets by CGU and determine their recoverable amount. We tested the key controls used by the Group in the design process of the assets' impairment test. Our work also included: • assessing whether the methodology used by Management complies with current accounting standards (IAS 36), including validating the CGU independence and consistency criteria as well as the frequency of impairment tests. • reconciling the book value of the non-current assets of each CGU with the accounting balances and the corresponding allocation. • corroborating the cash flow projections with the Management- 5-year plan, long-term growth rates, as well as long-term profit margin rates used. • assessing the consistency of discount rate calculation assumptions with external market information. • assessing the consistency of the assumptions with the Group's environmental objectives and the impacts related to expected or probable regulatory changes in terms of environment. • assessing the sensitivity scenarios retained by Management by verifying arithmetic accuracy of sensitivity calculations based on WACC, perpetual growth rate and long-term profitability. • verifying the calculation of the enterprise value performed by Management from Air France-KLM's market capitalization to corroborate the impairment test based on value in use. We also assessed the appropriateness of the disclosures provided in Notes 2, 17, 19 and 21 to the consolidated financial statements.

Recognition of deferred tax assets of the French tax group (Note 13 to the consolidated financial statements)

Risk identified	Our response
Deferred tax assets relating to tax loss carryforwards are only recognized if their recovery is probable. As of December 31, 2025, a net deferred tax asset amounting to €713 million is recognized in the consolidated balance sheet for the Group. The amount notably comprises €1025 million of deferred tax assets relating to tax loss carryforwards for the French tax consolidation group as presented in Note 13.4 "Variation in deferred tax recorded during the period" to the consolidated financial statements. These deferred tax assets are recognized based on their likelihood of recovery pursuant to the medium-term budgets and plans prepared by the Group, as well as the reversal of taxable temporary differences available. As presented in Note 13.1 "Income tax charge" to the consolidated financial statements, the recovery period for the deferred tax assets of the French tax consolidation group is five years. As of December 31, 2025, unrecognized deferred tax assets relating to tax loss carryforwards of the French tax consolidation group amounts to €2.7 billion as presented in Note 13.5 "Unrecognized deferred tax assets" to the consolidated financial statements. We identified the recognition of deferred tax assets related to French tax loss carryforwards as a key audit matter given their significant amount and the high degree of judgments and estimates made by the Group to assess the validity of the related deferred tax assets recognized.	Our procedures consisted in assessing the permanency and compliance of the Group's methodology with IAS 12 "Income tax" to identify the existing tax loss carryforwards that will be utilized, either through deferred tax liabilities or future taxable profits. We also assessed the likelihood of the Group making future use of the tax loss carryforwards generated to date by the French tax consolidation group, particularly with regards to: • The existing deferred tax liabilities in the same tax jurisdiction, against which deferred tax assets related to tax loss carryforwards could be offset and, • the French tax consolidation group's ability to generate future taxable profits in order to use prior-year tax losses recognized as deferred tax assets. To determine future taxable profits, we assessed the forecasting process by: • examining the procedure for preparing the latest taxable income forecasts used as a basis for estimates; • verifying tax regulations application and complex tax treatments; • comparing income forecasts for prior years with actual results; • assessing the consistency of the assumptions used by Management to prepare taxable income forecasts with those adopted for non-current assets impairment tests. We also assessed the appropriateness of the disclosures provided in the Note 13 to the consolidated financial statements.

Revenue recognition for issued but unused passenger tickets (Note 6 to the consolidated financial statements)

Risk identified	Our response
The passenger traffic revenue of the Network segment amounts to €24.1 billion. As shown in Note 6 “Information by activity and geographical area” to the consolidated financial statements, the revenue related to passenger transportation is recognized when the transportation service is provided and, consequently, passenger tickets recorded when issued as “Deferred revenue on ticket sales” for a liability amounting to €4.3 billion as at December 31, 2025. A portion of these sales, relating to tickets that have been issued but which will never be used, is recognized as revenue at the theoretical date of the transport, based on a statistical rate regularly updated. These rates are determined by the Air France–KLM Group based on historical data taken from the information systems and adjusted for non - recurring and specific events that could impact passenger behavior. We considered the recognition of deferred revenue on ticket sales to be a key audit matter due to the importance of the Group judgement in determining the recognition assumptions.	We assessed the procedures and controls implemented by the Group to determine the statistical rates of “Deferred revenue on ticket sales". Our procedures primarily consisted in: • assessing the appropriateness of the methodology adopted by the Group. • corroborating the databases used with the historical databases. • verifying the statistical rate calculation. • analyzing the ageing of deferred revenue on ticket sales presented in liabilities on the consolidated balance sheet to assess the appropriateness of the revenue recognized in the period.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group’s information given in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation N° 2019/815 of 17 Decembre 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Air France-KLM S.A. by the Annual General Meetings held on September 25, 2002 for KPMG S.A. and on May 25, 2022 for PricewaterhouseCoopers Audit.

As at December 31, 2025, KPMG S.A. was in the 24th year of total uninterrupted engagement and PricewaterhouseCoopers Audit was in the 4th year.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors

Paris La Défense, February 20, 2026

KPMG S.A.

Valérie Besson
Partner

Éric Dupré
Partner

Neuilly-sur-Seine, February 20, 2026

PricewaterhouseCoopers Audit

Philippe Vincent
Partner

Amélie Jeudi de Grissac
Partner

5.5 STATUTORY FINANCIAL STATEMENTS

5.5.1 INCOME STATEMENT

(in € millions)	Notes	**2025**	2024
Operating Income			
Production Sold (Services)		**5**	3
Net Revenue		**5**	3
Other Income		**79**	80
Total Operating Income	4	**84**	**83**
Operating Expenses			
Other Purchases and External Expenses[1]	5	**(53)**	(59)
Taxes, Duties, and Similar Payments		**(3)**	(2)
Wages	6	**(16)**	(14)
Social Security Contributions		**(7)**	(7)
Other Expenses		**(2)**	(2)
Depreciation and Amortization:		**–**	–
On Fixed Assets: Depreciation Expense		**–**	–
Provisions		**–**	–
Total Operating Expenses		**(81)**	**(84)**
NET OPERATING INCOME		**3**	**(1)**
Share of Profit on Joint Ventures:		**–**	–
Profit Attributed or Loss Transferred		**–**	**–**
Loss Incurred or Profit Transferred		**–**	**–**
Financial Income			
Investment Income[2]		**16**	–
Other Securities and Receivables from Fixed Assets[2]		**153**	160
Other Interest and Similar Income[2]		**16**	30
Net Gains on Sale of Marketable Securities and Treasury instruments		**13**	30
Total financial income		**198**	**220**
Financial expenses			
Depreciation, amortization, and provisions		**(4)**	(20)
Interest and similar expenses[3]		**(240)**	(209)
Negative exchange rate differences		**6**	(9)
Total financial expenses		**(238)**	**(238)**
NET FINANCIAL INCOME	7	**(40)**	**(18)**
EARNINGS BEFORE TAX AND NON-RECURRING ITEMS		**(37)**	**(19)**
Non-recurring income		**–**	**–**
Non-recurring expense		**–**	**(1)**
NET NON-RECURRING INCOME		**–**	**(1)**
Employee profit-sharing		**–**	–
Income tax	8	**167**	**116**
Total income		**282**	**303**
Total expense		**(319)**	**323**
PROFIT OR LOSS		**130**	**96**
[1] Including			
Equipment lease payments		**–**	–
Real estate lease payments		**–**	–
[2] Of which income relating to related entities		**83**	67
[3] Of which interest relating to related entities		**(15)**	–

5.5.2 BALANCE SHEET

Assets

	Notes	December 31, 2025 Gross	Depreciation	Net	December 31, 2024 Net
Intangible fixed assets					
Tangible fixed assets					
Other tangible fixed assets		3	1	**2**	1
Tangible fixed assets under construction, advances and down payments		–	–	**–**	–
Financial fixed assets [1]					
Equity investments		8,886	42	**8,844**	7,801
Receivables related to investments		1,854	4	**1,850**	2,152
Loans		30	–	**30**	34
Other financial long-term investments		2	–	**2**	2
Total Fixed assets	9	**10,775**	**(47)**	**10,728**	**9,991**
[1] Of which less than one year old		581		**581**	84
Inventories and work in progress		–	–	**–**	–
Receivables [2]					
Trade receivables and related accounts	14	53	–	**53**	48
Other receivables	14	226	–	**226**	139
Prepaid expenses		1	–	**1**	4
Marketable securities					
Treasury shares		–	–	**–**	–
Other securities	10	1,644	(355)	**1,289**	950
Cash and cash equivalents		681	–	**681**	652
Total Current assets		**2,605**	**(355)**	**2,250**	**1,793**
Issue costs		10	–	**10**	6
Bond redemption premium		9	–	**9**	7
Exchange differences and valuation differences - Assets		2	–	**2**	9
TOTAL ASSETS		**13,402**	**(402)**	**13,000**	**11,806**
[2] Of which less than of one year		280	–	**280**	191

Liabilities & equity

(in € millions)	Notes	**December 31, 2025**	December 31, 2024
Capital		**263**	263
Additional paid-in capital		**7,560**	7,560
Reserves			
Legal reserve		**70**	70
Regulated reserves		**1**	1
Retained earnings		**75**	(20)
Profit/(Loss) for the year		**130**	96
Total Equity	11	**8,099**	**7,970**
Other equity		**1,281**	1,078
Total Other equity	13	**1,281**	**1,078**
Provisions for liabilities		**3**	9
Provisions for expenses		**3**	3
Total Provisions	12	**6**	**12**
Financial debts	13	**2,633**	2,671
Other loans and financial debts[2]		**–**	–
Trade payables and related accounts	14	**37**	29
Tax and social debts	14	**20**	13
Liabilities on fixed assets and related accounts	14	**10**	30
Other liabilities	14	**900**	1
Deferred income		**–**	–
Total Liabilities[1]	14	**3,600**	**2,744**
Exchange differences and valuation differences - Liabilities		**14**	2
TOTAL LIABILITIES & EQUITY		**13,000**	**11,806**
[1] Of which are due within one year (excluding advances and down payments received on orders)		**1,041**	636
[2] Of which participating loans		**–**	–

5.5.3 NOTES

The following information constitutes the notes to the financial statements for the year ended December 31, 2025. It is an integral part of the financial statements.

Air France-KLM SA, a public limited company (société anonyme, SIREN n° 552 043 002) with registered office at 7, rue du Cirque, 75008 Paris, is the parent company of the Air France-KLM Group. It is listed for trading in Paris (Euronext) and Amsterdam (Euronext).

1. Change of accounting method

Air France-KLM has applied ANC Regulation No. 2022-06 on the modernization of financial statements, approved on December 30, 2023, amending the PCG and applicable starting January 1, 2025. The accounts closed on December 31, 2025 are prepared and presented in accordance with the provisions of this regulation. The accounts for the financial year ended December 31, 2024 have not been restated retrospectively in accordance with the new rules, but reclassifications and regroupings have been made in the comparative column '31-12-2024', between balance sheet or income statement lines, to comply with the new format of the financial statements.

Due to the elimination of the charge transfer technique as of January 1, 2025, transactions previously recognized under 'Operating income' are now recognized under 'Personnel expenses'. If this presentation had been applied in 2024, it would not have had a significant impact on the presentation of the income statement.

As of January 1, 2025, in accordance with Article 513-5 of the PCG, the definition of non-recurring income has changed. This change results in the reclassification of transactions previously recognized in non-recurring income to operating income. If this presentation had been applied in 2024, it would not have had a significant impact on the presentation of the income statement.

The balance sheet and income statement for the financial year ended December 31, 2024, as approved and published, are reproduced in Note 20.

ANC Regulation No. 2025-02, approved on July 31, 2025, amends the PCG and applies to the 2025 financial year. It introduces provisions relating to the exceptional contribution on profits and the tax on capital reductions through share cancellations introduced by the Finance Act for 2025 (Articles 48 and 95 of Act No. 2025-127 of February 14, 2025).

The exceptional contribution on profits is recorded according to the same rules as the income tax for the financial year in question. No impact on the entity for 2025.

2. Accounting policies and procedures

Generally accepted accounting policies have been applied, consistent with the prudence principle and in accordance with the legal and regulatory provisions applicable in France and to the base assumptions whose aim is to provide a true and faithful representation of the company:

- going concern;
- consistent accounting methods from year to year;
- independence of financial periods;
- and in accordance with the general rules for establishing and presenting annual financial statements.

The basic method used to value items recorded in the financial statements is the historical cost method.

No significant reclassifications were noted during the financial year.

Value in use of its equity investments

In the current context, the Company has paid particular attention to the value in use of its equity investments.

The main accounting methods used are the following:

- Long-term investments

  Investments in equity securities are presented on the balance sheet at their acquisition cost net of impairment, if any. A provision for impairment is recorded as soon as the fair value, which corresponds to the value in use, falls below the acquisition value. The fair value of securities is determined by taking into account the share of shareholders' equity, the outlook for profitability and the stock market values that can be used as a reference.

  Transfer taxes, fees or commissions and legal fees related to the acquisition of securities are expensed, according to the option offered by the regulations.

  Treasury shares not allocated to employees or to a capital decrease are booked in long-term investments. They are shown at the lower of their acquisition cost or fair value. The fair value is determined based on the average market price for the last month of the financial year. Impairment tests on future cash flows have been performed, based on assumptions that are identical to those of the consolidated financial statements.
- Trade receivables

  Trade receivables are valued at their nominal value. They are valued on a case-by-case basis and a provision is set up as required based on the assessed risks.

- Provisions

  The Company recognizes a provision when there is a legal or constructive obligation to a third party that will result in an outflow of resources and can be reliably estimated. The amounts recognized as provisions take into account the timing of disbursements and are discounted where appropriate. The effect of the passage of time is recognized in financial income or expense.

- Marketable securities

  Marketable securities are shown on the balance sheet at the lower of their acquisition cost and their market value. In the case of listed shares, this market value is determined based on the market price at the end of the financial year.

  Treasury shares invested as part of a liquidity agreement are valued at the lower of their acquisition price and fair value. The fair value is determined based on the last month average market price at the end of the financial year.

  Negotiable debt securities (certificates of deposits, and bills issued by financial companies) are booked at their acquisition cost. Interest is booked as financial income, on a prorata temporis basis.

- Foreign currency transactions

  Operating expense and income transactions in foreign currencies are recognized at the average exchange rate for each relevant month by approximating the rate on the day of the transaction.

  Trade payable and receivable in foreign currencies are valued at the exchange rate in effect at end year closing.

  Unrealized losses and gains are recognized as assets and liabilities on the balance sheet. Provisions are established for unrealized losses, except for the following cases:

  - transactions where the currency and the term contribute to an overall positive currency position; and
  - currency hedging contracts concerning the payment of future investment deliveries.

- Debts

  Debts are valued at their nominal amount. The debt in foreign currency is valued at the closing rate euro/dollar.

- Financial instruments

  Financial derivative instruments are used to reduce exposure to interest rates risk and to foreign exchange. They are over the counter instruments with first class counterpart. Group management policy bans subscription of trading instruments.

- Dividends received

  Dividends are recognized as income – when they are approved by the competent bodies in the companies (i.e.: the Board of Directors or the General Shareholders' Meeting depending on the local regulations) – or according to the terms of the bylaws.

3. Significant events

3.1. Significant events occurring during the period

Issue of €500 million of hybrid bonds

Air France-KLM has placed €500 million of hybrid bonds on 15 May 2025, with a fixed annual coupon of 5.75% (yield of 5.875%) until the first reset date, on August 21, 2030.

Extension of revolving credit facilities ("RCF") linked to ESG KPIs

Air France-KLM and Air France:

Air France-KLM and Air France, combined borrowers, signed in April 2023 a €1.2 billion Sustainability-Linked RCF. This facility included an accordion increase option executed during the first quarter of 2024 for an amount of €90 million bringing the amount available to around €1.3 billion.

The RCF also had an initial maturity in 2026 and two one-year extension options. In April 2024, Air France and Air France-KLM executed the extension option for one year, extending to a 2027 maturity.

Finally and as of July 18, 2024 a new amendment had been signed for Air France-KLM and Air France credit facility involving:

- an extension of the maturity to July 2028 associated with a one-year extension option;
- an increase of the facility from €1,290 million to €1,405 million.

This last extension option was exercised in June 2025, bringing the maturity date to 2029.

Process for acquiring a majority stake in SAS

Air France-KLM Group initiated proceedings to take a majority stake in SAS. The Group currently holds a 19,9% stake in the Scandinavian carrier and since the summer of 2024, it has implemented a commercial cooperation between SAS, Air France and KLM in the form of extended codeshare and interline agreements, further strengthened by SAS joining the SkyTeam alliance.

Provided all the necessary conditions are met, Air France-KLM would fully acquire the stakes held by Castlelake and Lind Invest, bringing its own stake to 60.5%. The Danish State would retain its 26.4% stake in SAS and its seats on the Board of Directors.

Subject to the obtaining of all the necessary regulatory clearances and satisfaction of all conditions precedents, the ambition is to close in the second half of 2026.

The acquisition of this majority stake would give Air France-KLM control of SAS, which would become a subsidiary of the Air France-KLM Group.

The Group would hold the majority of seats on the airline's Board of Directors.

Air France-KLM and SAS remain for now commercial competitors.

Implementation of a Liquidity Contract

Air France-KLM implemented as of August 1, 2025 a liquidity contract on its own ordinary shares with an initial term of 12 months and renewed automatically for successive 12-month periods.

The purpose of this agreement is for Rothschild Martin Maurel to act as a market maker for Air France-KLM shares on the regulated market of Euronext Paris to promote the liquidity of transactions and the regularity of the listing of Air France-KLM shares.

To implement this contract, €10 million have been allocated to the liquidity account.

Issuance of €500 million of bonds

Air France-KLM has placed €500 million of senior unsecured bonds on August 28, 2025, with a maturity of 5 years and a coupon of 3.75% (yield of 3.866%) under its EMTN program.

The cash inflow occurred on September 4, 2025.

Redemption of the 2022 last-rank indefinite subordinated bond convertible into new shares and/or existing shares for a nominal amount of €305 million

On October 15, Air France–KLM Group notified the holders of last-rank indefinite subordinated bond convertible into new shares and/or existing shares its intention to redeem all of the outstanding hybrid Bonds from the First Hard Call Date at a price per hybrid Bonds equal to par (€100,000) plus accrued interest of 1,625 euro.

The payment occurred on Monday 24 November 2025 for a nominal value of €305 million to which were added €4,9 millions of accrued interest.

Acquisition of a 2.3% Stake in the Capital of Airline WestJet

On October 22, 2025, Air France-KLM finalized the acquisition of a 2.3% stake in the capital of Canadian airline WestJet for a total amount of $49 million. This transaction, initially announced on May 9, 2025, remained subject to certain approvals.

Air France-KLM purchased this stake from its joint venture partner Delta Air Lines, which acquired a minority stake of 15% in WestJet as part of a separate transaction also finalized on October 22 (which also included Korean Air's acquisition of a 10% stake in WestJet).

The stakes acquired by the three airlines thus represent a total of 25% of WestJet's capital (with 12.7% for Delta Air Lines, 10% for Korean Air, and 2.3% for Air France-KLM), sold by funds and co-investors affiliated with Onex Partners.

3.2 Subsequent events

Issuance of €650 million of bonds within the EMTN program

Air France-KLM has placed €650 million of senior unsecured bonds on January 8, 2026, with a maturity of 5 years and a fixed annual coupon of 3.875% (yield of 4.033%) under its EMTN program.

4. Operating income

(in € millions)	**2025**	2024
Management fees	**56**	55
Of which: Air France	**31**	34
Of which: KLM	**24**	21
Of which Flying Blue Miles	**1**	—
Royalties	**23**	23
Of which: Air France	**14**	14
Of which: KLM	**9**	9
Other operative income	**5**	4
TOTAL	**84**	82

5. External expenses

(in € millions)	**2025**	2024
Fees and surveys	**18**	24
Insurance	**2**	2
Sub-Contracting and rent re-invoiced by Air France and KLM	**27**	27
Financial communication	**1**	1
Other	**5**	5
TOTAL	**53**	59

Subcontracting expenses include expenses relating to the provision of Air France and KLM personnel.. During the financial year 2025, the teams assigned to Air France-KLM holding company represent 97.7 Full Time Equivalent seconded from Air France and 21.3 full-time equivalent seconded from KLM.

6. Compensation of company's corporate officers

For the 2025 financial year, the company's workforce is classified as follows:

Average number of employees during the year	**2025**
Workers	**–**
Employees, technicians, supervisors	**–**
Managers and engineers	**35.3**
TOTAL	**35.3**

The remuneration recorded as period expenses for the Chief Executive Officer amounts to €4.25 million in 2025 compared to €3.47 million in 2024. The compensation of the non-executives Chairwomen of the Board of Directors amounts to €0.35 million in 2025.

7. Net financial income

The Net financial Income section regroups interest paid or received, currency losses and gains, and allocations and reversal of financial provisions. The breakdown is as follows.

(in € millions)	Notes	2025	2024
Interest on loans & other financial expenses		**(240)**	(209)
Including interest on bonds	13.2	**(135)**	(133)
Including interest on perpetual subordinated securities	13.1	**(90)**	(75)
Including current account interest within the group		**(15)**	–
Including other		**–**	(1)
Dividends		**16**	**–**
Interest on loans		**142**	**143**
Including related companies		**142**	143
Other financial income		**40**	**77**
Including related companies		**–**	–
Including income from financial investments		**40**	77
Provisions movements		**2**	**(29)**
Including other provisions movements		**4**	(12)
Including provisions movement on Air France-KLM Finance securities		**(2)**	(17)
TOTAL		**(40)**	**(18)**

8. Income tax

Air France-KLM has benefited from the tax consolidation regime since April 1, 2002. The scope of tax consolidation, of which it is the parent company, primarily includes Air France, HOP!, and Transavia France. The tax consolidation agreement is based on the neutrality method and places each company within the tax group in the position it would have been in had it not been consolidated.

As of the end of 2025, Air France-KLM has a tax loss carryforward of €1,057 million. The Group's tax losses, which can be carried forward indefinitely, amount to €14,213 million.

Income tax

(in € millions)	2025	2024
Income tax received from consolidated subsidiaries	**238**	118
Income tax of the tax group	**(68)**	–
Other [1]	**(3)**	(2)
TOTAL	**167**	**116**

[1] Loss of charitable donation tax credit

At the end of 2025, Air France-KLM has a stock of tax credits amounting to 17 million euros.

Tax credit

(in € millions)	2025
Charitable donation tax credit	**8**
Research tax credit	**9**
Family tax credit	**–**
TOTAL	**17**

9. Table of fixed assets, amortization and depreciation

Schedule of Fixed Assets - General Framework

(in € millions)	Gross amount at the beginning of the fiscal year	Allocation	Reversal	Gross amount at the end of the financial year
Intangible fixed assets	**–**	**–**	**–**	**–**
Tangible fixed assets	**2**	**1**	**–**	**3**
Other tangible fixed assets	2	1	–	3
Financial fixed assets	**10,033**	**1,051**	**312**	**10,772**
Equity investments	7,841	1,045	–	8,886
Loans & receivables related to long term investment	2,156	6	308	1,854
Loans	34	–	4	30
Other financial long-term investments	2	–	–	2
TOTAL	**10,035**	**1,052**	**312**	**10,775**

Depreciation Schedule - General Framework

Sections and movements	Duration of use	Depreciation method	Accumulated depreciation at the beginning of the fiscal year	Increases: Allocations for the fiscal year	Decreases	Accumulated depreciation at the end of the fiscal year
Intangible assets						
Tangible assets						
Other tangible assets	3 to 10 years	Straight-line	1	–		1
Financial assets						

Depreciation Schedule

(in € millions)	Depreciation at the beginning of the fiscal year	Increases: allocations for the financial year	Decreases: resumption of the exercise	Depreciation at year-end
Intangible Assets	–	–	–	–
Tangible Assets	1	–	–	1
Financial Assets	–	–	–	–
Investments	40	2	–	42
Receivables Related to Investments	4	–	–	4
Inventories and Work in Progress	–	–	–	–
Receivables	–	–	–	–
TOTAL	**45**	**2**	**–**	**47**

10. Marketable securities

(in € millions)	**December 31, 2025**	December 31, 2024
GROSS VALUE		
Mutual funds, certificates of deposit & marketable term notes[1]	1,289	950
Securities Compagnia Aerea Italiana	355	355
Total Gross value	**1,644**	**1,305**
DEPRECIATION		
Securities Compagnia Aerea Italiana	(355)	(355)
Total Depreciation	**(355)**	**(355)**
NET TOTAL	**1,289**	**950**

(1) All marketable securities are less than three months.

The net carrying amount for the marketable securities, mutual funds and certificates of deposit is the market value at closing date.

11. Shareholders' equity

11.1. Distribution of share capital and voting rights

The issued capital comprises 262,769,869 fully paid-up shares with a nominal value of one euro. Each share is entitled to one voting right. However, since April 3, 2016, any shareholder who has been owning registered shares for more than two years is entitled to double voting rights. The distribution is as follows:

	In number of shares		As a percentage of the capital		As a percentage of voting rights	
As of December 31, 2025	**2025**	2024	**2025**	2024	**2025**	2024
French State	**73,520,630**	73,520,630	**28.0**	28.0	**28.9**	27.5
Dutch State	**24,000,000**	24,000,000	**9.1**	9.1	**12.8**	13.3
CMA CGM	**23,134,825**	23,134,825	**8.8**	8.8	**12.3**	12.8
China Eastern Airlines	**12,023,544**	12,023,544	**4.6**	4.6	**6.4**	6.7
Employees and former employees	**7,797,528**	8,101,493	**3.0**	3.1	**4.2**	3.0
Delta Air Lines	**7,340,118**	7,340,118	**2.8**	2.8	**3.9**	4.1
SPAAK (1)	**2,241,065**	2,241,065	**0.9**	0.9	**1.2**	1.2
Shares held by the group	**148,204**	111,642	**–**	–	**–**	–
Public	**112,563,955**	112,296,552	**42.8**	42.7	**30.3**	31.4
TOTAL	**262,769,869**	**262,769,869**	**100**	**100**	**100**	**100**

(1) Stichting Piloten Aandelen Air France-KLM.

The line "Employees and former employees" includes the shares held by employees and former employees identified in the "Fonds communs de placement d'entreprise" (FCPE). As of December 31, 2025, all securities have been issued and paid up.

11.2. Statement of changes in shareholders' equity

(in € millions)	Capital	Additional paid-in capital	Reserves	Earnings for the year	Shareholders' equity
As of December 31, 2023	**263**	**7,560**	**(76)**	**130**	**7,876**
Allocation of earnings	–	–	130	(130)	–
Change of method [1]	–	–	(3)		(3)
Earnings for the period	–	–	–	96	96
As of December 31, 2024	**263**	**7,560**	**51**	**96**	**7,969**
Allocation of earnings	–	–	96	(96)	–
Earnings for the period	–	–	–	130	130
As of December 31, 2025	**263**	**7,560**	**147**	**130**	**8,099**

(1) Following a change in accounting method during the year, the Company's retained earnings were reduced by €3 million as a result of the recognition of provisions for pension obligations existing at the start of the year.

12. Provisions for risks and charges

(in € millions)	Beginning of year	Allocation	Reversal Used	Reversal Unused	End of Year
Provisions for risks	9	3	9	–	3
Provisions for expenses	3	–	–	–	3
Including pension provisions	3	–	–	–	3
TOTAL	**12**	**3**	**9**	**–**	**6**

Provision for risks

This refers to the unrealized exchange loss.

Provision for expenses

Retirement commitments and similar benefits

The Company's commitments for severance payments are determined using the projected credit unit method, taking into account legislative changes impacting the retirement age. For defined benefit plans that meet the following three conditions:

- the final acquisition of benefits is conditional upon being employed by the company at the time of retirement;
- the amount of benefits depends on seniority;
- the amount of benefits is capped at a certain number of consecutive years of service with the company.

Provisions must be established on a straight-line basis over the last years of the employee's career that resulted in the acquisition of new rights.

Gains and losses resulting from changes in actuarial assumptions are recognized immediately in profit or loss.

13. Financial debt and other equity

(in € millions)	Notes	**December 31, 2025**	December 31, 2024
OTHER EQUITY			
Perpetual subordinated loan	13.1	**1,228**	1,033
Interest on Perpetual subordinated loan	13.1	**53**	45
Total Other equity		**1,281**	**1,078**
NON-CURRENT FINANCIAL DEBT			
Bonds	13.2	**1,650**	2,078
Total non-current debt		**1,650**	**2,078**
CURRENT FINANCIAL DEBT			
Bonds	13.2	**905**	515
Accrued interest		**78**	78
Total current debt		**983**	**593**
Total financial debt		**2,633**	**2,671**
TOTAL FINANCIAL DEBT AND OTHER EQUITY		**3,914**	**3,749**

13.1. Perpetual subordinated loan

Perpetual loan with the French State

The €3 billion direct loan granted by the French State to Air France via Air France-KLM at the end of May 2020, converted on April 20, 2021 into a Perpetual subordinated notes of the same nominal amount, consisting of three perpetual tranches with a nominal amount of €1 billion each, has been totally repaid. The tranches with a first call option at four and five years were redeemed in full. The tranche with a first redemption option at six years has been partially repaid in the amount of €405 million in 2022 and fully repaid in the amount of €595 million in 2023. The financial operations from the beginning were as follows:

The subordinated shareholder loan ("ACC"), initially granted by the French State to Air France-KLM, had the following main characteristics:

A total amount of €3 billion; a four-year term, with two consecutive one-year extension options exercisable by Air France-KLM; a coupon payable annually or capitalizable at Air France-KLM's option at a rate equal to 12-month EURIBOR (zero rate) plus a margin of 7% for the first four years, 7.5% for the fifth and 7.75% for the sixth.

On April 20, 2021, the French State subscribed to €3 billion of Subordinated Notes (TSS 2021) by way of set-off against the shareholder Loan Receivable ("ACC").

On June 16, 2022, the TSS 2021 was partially repaid in the amount of €1,630 billion following a capital increase.

On July 29, 2022, the TSS 2021 was partially repaid for an amount of €487 million following a refinancing of the maintenance spare parts inventory.

On December 9, 2022, the TSS 2021 was partially repaid in the amount of €287 million following the issue of hybrid convertible bonds ("HCB"). At the closing 2022, the outstanding amount of the TSS was €595 million.

On March 17, 2023, the TSS 2021 was partially repaid in the amount of €300 million following the issuance of a first tranche of a new subordinated notes (TSS 2023) qualified as compensatory aid for Air France for the damage suffered as a result of Covid-19 between March 17 and June 30, 2020. These new €320 million unconstrained subordinated notes carry similar financial conditions to those redeemed on the same day, with a deferred call date and interest rate increase of a further two years (i.e. March 2029).

On April 19, 2023, the TSS 2021 was fully repaid in the amount of €295 million following the issuance of the second tranche of the new subordinated notes (TSS 2023) issued for an amount of €407 million.

At the closing 2025, the outstanding amount of the TSS 2023 was €728 million.

Deeply subordinated undated bonds convertible into new shares and/or exchangeable for existing shares

On November 23, 2022, Air France-KLM launches an offering of deeply subordinated undated bonds convertible into new shares and/or exchangeable for existing shares for a nominal amount of €305 million (HCB) within the limits of a maximum number of 200 million underlying shares. The offering has been conducted by way of a placement to qualified investors only. Net Proceeds of the offering were fully allocated to the repayment of the perpetual bonds held by the French State, issued in April 2021.

As of November 23, 2025, all of these bonds have been repaid.

Hybrid bonds

On May 15, 2025, Air France-KLM successfully issued €500 million of hybrid bonds with a fixed annual coupon of 5.75% (yield of 5.875%) until the first reset date (the "Hybrid Bonds"). These perpetual, subordinated, senior-ranking Hybrid Bonds will be rated BB by Fitch and B+ by S&P, and will be recognized as equity at 50% by both rating agencies. The net proceeds from the Hybrid Bond issuance will be used for the Company's general financing needs, including the potential refinancing of existing subordinated instruments within the Group. At the close of 2025, the outstanding amount of these Hybrid Bonds will be €500 million.

13.2. Bonds

Bond	Issuing date	Amount issued (in millions)	Closing outstanding in euros (in millions)	Maturity date	Coupon
$ Bond issued in 2016 (1)	15 Dec 2016	$ 145	€123	15 Dec 2026	4.350%
€ Bond in 2020	16 Jan 2020	€ 750	-	16 Jan 2025	1.875%
€ Bond in 2021	01 Jul 2021	€ 500	€282	01 Jul 2026	3.875%
€ Bond in 2023	16 Jan 2023	€ 500	€500	31 May 2026	7.250%
€ Bond in 2023	16 Jan 2023	€ 500	€500	31 May 2028	8.125%
€ Bond in 2024	23 May 2024	€ 650	€650	23 May 2029	4.625%
€ Bond in 2025	4 Sep 2025	€ 500	€500	4 Sep 2030	3.750%
TOTAL			**€2,555**		
Of which current			€905		
Of which non-current			€1,650		

(1) Issuance bonds with Asian institutional investors by way of unlisted private placement.

On December 15, 2016, Air France-KLM issued fully-hedged US$145 million senior notes by way of unlisted private placement to Asian institutional investors. Maturity is December 15, 2026 and annual coupon arises 4.35%. This loan is the object of a complete cover (see Note 17.).

On January 16, 2020, Air France-KLM issued a five-year, €750 million bond. The coupon is 1.875%. A partial redemption of the bonds was carried out on May 24, 2024 for €234.8 million. On January 16 2025, the outstanding balance has been repaid in full.

On July 1, 2021, Air France-KLM issued an €800 million bond in two tranches, the first of €300 million with a three-year maturity and a coupon of 3%, and the second of €500 million with a 5-year maturity and a coupon of 3.875%. Of the €500 million tranche, €217.9 million were partially redeemed on May 24, 2024. At December 31, 2024, the outstanding bond to be repaid are €282.1 million on this tranche. On July 01, 2024, the €300 million tranche was fully reimbursed.

On January 16, 2023, Air France-KLM issued an €1 billion bond in two tranches, the first of €500 million with a 3.5-year maturity and a coupon of 7.25%, and the second of €500 million with a 5.5-year maturity and a coupon of 8.125%.

On May 23, 2024 Air France-KLM has made the issuance of new notes for a total principal amount of €650 million with a five-year maturity and bearing coupon at an annual rate of 4.265% under its Euro Medium Term Notes Program.

On September 4, 2025, Air France-KLM issued a €500 million bond with a five-year maturity bearing interest at a rate of 3.750% per annum under its Euro Medium Term Notes program.

14. Maturity of receivables and debt

Statement of receivables due dates at the end of the financial year	As of December 31, 2025		
(in € millions)	Gross amount	Deadline: one year at most	Deadline in more than a year
Fixed asset receivables			
Receivables related to equity securities	1,854	622	1,262
Loans	30		30
Current asset receivables			
Accounts receivable and related accounts	53	53	–
Other receivables (including receivables from the Treasury)	226	226	–
Prepaid expenses	1	1	–
TOTAL	**2,164**	**902**	**1,262**

Statement of Debt Maturities at Year-End	As of December 31, 2025		
(in € millions)	Gross amount	Deadline: one year at most	Deadline in more than a year
Loans and Similar debts	2,633	78	2,555
Accounts Payable and Related Accounts	37	37	–
Tax and Social Security Liabilities	20	20	–
Liabilities on Fixed Assets and Related Accounts (1)	10	10	–
Other Liabilities (2)	900	900	–
TOTAL	**3,600**	**1,045**	**2,555**

(1) Debts on fixed assets and related accounts consist solely of outstanding capital payments for Air France-KLM subsidiaries.
(2) The other debts correspond entirely to the cash pooling agreement signed with Flying Blue Miles.

15. List of subsidiaries and equity investments

As of December 31, 2025			Book value of securities held						
(in € millions)	Equity	Share of capital held (in %)	Gross	Net	Net amount of loans and advances granted	Amount of commitments made	Revenue excluding VAT for the last financial year	Results of the last completed financial year	Dividends received during the fiscal year
Information concerning subsidiaries (over 50% of the share capital held by the company)									
Air France	1,291	100 %	7,492	7,492	1,728	23	18,274	857	–
KLM	1,192	99,7 %	824	824	–	–	11,798	283	16
Air France-KLM Finance	6	100 %	52	10	35	–	–	(2)	–
Transavia Company	4	100 %	4	4	–	89	5	–	–
Flying Blue Miles	502	98 %	356	356	–	–	887	106	–
BlueTeam XII	58	100 %	57	57	–	–	–	–	–
Air France KLM International Mobility			–	–	–	–			–
Bigblank			–	–	4	–			–
BlueTeam V			–	–	–	–			–
BlueTeam VIII			–	–	6	–			
BlueTeam XIV			–	–	–	–			–
Total subsidiaries			**8,785**	**8,743**	**1,773**	**112**			**16**
Information concerning investments (over 10% to 50% of the share capital held by the company)									
SAS			101	101	–	–			–
Total investments			**101**	**101**	**–**	**–**			**–**
TOTAL SUBSIDIARIES AND INVESTMENTS			**8,886**	**8,844**	**1,773**	**112**			**16**

16. Items concerning related companies

As of December 31, 2025

(in € millions)			Amount
Trade receivables & related accounts related to long term investment	Of which:	Air France	1,728
		KLM	–
		Air France-KLM Finance	35
		SAS	34
		BlueTeam VIII	6
Trade receivables & related accounts	Of which:	Air France	–
		KLM	21
		Bigblank	1
Other receivables	Of which:	Air France	150
		KLM	–
		Flying Blue Miles	3
		Blue Link International	2
		ACAM	11
		Air France Brand House	29
Trade payable and related accounts	Of which:	Air France	6
		KLM	9
Other payables	Of which:	Air France- tax consolidation current account	–
		Other members of the tax group	–
		Unpaid instalments on equity - BlueTeam XII	10

17. Commitments

KLM shares

During the business combination of the Air France and KLM groups, the Dutch government undertook to reduce its stake in KLM proportionally to any reduction by the French government of its stake in Air France-KLM's capital. To this end, the Dutch government had to sell its cumulative preferred shares to Air France-KLM or to a Dutch foundation in the name of and on behalf of Air France-KLM, if the transfer had occurred during the first three years following the business combination.

In the latter case, the foundation would have issue, to the benefit of Air France-KLM, share certificates corresponding to the cumulative A preferred shares transferred to the foundation. These share certificates would have conferred to Air France-KLM all of the economic rights attached to the said shares, the voting rights attached to the said shares being exercised by the foundation until Air France exchanges the share certificates against the said shares.

At the end of the initial three-year period, Air France-KM had the option to exchange the share certificates against the cumulative A preferred shares, which it could hold directly. As Air France-KLM decided in 2007 to maintain SAK I and SAK II foundations, Air France-KLM did not carry out this exchange. Furthermore, Air France-KLM can decide to dissolute the foundations at any time and at its sole discretion.

Moreover, the Dutch government has the right to sell to Air France-KLM at any time as many cumulative A preferred shares as it wants.

After the sale of 5,103,885 shares to Air France-KLM in April 2005 for €11.6 million, the acquisition price of the 3,708,615 cumulative A preferred shares still held by the Dutch government amounts to €8.4 million (i.e. a unit price of €2.27 per cumulative A preferred share, which has to be paid pro rata during any sale or transfer under the conditions above).

Hedges

The December 15, 2016, $145 million bond (see Note 13.2. "Bonds") is fully hedged by a cross currency swap. As of December 31, 2025, the fair value of this derivative instrument is €(13) million.

Strengthened Stake in SAS AB

Air France-KLM has begun a process aimed at taking a majority stake in the capital of SAS. The Group currently holds 19.9% of the Scandinavian airline's capital and, in the summer of 2024, initiated a commercial cooperation between Air France, KLM, and SAS, based on expanded code-sharing and interline marketing agreements. This cooperation has been strengthened by SAS joining the SkyTeam alliance.

Subject to the fulfillment of all required conditions, Air France-KLM would proceed to acquire all shares held by Castlelake and Lind Invest, thus increasing its own stake in SAS to 60.5%. The Danish State would retain its 26.4% stake as well as its seats on the Board of Directors (see Note 3.1 "Significant events occurring during the period").

Other

Since January 2009, Air France-KLM has acted as a guarantor for Air France company within the framework of its commitments to Aéroport de Paris in respect of civil leases. This guarantee has been renewed in July 2014, in September 2019 and more recently on September 27, 2024 for a period of five years. The guarantee is now expressly limited to €23 million (and, cumulatively, at a maximum of 3 months' rent per contract).

Air France-KLM guarantees the payment by Transavia Holland to a lessor, of outstanding operational leases until 2028 for an amount of $104 million at December 31, 2025.

18. Litigation

Litigation concerning anti-trust laws in the air-freight industry

Air France, KLM and Martinair, a wholly-owned subsidiary of KLM since January 1, 2009, have been involved, since February 2006, with up to twenty-five other airlines in investigations initiated by some antitrust authorities around the world, with respect to allegations of anti-competitive agreements or concerted actions in the air freight industry.

As of December 31, 2021, most of these investigations had been terminated following the entry into plea agreements between the three companies of the Group and the appropriate competition authorities, providing for the payment of settlement amounts or fines, with the exception of the proceeding initiated by the European Commission which is still pending.

In Europe, the decision of the European Commission of 2010 against eleven air cargo carriers, including the companies of the Group, Air France, KLM and Martinair, was annulled by the General Court of the European Union on December 16, 2015 because it contained a contradiction regarding the exact scope of the practices sanctioned. On March 17, 2017, the European Commission issued a new decision against the aforementioned cargo carriers, including Air France, KLM and Martinair. The total amount of fines imposed in respect of this decision at the Air France-KLM Group level was €339 million. This amount was slightly reduced by €15.4 million as compared to the initial decision owing to a lower fine for Martinair due to technical reasons. On May 29 and 30, 2017, the Group companies filed an appeal against this decision before the General Court of the European Union. The hearings before the General Court took place on June and July 2019.

The General Court decision in March 2022 confirmed the fines against Air France-KLM Group companies. The Group companies lodged appeals to the European Union Court of Justice and hearings were held before the European Court of Justice in 2024. In its opinion on September 2024, the Advocate General proposed to the court to dismiss the appeals. Final judgment of the European Court of Justice will be rendered on February 26, 2026. As of December 31, 2025, the Group has maintained a provision of €366 million covering the total amount of these fines (and including interests).

19. Contingent liabilities

The Group is involved in governmental, judicial and arbitration procedures for which in some cases provisions have not been recorded in the financial statements in accordance with the applicable accounting rules.

Indeed, at this stage in these procedures, the Group is not in a position to give a reliable financial estimate of the potential loss that could be incurred in connection with these disputes.

Moreover, the Group believes that any additional disclosed information could be harmful to our legal position procedures.

Litigations concerning anti-trust laws in the air-freight industry

Following the initiation of various investigations by the competition authorities in February 2006 and the European Commission decision in 2010, several collective and individual actions were brought by forwarders and air-freight shippers in the civil courts against Air France, KLM and Martinair, and other cargo operators, in a number of civil jurisdictions.

Under these civil lawsuits, shippers and freight forwarders are claiming for damages to compensate alleged higher prices due to alleged competition law infringement.

For Air France, KLM and Martinair, certain civil claims are still pending in the Netherlands and in Norway. The Group companies and the other airlines involved in these lawsuits continue to vigorously oppose these civil claims.

Litigations on State Aid

In 2020, the implementation of the measures to reinforce the Group's liquidity (i.e. (i) a loan guaranteed by the French State (PGE) in the amount of €4 billion and a €3 billion loan from the French State, as well as (ii) a revolving credit facility of €2.4 billion guaranteed by the Dutch State and a €1 billion loan from the Dutch State), were approved by the European Commission under the Covid-19 State Aid rules (decisions respectively of May 4, 2020 and July 13, 2020), this latter decision having been replaced, after annulment for failure to state reasons, by a decision dated July 16, 2021).

On April 6, 2021, the Group announced the first part of its overall recapitalization plan. Certain measures in this plan contained State Aid (so-called "Covid-19 recapitalization" program) which were accordingly notified by the French authorities to the European Commission, the latter approving them in its decision of April 5, 2021. This decision made the approval of the measures subject to a number of commitments undertaken by the French State and leading notably to the allocation by Air France of landing and take-off slots to a designated third-party carrier at Orly airport.

Like most of the decisions with respect to airlines receiving Covid-19 State Aid, the European Commission's decisions granting support measures to Air France and KLM have been subject to annulment proceedings brought by Ryanair. On December 20, 2023 and February 7, 2024, the General Court of the European Union annulled the decisions of the European Commission mentioned above. These annulments were made solely on the grounds of an incorrect determination of the beneficiary of these aids, which, according to the judgment of the Tribunal, should have been the Group. Air France-KLM, Air France, KLM, and the European commission have lodged appeals for annulment before the Court of Justice of the European Union against the Tribunal's rulings. The Court of Justice of the European Union has yet to rule on these appeals.

Uncertainty remains as to the legal and financial consequences of cancelling the decisions approving State Aid until a final ruling is obtained from the courts of the Union.

It should be noted that, in the course of 2022 and 2023 and pursuant to the applicable legal framework, the Group repaid in full the aforementioned Covid-19 liquidity including the recapitalization State aid, which were subject to the aforementioned commitments and constraints (commitments, behavioral measures, application of interest). As a result, the Air France-KLM holding company, Air France and KLM are therefore fully released, since April 2023, from the aforementioned undertakings and constraints which had been linked to this Covid-19 recapitalization aid.

The European Commission, re-approved on July 10, 2024, the Group's liquidity support measures in a single decision, addressed to the French and Dutch States, confirming their compatibility with Union law. This decision was challenged again before the General Court of the European Union by Ryanair on April 14, 2025. Air France-KLM, Air France and KLM intervened, alongside the French and Dutch governments, in support of the European Commission's defense. The Court of Justice of the European Union has yet to rule on this appeal.

Moreover, as it has done in similar cases, the European Commission may also decide, if necessary, to initiate a formal examination procedure on the recapitalization measures, during which the Group will defend its interests to the best of its ability.

In January 2025, the Group was informed that Ryanair had filed an appeal before the Paris Administrative Court against the French State following the aforementioned 2023 and 2024 annulment rulings of the General Court of the European Union. Ryanair's request seeks to compel the State to recover any advantage granted by the State that is alleged to have not yet been reimbursed, along with illegality interest. On July 3, 2025, Air France-KLM and Air France joined as parties to defend this action with the French State. They oppose any recovery, especially given that the States complied with the rules by notifying the aid and implementing it following the Commission's approval. The proceeding is ongoing.

In April 2025, the Group was also informed of similar proceedings brought by Ryanair against the Dutch authorities concerning the decision on aid granted to KLM in 2020. The Dutch Ministry of Finance dismissed this appeal, which is now being contested before the Administrative Court of The Hague. The proceeding is ongoing.

In view of the aforementioned new approval in July 2024 as regards the liquidity aid, these appeals could give rise only to the payment of so-called "illegality interest" for the period between the granting of this aid and its new approval in July 2024 (the principal amount of liquidity aid no longer being subject to any recovery), subject to the outcome of a forthcoming judgment of the General Court of the European Union on Ryanair's new appeal of April 2025 against this July 2024 decision. In respect of recapitalization measures, a recovery of an amount to be determined could be added to the amounts already reimbursed.

If the Court of Justice of the European Union were to annul the aforementioned rulings of the General Court of the European Union, Ryanair's appeal would become moot.

Except as indicated in 18. and 19., the Company is not aware of any litigation, governmental, legal or arbitration proceedings (including any proceedings of which the issuer is aware, which are pending or which it is threatened with) which may have or have recently had a material effect on the Company's financial position, results of operations, assets or profitability, for a period covering at least the last twelve months.

20. 2024 Primary financial statements

20.1. Profit and Loss Statement

(in € millions)	Year ending December 31, 2024
Operating income	**83**
External expenses	(59)
Salaries and related costs	(23)
Other operating expenses	(2)
Operating expenses	**(84)**
Net operating income	**(1)**
Financial income	220
Financial expenses	(238)
Net financial income	**(18)**
Earnings before tax and non-recurring items	**(19)**
Non-recurring income	–
Non-recurring expenses	(1)
Net non-recurring income	**(1)**
Income tax	116
NET INCOME/(LOSS)	**96**

20.2. Balance Sheet

Assets

(in € millions)	December 31, 2024
Tangibles fixed assets	2
Equity investments	7,801
Loans & receivables related to long-term investment	2,186
Other financial long-term investments	2
Fixed assets	**9,991**
Trade receivables	48
Other receivables	139
Marketable securities	950
Cash and cash equivalent	652
Prepaid expenses	4
Current assets	**1,793**
Issue costs	6
Bond redemption premium	7
Unrealized foreign exchange loss	9
TOTAL ASSETS	**11,806**

Liabilities & equity

(in € millions)	December 31, 2024
Capital	263
Additional paid-in capital	7,560
Legal reserve	70
Regulated reserves	1
Retained earning	(20)
Profit/(Loss) for the year	96
Shareholder's equity	**7,970**
Other equity	**1,078**
Provision for risks & liabilities	**12**
Financial debts	2,671
Trade payables and related accounts	29
Tax and social debts	13
Other liabilities	31
Liabilities	**2,744**
Unrealized foreign exchange gain	2
TOTAL LIABILITIES & EQUITY	**11,806**

5.6 FIVE-YEAR RESULTS SUMMARY

Year ended 31	**December 2025**	December 2024	December 2023	December 2022	December 2021
	12 months	12 months	12 months	12 months	12 months
1. SHARE CAPITAL AT YEAR END					
Share capital (in €)	**262,769,869**	262,769,869	262,769,869	2,570,536,136	642,634,034
Number of ordinary shares outstanding	**262,769,869**	262,769,869	262,769,869	2,570,536,136	642,634,034
Number of shares with a priority dividend	**–**	–	–	–	–
Maximum number of shares that may be created:					
• by bond conversion	**–**	–	24,962,588	249,709,585	27,901,785
• by exercise of subscription rights	**–**	–	–	–	–
2. TRANSACTIONS AND RESULTS FOR THE YEAR (in € thousand)					
Net revenues	**5,498**	2,901	2,026	2,255	890.00
Net income/(loss) before income tax, employee profit-sharing, net depreciation, amortization and provisions	**(38,827)**	10,415	(5,264)	(60,167)	(43,801)
Income tax	**(166,739)**	(115,553)	(139,836)	(23,113)	(39,155)
Employee profit-sharing for the year					
Net income/(loss) after income tax, employee profit-sharing, net depreciation, amortization and provisions	**129,511**	96,338	129,784	(13,243)	(4,152)
Distributed net income	**–**	–	–	–	–
3. PER SHARE DATA (in €)					
Net income/(loss) after income tax and employee profit- sharing but before net depreciation, amortization and provisions	**0.49**	0.48	0.51	(0.02)	(0.01)
Net income/(loss) after income tax, employee profit-sharing, net depreciation, amortization and provisions	**0.49**	0.37	0.49	(0.01)	(0.01)
Dividend per share	**–**	–	–	–	–
4. EMPLOYEES					
Average number of employees during the year	**31.0**	27.0	21.0	12.0	10,3
Total payroll costs (in € thousand)	**13,841**	10,810	9,009	3,820	4,060
Employee welfare contributions and similar charges (Social Security, employee organizations, etc.) (in € thousand)	**7,482**	6,232	4,310	2,004	1,990

5.7 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended December 31, 2025

To the Annual General Meeting of Air France-KLM S.A.,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Air France-KLM S.A. for the year ended December 31, 2025.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2025 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1, 2025 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Emphasis of Matter

Without qualifying our opinion, we draw your attention to the impact of the first application of ANC Regulation No. 2022-06, as set out in Note 1, "Change in accounting policy" to the notes to the financial statements.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of equity investments and related receivables (Notes 2, 9, 14, 15 and 16 to the financial statements)

Risk identified	Our response

As at December 31, 2025, equity investment and related receivables amounts to a net value of €10.7 billion out of total assets of €13 billion. Equity investments are recorded at their acquisition cost net of any impairment, based on their fair value taking into account their share of shareholders' equity, cash flow and profitability outlook or reference stock market values.
 	
The fair value estimate of these investments in subsidiaries requires Management to exercise judgment in its choice of items considered according to the nature of the investments concerned. Such items may correspond to historical items (shareholders' equity) or forecast items (cash flows and profitability outlook) particularly sensitive given the current context which has uncertainty due to the geopolitical and macro-economic environment and the increasing impact of ESG considerations.
 	
We considered the determination of the fair value of equity investment and related receivables to be a key audit matter in light of their significant amount and of the high degree of judgment and estimates required by Management to determine their recoverable value.
	To assess the reasonableness of estimated fair values of equity investments, based on the information communicated to us, our procedures mainly consisted in verifying that the estimate of the values determined by Management were based on an appropriate justification of the valuation method and figures used, and according to the investments concerned:
	• For valuations based on historical items:
	  • verifying that the shareholders' equity used is consistent with the financial statements of the entities audited or subjected to analytical procedures and that any equity adjustments have been appropriately documented; and
	• For valuations based on forecast items:
	  • obtaining the profitability outlook based on discounted cash flows for the entities concerned;
	  • assessing the consistency of the assumptions adopted with the economic environment on the reporting dates;
	  • comparing the forecasts adopted for prior periods with actual outcomes in order to assess the extent of achievement of past objectives;
	  • verifying that the value resulting from cash flow forecasts was adjusted for the debt of the entity considered; and
	  • verifying the arithmetical accuracy of the computed recoverable values.
	
	In addition to assessing the realizable value of equity investments, our work also consisted in assessing the recoverability of the related receivables based on analyses of the equity investments.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code (Code de commerce).

Corporate Governance report

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by or awarded to the directors and any other commitments made in their favor, we have verified the consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements intended to be included in the Annual Financial Report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF agree with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Air France-KLM S.A. by the Annual General Meetings held on September 25, 2002 for KPMG S.A. and on May 25, 2022 for PricewaterhouseCoopers Audit.

As at December 31, 2025, KPMG S.A. was in the 24th year of total uninterrupted engagement and PricewaterhouseCoopers Audit was in the 4th year.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors

Paris La Défense, February 20, 2026

KPMG S.A.

Valérie Besson
Partner

Éric Dupré
Partner

Neuilly-sur-Seine, February 20, 2026

PricewaterhouseCoopers Audit

Philippe Vincent
Partner

Amélie Jeudi de Grissac
Partner

5.8 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS

This is a free translation into English of the Statutory Auditors' special report on related party agreements issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Annual General Shareholders' Meeting for the approval of the financial statements for the year ended December 31, 2025

To the Annual General Shareholders' Meeting of Air France-KLM S.A.,

In our capacity as Statutory Auditors of Air France-KLM S.A. (hereinafter the "Company"), we hereby report to you on related party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of the agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R. 225-31 of the French Commercial Code (Code de commerce), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R. 225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Annual General Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

Agreements to be submitted for the approval of the Annual General Shareholders' Meeting

Agreements authorized during the year 2025 and entered into during the year 2026

In accordance with Article L. 225-40 of the French Commercial Code, we were informed of the following agreements entered into during the year 2026 and authorized in advance by the Board of Directors during the year 2025.

Amendment to the transatlantic joint-venture agreement between Air France – KLM, Société Air France, KLM, Delta Air Lines Inc., and Virgin Atlantic Airways Ltd.

Interested party

- Mr. Benjamin Smith, Chief Executive Officer and member of the Board of directors of the Company, Chairman of the Board of directors of Société Air France and member of the supervisory board of KLM;
- Delta Air Lines Inc., represented by Mr. Alain Bellemare, member of the Board of Directors of the Company and a shareholder of the Company and Virgin Atlantic Airways Ltd., with a representative on Virgin's board of directors;
- Mr. Wiebe Draijer, member of the Board of directors of the Company and Chairman of the supervisory board of KLM.

Nature, purpose and conditions

On January 16, 2026, Air France-KLM (the "Company") has entered into with Société Air France, Koninklijke Luchtvaart Maatschappij ("KLM"), Delta Air Lines Inc. ("Delta") and Virgin Atlantic Ltd. ("Virgin") (the "Parties") an amendment (the "Amendment") to the Transatlantic joint-venture agreement entered into by the Parties on May 15, 2018 (as amended twice, on January 1, 2020 and December 10, 2024) (the "Transatlantic Agreement") governing their commercial cooperation on transatlantic routes (the "Joint-Venture").

On November 5, 2025, the Board of directors of the Company has approved the main terms and conditions of the Amendment.

Reasons why the agreement is beneficial for the Company

This evolution aims to establish a financial settlement mechanism (FFP Financial Settlement Mechanism) designed to value the seats used, within the framework of the Joint Venture, by the Parties' frequent flyer programs. This new mechanism applies retroactively as from January 1, 2025.

The Amendment will not introduce any changes to the scope of the Joint-Venture. This cooperation will continue to generate customer benefits and synergies.

Agreements already approved by the Annual General Shareholders' Meeting

Agreements approved in previous years that continued to be implemented during the year

In accordance with Article R. 225-30 of the French Commercial Code, we were informed of the following agreements, approved by the Annual General Shareholders' Meeting in previous years, which continued to be implemented during the year.

Conclusion of an amendment to the subscription agreement executed on May 22, 2022, between Air France-KLM and CMA CGM

Interested party

- CMA CGM, a shareholder of the Company with 12,3% of the voting rights

Nature, purpose and conditions

As part of a strategic partnership project relating to the development of freight activity, the Air France-KLM group and the CMA CGM group entered into a subscription agreement on May 22, 2022, as modified by two amendments dated November 28, 2022, and April 19, 2023, (the "Subscription Agreement").

In respect of the Subscription Agreement:

- CMA CGM had agreed to a lock-up undertaking as of the settlement-delivery of the new shares and until the expiry of a three-year period following that date, it being specified that CMA CGM could sell a maximum of 50% of the shares acquired within the framework of the capital increase during an additional period of three years; and
- CMA CGM undertook, for a ten-year period, not to purchase or subscribe to any shares issued by Air France-KLM except if this acquisition does not lead to an increase of the percentage held in Air France-KLM's share capital, subject to certain exceptions (the "Standstill Commitment"). The Standstill Commitment stipulates that, at the end of a five-year period as of the settlement-delivery of the new shares issued by Air France-KLM, the Air France-KLM Board of Directors can modify this Standstill Commitment to enable CMA AGM to increase its shareholding in Air France-KLM.

It is specified that, pursuant to this Subscription Agreement, as of December 31, 2025, CMA CGM holds 8.8% of the Company's share capital and 12.3% of its voting rights.

Furthermore, on December 9, 2022, the Company entered into a commercial cooperation agreement in air freight on the basis of the principal terms set in May 2022 with Air France, KLM, CMA CGM Air Cargo and CMA CGM (the "Cooperation Agreement"), the initial aim of the parties being to be able to launch business cooperation in the 2023 second quarter, subject to obtaining the required authorizations from the relevant legal and regulatory authorities.

However, owing to the tight regulatory environment in certain important markets, the cooperation was unable to function optimally.

Consequently, on January 15, 2024, the Company entered into a termination agreement of the Cooperation Agreement entered into on December 9, 2022, and ancillary agreements relating to air cargo activities with Air France, KLM, CMA CGM, CMA CGM Air Cargo and CMA CGM Air Cargo 9, with effect from March 30, 2024.

In the context of the termination of the commercial cooperation, the Parties entered into an amendment to the Subscription Agreement on January 15, 2024 (the "Amendment to the Subscription Agreement") which provides that the CMA CGM's lockup undertaking to retain all the shares in the Company subscribed by CMA CGM as part of the share capital increase of the Company announced on May 24, 2022, initially due to expire upon termination of the commercial cooperation agreement or on June 15, 2025 (in the case of all the Company's shares subscribed to by CMA CGM in the rights issues, and on June 15, 2028 in the case of 50% of such shares), has been modified to expire on February 28, 2025, without condition on the existence of the commercial cooperation agreement between the Company and CMA CGM.

However, the Amendment to the Subscription Agreement does not alter the Standstill Commitment provided for in the Subscription Agreement, which therefore remains in effect.

Conclusion of a new joint venture agreement between Air France – KLM, Société Air France, KLM and China Eastern Airlines

Interested party

- Mr. Jian Wang, board director of the Company until June 4, 2025, and Mr. Qingchao Wan from this date, appointed on the recommendation of China Eastern Airlines and Vice President of China Eastern Airlines Holding Company.

Nature, purpose and conditions

The Board of Directors of Air France – KLM (the "Company") has concluded on June 1st, 2024, a new joint venture agreement for air transport services between Europe and China (the "Agreement") with Société Air France, KLM and China Eastern Airlines ("CEA"). It recalled that CEA is a shareholder of the Company for 4.6% of its share capital and has a representative on the Board in accordance with the undertakings given by the Company on June 23, 2021, in connection with the transactions to strengthen its shareholders' equity.

The main purpose of the Agreement is to strengthen the existing cooperation between the Company and CEA on air transport services between Europe and China. The Agreement is concluded for an initial period until December 31st, 2028. It follows on from a previous joint venture agreement between the Company, Société Air France, KLM and CEA on November 26th, 2018. This agreement was established for a period of five (5) years, initially ending on December 31st, 2023.

The Agreement shall maximize synergies between the parties, especially by extending the scope of the joint venture, developing joint commercial initiatives (with, for instance, stimulation of connecting traffic in China) and, more generally, implementing certain commitments made by the Company on June 23rd, 2021, in the context of its capital strengthening operations. The agreement also confirms CEA's exclusivity commitments between Europe and China. The financial mechanism for sharing the joint venture revenues between the parties has also been modernized and shall notably incentivize network connectivity.

Transatlantic partnership between Air France-KLM, Delta Air Lines, Inc. and Virgin Atlantic

Interested parties

- Delta Air Lines Inc., represented by Mr. Alain Bellemare, member of the Board of Directors of the Company and a shareholder of the Company and Virgin Atlantic Airways Ltd., with a representative on Virgin's board of directors.

Nature, purpose and conditions

On October 30, 2019, the Board of Directors mandated the Air France-KLM management to finalize the discussions and negotiate amendments to the agreements authorized during the Board meetings of March 14 and May 15, 2018, so as not to proceed with the planned acquisition by Air France-KLM of a 31% equity interest in Virgin Atlantic Limited as initially provided in that this impacts the position of Air France-KLM in the commercial joint-venture between Delta, Virgin Atlantic and Air France-KLM.

As a result, the agreements entered into on March 14 and May 15, 2018 were amended and an agreement was signed between Air France-KLM, Delta and Virgin Group (signed and effective as of January 30, 2020) granting Air France-KLM, subject to specific conditions, a right to acquire shares in Virgin Atlantic Limited in the event of a sale by Virgin Group of shares in Virgin Atlantic Limited to a third party.

Conclusion of an amendment to the transatlantic joint-venture agreement with Delta Air Lines Inc. and Virgin Atlantic Airways Ltd., and ancillary agreements

(i) The Amendment

Interested parties

- Mr. Benjamin Smith, Chief Executive Officer and member of the Board of directors of the Company, Chairman of the Board of directors of Société Air France and member of the supervisory board of KLM;
- Delta Air Lines Inc., represented by Mr. Alain Bellemare, member of the Board of Directors of the Company and a shareholder of the Company and Virgin Atlantic Airways Ltd., with a representative on Virgin's board of directors;
- Mr. Wiebe Draijer, member of the Board of directors of the Company and Chairman of the supervisory board of KLM.

Nature, purpose and conditions

On December 6, 2024, the Company has entered into with Société Air France, KLM, Delta Air Lines Inc. (“Delta”) and Virgin Atlantic Ltd. (“Virgin”) (the “Parties”) an amendment (the “Amendment”) to the Transatlantic joint-venture agreement entered into by the Parties on May 15, 2018 (as amended by a first amendment between the Parties on January 1, 2020) (the "Transatlantic Agreement") governing their commercial cooperation on transatlantic routes (the "Joint-Venture").

The Amendment is aimed to modernize the Joint-Venture, subject to obtaining the applicable regulatory clearances, including (i) some elements of governance, in particular with respect to network planning process and additional flexibility granted to the Parties to open new routes, and (ii) the financial settlement mechanism for sharing revenues and costs generated by the Joint-Venture between the Parties.

The Amendment does not introduce any changes to the scope of the Joint-Venture. This cooperation will continue to generate customer benefits and synergies.

In addition, the Amendment aims to rebalance the Company’s future exposure through a revision of the financial mechanism.

(ii) The Financial Settlement

Interested parties

- Delta Air Lines Inc., represented by Mr. Alain Bellemare, member of the Board of Directors of the Company and a shareholder of the Company and Virgin Atlantic Airways Ltd., with a representative on Virgin's board of directors.

Nature, purpose and conditions

On November 6, 2024, the Board of directors of the Company has approved the main terms and conditions of the Financial Settlement, whereby the Company and Virgin settle their claims with respect to any amount payable by the Company to Virgin in relation to the financial settlement of the Transatlantic Agreement prior to the date of signature of the Financial Settlement, for a total amount of U.S. $125,000,000, as already disclosed in the Company’s H1 consolidated financial statements, to be paid by the Company to Virgin in two instalments. The Financial Settlement will only enter into force, inter alia, upon (and subject to) the effectiveness of the Amendment.

The Company agrees to pay an exceptional compensation of U.S. $125,000,000 to be paid by the Company to Virgin in two instalments, thereby settling their claims with respect to any amount payable by the Company to Virgin under the financial settlement mechanism of the Transatlantic Agreement prior to the date of signature of the Financial Settlement. The payment of the first instalment of U.S. $100,000,000 has been made in 2025.

(iii) The Amendment to the Supplemental Agreement

Interested parties

- Mr. Benjamin Smith, Chief Executive Officer and member of the Board of directors of the Company, Chairman of the Board of directors of Société Air France and member of the supervisory board of KLM;
- Delta Air Lines Inc., represented by Mr. Alain Bellemare, member of the Board of Directors of the Company and a shareholder of the Company and Virgin Atlantic Airways Ltd., with a representative on Virgin's board of directors;
- Mr. Wiebe Draijer, member of the Board of directors of the Company and Chairman of the supervisory board of KLM.

Nature, purpose and conditions

On November 6, 2024, the Board of directors of the Company has approved the main terms and conditions of the Amendment to the Supplemental Agreement, whereby the Company, Société Air France, KLM and Delta (i) modify the distribution surcharges in respect of the tickets sold via a global distribution system for travel on flight using the relevant Party's applicable codes and (ii) fix a new amount for the interline service charges. The Amendment to the Supplemental Agreement will only enter into force, inter alia, upon (and subject to) the effectiveness of the Amendment.

The Amendment to the Supplemental Agreement adjusts the interline sales commission of the Company and parties.

Commitments relating to the severance payment to the benefit of Mr. Benjamin Smith, Chief Executive Officer of Air France-KLM

Interested parties

- Mr. Benjamin Smith, Chief Executive Officer and member of the Board of directors of the Company.

Nature, purpose and conditions

On August 16, 2018, pursuant to the provisions of the former Article L. 225-42-1 of the Code de Commerce (repealed by Ordinance No.2019-1234 of November 27, 2019), the Air France-KLM Board of Directors authorized the granting of a severance payment to the benefit of Mr. Benjamin Smith, Chief Executive Officer of Air France-KLM, in some instances of forced termination and, namely, dismissal, non-renewal of his mandate as Chief Executive Officer or forced resignation linked to a change of control.

It is stipulated that the instances of forced termination enabling the implementation of this severance payment exclude any situation of serious misconduct on the part of the Chief Executive Office.

In accordance with the recommendations of the AFEP-MEDEF Code, the basis of the severance payment is equivalent to two years of his annual fixed and variable compensation (according to specific calculation modalities based, as applicable, on the target variable compensation in the event of a termination during the first 24 months).

A coefficient (between 0 and 100% inclusive) will be applied to the basis of the severance payment based on the achieved performance criteria relating to the annual variable component of his compensation over the two last financial years of his mandate. The Board will assess the achievement of these performance criteria.

Conclusion of a Framework Agreement between Air France-KLM, KLM and the Dutch State

Interested parties

- The Dutch State, shareholder owning 12.8% of the voting rights;
- Mr. Dirk Jan Van Den Berg, director appointed by the Annual General Shareholders' Meeting as proposed by the Dutch State; and
- Mr. Benjamin Smith, Chief Executive Officer of the Company and director of both the Company and KLM;
- Mr. Wiebe Draijer, member of the Board of directors of the Company and Chairman of the supervisory board of KLM.

Nature, purpose and conditions

On August 7, 2020, within the framework of the financial support package granted by the Dutch State to KLM, a subsidiary of Air France-KLM, Air France-KLM entered into a Framework Agreement with KLM and the Dutch State, a shareholder in the Company with 14% of its share capital, to enable KLM to meet its urgent need for liquidity following the crisis linked to the Covid-19 pandemic and prepare for the future.

This financial support package, approved on June 25, 2020, by the Company's Board of Directors in the total amount of €3.4 billion, was structured as follows:

- a revolving credit facility in the amount of €2.4 billion, granted to KLM by eleven banks and up to 90% guaranteed by the Dutch State; and
- a direct loan in the amount of €1 billion, granted by the Dutch State to KLM, with subordination to the revolving credit facility.

A number of conditions were associated with the granting of these loans, including respect by the company of the commitments on sustainability and the restored performance and competitiveness of KLM, including a comprehensive restructuring plan and a contribution made by employees. KLM also undertook to suspend dividend payments to its shareholders until such time as these two loans had been repaid in full.

During the 2022 first half, KLM repaid amounts made available with the framework of the revolving credit line (€665 million) and the subordinated loan (€277 million), without however terminating the framework agreement.

KLM also cancelled the revolving credit facility guaranteed by the Dutch State and the direct loan granted by the Dutch State.

Following this cancellation, the conditions attached to this aid were no longer applicable.

The framework agreement remains however applicable mostly as concerns the stipulations relating to the assurances given to the Dutch State which provide, in particular, for the extension from nine months to five years of the notice period to terminate these assurances.

Conclusion of a Shareholders' Agreement relating to Flying Blue Miles, between Air France-KLM, Société Air France, KLM, AP Fides Holdings I LLC and AP Fides Holdings II LLC, in the presence of Flying Blue Miles

Interested parties

- Mr. Benjamin Smith, Chief Executive Officer of the Company and director of both the Company and KLM;
- Mr. Wiebe Draijer, member of the Board of directors of the Company and Chairman of the supervisory board of KLM.

Nature, purpose and conditions

On November 30 2023, the Company entered into, with Société Air France, KLM, AP Fides Holdings I LLC (the "Bond Investor") and AP Fides Holdings II LLC (the "Share Investor"), in the presence of Flying Blue Miles S.A.S. (formerly known as BlueTeam VII), a société par actions simplifiée (simplified joint stock company) incorporated under French Law, with its registered office located at 45, rue de Paris, 95747 Roissy Charles-de-Gaulle Cedex 93290 Tremblay-en-France, and registered with the Bobigny Trade and Companies Registry under number 921,540,258 ("Flying Blue Miles"), a shareholders' agreement (the "Shareholders' Agreement") in the context of the financing of €1.5 billion raised by Flying Blue Miles, to which have been transferred certain assets of the Flying Blue loyalty program relating to the Miles-issuing business on an exclusive basis with the program's third-party partners (the "Transaction").

It is recalled that (i) on July 27, 2023, the Board of Directors authorized the entry into exclusive discussions with Apollo Capital Management, L.P. to negotiate and finalize the transaction documents relating to the Transaction and (ii) on October 26, 2023, the Board of Directors approved the signature of a definitive agreement on the Transaction and the corresponding contractual documentation, including the signature of the Shareholders' Agreement.

Apart from the impact on the composition of the Company's Board of directors, the conclusion of the Amendment to the Subscription Agreement should ensure the continuity, until February 28, 2025, of CMA CGM's lockup undertaking on the shares subscribed by CMA CGM in the rights issues announced on May 24, 2022.

The Shareholders' Agreement defines the terms and conditions, inter alia, of the governance of Flying Blue Miles, the covenants of Air France-KLM as majority shareholder of Flying Blue Miles, certain covenants of Société Air France and KLM, the rights attached to the preferred shares issued by Flying Blue Miles and subscribed by the Share Investor, the terms and conditions of AFKLM's call option on the preferred shares held by the Share Investor in Flying Blue Miles, and the Share Investor's contractual remedies in the event of a breach by Air France-KLM, Société Air France and/or KLM of certain material obligations under the agreements (including, in this case, (i) the right of the Share Investor to appoint the President of Flying Blue Miles and of the SPVs, and to terminate the operational agreements relating to the Transaction, and (ii) the right of Flying Blue Miles to claim for liquidated damages for a total amount of €1.5 billion upon such termination).

The Shareholders' Agreement also includes specific provisions whereby:

i) The Company shall be jointly and severally liable with Société Air France and KLM with respect to the payment of any liquidated damages owed, as the case may be, by them in the event of a breach of their material obligations, to Flying Blue Miles for the total amount of €1.5 billion;

ii) The Company shall procure that neither Société Air France nor KLM shall take any action that would result in a breach of their material covenants in the Shareholders' Agreement; and

iii) The Company shall indemnify Flying Blue Miles for any liability it may incur, if applicable, in respect of the processing of personal data in accordance with the Joint Controller Agreement, an agreement entered into on November 30, 2023 between Société Air France, KLM and Flying Blue Miles, the purpose of which is to set out the respective rights, obligations and liabilities of Société Air France, KLM and Flying Blue Miles as joint controllers in respect of the processing of personal data within the framework of Flying Blue.

The Statutory Auditors
French original signed by

Paris La Défense, March 19, 2026		Neuilly-sur-Seine, March 19, 2026	
KPMG S.A.		**PricewaterhouseCoopers Audit**	
Valérie Besson	Éric Dupré	Philippe Vincent	Amélie Jeudi de Grissac
Partner	Partner	Partner	Partner

We share complementary information to ensure completeness and compliance. We reinforce transparency and foster informed dialogue with our stakeholders.



We provide clarity and transparency



06

Other information

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6.1 HISTORY

TWO COMPANIES BORN ON THE SAME DAY

October 7, 1919

KLM, Koninklijke Luchtvaartmaatschappij, is founded, Royal Dutch Airline for the Netherlands and its colonies.

October 7, 1933

Air France is created from the combination of five French airlines (Air Union, Air Orient, Société Générale de Transport Aérien (SGTA), CIDNA and Aéropostale).

Air France and KLM jointly operate the Amsterdam-Rotterdam-Paris route within the framework of a commercial agreement.

1934

First KLM transatlantic flight from Amsterdam to Curaçao in a Fokker F-XVIII Snip.

AIR TRANSPORTATION AND THE TWO COMPANIES TAKE OFF

1945-46

Air France is nationalized.

KLM flights, interrupted by the war, resume service.

Introduction of scheduled flights to New York in DC-4s, from Paris with Air France and from Amsterdam with KLM. At this time, the flight takes nearly 24 hours.

Air France and KLM are equipped with Constellations and engage in mutual assistance.

1958

Air France and KLM inaugurate the polar route, flying from Paris and Amsterdam to Tokyo via the North Pole.

1959-1960

Arrival of the jet era: Air France brings the first Caravelles and B707s into service, reducing the Paris-New York flight time to eight hours. KLM brings its first DC-8 aircraft into service.

1961

Air France bases its operations and maintenance at Orly Sud.

1967

First KLM flight takes off from the new Schiphol airport.

1970-71

The Boeing 747 is first used on long-haul routes by Air France in 1970 and by KLM in 1971.

1974-1982

Air France operations move, in 1974, to the new Terminal 1 at Paris-Charles de Gaulle, then to CDG 2 in 1982.

1976

The supersonic airplane, Concorde, is brought into service, first on the Paris-Rio, Paris-Caracas and Paris-Washington routes then, in 1977, on Paris-New York, connecting the two cities in three hours 45 minutes.

DEVELOPMENT OF THE TWO MAJORS

1989

Conclusion of an alliance, the first in the history of air transportation, between KLM and the US company Northwest Airlines.

1990

Air France acquires UTA (Union des Transports Aériens), founded in 1963.

1991

KLM founds a regional company, KLM Cityhopper, by merging NLM Cityhopper and NetherLines, and reinforces its shareholding in Transavia from 40% to 80%.

1992

Air France and UTA merge, giving Air France a 72% stake in Air Inter after combining its own shareholding in that company with that of UTA.

KLM establishes the first European medium-haul/long-haul transfer platform at Schiphol airport.

First Open Skies agreement between the Netherlands and the United States.

1993

All KLM and Northwest Airlines flights between Europe and the United States are operated within a joint-venture.

1996

Air Inter becomes Air France Europe.

Establishment of Air France's medium-haul/long-haul transfer platform at Paris-CDG.

1997

Air France Europe is merged with Air France

1999

Air France is listed for trading on the Monthly Settlement Market of the Paris Stock Exchange for the first time on February 22, 1999.

2000

Air France, Aeromexico, Delta Air Lines, Inc. and Korean Air found the SkyTeam and SkyTeam Cargo alliances.

Creation of the Air France regional division following the acquisition of Régional Airlines, Flandre Air, Proteus, Brit Air and CityJet.

2001

Open Sky agreement signed between France and the United States.

Alitalia and CSA Czech Airlines join SkyTeam.

CREATION OF AIR FRANCE-KLM, THE LEADING EUROPEAN AIR TRANSPORT GROUP

2003

September 30: Air France and KLM announce their intention to merge through a public exchange offer.

2004

May: Air France-KLM shares are listed for trading on the Euronext Paris and Amsterdam markets as well as on the New York Stock Exchange. Privatization of Air France with the transfer of the majority of its shares to the private sector involving the dilution of the French State's shareholding.

September: Finalization of the Group's organizational structure with the creation of the Air France-KLM holding company, regrouping the two airline subsidiaries, Air France and KLM. KLM and its US partners Northwest Airlines and Continental join the SkyTeam alliance.

December: The French State reduces its shareholding from 44% to 23% by selling shares in the market.

2005-06

The French State reduces its shareholding in Air France-KLM from 23% to 18.6% by selling shares within the framework of the share offer (ORS) reserved to Air France employees.

2006-07

Signature of the Open Skies agreement between Europe and the United States to come into force in March 2008.

2008-09

The US Department of Transportation grants Air France, KLM, Delta Air Lines, Inc. and Northwest anti-trust immunity with the obligation to establish a single transatlantic joint-venture between these four airlines before the end of 2009.

Air France-KLM acquires a 25% equity interest in Alitalia.

2009-10

In April, Air France-KLM and Delta Air Lines, Inc. implement the joint-venture on the North Atlantic and are joined, in July 2010, by Alitalia.

2012

Launch of the "Transform 2015" plan targeting a €2 billion reduction in net debt, the restoration of the Group's competitiveness and a turnaround in the short and medium-haul network.

2014

In early September, the Group unveils its new strategic plan, "Perform 2020", foreseeing an ongoing improvement in competitiveness and an increase in the Group's exposure to growth markets.

2015

The Boeing 787 enters the KLM fleet.

2016

Air France-KLM returns to the offensive with the launch of the new "Trust Together" strategic project.

2017

Air France-KLM takes another major step in the reinforcement of its strategic partnerships when China Eastern Airlines and Delta Air Lines, Inc. become shareholders.

2018

Anne-Marie Couderc is appointed Chair of the Air France-KLM Board of Directors. Benjamin Smith is appointed Chief Executive Officer.

2019

The longest-standing commercial airline in the world still to be flying under its original name, on October 7, 2019 KLM celebrates its 100th anniversary.

The Dutch State acquires 14% of the Air France-KLM share capital.

THE GROUP UNDERGOES A TRANSFORMATION

2020

The public health crisis linked to the Covid-19 pandemic has a major impact on the airline industry and on Air France-KLM's activity throughout 2020. Air France-KLM implements a number of strong measures to reduce its costs and preserve cash. The Group also benefits from financial support packages from the French and Dutch States.

2021

The Covid-19 crisis had a significant impact on the Group's results and financial position in the 2021 financial year and will continue to do so, in a context where visibility on the recovery of demand is limited, with travel restrictions still in place in most destinations served by the Group.

In 2021, in order to strengthen its cash position, the Group puts in place various measures which are approved by the European Commission as part of its decision to authorize an intervention by the French State of up to €4 billion to recapitalize Air France and its holding company.

2022

In 2022, in a challenging economic and geopolitical context, the Air France-KLM Group records a strong performance, with a positive net result of €738 million.

Successfully capturing the strong demand for travel, Air France and KLM repay more than €4 billion of State Aid from the French and Dutch governments and, at the same time, invest in the renewal of their fleets and SAF.

2023

Air France celebrates its 90th anniversary.

Air France-KLM records the highest revenues in its history, at €30 billion, with a net profit of €934 million, an increase of €206 million.

Air France-KLM and Air France exit in full the French State's recapitalization aid, granted under the European Union's State Aid Temporary Framework, linked to Covid-19, and the related constraints, following the final repayment of the balance of the perpetual hybrid bonds held by the French State as well as the required compensation for the shares subscribed in April 2021 by the French State, while KLM canceled both the direct loan and the existing credit facility guaranteed by the Dutch State.

2024

In 2024, France hosted the Paris 2024 Olympic and Paralympic Games, the largest event in the world, a symbol of openness, diversity and universality. As an official partner and leading accredited air carrier, Air France worked throughout the year to welcome athletes, sports delegations, media, and supporters from around the world, paying particular attention to people with disabilities. The company also ensured the transport of Olympic equipment and materials on board its aircraft and those of partner airlines.

2025

In 2025, Air France-KLM strengthened its position as a leading European airline group. Thus, this year was marked by the deepening of cooperation with SAS, further consolidating the Group's footprint in Northern Europe and enhancing hub connectivity. This momentum forms part of a long-term strategy aimed at increasing commercial, operational and network synergies across the Group and its partners.

6.2 GENERAL INFORMATION

Corporate name

Air France-KLM

Trade name

Air France-KLM Group

Registered office

7, rue du Cirque, 75008 Paris

Tel: +33 (0)1 43 17 20 20

Mailing address

7, rue du Cirque, 75008 Paris

Website

www.airfranceklm.com
The Company information figuring on the website is not an integral part of this Universal Registration Document, excepting incorporation by reference.

Legal status

French public company (société anonyme) with a Board of Directors

Legislation

French law

Air France-KLM is governed by the French Code of Commerce (Code de commerce) and the provisions of the Civil Aviation (Code de l'aviation civile) and Transport (Code des transports) Codes relating to air transport companies and notably to Air France. The Transport Code (Code des transports) contains a provision designed to safeguard the nationality of air transport companies whose shares are listed for trading on a regulated market.

Incorporation and expiry dates

Incorporated on: April 23, 1947.

Due to expire on: July 3, 2045 barring early liquidation or extension.

Corporate purpose (Article 2 of the Articles of Incorporation)

The primary purpose of Air France-KLM is to hold direct or indirect interests in the capital of air transport companies and, more generally, in any companies in France or elsewhere whose purpose is related to the air transport business.

Trade register

Paris Trade and Companies Register: 552,043,002

APE code: 70.10Z

Legal Entity Identifier (LEI)

969500AQW31GYO8JZD66 (LEI Code)

Consultation of legal documents

The legal and corporate documents relating to Air France-KLM may be consulted at 7, rue du Cirque, 75008 Paris.

Financial year

The financial year begins on January 1 and ends on December 31.

Appropriation of income

After approving the financial statements and taking due note of the income available for distribution, the shareholders vote in the Shareholders' Meeting on the total or partial distribution of such income (with, in the latter case, the appropriation of the undistributed balance to one or more reserve accounts), or the appropriation of all distributable income to one or more reserve accounts.

Relations between Air France-KLM and its subsidiaries

Air France-KLM and its subsidiaries Air France and KLM have signed agreements whose purpose is to define the conditions under which Air France and KLM, at the request of Air France-KLM, provide technical and administrative support services to Air France-KLM (intra-group accounting, administrative, legal, financial and IT services).

6.3 INFORMATION ON THE AGREEMENTS CONCLUDED IN CONNECTION WITH THE BUSINESS COMBINATION BETWEEN AIR FRANCE AND KLM

In connection with the business combination that took place in 2004 between Air France and KLM for the creation of the Air France-KLM holding company, agreements were entered into with various stakeholders, some of whose provisions continue to apply as of the date of this Universal Registration Document.

6.3.1 AGREEMENTS RELATING TO THE KLM SHAREHOLDING STRUCTURE

Ownership of shareholder voting rights by two Dutch foundations

In order to continue to comply with specific regulatory requirements relating to KLM air transport operations, a system to separate the rights attached to KLM shares and the exercise of the voting rights attached to these shares by two Dutch foundations (SAK I and SAK II) was put in place in 2004.

Pursuant to this system which is still in force, Air France-KLM held, as at December 31, 2025, 93.84% of KLM's economic rights, 99.70% of KLM's dividend rights and 49% of KLM's voting rights, while the two Dutch foundations held, together, 44.84% of KLM's voting rights.

Furthermore, as at December 31, 2025, the Dutch State held 5.92% of KLM's voting rights and the remaining minority shareholders held 0.24% of KLM's voting rights and 0.30% of its dividend rights.

In KLM Shareholders' Meetings, the two Dutch foundations, SAK I and SAK II, exercise the voting rights they hold in accordance with decisions taken unanimously by the three Board directors constituting their respective Boards of Directors, it being specified that these Board directors must act in accordance with the corporate governance principles defined in the agreements relating to the business combination between KLM and Air France, and in the best interests of KLM, Air France-KLM and its shareholders. If a unanimous decision cannot be reached by the three Board directors in the Board of Directors for each of the Dutch Foundations, no resolution may be passed by the Board of the relevant Foundation, which consequently cannot then vote on the relevant resolutions in the KLM Shareholders' Meeting.

Among the three Board directors for each of the foundations, one member is appointed by Air France-KLM, one by KLM and the third, acting in the capacity of Chair of the Foundation, is appointed by the first two directors, it being specified that the majority of the members of the Boards of Directors of each Foundation, including the Chair, must be Dutch residents.

Unilateral termination option for Air France-KLM at any time

Initially incorporated in 2004 for a three-year period, the two SAK I and SAK II foundations were however extended for an unlimited period by a 2007 agreement. Nevertheless, this agreement provides that Air France-KLM may, at any time as of May 6, 2007 and at its sole discretion, terminate this administered shareholding structure for KLM shares through SAK I and SAK II and proceed to regroup the economic and voting rights attached to the KLM shares, thereby holding 93.84% of KLM's voting rights.

6.3.2 AGREEMENTS WITH THE DUTCH STATE

To enable the completion of the business combination and safeguard KLM's traffic rights, airline status and the scale of its network and operations at Schiphol, Air France and KLM entered into the following agreements with the Dutch State.

Agreement for the acquisition of cumulative preference A shares held by the Dutch State

On October 16, 2003, Air France, KLM and the Dutch State signed an agreement pursuant to which the Dutch State agreed to decrease its interest in KLM proportionately to a reduction below a certain threshold by the French State of its stake in Air France-KLM. To this end, the Dutch State will sell its cumulative preferential A shares to Air France-KLM or to SAK I on behalf of Air France-KLM as long as this foundation is maintained. In such case, SAK I will issue share certificates to the benefit of Air France-KLM corresponding to the cumulative preferential A shares transferred to SAK I. These share certificates confer to Air France-KLM the economic right attached to the transferred cumulative preferential A shares, i.e., a right to a dividend, the corresponding voting rights being exercised by SAK I until the share certificates have been exchanged by Air France-KLM against the said shares.

In March 2005, pursuant to the agreement, 5,103,885 cumulative preference A shares were transferred by the Dutch State to SAK I on behalf of Air France-KLM, which received, in return, SAK I share certificates.

At the end of the initial three-year period (2004 to 2007), Air France-KLM had the option to exchange the share certificates against cumulative preferential A shares, and to directly hold the cumulative preferential A shares. Having decided, in 2007, to maintain the SAK I and SAK II foundations, Air France-KLM did not proceed with this exchange but could still do so at any time, in whole or in part. In addition, Air France-KLM is free to decide to dissolve the foundations at any time and at its sole discretion.

Furthermore, the Dutch State benefits from the right to transfer, at any time, as many cumulative preferential A shares as it wishes to Air France-KLM.

These agreements relating to the cumulative preferential A shares remain in force.

Assurances given to the Dutch State

Nature and duration of the assurances – unilateral termination option

Within the framework of the 2004 business combination, Air France and KLM granted the Dutch State, for an initial eight-year period starting from the completion of the business combination (i.e., expiring in 2012), various assurances as to KLM's airline status, its air services and the scale of its passenger and cargo operations at Schiphol airport with a view to maintaining the quality of KLM's network at Schiphol which, according to the Dutch State, is of public interest, while at the same time taking into account the interests of the Air France-KLM Group and its shareholders (the "Assurances").

In return for these Assurances, the Dutch State undertook to take the importance of KLM's activities at Schiphol into consideration when defining its civil aviation policy. Furthermore, the Dutch State agreed to:

- maintain the existing portfolio of traffic rights granted to KLM, other than those that have not been used by KLM over a cumulative period of twelve months;
- continue to review any future request submitted by KLM for the allocation of new traffic rights on a fair and non-discriminatory basis.

Pursuant to an agreement entered into on May 25, 2010, the Dutch State, Air France-KLM and KLM agreed to extend the Assurances given to the Dutch State, with the exclusion, however, of an assurance foreseeing that the combined growth should not negatively impact KLM's operations in the passenger and cargo segment, beyond May 5, 2012 for an indefinite period, subject to Air France-KLM's right to terminate these Assurances, at its sole discretion, with prior notice of nine month. The prior notice period was extended to five years under the framework agreement reached between Air France-KLM, KLM and the Dutch State on August 7, 2020.

Mechanism to ensure compliance with the Assurances

Air France and KLM set up a Dutch foundation, known as the KLM Assurances Foundation (Stichting Assurances KLM – duration extended in 2010) to facilitate the provision of binding advice (bindend advies) on the interpretation of the Assurances granted to the Dutch State (the "Advice"). This advice is issued by a KLM Assurances Foundation Committee in the event that a decision taken by the KLM Supervisory Board, KLM Management Board or Air France-KLM Board of Directors is considered to be in conflict with the Assurances given to the Dutch State.

When giving its Advice, the KLM Assurances Foundation must act in the best interests of KLM, the Air France-KLM Group and its shareholders.

The Committee is composed of three members:

- one member appointed by Air France-KLM;
- one member appointed by the Dutch State; and
- one member jointly appointed by the first two members as well as by a Board member of the KLM Assurances Foundation appointed by KLM who is not a Committee member; it being specified that the member appointed by Air France-KLM has a double voting right for the appointment of the third Committee member.

The filing of a case with the Foundation's Committee relating to a decision taken by the KLM Supervisory Board, the KLM Management Board or the Air France-KLM Board of Directors can be made by the Dutch State only in relation to the Assurances given to it.

If the KLM Assurances Foundation Committee issues Advice indicating that the decision submitted to it contravenes the Assurances given to the Dutch State, the KLM Supervisory Board, the KLM Management Board or the Air France-KLM Board of Directors will be required to cancel or amend its decision as soon as possible and nullify the effects of any measure taken in connection with the said decision, in accordance with the issued Advice. The Committee's decisions are adopted by majority vote of its members.

As at December 31, 2025, no Advice had been issued by the KLM Assurances Foundation Committee.

6.3.3 ASSURANCES GIVEN TO KLM

The assurances granted to KLM have been null and void since May 6, 2009.

6.4 LEGISLATIVE AND REGULATORY ENVIRONMENT FOR THE AIR TRANSPORT INDUSTRY

Commercial air transport is governed by eight freedoms, national and supranational legislation, and various international conventions that each State undertakes to apply in its air space after their ratification.

6.4.1 FREEDOMS OF THE AIR AND INTERNATIONAL CONVENTIONS

In addition to the eight freedoms of the air established by the Chicago Agreements relating to transit and transport (1944), three main treaties establish the legal and regulatory framework for commercial aviation: the Chicago Convention (1944), the Montreal Convention (1999) and the Tokyo Convention (1963). A fourth treaty, the Rome Convention (1952), covers damage caused to third parties on the ground.

Freedoms of the air

Under a bilateral treaty, an air carrier has freedoms that allow it to operate in the air space and the territory of a State other than its State of origin. These eight freedoms are as follows:

- 1st freedom – A carrier that leaves from its State of origin has the right to overfly the air space of a foreign State;
- 2nd freedom – A carrier that leaves from its State of origin has the right to make a technical layover without unloading or loading passengers in a foreign State. This freedom is the "transit right";
- 3rd freedom – A carrier that leaves from its State of origin has the right to unload passengers from its State of origin in a foreign State;
- 4th freedom – A carrier that leaves from a foreign State has the right to load passengers in this foreign State and unload them in its State of origin;
- 5th freedom – A carrier that leaves from its State of origin has the right to unload and load passengers in two successive foreign States;
- 6th freedom – A carrier that leaves from a foreign State has the right to load passengers in that State and unload them in its State of origin, then in another foreign State;
- 7th freedom – A carrier that leaves from a foreign State has the right to load passengers in that State to unload them in another foreign State, without going through its State of origin;
- 8th freedom – A carrier that leaves from its State of origin has the right to load passengers in a foreign State, to unload them in another city in this same foreign State.

The Chicago Convention (1944)

The Convention relating to international civil aviation, known as the Chicago Convention, sets out the legal, regulatory and technical rules governing commercial aviation and its Member State signatories are required to implement a common legal framework governing their domestic air space and their relations with one another.

Signed on December 7, 1944, the Chicago Convention established the International Civil Aviation Organization (ICAO) as the instrument of cooperation between the 193 signatory States in all areas of civil aviation.

The Rome Convention (1952)

The Rome Convention, signed in 1952, covers damages caused to third parties on the ground by foreign aircraft. This convention has not been ratified by France, the Netherlands or the United States. The ICAO's legal commission is currently involved in a major initiative to redraft the wording which would facilitate its ratification by making a distinction between everyday risk and terrorist risk.

The Convention intended to replace the Rome Convention, relating to compensation for damage caused to third parties following acts of unlawful interference with aircraft, signed in Montreal on May 2, 2009 by thirteen States, for the most part African, is still not applicable. It has only been ratified by three of the 35 States required for its entry into force.

The Tokyo Convention (1963)

The Tokyo Convention, in force since December 4, 1969, sets out the principles and establishes the procedures for handling offenses against penal law (except those of a political nature and based on racial or religious discrimination) and acts endangering the safety of the aircraft or that of the persons and property on board.

One of the specific characteristics of this Tokyo Convention is that it recognizes certain powers and immunities of aircraft commanders, exonerating them, under certain conditions, from responsibility for any harm potentially caused to individuals committing such unlawful acts.

The Tokyo Convention (ratified by France in 1970) is currently the subject of a revision process within the ICAO.

A Protocol to amend the Tokyo Convention was adopted in Montreal on April 4, 2014. It gathered the minimum of 22 ratifications required for its entry into force and is thus applicable in the States having ratified it. It was ratified by France at the beginning of 2021.

The Montreal Protocol expands the jurisdiction by recognizing, under certain conditions, the jurisdiction of the State of Landing and the State of the Operator over offenses and acts committed on board aircraft. The establishment of such jurisdiction over offenses is mandatory if the criteria stipulated in the Protocol are respected. Furthermore, the Protocol grants legal recognition and some protections to in-flight security officers. It also contains provisions covering matters such as intra-State coordination, due process of law and fair treatment.

The Montreal Convention (1999)

The Montreal Convention of May 1999, ratified to date by 136 States, aims to provide better protection for passengers suffering damages. This convention entered into force on June 28, 2004. It is based on several fundamental provisions, notably the principle of the unlimited liability of air transport companies in the event of physical injury with the implementation of a two-tier system:

- a first tier that sets an objective liability for the air transport company of up to 128,821 Special Drawing Rights (SDR);
- a second tier, based on a presumption of fault for the air transport company, for which the airline may be exempt if it proves that it or its agents or officials have not been negligent in any way or that the damages result exclusively from the acts of a third party.

6.4.2 EUROPEAN LEGISLATION

Single European air space

For aviation the EEA internal market (UE+, Norway/Iceland/Liechtenstein) was effectively finalized on April 1, 1997, by common legislation that creates a homogeneous regulatory situation for all European carriers. Since then all EU airlines may freely operate between any point in the EU and, in particular, perform cabotage operations within this single European air space. This legislation also lays down the requirements that Community air carriers must comply with in order to start or continue operations; principally, they must be owned and effectively controlled by Member States and/or nationals of Member States, and their principal place of business must be located in a Member State. These nationals can not act as a front for a beneficial owner who is not a citizen of an EU Member State. The existence of this legislation eliminated the need for bilateral agreements between EU Member States. It does not prevent EU Member States from participating in ICAO, nor does it conflict with the principles and regulations of the Chicago Convention.

Open Skies agreements between Europe and third-party countries

Based on mandates issued by the Council of Ministers, the European Union and its Member States have signed air transport agreements with the following third-party countries:

- United States: the agreement signed in April 2007 was amended by a protocol of June 2010 enabling, notably, European airlines to operate an unlimited number of flights, aircraft and routes to the United States from any European airport with the freedom to set prices, and to operate their services within the framework of cooperation agreements with partners of their choice. This agreement does not change the US rules on ownership and control and, similarly, cabotage remains forbidden;
- Canada: the agreement signed in December 2009 offers EC carriers similar opportunities to those figuring in the agreement with the United States and also includes the same restrictions;
- European Union neighboring countries: the agreement signed with Morocco in December 2006 was the first in a series of agreements signed with European Union neighboring countries: Georgia and Jordan in December 2010, Moldavia in June 2012 and Israel in June 2013, Armenia and Ukraine in 2021. These agreements foresee the liberalization of bilateral air relations subject to the relevant countries adopting the EU aviation-related acquis;
- Balkan States (Albania, Bosnia, Macedonia, UNMIK, Montenegro, Serbia): the agreement signed in June 2006 aims to create a common air space. At the end of transition periods that vary by country, the Balkan airlines will benefit in Europe from the same traffic rights as EC airlines. At this stage, only the 3rd and 4th freedom rights have been liberalized;
- Qatar: the agreement signed in October 2021 aims, by 2024 and at the end of a gradual increase in 3 and 4 freedom traffic rights varying per country, to liberalize access to the EU market for Qatari carriers. In return Qatari carriers are bound by provisions aimed at guaranteeing their financial transparency and establishing a fair competition framework.;

- ASEAN (Association of Southeast Asian Nations): the agreement signed in October 2022 is the world's first block-to-block agreement to allow ASEAN and EU airlines to operate an unlimited number of flights between the two regions (3 and 4 freedom traffic rights). In addition, airlines from each country in one block will be allowed to offer up to seven weekly passenger services and an unlimited number of cargo services to each country in the other block under 5th freedom traffic rights, via any third country or to any third country beyond. Note that Malaysia has an opt-in arrangement postponing the application of the agreement as far as it is concerned.

In April 2002, the European Union also signed an air transport agreement with Switzerland giving Swiss carriers, which are assimilated with EU carriers, access to all the intra-Community rights with the exception of cabotage. Access to the market between France and States other than those mentioned above for which there are existing agreements at European Community level remains governed by bilateral aviation agreements signed between France and these third-party States.

Community air transport policy

The regulation applicable to air transportation within the European Union is primarily of European Community origin. The aims as outlined in the work programs of the European Commission are to reinforce the competitiveness of European Community airlines while insisting on the need to reduce the air transport industry's environmental impact and offer a high degree of passenger protection[1].

The principal positive measures consist of establishing a legal framework favoring fair competition between EU and third-party carriers, the effective implementation of the Single European Sky and a commitment to developing biofuels.

The European Commission also proposed a series of measures known as the "Better Airports" package, aimed at reducing the cost of infrastructure use within the European Union.

The implementation of these initiatives has, however, encountered difficulties, notably due to ongoing disagreements between the European institutions and certain Member States, which has hindered the full adoption of several reforms. The latest Aviation Strategy from the European Commission, published on December 7, 2015, included measures aimed at supporting the competitiveness of European Union airlines, such as the revision of Regulation 868/2004 (now Regulation 712/2019) and the revision of the Regulation on foreign subsidies.

European Green Deal and "Fit For 55" legislative package

On July 14, 2021, the European Commission presented a package of 15 draft legislative proposals aimed at reducing net greenhouse gas emissions by 55% by 2030. These draft proposals include six which directly impact the aviation sector and are of interest to the Air France-KLM Group:

- regulation (EU) 2023/2405 of 18 October 2023, "ReFuelEU Aviation," imposes a progressively increasing threshold for the incorporation of SAF[2] at all European Union airports between 2025 and 2050, with a specific sub-obligation for synthetic fuels (RFNBO). Since 1 January 2025, all flights departing from European Union airports must include, each year, a minimum share of 2% SAF. Furthermore, controls and reporting obligations are strengthened as of 2025.;
- the revised EU-ETS Directive aims to phase out free quotas for airlines in the EU Carbon Market. In accordance with directive (EU) 2023/958, in 2024 and 2025 an increasing share of allowances is auctioned (50% in 2025), and from 1 January 2026, free allocations are abolished for flights within the scope of the ETS; emissions must be fully covered by the purchase of allowances, subject to the SAF provisions set out in Article 3c(6). ;
- the 2003/96/EC "Energy Taxation" directive of 27 October 2003 currently sets the European framework for energy taxation. Its revision (proposed as part of the "Fit for 55" package) remains under negotiation and has not been finalized at this stage. The latest compromise proposals discussed at the end of 2025 notably included a tax exemption for aviation fuels for ten years from the publication of the text. However, although these provisions may be taken up in the ongoing negotiations, none are currently applicable, as the text has not been adopted. As a result, no harmonized European tax on kerosene or SAF is in force. Some Member States, under existing law, have adapted their national fuel taxation in 2025, within the limits of Union law, while awaiting a possible European reform;
- the "Carbon Border Adjustment Mechanism" (CBAM, Regulation (EU) 2023/956) establishes, first in a transitional phase and then fully from 1 January 2026, a carbon adjustment at import for certain goods (cement, iron and steel, aluminium, fertilizers, electricity, hydrogen). At this stage, it does not cover services or air transport. The European framework provides that, in the absence of an equivalent international regime for the use of SAF, the Commission will "consider" by 31 December 2026 targeted mechanisms to prevent the risk of carbon leakage in aviation, including, if appropriate, an extension of the CBAM. No decision to extend CBAM has been adopted at this stage. In parallel, CBAM applies fully to industrial sectors from 1 January 2026;

(1) The passenger compensation rules are detailed in section 3.1.2 "Risks relating to the air transportation activity".

(2) This share increases to 6% in 2030 (including an average share of synthetic fuels), then to 20% in 2035, 34% in 2040, 42% in 2045, and 70% in 2050 (Annex I of the Regulation).

- the “RED III” directive No. 2023/2413 of 18 October 2023 on renewable energy increases the targets set for 2030 and strengthens sustainability and traceability requirements. The list of sustainable raw materials (Annex IX of Directive (EU) 2018/2001) was expanded in 2024 for aviation (Delegated Directive (EU) 2024/1405). Transposition in France is underway in 2026. The ReFuelEU Regulation refers to the list of sustainable raw materials in RED III to define the feedstocks eligible for SAF;
- regulation (EU) 2024/1735 of 13 June 2024, “Net Zero” (NZIA) for a net-zero industry, establishes a framework to strengthen manufacturing capacities in Europe for “net-zero” technologies, including sustainable alternative fuel technologies (such as SAF/RFNBO) and hydrogen. Implementation is underway (targeting value chains, authorization procedures, criteria in public procurement), with monitoring via the Net-Zero Europe platform. Implementing acts and guidelines are expected in 2026
- regulation (EU) 2020/852 establishes the framework for the European taxonomy, a classification system aimed at identifying economic activities that contribute substantially to the Union’s environmental objectives, including carbon neutrality by 2050. Within this framework, a delegated act sets the technical screening criteria for several sectors, including aviation. These criteria notably include a minimum level of SAF incorporation as well as fleet renewal requirements for aircraft acquired after the entry into force of the delegated act. For more information, see Chapter 4, Section 4.2.4 on "the European taxonomy.".

The Air France-KLM Group teams closely monitor the evolution of these regulations in coordination with all stakeholders. They also contribute to various consultations launched by the European Commission and to discussions on regulatory developments that will follow the adoption of the new target of a 90% reduction in greenhouse gas emissions by 2040 or that concern the future of the sector more broadly.

6.4.3 OTHER LEGAL ASPECTS OF AIR FRANCE-KLM'S ACTIVITIES

Access to the main international airports is subject to the prior allocation of time slots. A European Regulation covers access to most so-called coordinated European airports (London, Paris, Frankfurt, Milan, Madrid, Amsterdam, etc.). Elsewhere in the world, the allocation of slots is generally done on the basis of recommendations issued by IATA in a Worldwide Airport Slot Guidelines reference document. Countries nonetheless retain sovereignty for defining the modalities of slot allocation and may apply rules that differ slightly from the IATA recommendations (e.g. China, Japan, United States, Dubai, etc.).

For airports within the European Union, each Member State with coordinated airports under its responsibility, after consulting the airlines that regularly use the airports concerned, their representative organizations and the airport authorities, must designate an independent coordinator or an entity to be responsible for the allocation of slots and the monitoring of their use. Such individuals or entities must have specialized knowledge of coordinating aircraft routes for air transport companies.

Slots are allotted twice a year by the designated airport coordinator, at the same time as the airline flight schedules for the relevant IATA season.

The allocation procedure is as follows:

- airlines file their slot applications with the coordinator five months prior to the beginning of each season;
- the coordinator first allocates slots to airlines that already had slots the previous season (known as grandfather rights) for past operations;
- a pool is then created that regroups, for each coordination period, all the available slots, whether they are newly created, unused, abandoned by a carrier or have become available for any other reason;
- finally, the coordinator allocates half of the pooled slots to newcomers and the other half to the other operators.

Since slots are first allocated to existing long-standing operators, and given the expansion plans of all the airlines, requests for new slots are rarely satisfied at saturated airports.

At the end of this preliminary allocation (pre-coordination) process, a conference attended by virtually all airport coordinators and airlines is organized in order to enable the airlines to:

- simultaneously coordinate the slots they are allocated on different airports so that when they operate flights between two coordinated airports they are granted compatible slots by each of them; and
- exchange slots among themselves in the event that the slots originally allocated by the airport coordinators are unsatisfactory.

6.5 INFORMATION AND CONTROL

6.5.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND FOR THE ANNUAL FINANCIAL REPORT

Benjamin Smith, Chief Executive Officer of Air France-KLM.

6.5.2 CERTIFICATION BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

March 24, 2026

I certify that the information contained in this universal registration document is, to the best of my knowledge, true and correct and does not contain any omissions that might affect its scope.

I certify that, to the best of my knowledge, the annual accounts and the consolidated accounts are prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, the financial position and the profits or losses of the issuer and of all the companies included in the consolidation, and that the management report contained in this document, as specified in the concordance table on page 530, presents a true and fair view of the development and results of the company and of the financial position of the issuer and of all the companies included in the consolidation, as well as a description of the main risks and uncertainties they face, and that it has been prepared in accordance with the applicable sustainability reporting standards.

Benjamin Smith
Chief Executive Officer of Air France-KLM

6.5.3 STATUTORY AUDITORS

Incumbent Statutory Auditors:

PricewaterhouseCoopers Audit
63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex

Represented by Philippe Vincent and Amélie Jeudi de Grissac
Initial term began on: May 24, 2022
Mandated for a six-year period
by the Shareholders' Meeting of May 24, 2022.

KPMG S.A.
Tour EQHO, 2 avenue Gambetta CS60006,
92066 Paris-La Défense Cedex

Represented by Valérie Besson and Éric Dupré
Initial term began on: September 25, 2002
Renewed for a six-year period
by the Shareholders' Meeting of May 26, 2020.

6.5.4 HEAD OF INVESTOR RELATIONS

Michiel Klinkers
Mailing address: Air France-KLM/AFKL.FI.IR
7, rue du Cirque, 75008 Paris

6.5.5 DOCUMENTS AVAILABLE TO THE PUBLIC

Among the documents available on the Company's website (www.airfranceklm.com) figure, in particular:

- the 2024 Universal Registration Document;
- the 2025 first-half financial report;
- the 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012 and 2011 Registration Documents filed with the *Autorité des marchés financiers*;
- the financial press releases (traffic, quarterly, half-year and annual results);
- the offering memoranda;
- the financial presentations;
- the Company's Articles of Incorporation.



07

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SECURITE-SAFETY

AIR TRANSPORT GLOSSARY

A4E

Airlines for Europe. On January 20, 2016, at the European Aviation Summit, the five largest European airline groups – Air France-KLM, easyJet, International Airlines Group, Lufthansa Group and Ryanair – announced the creation of the new association. Airlines for Europe counts now 17 airline group members, with more than 70% of passengers in Europe.

A4E goals are to advocate to the ultimate benefit of passenger a safe, sustainable and competitive air transport market in Europe.

Anti-trust immunity (ATI)

Decision by authorities to grant immunity from anti-trust laws taking into account global benefit for customers.

Available seat-kilometers (ASK)

Total number of seats available for the transportation of passengers multiplied by the number of kilometers traveled.

Available ton-kilometers (ATK)

Total number of tons available for the transportation of cargo, multiplied by the number of kilometers traveled.

Biometry

Technique enabling the identity of an individual to be verified, while crossing a national border for example, through the automatic recognition of certain pre-recorded physical characteristics.

Coordinated airport

Airport where a coordinator has been appointed to allocate landing and take-off slots according to rules established in advance. All major European Union airports are coordinated.

Cabotage

Airline cabotage is the carriage of air traffic that originates and terminates within the boundaries of a given country by an air carrier of another country.

Capacity

Capacity is measured in available seat-kilometers (ASKs) for passenger business and measured in available ton-kilometers (ATKs) for the cargo business.

Catering

In-flight catering involves the planning and preparation of meals and the assembly of meal trays destined to be served on board an aircraft.

Code sharing

Governed by a codeshare agreement, two partner airlines offer services on the same aircraft, each under their own brand, their own IATA code and their own flight number. Each partner airline may have access to full or only part of the seats on the aircraft available for sale.

Connecting traffic

Traffic between two cities via one or more intermediate airports with a change of aircraft.

DGAC

Direction générale de l'aviation civile. Under the authority of the French Ministry of Transport, the DGAC is in charge of the security of air transport and of air space in France.

EASA

European Aviation Safety Agency. EASA develops safety and environmental protection expertise in civil aviation in order to assist the European institutions to establish legislation and implement measures regarding aircraft security, organizations and associated staff.

EEA countries

Countries part of European Union single market: those countries accept all regulations made by the EU in air transportation. EEA countries include all EU countries, Iceland, Liechtenstein and Norway.

FAA

Federal Aviation Administration. Body responsible for civil aviation security in the United States.

Ground Handling

Preparation of the aircraft, involving loading and unloading, as well as the associated logistics.
High contribution
Fare classes corresponding to business and first class.

Hub

Term used for a massive transfer platform. Departures and Arrivals are often scheduled in such a way that transfer opportunities are maximized.

IATA

International Air Transport Association. Created in 1945, IATA establishes regulations for the air transport industry and provides its members with a framework for the coordination and proper implementation of tariffs, together with various commercial and financial support services.

ICAO

The International Civil Aviation Organization, a UN Specialized Agency, promotes the safe, secure and sustainable development of civil international aviation worldwide. It establishes the standards and regulations required to ensure the safety, security, efficiency and continuity of aviation operations as well as the protection of the environment.

Joint-venture

Joint company with two partners, often held equally with 50% each. This type of ownership structure notably allows the implementation of technological or industrial alliances in order to undertake specific projects common to both partner companies.

A joint-venture may also be an alliance between several airlines to serve a specific area, where airlines share costs and profit under anti-trust immunity.

Load factor

Metric used to measure the percentage of available capacity filled with passengers or cargo. In passenger activity: revenue passenger-kilometers (RPK) divided by available seat-kilometers (ASKs). In the cargo activity this is revenue ton-kilometers (RTKs) divided by available ton-kilometers (ATKs).

Multi-hub

System linking several hubs, allowing customers to access the networks developed from each hub, thus multiplying the round-trip offer to and from worldwide destinations.

Net Zero/carbon neutrality

Air France-KLM uses a global definition as per Article 4 of the Paris Agreement of December 12, 2015, applicable to States Parties, which defines carbon neutrality as the global balance between anthropogenic emissions (from human activity) by sources and anthropogenic removals by sinks of greenhouse gases.

Point-to-point traffic

Traffic between two airports, excluding passengers prolonging their trip with a connecting flight.

Revenue management

Technique designed to optimize revenue on flights, by constantly seeking an optimal balance between the load factor and the fares offered.

Revenue passenger-kilometer (RPK)

Total number of paying passengers carried multiplied by the number of kilometers traveled.

Revenue ton-kilometer (RTK)

Total number of tons of paid cargo multiplied by the number of kilometers that this cargo is carried.

SAF

"SAF" refers to an alternative to regular aviation fuel, identified as "Sustainable Aviation Fuel" within the meaning of Article 3(7) of Regulation (EU) 2023/2405 of October 18, 2023 on ensuring a level playing field for sustainable air transport (ReFuelEU Aviation) and is defined as aviation fuels that are either:

A. synthetic aviation fuels; or
B. aviation biofuels; or
C. recycled carbon aviation fuels.

Safety and security

Airline safety includes all the measures implemented by air transport professionals aimed at ensuring the reliable operation and maintenance of aircraft.

Airline security involves all the measures taken by air transport professionals to prevent any illicit or malicious act. Airline security notably includes baggage screening, and the screening and questioning of passengers.

SBTi

Science-Based Targets initiative, reference framework for reducing greenhouse gas (GHG) emissions.

Segment

Section of a flight between two destinations. The number of passengers is calculated by segment carried.

Slot

A slot represents a time-based system used to manage air traffic and reduce congestion at busy airports.

Summer season

Defined by IATA as the period running from the last Sunday in March to the last Sunday in October, aligned with European Summer daylight saving time.

Traffic

Traffic is measured in revenue passenger-kilometers (RPK).

Unit revenue

In the passenger business, corresponds to the revenue for one available seat or for one paying passenger transported over one kilometer. In the cargo business, corresponds to the revenue for one available ton or one ton transported over one kilometer.

Winter season

Defined by IATA as the period running from the last Sunday in October to the last Sunday in March.

FINANCIAL GLOSSARY

Adjusted net interest charges

The net financial charges are adjusted for the portion of operating leases (34%) deemed to be interest charges.

ADR

American Depositary Receipt. ADRs are negotiable certificates representing a specific number of shares with a nominal value in dollars. The Air France-KLM level 1 ADR program is traded on the OTC Pink Open Marketplace.

CSRD

The CSRD Directive, or Corporate Sustainability Reporting Directive, is the Directive No. 2022/2464 of December 14, 2022 of the European Commission which aims to update the extra-financial reporting of the companies. It was transposed in France by the Ordinance No. 2023-1142 of December 6, 2023 relating to the publication and certification of information regarding the sustainability of commercial companies.

Earnings per share

Net income divided by the average number of shares for the period.

EBITDA

Earnings before interest, taxation, depreciation and amortization.

ESG

Environmental, social, and governance criteria generally constitute the three pillars of extra-financial analysis. They are taken into account in socially responsible management.

Fuel hedging

Financial mechanism aimed at protecting Air France-KLM from the risk of a rise in the fuel price. Involves purchasing financial instruments, mostly in the form of options, whose value fluctuates as a function of the jet fuel price and the related oil products (oil, diesel). The hedging strategy is detailed in Note 36.1.

IFRS

International Financial Reporting Standards. International accounting standards used by European Union listed companies to establish their consolidated financial statements. Adopted on January 1, 2005, they allow investors to compare European companies more easily.

ISIN

International Securities Identification Number. Attributed to securities listed for trading on the Euronext market.

Market capitalization

The market capitalization corresponds to the share price multiplied by the number of shares comprising the Company's capital.

Net result, Group part

Corresponds to the net result, minus the share reverting to the minority shareholders in fully consolidated subsidiaries.

Result from current operations

The result from current operations corresponds to the difference between revenues and the operating expenses incurred (external expenses, salaries and related costs, and amortization, depreciation and provisions). It represents what the Company earns from its main activity before the impact of financial and exceptional items.

Return On Capital Employed (ROCE)

A measure of the returns that a company is making on the capital employed to ensure its business activity. The calculation method is detailed in section 5.3.

Revenues

Revenues correspond to the total sales generated by the Air France-KLM Group in its three core businesses (passenger, cargo, maintenance) and in its ancillary activities. The revenues from airline operations are recognized on realization of the transportation, net of any potential discounts granted. Consequently, when passenger and cargo tickets are issued, they are recorded in balance sheet liabilities under deferred revenue on ticket sales (see Note 33).

Share

A share represents a fraction of the company's capital. It provides the holder voting rights in the Annual General Meeting and, if dividends are distributed by the company, the right to receive its fraction.

Share capital

Corresponds to the total contributions either financial or in kind made by the shareholders either at the time the company is created or during capital increases. It is equal to the number of shares multiplied by the nominal value of the share.

Stockholders' equity

Stockholders' equity represents accounting value of the capital contributed by the shareholders to establish the company or subsequently, or left at the disposal of the company as income not distributed in the form of dividends. Corresponds to total balance sheet assets, net of total debt.

Taxonomy

The European Union Taxonomy is a classification system that lists environmentally sustainable economic activities.

TPI

Titre au porteur identifiable or identifiable bearer shares. TPI analysis enables a company to identify its shareholders holding stock in bearer form.

TABLE OF CONCORDANCE FOR THE UNIVERSAL REGISTRATION DOCUMENT

This concordance table is based on the main headings required by the Delegated Regulation (EU) 2019/980 of March 14, 2019 ("the Regulation"), supplementing the provisions of Regulation (EU) 2017-1129 of June 14, 2017, and provides the page numbers in this Universal Registration Document on which the relevant information for each of this headings can be found.

No	Information based on Annex 1 of the Regulation	Pages
1	**Persons responsible, information from a third party, from experts' reports and approval by the competent authority**	
1.1	Persons responsible	521
1.2	Information from a third party, from experts' reports and declarations of interest	Not applicable
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6.2	List of significant subsidiaries	470 to 472 and 492
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8.3	Information on borrowing requirements and funding structure	370 to 372, 381, 444 to 450, 457 to 462 and 490 to 492
8.4	Restrictions on the use of capital resources having materially affected or potentially materially affecting the Group's activities	422 to 423, 428
8.5	Anticipated sources of funding	Not applicable
9	**Regulatory environment**	516 to 520
10	**Information on trends**	37 and 38
	Update on recent events linked to Covid-19	Not applicable
11	**Profit forecasts or estimates**	Not applicable
12	**Administrative, management and supervisory bodies, and the Senior Management**	70 to 126, 155 and 156
12.1	Information relating to members of the Board and the Senior Management	70 to 113, 117 to 126, 155 and 156
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No	Information based on Annex 1 of the Regulation	Pages
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17	**Related party transactions**	467 and 468
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18.1	Historical financial information	0 and 2, 376 to 472 ad 479 to 497
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18.3	Auditing of historical annual financial information	473 to 478 and 499 to 502
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INFORMATION INCLUDED BY REFERENCE

Pursuant to Article 19 of Regulation (EU) 2017-1129 of the European Parliament and of the Council of June 14, 2017, the following information is included by reference in this Universal Registration Document:

2024 Financial Year

The Universal Registration Document for the 2023 financial year was filed with the Autorité des marchés financiers on April 03, 2025 under the registration number D. 25-0226. The consolidated financial statements are presented on pages 388 to 475 and the related Statutory Auditors' report on pages 476 to 481. The full statutory financial statements can be found on pages 482 to 496 and the related Statutory Auditors' certification on pages 498 to 4501. The selected financial information is presented on pages 4 to 7 of the Universal Registration Document. The management report figures on pages 31 to 74, 75 to 176, 177 to 206, 207 to 376, 377 to 475 and 482 to 497.

2023 Financial Year

The Universal Registration Document for the 2023 financial year was filed with the Autorité des marchés financiers on April 26, 2024 under the registration number D. 24-0336. The consolidated financial statements are presented on pages 342 to 429 and the related Statutory Auditors' report on pages 430 to 434. The full statutory financial statements can be found on pages 435 to 449 and the related Statutory Auditors' certification on pages 451 to 454. The selected financial information is presented on pages 4 to 7 of the Universal Registration Document. The management report figures on pages 37 to 78, 79 to 198, 199 to 226, 227 to 332, 333 to 429 and 435 to 450.

TABLE OF CONCORDANCE FOR THE ANNUAL FINANCIAL REPORT

This Universal Registration Document contains all the elements of the financial report as referred to in Article L. 451-1-2 of the French Monetary and Financial Code (Code monétaire et financier) and required by Article 222-3 of the AMF's General Regulation. The table below resumes the elements of the financial report.

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The Group's consolidated financial statements	376 to 471
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NOTES

NOTES

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