

## 2.5 COMPENSATION OF THE COMPANY OFFICERS

### 2.5.1 General principles

Pursuant to the provisions of Article L. 22-10-8 of the *Code de Commerce* (French Code of Commerce), the compensation of Air France-KLM's company officers is set by the Board of Directors, as recommended by the Remuneration Committee, in line with the provisions of the AFEP-MEDEF Code. The Company's Board of Directors thus establishes a compensation policy which complies with the Company's corporate interest (*intérêt social*), is aligned with its commercial strategy, and which contributes to its long-term sustainability. It outlines all the components of the fixed and variable compensation for the Company officers, and explains the decision-making process followed for its establishment, revision and implementation. This compensation policy is the subject of a draft resolution submitted for approval by the Shareholders' Meeting, under the conditions provided for in Article L. 22-10-32 of the *Code de Commerce*, on an annual basis and on any significant amendment to the compensation policy.

Pursuant to the provisions of Articles L. 22-10-9 and L. 22-10-34 of the *Code de Commerce*, the Shareholders' Meeting must also approve on an annual basis, firstly, the information referred to in Article L. 22-10-9 of the *Code de Commerce*, including notably the total compensation and benefits of any kind paid to all the Company officers in respect of their mandates during the previous financial year or granted in respect of their mandates for the same financial year and, secondly, the total compensation and benefits of any kind paid during the previous financial year or granted for the same financial year to each executive officer.

The Shareholders' Meeting of June 7, 2023 is thus convened to approve:

- the information relating to the compensation for each of the Company 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 the Company officers in 2022");

- the fixed and variable elements composing the total compensation and benefits of any kind paid during the 2022 financial year or granted in respect of this financial year to Ms. Anne-Marie Couderc, Chair of the Board of Directors and to 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 ("Elements of compensation paid or granted during the 2022 financial year to the executive officers and submitted for approval by the Shareholders' Meeting of June 7, 2023"); and
- the compensation policy for the Company officers in respect of 2023, i.e. the Board Directors, the Chair of the Board of Directors and the Chief Executive Officer of the Company, as established by the Board of Directors, pursuant to Article L. 22-10-8 of the *Code de Commerce*. This policy is set forth hereinafter in section 2.5.3 ("Compensation policy for the Company officers in respect of 2023").

It is specified that, pursuant to the provisions of Article L. 22-10-8 of the *Code de Commerce*, to avoid becoming null and void, no element of compensation, of any kind whatsoever, may be established, granted or paid by the Company, nor any commitment made corresponding to elements of compensation, indemnities or benefits due or potentially due on taking up, stepping down or by reason of a change in their duties or following their exercise, unless it complies with the approved compensation policy or, in its absence, with past compensation or practices.

Furthermore, if the Shareholders' Meeting of June 7, 2023 does not approve the draft resolution referred to 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, the payment of the sum allocated to the Board directors for the 2023 financial year shall be suspended until approval of the revised compensation policy. Once reinstated, it shall include the arrears incurred since the Shareholders' Meeting of June 7, 2023.

In addition, the elements of variable or extraordinary compensation granted to the Chief Executive Officer in respect of the 2022 financial year will only be able to be paid after approval, by the Shareholders' Meeting of June 7, 2023, of these elements of compensation under the conditions provided for in the first paragraph of Article L. 22-10-34, II of the *Code de Commerce*.

Lastly, 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, until such time as at least 75% of the State Aid has been repaid, the compensation of the Chair of the Board of Directors, the Chief Executive Officer and the members of the Air France-KLM Board of Directors may not exceed the fixed portion of their respective compensation at December 31, 2019 (it being stipulated that, if an individual has become or becomes Chair of the Board of Directors, Chief

Executive Officer or a member of the Air France-KLM Board of Directors after the recapitalization, the applicable compensation is capped at the level of the fixed compensation received by the individual fulfilling the same level of responsibility at December 31, 2019) and no bonuses or other elements of variable or comparable compensation may be paid. It is specified that, on February 16, 2023 Air France-KLM announced that the repayment of at least 75% of the State Aid should take place in March 2023.

***Events subsequent to the Board of Directors' meeting of February 16, 2023 having approved the management report***

***The repayment of 75% of the State Aid took place on March 17, 2023. As a result, the restrictions in respect of 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 concerning the elements of compensation for the Chair of the Board of Directors, the Chief Executive Officer and the members of the Air France-KLM Board of Directors no longer apply. In particular, the variable compensation granted and acquired by the Chief Executive Officer of Air France-KLM may again be paid. Similarly, the condition precedent of the repayment of 75% of the State Aid foreseen for the granting of variable compensation to the Chief Executive Officer of Air France-KLM in respect of the 2022 financial year has been met.***

## 2.5.2 Compensation of the Company officers in 2022

The information referred to in Article L. 22-10-9 of the *Code de Commerce* and the elements of compensation and benefits of any kind paid during the 2022 financial year or granted in respect of this financial year to the different company officers of Air France-KLM, to be submitted for to the shareholder vote at the Shareholders' Meeting of June 7, 2023, pursuant to Article

L. 22-10-4 of the *Code de Commerce*, is detailed hereinafter and concerns:

- > the Company's Board directors (section 2.5.2.1);
- > the Chair of the Company's Board of Directors (section 2.5.2.2 a.); and
- > the Company's Chief Executive Officer (section 2.5.2.2 b.).

### 2.5.2.1 Elements of compensation paid or granted to the Board directors during the 2022 financial year and submitted for approval by the Shareholders' Meeting of June 7, 2023

The elements of compensation paid during the 2022 financial year or granted in respect of this financial year to the Board directors of Air France-KLM are in accordance with the compensation policy set by the Board of Directors following consultation with the Remuneration Committee, and approved by the Shareholders' Meeting of May 24, 2022. These elements of compensation, which will be submitted to the shareholder vote at the Shareholders' Meeting of June 7, 2023 pursuant to Article L. 22-10-34 of the *Code de Commerce*, are detailed hereinafter.

It is stipulated that, in view of the context of crisis linked to the Covid-19 pandemic, on February 16, 2022 the Air France-KLM Board directors decided to maintain the principle of the 25% reduction in their compensation paid in respect of the 2022

financial year until such time as the Group's Current Operating Income (COI) has returned to a positive figure. It is reiterated that, in application of the Board of Directors' resolution of February 17, 2021, the compensation paid to the Board directors in respect of the 2021 financial year had included the 25% reduction in their compensation in that the Group's Current Operating Income had not returned to a positive figure for the 2021 financial year. Having noted that, since June 30, 2022, the results projections had been indicating that the Group's annual Current Operating Income (COI) would be positive at December 31, 2022, at its meeting of December 8, 2022 the Board of Directors decided, as recommended by the Remuneration Committee to remove the 25% reduction applied to the compensation of the Board directors paid in respect of the 2022 financial year.

	Attendance record at Board and Committee meetings and at the Shareholders' Meeting (2022 financial year)	Amounts granted in respect of the 2022 financial year and paid during this financial year or accounting value (in euros)	Amounts granted in respect of the 2021 financial year and paid during this financial year or accounting value (in euros) <sup>(1)</sup>
<b>Members of the Board of Directors in function as of the date of this Universal Registration Document</b>			
Anne-Marie Couderc	100%	N/A	N/A
Benjamin Smith <sup>(2)</sup>	94%	N/A	N/A
Gwenaëlle Avice-Huet	95%	53,438	19,154
Karim Belabbas <sup>(3)</sup>	95%	44,250	33,750
Stéphanie Besnier <sup>(4)</sup>	71%	12,771	N/A
Leni M.T. Boeren	100%	60,000	45,000
Pascal Bouchiat <sup>(5)</sup>	100%	7,500	N/A
Isabelle Bouillot	93%	53,875	41,335
Jean-Dominique Comolli	100%	50,000	37,708
Michel Delli-Zotti <sup>(3) (6)</sup>	100%	17,667	N/A
Delta Air Lines, Inc. (permanent representative Mr. Alain Bellemare)	96%	51,571	35,704
Anne-Marie Idrac	100%	47,500	35,625
Isabelle Parize	100%	60,000	43,766
François Robardet <sup>(3)</sup>	100%	53,000	38,516
Rodolphe Saadé <sup>(7)</sup>	100%	10,000	N/A
Cees 't Hart	69%	39,188	32,365
Terence Tilgenkamp <sup>(8)</sup>	100%	49,500	9,865
Dirk Jan van den Berg	95%	50,438	36,500
Jian Wang	70%	43,438	35,365
Alexander R. Wynaendts	91%	54,813	41,188
<b>Former members of the Board of Directors during the 2021 and 2022 financial years no longer acting in the capacity of Board director as of the date of this Universal Registration Document</b>			
Paul Farges <sup>(3) (9)</sup>	92%	27,438	35,531
Astrid Panosyan <sup>(10)</sup>	58%	20,938	29,423
Martin Vial <sup>(11)</sup>	100%	29,000	36,000
Maryse Aulagnon	N/A	N/A	17,221
Mathi Bouts	N/A	N/A	34,385
<b>Total</b>	<b>92%</b>	<b>836,321</b>	<b>637,772</b>

(1) On February 17, 2021, in view of the context of crisis linked to the Covid-19 pandemic, the Air France – KLM Board directors decided to reduce by 25% their compensation paid in respect of the 2021 financial year, until such time as the Group's current operating income has returned to a positive figure.

(2) Mr. Benjamin Smith, Chief Executive Officer of Air France – KLM receives no compensation in respect of his Board director duties.

(3) The Board directors representing the employee shareholders and the Board director representing the French employees appointed by the *Comité de Groupe Français* receive compensation in respect of their employment contracts with Air France, unrelated to their corporate mandates within Air France – KLM. Furthermore, their compensation relating to their Board director mandates is paid to their unions, with the exception of Mr. François Robardet whose compensation has been remitted to his personal account since May 24, 2022.

(4) Board director since June 27, 2022.

(5) Board director since October 3, 2022.

(6) Board director since May 24, 2022.

(7) Board director since July 15, 2022.

(8) Mr. Terence Tilgenkamp receives compensation in respect of his employment contract with KLM, with no link to his Board director mandate within Air France – KLM.

(9) Board director until May 24, 2022.

(10) Board director until June 21, 2022.

(11) Board director until June 1, 2022.

In respect of the 2022 financial year, the Board directors were granted and paid during this financial year, total compensation of €836,321 (within the framework of the €950,000 annual budget voted by the Shareholders' Meeting of May 15, 2018).

Pursuant to the Board of Directors decision of December 11, 2019, the compensation for Board directors is composed of a flat-rate amount with an additional amount of compensation based on their individual attendance records. The allocation and granting modalities for this additional compensation are set by the Board of Directors, as proposed by the Remuneration Committee. An additional amount of compensation is also granted to non-resident Board directors. The information on the number of meetings of the Board of Directors and its advisory Committees held during the 2022 financial year and the attendance record for each Board director at the aforementioned meetings is set forth in section 2.3.

The allocation rules are outlined in section 2.5.3.1.

#### **Audit Committee:**

- > the Chair receives a flat-rate amount of compensation of €4,500, with additional compensation amounting to a maximum of €7,500 based on attendance at Committee meetings; and
- > the members each receive a flat-rate amount of compensation of €3,000, with additional compensation for the individual Committee members amounting to a maximum of €5,000 based on their attendance records at Committee meetings.

#### **Other Committees:**

- > the Chair receives a flat-rate amount of compensation of €3,000, with additional compensation amounting to a maximum of €4,500 based on their attendance at Committee meetings; and
- > the members each receive a flat-rate amount of compensation of €2,000, with additional compensation for the individual Committee members amounting to a maximum of €3,000 based on their attendance records at Committee meetings.

### **2.5.2.2 Elements of compensation paid or granted during the 2022 financial year to the executive officers and submitted for approval by the Shareholders' Meeting of June 7, 2023**

#### **a) Compensation of the Chair of the Board of Directors, for the period from January 1 to December 31, 2022**

##### ***Presentation of the 2022 compensation structure for the Chair of the Board of Directors***

Pursuant to the Board of Directors' resolution of February 16, 2022, in application of 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 which stipulates that the compensation of the Chair of the Board of Directors may not exceed the fixed portion of their compensation at December 31, 2019, the compensation of the Chair of the Board of Directors is composed of a fixed portion of €200,000. This annual fixed compensation has thus remained unchanged since 2019. The annual fixed compensation for the Chair of the Board of Directors was thus €200,000 in respect of the 2022 financial year. Note that, on March 19, 2020, given the context of crisis linked to the Covid-19 pandemic, the Chair of the Board of Directors had informed the Board of Directors of her intention to waive the application, during the 2020 financial year, of her new annual fixed compensation of €220,000 set by the Board of Directors during its meeting of February 19, 2020. The Chair of the Board

of Directors reiterated this commitment for the 2021 financial year during the Board of Directors meeting of February 17, 2021.

This compensation includes neither compensation in respect of her Board director mandate (formerly directors' fees) nor variable compensation.

The 2022 compensation policy for the Chair of the Board of Directors was approved by the Shareholders' Meeting of May 24, 2022.

For more details on the compensation policy for the Chair of the Board of Directors in respect of the 2022 financial year, see section 2.5.3.2 of the 2022 Universal Registration Document.

##### **Elements of compensation paid during or granted in respect of the 2022 financial year**

The elements of compensation paid during the 2022 financial year or granted in respect of this financial year to the Chair of the Board of Directors, for the period from January 1 to December 31, 2022, comply with the compensation policy set by the Board of Directors following consultation with the Remuneration Committee, and approved by the Shareholders' Meeting of May 24, 2022. These elements of compensation are detailed as follows:

Elements of compensation submitted to the vote	Amounts paid during the 2022 financial year	Amounts granted in respect of the 2022 financial year	Presentation
Fixed compensation	€200,000	€200,000	<p>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 which stipulates that the compensation of the Chair of the Board of Directors may not exceed the fixed portion of her compensation at December 31, 2019, the annual gross fixed compensation of the Chair of the Board of Directors in respect of the 2022 financial year was set at €200,000 by the Board of Directors during its meeting of February 16, 2022.</p> <p>As a result, the fixed compensation granted in respect of the 2022 financial year and paid to the Chair during this financial year was €200,000.</p> <p>This annual fixed compensation has remained unchanged since 2019.</p>
Annual variable compensation	N/A	N/A	The Chair does not benefit from annual variable compensation.
Multi-year variable compensation	N/A	N/A	The Chair does not benefit from multi-year variable compensation.
Extraordinary compensation	N/A	N/A	The Chair does not benefit from extraordinary compensation.
Stock options, performance shares or other long-term benefit (equity warrants, etc.)	N/A	N/A	No awards of this type were made during the 2022 financial year. The Chair does not benefit from any elements of long-term compensation.
Compensation in respect of a Board director mandate	N/A	N/A	The Chair does not receive compensation in respect of her Board director mandate.
Benefits of any kind	€15,984	€15,984	The Chair benefits from a chauffeur-driven company car.
Severance payment	N/A	N/A	The Chair does not benefit from a severance payment.
Non-compete indemnity	N/A	N/A	The Chair does not benefit from a non-compete indemnity.
Supplementary pension scheme	N/A	N/A	The Chair does not benefit from a supplementary pension scheme.

#### b) Compensation of the Chief Executive Officer for the period from January 1 to December 31, 2022

##### *Presentation of the 2022 compensation structure for the Chief Executive Officer*

As proposed by the Remuneration Committee, the framework of the compensation policy for the Chief Executive Officer was set by the Board of Directors during its meeting of August 16, 2018. It stipulates that the compensation of the Chief Executive Officer shall be composed of the following three elements:

- 1) a fixed amount of annual compensation;
- 2) an annual variable amount of compensation linked to the performance during the previous financial year potentially reaching 122% of the fixed compensation at targets achieved and up to 150% in the event that the targets are exceeded; and
- 3) a variable amount of long-term compensation.

This compensation structure has remained unchanged since 2018 as regards both the amount of fixed compensation and the amounts of annual and long-term compensation at targets achieved and the maximum amounts in the event that these targets are exceeded. Within the framework of this policy, the Chief Executive Officer receives benefits in kind whose scope has remained unchanged since 2018.

The compensation policy for the Chief Executive Officer in respect of the 2022 financial year was set pursuant to the framework for the policy set in 2018. Within the context of crisis linked to the Covid-19 pandemic being traversed by the Air France-KLM Group, it stipulates, in particular, that the Board of Directors, following the recommendation from the Remuneration Committee, may use its judgement in determining any variable compensation for the Chief Executive Officer. As a result, the Board of Directors may determine the modalities for the variable compensation of the Chief Executive Officer (i) in accordance with (a) the performance of the Group and its financial situation at the end of the financial year (b) the compensation policy applied to the Group's employees and (c) the preservation of the Group's

interests and those of its shareholders and (ii) pursuant to the restrictions on compensation for company officers as stipulated in the European Commission's decision of April 5, 2021 on case No.SA59913 relating to the recapitalization of Air France and Air France - KLM. Pursuant to this decision, no variable compensation will be able to be paid to the Chief Executive Officer until such time as at least 75% of the recapitalization measures has been repaid. Lastly, by way of reminder, on April 23, 2020, Mr. Benjamin Smith announced that he was waiving his annual variable compensation in respect of the 2020 financial year. As a result, no variable compensation has been paid to Mr. Benjamin Smith since 2021.

The 2022 compensation policy for the Chief Executive Officer was approved by the Shareholders' Meeting of May 24, 2022.

For more details on the compensation policy for the Chief Executive Officer in respect of the 2022 financial year, see section 2.5.3.2 of the 2021 Universal Registration Document.

A summary of the compensation elements of the Chief Executive Officer since 2018 is presented in section 2.5.2.6 of the 2022 Universal Registration Document.

**Elements of compensation paid during or granted in respect of the 2022 financial year**

The elements of compensation paid during the 2022 financial year or granted in respect of this financial year to the Chief Executive Officer were set by the Board of Directors at its meeting on February 16, 2023 as recommended by the Remuneration Committee. In particular, during its meeting of February 16, 2023, having noted that the repayment of 75% of the State Aid should take place in March 2023 and subject to the condition precedent of this repayment, the Board of Directors decided, as proposed by the Remuneration Committee, to grant annual variable compensation and long-term variable compensation to the Chief Executive Officer in respect of the 2022 financial year, set on the basis of the level of attainment of the performance criteria defined by the Board of Directors during its meeting of February 16, 2022. All of these elements of compensation, for the period from January 1 to December 31, 2022, comply with the compensation policy set by the Board of Directors following consultation with the Remuneration Committee, and approved by the Shareholders' Meeting of May 24, 2022. These elements of compensation are detailed as follows:

Elements of compensation submitted to the vote	Amounts paid during the 2022 financial year	Amounts granted in respect of the 2022 financial year	Presentation
Fixed compensation	€900,000	€900,000	<p>The annual gross fixed compensation for the Chief Executive Officer was set at €900,000 by the Board of Directors during its meeting of February 16, 2022.</p> <p>This fixed compensation has been unchanged since 2019.</p> <p>As a result, the fixed compensation granted to the Chief Executive Officer in respect of the 2022 financial year and paid during the 2022 financial year was €900,000.</p> <p>The ratio between the fixed and variable compensation granted to Mr. Benjamin Smith in respect of the 2022 financial year, as required pursuant to the provisions of Article L. 22-10-9, I, paragraph 2 of the <i>Code de Commerce</i> is 339.97%.</p>
Annual variable compensation	€0	€1,059,769 (subject to the condition precedent of the repayment of at least 75% of the State Aid)	<p><b>In respect of the 2022 financial year</b></p> <p>Note 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 variable compensation will be able to be paid to the Chief Executive Officer until such time as at least 75% of the recapitalization measures has been repaid.</p>

Elements of compensation submitted to the vote	Amounts paid during the 2022 financial year	Amounts granted in respect of the 2022 financial year	Presentation
			<p data-bbox="822 363 1466 740">During its meeting of February 16, 2023, having noted that the repayment of 75% of the State Aid should take place in March 2023 and subject to the condition precedent of this repayment, the Board of Directors decided, as proposed by the Remuneration Committee, to grant in respect of the 2022 financial year, in accordance with the 2022 compensation policy set by the Board of Directors on February 16, 2022 and approved by the Shareholders' Meeting of May 24, 2022, annual variable compensation to the Chief Executive Officer. This variable compensation can vary from 0% to 122% of the annual fixed compensation at targets partially achieved, and from 122% to 150% of the annual fixed compensation in the event that the targets are exceeded (calculated on a linear basis).</p> <p data-bbox="822 761 1466 902">As proposed by the Remuneration Committee, the amount of the Chief Executive Officer's annual variable compensation was set at 117.8% of the annual fixed compensation, i.e. €1,059,769 by the Board of Directors during its meeting of February 16, 2023. This amount is composed of:</p> <ul style="list-style-type: none"> <li data-bbox="822 923 1466 1523"> <p data-bbox="822 923 1466 974">➤ quantitative criteria linked to the Group's financial targets: 101.72% (i.e. 74.6% of his annual gross fixed compensation):</p> <ul style="list-style-type: none"> <li data-bbox="860 995 1466 1166">– 18.3% (on a target at 18.3% and a maximum at 22.5%) of the fixed compensation in respect of the current operating income (COI) of Air France-KLM, i.e. an achievement rate of 100%. This percentage takes into account the level of COI reached by the Group and the COI relative to competitors IAG and Lufthansa Group,</li> <li data-bbox="860 1176 1466 1283">– 36.7% (on a target at 36.7% and a maximum at 45%) of the fixed compensation in respect of the result of the transformation plan and cash management, i.e. an achievement rate of 100%,</li> <li data-bbox="860 1293 1466 1523">– 19.6% (on a target at 18.3% and a maximum at 22.5%) of the fixed compensation in respect of the capital market equity strengthening (excluding the transformation of the direct loan from the French State into undated deeply subordinated notes), i.e. an achievement rate of 106.7%. It is stipulated that this level of achievement is determined on a proportionate basis between the target level and the maximum on this criterion;</li> </ul> </li> <li data-bbox="822 1544 1466 1815"> <p data-bbox="822 1544 1466 1596">➤ qualitative criteria linked to the Group's non-financial targets: 88.3% (i.e. 43.2% of his annual gross fixed compensation)</p> <ul style="list-style-type: none"> <li data-bbox="860 1617 1466 1815">– 15.0% (on a target at 12.2% and a maximum at 15.0%) of the fixed compensation in respect of the actions realized and the results obtained on Societal and Environmental Responsibility, i.e. an achievement rate of 122.7%. This percentage takes into account the main priorities defined in section 2.5.3.2 b) of the 2021 Universal Registration Document.</li> </ul> </li> </ul>

Elements of compensation submitted to the vote	Amounts paid during the 2022 financial year	Amounts granted in respect of the 2022 financial year	Presentation
			<p>In its evaluation, the Board of Directors took into account notably the introduction of sustainable aviation fuels for the flights on departure from France and the Netherlands (above the French mandate) as of January 2022, the renewal of the fleet and its impact on reducing CO<sub>2</sub> emissions, and the securing of a part of the SAF needs for the coming years;</p> <p>&gt; 8.1% (on a target at 12.2% and a maximum at 15.0%) of the fixed compensation in respect of the actions realized and the results obtained in terms of Human Capital, i.e. an achievement rate of 66.7%. This percentage takes into account the main priorities defined in section 2.5.3.2 b) of the 2021 Universal Registration Document.</p> <p>In its evaluation, the Board of Directors took into account the attractiveness of the Group and the acceleration of the action plan on engagement, diversity and inclusion;</p> <p>&gt; 5.0% (on a target at 12.2% and a maximum at 15.0%) of the fixed compensation in respect of the actions realized and the results obtained in terms of Customer Relations management, i.e. an achievement rate of 41.0%. This percentage takes into account the main priorities defined in section 2.5.3.2 b) of the 2021 Universal Registration Document.</p> <p>In its evaluation, the Board of Directors took into account the results of the Net Promoter Score, and of the regularity and punctuality of Air France and KLM flights;</p> <p>&gt; 15.0% (on a target at 12.2% and a maximum of 15.0%) of the fixed compensation in respect of the individual and leadership performance, i.e. an achievement rate of 122.7%. This percentage takes into account the main priorities defined in section 2.5.3.2 b) of the 2021 Universal Registration Document.</p> <p>In its evaluation, the Board of Directors took into account the anticipated post-crisis recovery in air transport activity. The Board also evaluated the projects deployed linked to the recapitalization but also the implementation of the transformation plan and the development of synergies within the Group, while maintaining the social stability and commitment of all the internal and external stakeholders.</p> <p>In application of Article L. 22-10-34 of the <i>Code de Commerce</i>, the payment of the amount of €1,059,769 is subject to prior approval by the Shareholders' Meeting of June 7, 2023.</p> <p>In the event of a positive vote by shareholders during the Shareholders' Meeting of June 7, 2023, authorizing the payment of the variable compensation to Mr. Benjamin Smith, the Company will not be able to request its return.</p>





Elements of compensation submitted to the vote	Amounts paid during the 2022 financial year	Amounts granted in respect of the 2022 financial year	Presentation
Long-term variable compensation	€0	1,225,490 performance units (after the application of the coefficient of 2.5 pursuant to the Board of Directors' resolution of October 27, 2022) payable in shares, valued at €2,000,000 and calculated with reference to the Air France-KLM opening share price on April 1, 2022. (subject to the condition precedent of the repayment of at least 75% of the State Aid).	<p data-bbox="822 363 1207 393"><b>In respect of the 2021 financial year</b></p> <p data-bbox="822 410 1473 640">Note that the amount of annual variable compensation for the Chief Executive Officer in respect of the 2021 financial year was set at 121.11% of the annual fixed compensation, i.e. €1,089,984, by the Board of Directors at its meeting of February 16, 2022. This amount will be able to be paid to the Chief Executive Officer once at least 75% of the recapitalization measures has been repaid (for more detail, see section 2.5.2.2 of the 2021 Universal Registration Document).</p> <p data-bbox="822 668 1207 697"><b>In respect of the 2022 financial year</b></p> <p data-bbox="822 715 1473 861">Note 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 variable compensation will be able to be paid to the Chief Executive Officer until such time as at least 75% of the recapitalization measures has been repaid.</p> <p data-bbox="822 878 1473 1287">During its meeting of February 16, 2023, having noted that the repayment of 75% of the State Aid should take place in March 2023 and subject to the condition precedent of this repayment, the Board of Directors decided, as proposed by the Remuneration Committee, to grant the Chief Executive Officer, pursuant to the 2022 compensation policy set by the Board of Directors on February 16, 2022 and approved by the Shareholders' Meeting of May 24, 2022, long-term variable compensation composed of 490,196 performance units (before the application of the Board of Directors' resolution of October 27, 2022 as outlined below) payable in Air France-KLM shares (one performance unit conferring entitlement to one share) in 2025 subject to the realization of financial and extra-financial performance conditions and a presence condition over three years.</p> <p data-bbox="822 1304 1473 1742">In accordance with the terms and conditions of the long-term incentive plans regulations, to take into account the dilutive effect of the capital increase with maintained preferential subscription rights for shareholders in the Company realized on June 16, 2022, the Board of Directors of October 27, 2022, decided, as proposed by the Remuneration Committee, to adjust the following long-term incentive plans: the 2018-20/2019-21/2020-22/2021-23 Long-Term Phantom Share Plans, the 2019-21/2020-22/2021-23 Specific Long-Term Incentive Plans and the 2022-24 Long-Term Performance Shares Plan following the capital increase and, as a result, to multiply by 2.5 the number of performance units granted or to be granted under these plans. In application of this decision, on February 16, 2023 the Board of Directors granted 1,225,490 performance units to the Chief Executive Officer under the 2022-24 Long-Term Plan.</p>

Elements of compensation submitted to the vote	Amounts paid during the 2022 financial year	Amounts granted in respect of the 2022 financial year	Presentation
			<p>It is also specified that the Chief Executive Officer has given a formal undertaking that he has not used and will not use risk hedging transactions in connection with this plan until the payment of the performance units.</p> <p>The main terms and conditions of this long-term incentive plan are detailed in section 2.5.3.2 c) of the 2021 Universal Registration Document.</p>
Multi-year variable compensation	N/A	N/A	The Chief Executive Officer does not benefit from multi-year variable compensation.
Extraordinary variable compensation	N/A	N/A	The Chief Executive Officer does not benefit from extraordinary compensation.
Stock options, performance shares or other long-term benefit (equity warrants, etc.)	N/A	N/A	No awards of this type were made during the 2022 financial year.
Compensation in respect of a Board director mandate	N/A	N/A	The Chief Executive Officer does not receive compensation in respect of his Board director's mandate.
Benefits of any kind	€275,380	€275,380	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 fees.
Severance payment	N/A	N/A	<p>Pursuant to the 2022 compensation policy approved by the Shareholders' Meeting of May 24, 2022, the Chief Executive Officer continues to benefit from a severance payment granted to him by the Board of Directors during its meeting of August 16, 2018 in the event of forced termination, including dismissal, non-renewal of his mandate as Chief Executive Officer or resignation following a change of control (excluding any situation of gross misconduct on the part of the Chief Executive Officer).</p> <p>Pursuant to the recommendations of the AFEP-MEDEF Code, the basis of this severance payment is equivalent to two years of his annual fixed and variable compensation (based on specific calculation modalities referring, as necessary, to the target variable in the event of termination in the first 24 months).</p> <p>A coefficient (between 0% and 100%) will be applied to this amount on the basis of the performance of the interested party, measured with reference to the attainment of the performance criteria for the annual variable component of his compensation over the preceding two financial years of his mandate (or since his appointment, in the event of termination during the first two years). The Air France-KLM Board of Directors is responsible for evaluating the achievement of these performance criteria.</p>
Non-compete indemnity	N/A	N/A	The Chief Executive Officer does not benefit from a non-compete indemnity.
Supplementary pension scheme	N/A	N/A	The Chief Executive Officer does not benefit from a collective supplementary pension scheme.

### Elements of long-term variable compensation granted in respect of preceding financial years

Note that, in respect of the 2018 financial year, as recommended by the Remuneration Committee, the Board of Directors granted the Chief Executive Officer performance units within the framework of a Long-Term Incentive Plan (“Phantom Shares”) payable in cash, and in respect of the 2019, 2020 and 2021 financial years, as recommended by the Remuneration Committee, the Board of Directors granted the Chief Executive Officer performance units within the framework of two long-term plans: a Long-Term Incentive Plan (“Phantom Shares”) payable in cash and a Specific Long-Term Incentive Plan payable in shares.

It is stipulated that, during its meeting of October 27, 2022, the Board of Directors decided, as proposed by the Remuneration Committee, to adjust these long-term compensation plans following the capital increase with maintained preferential subscription rights for shareholders realized on June 16, 2022 and, as a result, to multiply by 2.5 the number of performance units granted in respect of these plans.

The coefficient of 2.5 was derived by applying to the number of performance units initially granted (or to be granted in respect of the 2022-24 Long-Term Incentive Plan) the ratio between the value of the share price prior to the detachment of the preferential subscription right and the value of the share price after the detachment of the preferential subscription right (ex-rights value) pursuant to the provisions of Articles L. 228-99 and R. 228-91 of the *Code de Commerce* and market practice.

The value of the share price retained before the detachment of the preferential subscription right corresponds to the closing share price on May 20, 2022 (the last stock market trading day prior to the Board of Directors’ resolution of May 22, 2022), i.e. €4.296. The value of the share price retained after the detachment of the preferential subscription right corresponds to the value of the share price calculated by Euronext on May 24, 2022, the day the launch of the capital increase was announced, i.e. €1.740. As a result, the coefficient to be applied for the adjustment of the long-term incentive plans is 2.5 ( $4.296/1.740 = 2.5$ ).

It is also stipulated that:

> **Concerning the Long-Term Incentive Plan** (“phantom shares”), in respect of the 2020 financial year, 200,400 performance units were granted to the Chief Executive Officer valued at €1,000,000, payable in cash in 2023 subject to the realization of the performance conditions and a three-year presence condition, excepting exercise by the Chief Executive Officer of his right to defer payment for a maximum of three years.

It is stipulated that, in application of the Board of Directors’ resolution of October 27, 2022, the number of performance units granted in 2020 has been multiplied by 2.5. As a result, the number of performance units acquired in respect of the 2020 financial year is: 501,000.

At its meeting of February 16, 2023, the Board of Directors decided, as proposed by the Remuneration Committee, to set the level of achievement of the performance conditions

of the plan at an overall 59.3%, this overall figure including the achievement at:

- 57.66% of the condition linked to the Total shareholder Return (TSR) of the Air France–KLM share price compared with the weighted TSR of the companies in the sector,
- 80.0% of the condition linked to the Air France–KLM ROCE index realized relative to the budget, and
- 33.33% of the condition linked to the Dow Jones Sustainability Index for airlines.

As a result, as proposed by the Remuneration Committee, the Board of Directors set the number of performance units acquired by the Chief Executive Officer in respect of this plan for the 2020 financial year at 297,093.

Pursuant to Article L. 22-10-34 of the *Code de Commerce*, the payment of these 297,093 performance units is subject to the prior approval of the Shareholders’ Meeting.

It is specified that, in 2023, the Chief Executive Officer exercised his right to defer payment of these performance units for a maximum of three years. The amount to be paid in respect of these performance units will be calculated with reference to the share price following the announcement of the results for the financial year preceding the year in which the payment must in principle take place in application of the applicable plan.

> **Concerning the Specific Long-Term Incentive Plan:** in respect of the 2020 financial year: 200,400 performance units were granted to the Chief Executive Officer valued at €1,000,000, payable in shares in 2023 subject to the attainment of the performance conditions and a three-year presence condition.

It is stipulated that, in application of the Board of Directors’ resolution of October 27, 2022, the number of performance units granted in 2020 has been multiplied by 2.5. As a result, the number of performance units acquired in respect of the 2020 financial year is: 501,000.

As proposed by the Remuneration Committee, during its meeting of February 16, 2023 the Board of Directors noted the level of achievement of the performance conditions of the plan which stood at an overall 86,67% this overall figure including the achievement at:

- 100.00% of the condition linked to the relative COI of Air France–KLM, and
- 33.33% of the condition linked to the CSR targets.

As a result, as proposed by the Remuneration Committee, the Board of Directors set the number of performance units payable in shares to the Chief Executive Officer at 434.216.

Pursuant to Article L. 22-10-34 of the *Code de Commerce*, the payment of these 434.216 performance units is subject to prior approval by the Shareholders’ Meeting.

The following table summarizes the characteristics of the elements of long-term variable compensation granted to the Chief Executive Officer in respect of the 2018, 2019, 2020 and 2021 financial years.

Characteristics of the plan	Long-Term Incentive Plan (Phantom Shares) (payable in cash)				Specific Long-Term Incentive Plan (payable in shares) <sup>(1)</sup>		
	2018	2019	2020	2021	2019	2020	2021
Date of the Board of Directors meeting having granted the performance units	March 14, 2018	March 12, 2019	March 19, 2020	March 17, 2021	March 12, 2019	March 19, 2020	March 17, 2021
Date of the Shareholders' Meetings having approved these grants	May 28, 2019 (15 <sup>th</sup> resolution)	May 26, 2020 (13 <sup>th</sup> resolution)	May 26, 2021 (16 <sup>th</sup> resolution)	May 24, 2022 (14 <sup>th</sup> resolution)	May 26, 2020 (13 <sup>th</sup> resolution)	May 26, 2021 (16 <sup>th</sup> resolution)	May 24, 2022 (14 <sup>th</sup> resolution)
Number of performance units granted	36,714	110,253	200,400	195,313	110,253	200,400	195,313
Valuation on the grant date	€333,000	€1,000,000	€1,000,000	€1,000,000	€1,000,000	€1,000,000	€1,000,000
Year from which the payment can take place <sup>(2)</sup>	2021 <sup>(3)</sup>	2022 <sup>(4)</sup>	2023 <sup>(5)</sup>	2024	2022 <sup>(6)</sup>	2023	2024
Presence conditions	3 years	3 years	3 years	3 years	3 years	3 years	3 years
Number of performance units granted after the application of the coefficient of 2.5 linked to the neutralization of the recapitalization effect	91,785	275,632	501,000	488,282	275,632	501,000	488,282
Overall performance for the plan	100%	77.3%	59.3%	N/A	70.0%	86.7%	N/A
Number of performance units vested	91,785	213,063	297,093	N/A	192,942	434,216	N/A

- (1) During its meeting of February 16, 2022, the Board of Directors decided, on the expiry of the Specific Long-Term Incentive Plan at the end of 2021, to replace the two long-term incentive plans (one payable in cash and one payable in shares) with a single long-term incentive plan (payable in shares), without changing the overall amount of long-term compensation for the Chief Executive Officer. This change aims to simplify the long-term compensation policy and add consistency, in accordance with market practices, as well as to further align the interests of the beneficiary with those of the shareholders. This change enables the reinforcement of the beneficiaries equity interest in the Company. It contributes to the retention of talented individuals and is aligned with the strategy and the transformation of the Air France-KLM Group (for more detail, see section 2.5.3.2 b) of the 2021 Universal Registration Document.
- (2) It is stipulated 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 variable compensation will be able to be paid until such time as at least 75% of the recapitalization measures has been repaid. Any payments in respect of the Long-Term Incentive Plan ("phantom shares") and the Specific Long-Term Incentive Plan will thus be deferred until the after the repayment of 75% of the recapitalization measures.
- (3) In 2021, the Chief Executive Officer exercised his right to defer payment of these performance units for a maximum of three years. The amount to be paid in respect of these performance units will be calculated with reference to the share price after the announcement of the results for the financial year preceding the one in which the payment must in principle take place pursuant to the applicable plan.
- (4) In 2022, the Chief Executive Officer exercised his right to defer payment of these performance units for a maximum of three years. The amount to be paid in respect of these performance units will be calculated with reference to the share price after the announcement of the results for the financial year preceding the one in which the payment must in principle take place pursuant to the applicable plan.
- (5) In 2023, the Chief Executive Officer exercised his right to defer payment of these performance units for a maximum of three years. The amount to be paid in respect of these performance units will be calculated with reference to the share price after the announcement of the results for the financial year preceding the one in which the payment must in principle take place pursuant to the applicable plan.
- (6) It is stipulated that, pursuant to the amendment to the 2019 Specific Long-Term Incentive Plan detailed in section 2.5.3.2 b) of the 2021 Universal Registration Document, the Chief Executive Officer exercised his right to defer payment of these performance units for a maximum of three years.

### 2.5.2.3 Ratios on the multiples of compensation paid to the executive officers in 2022

This section has been established pursuant to the provisions of Article L. 22-10-9, I, paragraph 6 of the *Code de Commerce* and to the AFEP guidelines updated in February 2021. It sets forth, for the Company's last five financial years, the ratios between the level of compensation for the executive officers and, firstly, the average compensation on a full-time equivalent base for employees of the Company other than the Company officers and, secondly, the median compensation on a full-time equivalent base for employees of the Company other than the Company officers.

The following ratios have been calculated based on the annualized fixed and variable compensation paid during the relevant financial years.

Since the Company Air France-KLM does not include a representative number of employees during the relevant period (fewer than 20% of the staff in France), a broader scope has been used ("relevant scope") consisting of Air France employees on permanent contracts (except expatriate and seconded staff) in France, present and paid throughout the year on a full-time basis, representing more than 80% of the headcount in France.

2018  
Financial Year**Chair and Chief Executive Officer (Jean-Marc Janaillac)**

Ratio with average employee compensation in the relevant scope	16.97
Ratio with median employee compensation in the relevant scope	22.00

Detail on the elements used to calculate the ratios presented above:

> 2018 Financial Year:

- the compensation of the Chair and Chief Executive Officer has been annualized based on Mr. Jean-Marc Janaillac's compensation in his capacity as Chair and Chief Executive Officer for the period from January 1 to May 15, 2018.

	2018 Financial Year	2019 Financial Year <sup>(1)</sup>	2020 Financial Year	2021 Financial Year	2022 Financial Year
<b>Chair of the Board of Directors (Anne-Marie Couderc)</b>					
Ratio with average employee compensation in the relevant scope	3.09	3.39	3.22	3.68	3.36
Ratio with median employee compensation in the relevant scope	4.00	4.42	4.18	4.72	4.35
<b>Chief Executive Officer (Benjamin Smith)</b>					
Ratio with average employee compensation in the relevant scope	13.89	38.78	30.61	20.24	18.31
Ratio with median employee compensation in the relevant scope	18.00	50.57	39.63	25.96	23.69

(1) As the average and median compensation of employees in the relevant scope taken into account for the 2019 financial year corresponds to a budgeted amount in the 2019 Universal Registration Document, the amounts for the 2019 financial year presented here have been corrected.

Detail on the elements used to calculate the ratios presented above:

> 2018 Financial Year:

- the compensation of the Chair of the Board of Directors has been annualized based on Ms. Anne-Marie Couderc's compensation in her capacity as Chair for the period from May 15 to December 31, 2018,
- the compensation of the Chief Executive Officer has been annualized based on Mr. Benjamin Smith's compensation in his capacity as Chief Executive Officer from September 17 to December 31, 2018 (the compensation of Mr. Gagey, interim Chief Executive Officer from May 15 to September 17, 2018 has not been included in this calculation since it was established on the basis of his compensation as Chief Financial Officer and not on that of the compensation for the Chief Executive Officer);

> 2019 Financial Year:

- the annual variable compensation of the Chief Executive Officer paid in 2019 in respect of 2018 has been annualized based on Mr. Benjamin Smith's compensation in his capacity as Chief Executive Officer for the period from September 17 to December 31, 2018;

> 2020 Financial Year:

- note that, on March 19, 2020, the Chair of the Board of Directors waived the application in the 2020 financial year of her new annual fixed compensation set by the Board of Directors on February 19, 2020. Her annual gross fixed compensation was thus €200,000 in respect of her functions for 2020. Furthermore, the Chair submitted her fixed compensation paid during the 2020 financial year to the same wage modalities as those applied to all the Air France and Air France-KLM SA employees (notably its reduction *pro rata temporis* for the periods of partial activity applied to all the employees),
- note that, on March 19, 2020, the Chief Executive Officer informed the Board of Directors of his decision to submit his fixed compensation, paid during the 2020 financial year, to the same wage modalities as those applied to all the Air France and Air France-KLM SA employees (notably the reduction of the payment *pro rata temporis* for the periods of partial activity applied to all the employees for 2020). In practice, his annual fixed compensation was reduced by 25% between March 23 and December 31, 2020;

> 2021 Financial Year:

- note that, on February 17, 2021, the Chair of the Board of Directors reiterated her commitment to waiving the application of her new annual fixed compensation defined by the Board of Directors on February 19, 2020. Her annual fixed gross compensation, in respect of her functions for 2021, decided by the Board of Directors on February 17, 2021, was thus €200,000,
- note that, on April 23, 2020, within the context of the crisis linked to the Covid-19 pandemic being traversed by the Air France-KLM Group, the Chief Executive Officer announced that he was waiving his annual variable compensation in respect of the 2020 financial year;

> 2022 Financial Year

- note that, on February 16, 2022, pursuant to the European Commission's decision of April 5, 2021 on case No.59913 relating to the recapitalization of Air France and Air France-KLM, which stipulates that the compensation for the Chair of the Board of Directors may not exceed the fixed portion of her compensation at December 31, 2019, the annual gross fixed compensation for the Chair of the Board of Directors was set at €200,000,
- note that, pursuant to the European Commission's decision of April 5, 2021 on case No.59913 relating to the recapitalization of Air France and Air France-KLM, no variable compensation will be able to be paid to the Chief Executive Officer until such time as at least 75% of the recapitalization measures has been repaid.

### 2.5.2.4 Change in the compensation policy

This section has been established pursuant to the provisions of Article L. 22-10-9, I, paragraph 7 of the *Code de Commerce* and to the AFEP guidelines updated in February 2021. It shows the annual change in compensation, the performances of the Company.

Air France - KLM, the average remuneration on a full-time equivalent basis for employees of the Company Air France - KLM other than the Directors and the ratios referred to in section 2.5.2.3, for the last five financial years:

	2018 Financial Year	2019 Financial Year <sup>(1)</sup>	2020 Financial Year	2021 Financial Year	2022 Financial Year
<b>Annual compensation</b>					
<b>Chair and Chief Executive Officer (Jean-Marc Janaillac)<sup>(2)</sup></b>					
Compensation	€1,100,000	N/A	N/A	N/A	N/A
Change/N-1	+29.08%				
Ratio with average compensation	16.97	N/A	N/A	N/A	N/A
Change/N-1	+2.98				
Ratio with median compensation	22.00	N/A	N/A	N/A	N/A
Change/N-1	+4.00				
<b>Chair of the Board of Directors (Anne-Marie Couderc)<sup>(2)</sup></b>					
Compensation	€200,000	€215,985	€190,835 <sup>(3)</sup>	€215,984	€215,984
Change/N-1	N/A	+7.99%	-11.64%	+13.18%	+0%
Ratio with average compensation	3.09	3.39	3.22	3.68	3.36
Change/N-1	N/A	+0.30	-0.17	+0.46	-0.32
Ratio with median compensation	4.00	4.42	4.18	4.72	4.35
Change/N-1	N/A	+0.42	-0.24	-0.54	-0.37
<b>Chief Executive Officer (Benjamin Smith)<sup>(2)</sup></b>					
Compensation	€900,000 <sup>(4)</sup>	€2,470,345	€1,808,253 <sup>(5)</sup>	€1,187,113 <sup>(6)</sup>	€1,175,380 <sup>(7)</sup>
Change/N-1	N/A	+174.47%	-26.80%	-52.32%	-1.00%
Ratio with average compensation	13.89	38.78	30.51	20.24	18.31
Change/N-1	N/A	+24.89	-8.27	-10.27	-1.93
Ratio with median compensation	18.00	50.57	39.63	25.96	23.69
Change/N-1	N/A	+32.57	-10.93	-13.68	-2.27
<b>Board directors<sup>(8)</sup></b>					
Compensation (formerly directors' fees)	€907,505 <sup>(9)</sup>	€826,417	€706,133 <sup>(10)</sup>	€637,772 <sup>(11)</sup>	€836,321 <sup>(12)</sup>
Change/N-1	+25.92%	-8.93%	-14.55%	-9.68%	+31.13%
<b>Employees in the relevant scope<sup>(13)</sup></b>					
Average compensation	€64,814	€63,696	€59,261	€58,656	€64,206
Change/N-1	+6.4%	-1.72%	-6.96%	-1.02%	+9.46 <sup>(14)</sup>

	2018 Financial Year	2019 Financial Year <sup>(1)</sup>	2020 Financial Year	2021 Financial Year	2022 Financial Year
<b>Performance of the Company based on the reported figures</b>					
Net Results (in € million)	419	290	-7,100 <sup>(15)</sup>	-3,292	728
Change/N-1 (in € million)	+694	-129	-7,390	+3.808	+4,020
Current Operating Income (COI) (in € million)	1,332	1,141	-4,554 <sup>(15)</sup>	-1,626	1,193
Change/N-1 (in € million)	-83	-264	-5,695	+2,928	+2,819
Net debt/EBITDA ratio	1.4x	1.5x	-6.5x	11.0x	1.75x
Change/N-1	-0.7	+0.1	-8	+17.5	-9.3x

- (1) As the average and median compensation of the employees in the relevant scope taken into account for the 2019 financial year corresponds to a budgeted amount in the 2019 Universal Registration Document, the amounts for the 2019 financial year presented here have been corrected.
- (2) The compensation for the Chair and Chief Executive Officer, the Chair of the Board of Directors and the Chief Executive Officer shown above have been calculated on the basis of the fixed and variable compensation paid during the relevant financial years. These elements have been annualized for the purposes of comparison.
- (3) Note that the Chair of the Board of Directors submitted her fixed compensation of €200,000 paid during the 2020 financial year to the same modalities as those applied to all the Air France and Air France-KLM SA employees (notably its reduction *pro rata temporis* for the period of partial activity applied to all the employees).
- (4) The compensation of the Chief Executive Officer for the 2018 financial year only includes the Chief Executive Officer's annualized fixed compensation. The variable portion of the Chief Executive Officer's compensation granted in respect of the 2018 financial year was paid at the end of the Shareholders' Meeting of May 28, 2019.
- (5) Note that the Chief Executive Officer informed the Board of Directors of his decision to submit his fixed compensation, paid during the 2020 financial year, to the same modalities as those applied to all the Air France and Air France-KLM employees (notably its reduction *pro rata temporis* for the periods of partial activity applied to all the employees).
- (6) Note that, on April 23, 2020, in view of the crisis linked to the Covid-19 pandemic being traversed by the Air France-KLM Group, the Chief Executive Officer announced that he was waiving his annual variable compensation in respect of the 2020 financial year.
- (7) The amount of annual variable compensation for the Chief Executive Officer in respect of the 2021 financial year was set at 121.11% of the annual fixed compensation, i.e. €1,098,984, by the Board of Directors during its meeting of February 16, 2022. This amount will be able to be paid to the Chief Executive Officer once 75% of the recapitalization measures has been repaid.
- (8) Note that, during its meeting of December 11, 2019, the Board of Directors decided to introduce a variable portion of compensation based on attendance, allocated to the Board directors in respect of their functions within the advisory Committees.
- Audit Committee:
- the Chair now receives a fixed portion of €4,500 and a variable portion of €7,500 based on attendance at Committee meetings; and
  - the members now receive a fixed portion of €3,000 and a variable portion of €5,000 based on attendance at Committee meetings.
- Other Committees:
- the Chair now receives a fixed portion of €3,000 and a variable portion of €4,500 based on attendance at Committee meetings; and
  - the members now receive a fixed portion of €2,000 and a variable portion of €3,000 based on attendance at Committee meetings.
- (9) In view of the very high number of extraordinary meetings of the Board of Directors taking place during the 2018 financial year within the framework of the transitional governance period and the investment made by the different Board directors in attending these meetings, during its meeting of October 29, 2018, the Board of Directors granted an exceptional additional element of compensation (within the framework of the budget approved by the Shareholders' Meeting) to each Board director. These elements are set forth in section 2.5.2.1.
- (10) On April 3, 2020, the Air France-KLM Board directors decided to reduce by 25% their compensation paid in 2020 *pro rata temporis* for the periods of partial activity applied to all the employees of Air France and Air France-KLM SA, i.e. from April 1 to December 31, 2020.
- (11) On February 17, 2021, in view of the context of crisis linked to the Covid-19 pandemic, the Air France-KLM directors decided to reduce by 25% their compensation paid in 2021 until such time as the Group's current operating income (COI) has returned to a positive figure.
- (12) Following the deliberation of the Board of Directors of December 8, 2022, having noted that the first half financial statements at June 30, 2022 and the third quarter financial statements had indicated that the Group's Current Operating Income would be positive at December 31, 2022, it was decided to remove the 25% reduction in the compensation for Board directors paid in respect of the 2022 financial year.
- (13) Since the Company Air France-KLM SA does not include a representative number of employees during the relevant period (less than 20% of the employees in France), a broader scope has been used ("relevant scope") consisting of Air France employees on permanent contracts (except expatriate and seconded staff) in France, present and paid throughout the year on a full-time basis, representing more than 80% of the headcount in France.
- (14) The increase in the compensation of employees within the relevant scope is explained by the recovery in activity at Société Air France with notably the reduction in partial activity.
- (15) The restated figures include the change in accounting principles for pensions (interpretation of IAS 19).



### 2.5.2.5 Additional information concerning the compensation paid or granted to all the Company officers in 2022

In the 2022 financial year, the total amount of compensation paid to the Board directors did not exceed the maximum budget of €950,000 approved by the shareholders during the Shareholders' Meeting of May 15, 2018.

Pursuant to Article L. 22-10-9, I, paragraph 10 of the *de Commerce Code*, it is specified that, during the 2022 financial year, no divergences or exemptions were applied relative to the implementation procedure for the compensation policy.

Elements of compensation for the executive officers pursuant to the 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)	2022 Financial Year		2021 Financial Year	
	Amounts granted	Amounts paid	Amounts granted	Amounts paid
<b>Ms. Anne-Marie Couderc, Chair of the Board of Directors</b>				
Fixed compensation	200,000 <sup>(1)</sup>	200,000 <sup>(1)</sup>	200,000 <sup>(2)</sup>	200,000 <sup>(2)</sup>
Annual variable compensation	N/A	N/A	N/A	N/A
Multi-year variable compensation	N/A	N/A	N/A	N/A
Extraordinary compensation	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
Benefits in kind	15,984 <sup>(3)</sup>	15,984 <sup>(3)</sup>	15,984 <sup>(3)</sup>	15,984 <sup>(3)</sup>
<b>Total</b>	<b>215,984</b>	<b>215,984</b>	<b>215,984</b>	<b>215,984</b>

- (1) Pursuant to the European Commission's decision of April 5, 2021 on case No.59913 relating to the recapitalization of Air France and Air France-KLM, which stipulates that the compensation for the Chair of the Board of Directors may not exceed the fixed portion of her compensation at December 31, 2019, the annual gross fixed compensation for the Chair of the Board of Directors in respect of the 2022 financial year was set at €200,000 by the Board of Directors during its meeting of February 16, 2022. Her annual fixed compensation was thus €200,00 in respect of her duties in 2022.
- (2) The Chair of the Board of Directors waived the application in respect of the 2021 financial year of her new annual fixed compensation set by the Board of Directors in its meeting of February 19, 2020.
- (3) Ms. Anne-Marie Couderc benefits from a chauffeur-driven company car.

(in euros)	2022 Financial Year		2021 Financial Year	
	Amounts granted	Amounts paid	Amounts granted	Amounts paid
<b>Mr. Benjamin Smith, Chief Executive Officer</b>				
Fixed compensation	900,000	900,000	900,000	900,000
Annual variable compensation	1,059,769 <sup>(1)</sup>	0 <sup>(2)</sup>	1,089,984 <sup>(3)</sup>	0 <sup>(2)</sup>
Long-term variable compensation	2,000,000 <sup>(4)</sup>	N/A	2,000,000 <sup>(5)</sup>	N/A
Multi-year variable compensation	N/A	N/A	N/A	N/A
Extraordinary compensation	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
Benefits in kind	275,380 <sup>(6)</sup>	275,380 <sup>(6)</sup>	287,113 <sup>(6)</sup>	287,113 <sup>(6)</sup>
<b>Total</b>	<b>4,235,149<sup>(2)</sup></b>	<b>1,175,380</b>	<b>4,277,097<sup>(2)</sup></b>	<b>1,187,113</b>

- (1) Subject to the condition precedent of the repayment of at least 75% of the State Aid, the criteria in application based on which this amount has been calculated are detailed in section 2.5.2.2 above.
- (2) It is stipulated 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 will be able to be paid to the Chief Executive Officer until such time as at least 75% of the recapitalization measures has been repaid.
- (3) The details concerning the annual variable compensation of the Chief Executive Officer for 2021 are outlined in action 2.5.5.2.b of the 2021 Universal Registration Document.
- (4) Amount grant corresponding to 1,225,490 performance units (after application of the coefficient of 2.5 pursuant to the Board of Directors' resolution of October 27, 2022) calculated with reference to the Air France-KLM opening share price on April 1, 2022, granted subject to the condition precedent of the repayment of at least 75% of the State Aid, and payable in 2025 (excepting the exercise by the beneficiary of his right to defer payment for a maximum of three years). The number of performance units to be definitively vested is subject to a presence condition and performance conditions, evaluated over three years, and presented section 2.3.3.2 b of the Universal Registration Document 2021.
- (5) Amount grant corresponding to 976,564 performance units (after application of the coefficient of 2.5 pursuant to the Board of Directors' resolution of October 27, 2022) calculated with reference to the Air France-KLM opening share price on April 1, 2021, payable in 2024 (excepting the exercise by the beneficiary of his right to defer payment for a maximum of three years). The number of performance units to be definitively vested is subject to a presence condition and performance conditions, evaluated over three years, and presented section 2.3.3.2 b of the Universal Registration Document 2020.
- (6) 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.

**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)	2022 Financial Year	2021 Financial Year
<b>Ms. Anne-Marie Couderc, Chair of the Board of Directors</b>		
Compensation granted in respect of the financial year	215,984 <sup>(1)</sup>	215,984 <sup>(2)</sup>
Valuation of multi-year variable compensation granted during the financial year	N/A	N/A
Valuation of stock options granted during the financial year	N/A	N/A
Valuation of free shares granted during the financial year	N/A	N/A
Valuation of other long-term compensation plans	N/A	N/A
<b>Total</b>	<b>215,984</b>	<b>215,984</b>

(1) Pursuant to the European Commission's decision of April 5, 2021 on case No.59913 relating to the recapitalization of Air France and Air France – KLM which stipulates that the compensation for the Chair of the Board of Directors may not exceed the fixed portion of her compensation at December 31, 2019, the annual gross fixed compensation for the Chair of the Board of Directors in respect of the 2022 financial year was set at €200,000 by the Board of Directors during its meeting of February 16, 2022.

(2) The Chair of the Board of Directors waived the application in respect of the 2021 financial year of her new annual fixed compensation set by the Board of Directors meeting of February 19, 2020. Her annual gross fixed compensation was thus €200,000 in respect of her duties for 2021.

(in euros)	2022 Financial Year	2021 Financial Year
<b>Mr. Benjamin Smith, Chief Executive Officer</b>		
Compensation granted in respect of the financial year	4,235,149 <sup>(1)</sup>	4,277,097
Valuation of multi-year variable compensation granted during the financial year	N/A	N/A <sup>(2)</sup>
Valuation of stock options granted during the financial year	N/A	N/A
Valuation of free shares granted during the financial year	N/A	N/A
Valuation of other long-term compensation plans	N/A	N/A
<b>Total</b>	<b>4,235,149<sup>(3)</sup></b>	<b>4,277,097</b>

(1) This amount is detailed in the table above summarizing the compensation of the Chief Executive Officer.

(2) In the 2021 Universal Registration Document, an amount of €2,000,000 had been indicated on this line by mistake. This amount corresponded to the elements of long-term compensation figuring in the table summarizing the compensation for the Chief Executive Officer (Table 2 – AMF Position-Recommendation – DOC 2021-02 (Appendix 2)).

(3) It is stipulated that pursuant to the European Commission's decision of April 5, 2021 on case No. SA59913 relating to the recapitalization of Air France and Air France – KLM, no long-term variable compensation will be able to be paid to the Chief Executive Officer until such time as at least 75% of the recapitalization measures has been repaid.

## Summary table of the situation of the executive officers (Table 10 – AFEP-MEDEF Code)

Executive officers	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	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>Ms. Anne-Marie Couderc</b> <i>Chair of the Board of Directors</i> Start date of mandate: May 15, 2018 Expiry date of mandate: 2023 Ordinary Shareholders' Meeting <sup>(1)</sup>		√		√		√		√
<b>Mr. Benjamin Smith</b> <i>Chief Executive Officer</i> Start date of mandate: September 17, 2018 Expiry date of mandate: 2027 Ordinary Shareholders' Meeting <sup>(2)</sup>		√		√		√ <sup>(3)</sup>		√

(1) Ms. Anne-Marie Couderc was appointed Chair of the Board of Directors from May 15, 2018 until the end of the 2023 Ordinary Shareholders' Meeting. Her mandate as Chair of the Board of Directors was renewed for an additional year by a decision of the Board of Directors on December 8, 2022, subject to the amendment of Article 26 of the Company's Articles of Incorporation increasing the age limit for exercising the functions of the Chair of the Board of Directors, submitted to the shareholders' vote during the Shareholders' Meeting of June 7, 2023.

(2) The Chief Executive Officer has also been a Board director of Société Air France-KLM since December 5, 2018. His Board director mandate was submitted for ratification by the shareholders during the Shareholders' Meeting of May 28, 2019 then renewed during this same Shareholders' Meeting for a four-year term of office, i.e. until the end of the 2023 Ordinary Shareholders' Meeting. The renewal of the Chief Executive Officer's Board director mandate for a four-year term will be submitted to the vote by shareholders at the Shareholders' Meeting of June 7, 2023. Mr. Benjamin Smith's mandate as Chief Executive Officer was renewed early on March 30, 2022 for a further five-year term, effective as of the Shareholders' Meeting of May 24, 2022 and expiring at the end of the Shareholders' Meeting convened to approve the financial statements for the financial year ending December 31, 2026.

(3) For more details on the severance payment to the benefit of the Chief Executive Officer, see section 2.5.2.2.

## Loans and guarantees granted to the Company officers

None.

## Stock options granted to the Company officers of Air France-KLM

Air France-KLM did not put in place any stock option schemes to the benefit of its company officers during the financial year, nor during the preceding financial years.

## Stock option schemes granted to the Company officers of Air France-KLM and to the employees of the Air France-KLM Group by the subsidiaries

Air France and KLM have not recently put in place any stock option schemes to the benefit of their employees and no stock option schemes are currently in force.

## Information on stock option schemes granted to the employees of the Air France-KLM Group and exercised by them during the financial year

None.

## Performance shares granted to the Company officers of Air France-KLM

Air France-KLM and its subsidiaries did not put in place any stock option schemes to the benefit of its company officers during the financial year, nor during the preceding financial years.

## 2.5.2.6 Summary of the elements of compensation for the Chief Executive Officer

This section is not included in the management report approved by the Board of Directors on February 16, 2023.

The compensation elements of the Chief Executive Officer since 2018 are summarized below.

As a reminder, as proposed by the Remuneration Committee, the framework of the compensation policy for the Chief Executive Officer was set by the Board of Directors during its meeting of August 16, 2018. It stipulates that the compensation of the Chief Executive Officer shall be composed of the following three elements:

- 1) an annual fixed amount of compensation;
- 2) an annual variable amount of compensation linked to the performance during the previous financial year potentially reaching 122% of the fixed compensation at targets achieved and up to 150% in the event that the targets are exceeded; and
- 3) an amount of long-term variable compensation.

This compensation structure has remained unchanged since the Board of Directors' decisions of August 16, 2018 in terms of both the amount of fixed compensation and the amounts of annual and long-term compensation at targets achieved and the maximum amounts in the event that these targets are exceeded. Within the framework of this policy, the Chief Executive Officer receives benefits in kind whose scope has remained unchanged since 2018.

Note that, pursuant to the European Commission's decision of April 5, 2021 on case No.SA.59913 relating to the recapitalization of Air France-KLM and Air France, no variable compensation was paid to the Chief Executive Officer during the 2021 and 2022 financial years.

The tables below summarize the elements of compensation for the Chief Executive Officer since 2018:

				2018 <sup>(1)</sup>
Elements of compensation	Compensation granted for the fiscal year 2018	Compensation paid during the fiscal year 2018	Comments	
Fixed compensation	262,500	262,500	Fixed compensation unchanged since 2018	
Annual variable compensation subject to performance conditions	366,667	0		
Long-term variable compensation subject to presence condition	333,000	0	<p>The amount allocated to long-term variable compensation (corresponding to 36,714 performance units granted in respect of the 2018-20 "Phantom Shares" Long-Term Incentive Plan calculated with reference to the Air France - KLM opening share price on August 17, 2018) was subject to a three-year presence condition. In 2021, the Chief Executive Officer exercised his right to defer payment of these performance units for a maximum of three years. Based on the Air France - KLM opening share price of April 3, 2023, the value of the long-term compensation having vested is €155,759, corresponding to 91,785 performance units acquired (after application of the coefficient of 2.5 pursuant to the decision of the Board of Directors of October 27, 2022) in respect of the 2018-20 "Phantom Shares" Long-Term Incentive Plan.</p> <p>A summary of the information relating to the long-term compensation plans can be found in section 2.5.2.2 of the 2022 Universal Registration Document.</p>	
Benefits in kind	-	-	-	
<b>Total</b>	<b>962,167</b>	<b>262,500</b>		

(1) Mr. Benjamin Smith was appointed Chief Executive Officer on September 17, 2018.

2019

Elements of compensation	Compensation granted for the fiscal year 2019	Compensation paid during the fiscal year 2019	Comments
Fixed compensation	900,000	900,000	Fixed compensation unchanged since 2018
Annual variable compensation subject to performance conditions	768,456	366,667	The amount of €366,667 corresponds to the annual variable compensation acquired in respect of the 2018 financial year.
Long-term variable compensation subject to presence and performance conditions	2,000,000	0	The amount allocated to long-term variable compensation (corresponding to 110,253 performance units granted in respect of the 2019-21 "Phantom Shares" Long-Term Incentive Plan and 110,253 performance units granted in respect of the 2019-21 Specific Long-Term Incentive Plan, calculated with reference to the Air France - KLM opening share price on April 1, 2019) was subject to presence and performance conditions. In 2022, the Chief Executive Officer exercised his right to defer payment of these performance units for a maximum of three years. Based on the Air France - KLM opening share price of April 3, 2023, the value of the long-term compensation having vested is €688,990, corresponding to 213,063 performance units acquired (after application of the coefficient of 2.5 pursuant to the decision of the Board of Directors of October 27, 2022) in respect of the 2019-21 Specific Long-Term Incentive Plan and to 192,942 performance units acquired (after application of the coefficient of 2.5 pursuant to the decision of the Board of Directors of October 27, 2022) in respect of the 2019-21 Specific Long-Term Incentive Plan. A summary of the information relating to the long-term compensation plans can be found in section 2.5.2.2 of the 2022 Universal Registration Document.
Benefits in kind	313,201	313,201	
<b>Total</b>	<b>3,981,657</b>	<b>1,579,868</b>	

				2020
Elements of compensation	Compensation granted for the fiscal year 2020	Compensation paid during the fiscal year 2020	Comments	
Fixed compensation	744,511	744,511	The Chief Executive Officer decided to reduce by 25% his fixed compensation paid during the 2020 financial year as of the onset of the crisis linked to the Covid-19 pandemic until the end of the year.	
Annual variable compensation subject to performance conditions	0	768,456	<p>The Chief Executive Officer waived the payment of his annual variable compensation in respect of the 2020 financial year.</p> <p>The amount of €768,456 corresponds to the annual variable compensation received in respect of the 2019 financial year.</p>	
Long-term variable compensation subject to presence and performance conditions	2,000,000	0	<p>The amount allocated to the long-term variable compensation (corresponding to 200,400 performance units granted in respect of the 2020-22 “Phantom Shares” Long-Term Incentive Plan and to 200,400 performance units granted in respect of the 2020-22 Specific Long-Term Incentive Plan, calculated with reference to the Air France-KLM opening share price on April 1, 2020) was subject to presence and performance conditions.</p> <p>In 2023, the Chief Executive Officer exercised his right to defer payment of the performance units granted in respect of the 2020-22 “Phantom Shares” Long-Term Incentive Plan for a maximum of three years.</p> <p>Based on the Air France-KLM opening share price of April 3, 2023, the value of the long-term variable compensation vested is €1,241,031, corresponding to 297,093 performance units acquired (after application of the coefficient of 2.5 pursuant to the decision of the Board of Directors of October 27, 2022) in respect of the 2020-22 “Phantom Shares” Long-Term Incentive Plan and 434,216 performance units acquired (after application of the coefficient of 2.5 pursuant to the decision of the Board of Directors of October 27, 2022) in respect of the 2020-22 Specific Long-Term Incentive Plan. A summary of the information relating to the long-term compensation plans can be found in section 2.5.2.2 of the 2022 Universal Registration Document.</p>	
Benefits in kind	295,287	295,287		
<b>Total</b>	<b>3,039,798</b>	<b>1,808,254</b>		

2021

Elements of compensation	Compensation granted for the fiscal year 2021	Compensation paid during the fiscal year 2021	Comments
Fixed compensation	900,000	900,000	Fixed compensation unchanged since 2018
Annual variable compensation subject to performance conditions	1,089,984	0	The Chief Executive Officer waived the payment of his annual variable compensation in respect of the 2020 financial year.
Long-term variable compensation subject to presence and performance conditions	2,000,000	0	The amount allocated to the long-term variable compensation (corresponding to 488,282 performance units granted in respect of the 2021-23 "Phantom Shares" Long-Term Incentive Plan and to 488,282 performance units granted in respect of the 2021-23 Specific Long-Term Incentive Plan, calculated with reference to the Air France - KLM opening share price on April 1, 2021) is subject to presence and performance conditions. This long-term variable compensation is payable at the end of a three-year period in 2024. A summary of the information relating to the long-term compensation plans can be found in section 2.5.2.2, of the 2022 Universal Registration Document.
Benefits in kind	287,113	287,113	
<b>Total</b>	<b>4,277,097</b>	<b>1,187,113</b>	

2022

Elements of compensation	Compensation granted for the fiscal year 2022	Compensation paid during the fiscal year 2022	Comments
Fixed compensation	900,000	900,000	Fixed compensation unchanged since 2018
Annual variable compensation subject to performance conditions	1,059,769	0	No variable compensation has been able to be paid to the Chief Executive Officer until such time is at least 75% of the State Aid has been repaid.
Long-term variable compensation subject to presence and performance conditions	2,000,000	0	The amount allocated to the long-term variable compensation (corresponding to 1,225,490 performance units after application of the coefficient of 2.5 pursuant to the decision of the Board of Directors of October 27, 2022) granted in respect of the 2022-24 "Phantom Shares" Long-Term Incentive Plan, calculated with reference to the Air France - KLM opening share price on April 1, 2022 (subject to the condition precedent of the repayment of at least 75% of the State Aid)) is subject to presence and performance conditions. This long-term variable compensation is payable at the end of a three-year period in 2025. A summary of the information relating to the long-term compensation plans can be found in section 2.5.2.2 of the 2022 Universal Registration Document.
Benefits in kind	275,380	275,380	
<b>Total</b>	<b>4,235,149</b>	<b>1,175,380</b>	

## 2.5.3 Compensation policy for the Company officers in respect of 2023

This section has been established pursuant to Articles L. 22-10-8 and R. 22-10-14 of the *Code de Commerce* and outlines the elements composing the compensation policy for the Company officers in respect of 2023.

As recommended by the Remuneration Committee, the Board of Directors has taken into account the vote of the Shareholders' Meeting of May 24, 2022 on the compensation for the executive officers in respect of the 2022 financial year to determine the 2023 compensation policy for the Company officers.

Established by the Board of Directors, as recommended by the Remuneration Committee and consistent with the provisions of the AFEP-MEDEF Code, the compensation policy for the Company officers of Air France-KLM in respect of the 2023 financial year:

- > complies with the Company's corporate interests (*intérêt social*) in that it enables qualified company officers to be attracted and retained while being adapted to the responsibilities of the beneficiary and consistent with the practices in comparable companies;
- > is aligned with its commercial strategy in that it is composed, of a long-term variable portion giving the executive directors an interest in the Company's results and adapted as a function of the strategic priorities; and
- > contributes to the Company's long-term sustainability in that it is always aligned with the interests of shareholders.

This policy is subject to an annual review by the Remuneration Committee. The work of the Remuneration Committee takes into account the examination of benchmarking studies carried out with the help of external consultants to compare this policy with the practices in 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 formulates recommendations for the Board which then sets the compensation policy on an annual basis. The Remuneration Committee also formulates recommendations for the Board regarding its implementation.

As recommended by the Remuneration Committee, during the establishment of the compensation policy for company officers, the Board of Directors takes into account the remuneration and employment conditions of Air France-KLM's employees. As for all the employees of Air France-KLM, the Board of Directors ensures the implementation of a simple, understandable and consistent compensation policy in a fair manner. The Board of Directors takes particular care that, at their individual level, all the employees and company officers have the material resources required for the fulfilment of their respective duties.

The Internal Rules of the Board of Directors, as amended by the Board of Directors resolution of February 16, 2023, stipulate that any Board director in a situation of conflict of interests, even potential, must inform the Board of Directors and abstain from attending the debate or participating in the vote for the corresponding deliberation. The executive officers are not present during the discussions of the Board of Directors and the Remuneration Committee regarding their own compensation.

Should a new Chair of the Board of Directors or a new Chief Executive Officer be appointed, the elements of compensation foreseen in the compensation policy for company officers would also apply to them. As recommended by the Remuneration Committee, the Board of Directors will then determine, while adapting them to the situation of the interested parties, the targets, levels of performance, parameters, structure and maximum percentages relative to their annual fixed compensation which may not be higher than those approved by the Shareholders' Meeting.

The 2023 compensation policy for the Company officers outlines all the components of the fixed and, as necessary, variable compensation for Board directors (section 2.5.3.1 hereinafter); the Chair of the Board of Directors (section 2.5.3.2 a. hereinafter); and the Chief Executive Officer (section 2.5.3.2 b. hereinafter), and explains the decision-making process for its establishment, review and implementation.

This 2023 compensation policy for the Company officers will be the subject of a draft resolution submitted for approval by the Shareholders' Meeting of June 7, 2023 under the conditions provided for in Article L. 22-10-8 of the *Code de Commerce* and on any material amendment to the compensation policy.

### 2.5.3.1 Compensation for the Board directors in respect of 2023

Subject to approval of the 2023 compensation policy for the Company officers by the Shareholders' Meeting of June 7, 2023, the Board directors of Air France-KLM will receive, in respect of their Board directors' mandates, compensation (formerly directors' fees) amounting to a maximum amount which was set at €950,000 for the entire Board of Directors.

The compensation for Board directors shall be composed of a flat-rate amount of compensation, with an additional portion calculated as a function of their respective attendance records, whose modalities for distribution and granting are set by the Board of Directors, as proposed by the Remuneration Committee.

These allocation rules have been unchanged since the Board of Directors' resolution of February 19, 2014, and are as follows:

- > €15,000 in flat-rate compensation;
- > €25,000 of compensation based on their individual attendance records at meetings of the Board of Directors and at Shareholders' Meetings; and
- > a sum of additional compensation is also granted to non-resident Board directors (€7,000).

As its meeting of December 11, 2019, the Board of Directors also decided that a portion of the compensation for Board directors in respect of their functions within the Committees would be based on their attendance records:

- > for the Audit Committee:
  - the Chair will receive flat-rate compensation of €4,500 plus a maximum of €7,500 based on their attendance record at Committee meetings, and



- the members will each receive flat-rate compensation of €3,000 plus a maximum of €5,000 as a variable portion based on their respective attendance records at Committee meetings;
- > for the other Committees:
  - the Chair will receive flat-rate compensation of €3,000 plus a maximum of €4,500 based on their individual attendance records at Committee meetings, and
  - the members will receive flat-rate compensation of €2,000 plus a maximum of €3,000 based on their individual attendance records at Committee meetings.

It is specified that, relative to the allocation policy voted in 2014, the introduction of an amount of compensation based on attendance in respect of the functions exercised within the Committees (i) does not change the total budget granted for the duties exercised within the Committees as either member or Chair, and (ii) has been set based on the same proportions as the attendance-record-based compensation defined for meetings of the Board of Directors.

For Board directors leaving or joining the Board during the financial year, the amount of compensation is calculated *pro rata temporis* based on the number of Board of Directors, Committee and Shareholders' Meetings held during the period the Board director was in function.

In respect of the aforementioned allocation, all the Board directors, with the exception of the Chair of the Board of Directors and the Chief Executive Officer, will receive an amount of compensation in line with the allocation modalities set by the Board of Directors.

It is also specified that, in the event of a high number of extraordinary meetings of the Board of Directors, the Board of Directors will be able to decide on an exceptional and additional allocation, within the limits of the budget allocated by the Shareholders' Meeting. The additional amount will be calculated *pro rata temporis* based on the attendance records of the individual Board directors at these extraordinary meetings.

The Board directors (non-executive company officers) will not be able to benefit from:

- > a long-term incentive plan or specific long-term incentive plan;
- > benefits in kind which are not linked to their duties;
- > an employment contract;
- > a non-compete indemnity;
- > an award of stock-options or free shares.

### **Modalities for the granting and payment of the compensation (formerly directors' fees) to representatives of the State and Board directors appointed as proposed by the French State**

The allocation rules for compensation paid to the Board directors outlined above are applicable to the State representatives and to the Board directors appointed as proposed by the French State.

Pursuant to Ordinance 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 Board directors appointed directly by the French State, 100% of the compensation is paid to the French State (Article 5 of the Ordinance);
- > for Board directors appointed by the Shareholders' Meeting as proposed by the French State (Article 6 of the Ordinance), there are two separate cases:
  - for public officials of the French State, 100% of the compensation is paid to the State,
  - for those not acting in the capacity of public officials, the payment of the compensation is shared as follows:
    - 15% paid to the State, and
    - 85% paid directly to the relevant Board director (with the application of the social and tax charges).

### **2.5.3.2 Compensation of the executive officers in respect of 2023**

Based on the recommendation of the Remuneration Committee, the compensation packages of the Chair of the Board of Directors and of the Chief Executive Officer are set by the Board of Directors, pursuant to the provisions of the AFEP-MEDEF Code.

Pursuant to the Internal Rules, as recommended by the Remuneration Committee, the Board of Directors also approves the compensation of the Chief Executive Officers of the principal subsidiaries (Air France and KLM). Furthermore, the Remuneration Committee makes recommendations to the Chief Executive Officer regarding the compensation of the Group's Chief Financial Officer and reviews the compensation of the members of the KLM Managing Board.

These compensation policies establish the principles and criteria for determining, allocating and granting the fixed, variable and extraordinary components of the total compensation and benefits of any kind awarded, firstly, to the Chair of the Board of Directors and, secondly, to the Chief Executive Officer, as well as their relative scale. All of these elements are detailed in this section in point a) relating to the mandate of the Chair of the Board of Directors and b) relating to the mandate of the Chief Executive Officer, pursuant to the provisions of Articles L. 22-10-8 and R. 22-10-14 of the *Code de Commerce*.

**a) 2023 compensation policy for the Chair of the Board of Directors**

Ms. Anne-Marie Couderc has been a member of the Air France-KLM Board of Directors since May 19, 2016. Her Board director mandate was renewed during the Shareholders' Meeting of May 26, 2020 for a four year term of office, i.e. until the end of the Shareholders' Meeting convened to approve the financial statements for the financial year ending December 31, 2023. Ms. Anne-Marie Couderc was appointed Chair of the Board of Directors from May 15, 2018 and until June 7, 2023. Her mandate as Chair of the Board of Directors was renewed for one additional year by a resolution adopted by the Board of Directors during its meeting of December 8, 2022, subject to approval by the shareholders during the Shareholders' Meeting of June 7, 2023 of the amendment to Article 26 of the Company's Articles of Incorporation stipulating that, when the age limit for the Chair of the Board of Directors is reached during the course of his or her Board director mandate, the latter will continue to exercise his or her duties as Chair of the Board of Directors until the end of his or her Board director mandate. The Chair of the Board of Directors may be dismissed at any time by the Board of Directors. Ms. Anne-Marie Couderc has no employment contract binding her to the Company or another company within the Group.

During its meeting of February 16, 2023, the Board of Directors defined, as proposed by the Remuneration Committee, the structure of the compensation to be granted to the Chair of the Air France-KLM Board of Directors in respect of the 2023 financial year.

**— Annual compensation (fixed and variable)*****Description of the annual fixed and variable elements***

During its meeting of February 16, 2023, the Board of Directors decided, as recommended by the Remuneration Committee and at the request of the Chair of the Board of Directors, to set the annual gross fixed compensation for the Chair of the Board of Directors at €200,000 in respect of her duties. Note that a revised amount of annual fixed compensation for the Chair of the Board of Directors had been set at €220,000 by the Board of Directors on February 19, 2020 but the Chair of the Board of Directors had waived this increase in respect of the 2020 and 2021 financial years and this increase was not applied in respect of the 2022 financial year in compliance with the European Commission's decision of April 5, 2021 on case No. SA59913 relating to the recapitalization of Air France and Air-France-KLM which stipulates that the compensation of the Chair of the Board of Directors may not exceed the fixed portion of her compensation at December 31, 2019. The Chair of the Board of Directors will not benefit from variable or multi-year compensation.

**— Annual extraordinary compensation**

The Chair of the Board of Directors will not benefit from annual extraordinary compensation.

**— Long-term incentive plan or specific long-term incentive plan**

The Chair of the Board of Directors will not benefit from a long-term incentive plan or a specific long-term incentive plan.

**— Compensation in the capacity of Board director**

The Chair of the Board of Directors will not receive compensation in respect of her Board director duties.

**— Severance payment**

The Chair of the Board of Directors will not benefit from a severance payment.

**— Benefits in kind**

The Chair of the Board of Directors will dispose of material resources (chauffeur-driven company car) that cannot, in practice, be separated from the performance of her duties.

**— Others**

The Chair of the Board of Directors will not benefit from an employment contract, nor from a top-up pension plan, non-compete indemnity, stock options or free shares.

**b) 2023 compensation policy for the Chief Executive Officer**

Mr. Benjamin Smith was appointed Chief Executive Officer as of September 17, 2018 and a Board director as of December 5, 2018. His Board director mandate was submitted for ratification by the shareholders during the Shareholders' Meeting of May 28, 2019 then renewed during this same Shareholders' Meeting for a four-year term of office, i.e. until the end of the Shareholders' Meeting convened to approve the financial statements for the financial year ending December 31, 2022. The renewal of his Board director mandate for a term of four years, i.e. until the end of the Shareholders' Meeting convened to approve the financial statements for the financial year ending December 31, 2026, will be submitted to the vote by shareholders at the Shareholders' Meeting on June 7, 2023. The term of his mandate as Chief Executive Officer is five years. It was renewed early on March 30, 2022, i.e. until the end of the Shareholders' Meeting convened to approve the financial statements for the financial year ending December 31, 2026. The Chief Executive Officer may, however, be dismissed at any time by the Board of Directors. Mr. Benjamin Smith has no employment contract with the Company or any other company within the Group.

Note that, given the adoption of the Group's new governance during 2018, and in view of the profile and international experience of Mr. Benjamin Smith, Chief Executive Officer of Air France-KLM as of September 17, 2018, the Air France-KLM Board of Directors considered it necessary to modify the framework for the compensation of the Group's Chief Executive Officer which had been approved by the Shareholders' Meeting of May 15, 2018 and which had de facto become inapplicable.

Within this context, the Board of Directors had reviewed the compensation practices for similar functions at competitor airline companies internationally and taken into account the compensation paid to Mr. Benjamin Smith in respect of his duties at Air Canada, as well as his residency of Canada which required him to relocate to France.

It is specified that, to determine the elements of compensation for the Chief Executive Officer, the Air France-KLM Board of Directors referred to a sample of compensation in place in comparable international groups.

The compensation structure set by the Board of Directors in August 2018 remained unchanged for the 2019 to 2022 financial years. It is also within this framework that the compensation policy has been set for the 2023 financial year. It is however stipulated that, in 2022, the two long-term incentive plans (one payable in cash and the other payable in shares) were replaced by a single long-term incentive plan (payable in shares) without changing the overall amount of the long-term compensation for the Chief Executive Officer. This adaptation was aimed at simplifying the plans in place and making them consistent with the market practices and reinforcing the link with shareholders' interests based on the Group's strategic goals.

During the Shareholders' Meeting of May 24, 2022, the resolution on the fixed, variable and extraordinary elements of the total compensation and the benefits in kind of any nature paid during the 2021 financial year to the Chief Executive Officer (14<sup>th</sup> resolution) was 75.06% approved while the 2022 compensation policy for the Chief Executive Officer was approved at 74.71% (17<sup>th</sup> resolution). These approval levels are explained, firstly, by the governance rules applicable to certain reference shareholders and, secondly, by the influence of some consulting firms over votes cast at the 2022 Shareholders' Meeting, their disapproval notably concerning the replacement of the two long-term incentive plans (one payable in cash and the other in shares) by a sole long-term incentive plan (payable in shares).

During its meeting of February 16, 2023, as proposed by the Remuneration Committee, the Board of Directors set the compensation structure for the Chief Executive Officer of Air France-KLM in respect of the 2023 financial year. This compensation structure is composed of an amount of fixed compensation representing 22.5% of Mr. Benjamin Smith's total compensation, annual variable compensation representing 27.5% of his total compensation and long-term variable compensation representing 50% of his total compensation. More than 75% of Mr. Benjamin Smith's total annual compensation thus depends on the achievement of demanding performance conditions.

The performance criteria linked to the variable compensation within the framework of the 2023 compensation were set pursuant to the Board resolutions of February 16, 2023. During its meeting of March 16, 2023, the Board of Directors specified the levels of performance and the achievement percentages for these criteria.

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, an amount of variable compensation will be granted to the Chief Executive Officer of Air France-KLM in respect of the 2023 financial year subject to the repayment of at least 75% of the recapitalization measures. In this regard, on February 16, 2023, Air France-KLM announced that the repayment of at least 75% of the State Aid should take place in March, 2023.

### Structure of the compensation for the Chief Executive Officer of Air France-KLM in respect of the 2023 financial year

**77.5%**

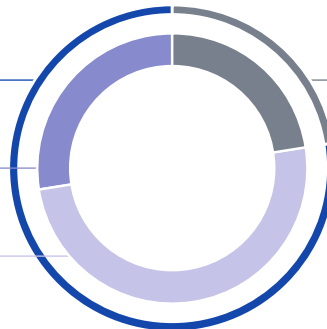
Compensation subject to performance conditions

27.5%

Annual variable compensation subject to performance conditions<sup>(1)</sup>

50%

Long-term compensation subject to performance conditions<sup>(2)</sup>



**22.5%**

Compensation without performance conditions<sup>(3)</sup>

(1) 122% of the fixed compensation on achievement of the targets potentially rising to 150% should the targets be exceeded.

(2) A long-term incentive plan conferring the right to the granting of performance units corresponding to an amount of €2 million.

(3) Amount of €900,000.

#### — Annual compensation (fixed and variable)

##### *Description of the annual fixed and variable elements*

The Chief Executive Officer will continue to benefit from annual gross fixed compensation of €900,000 and annual gross variable compensation potentially varying between 0% and 122% of the annual gross fixed compensation at targets partially achieved (calculated on a linear basis), and potentially reaching a maximum of 150% in the event the targets are exceeded (calculated on a linear basis). It is stipulated that the structure of the annual fixed and variable compensation has been unchanged since 2019.

The performance criteria which were set by the Board of Directors during its meeting of February 16, 2023, are 60% quantitative

criteria linked to the Group's financial performance and targets, and 40% qualitative criteria linked to non-financial targets (but measurable, with the exception of the "Individual & Leadership Performance" criterion which is subject to qualitative evaluation). The Board of Directors has set ambitious levels of performance and achievement percentages for the 2023 financial year.

The quantitative criteria linked to performance and the Group's financial targets set by the Board of Directors during its meeting of March 16, 2023 were established in a context of the Group's exit from the crisis linked to the Covid-19 pandemic and are an integral part of an ambitious business redevelopment strategy for the Group.

	Breakdown of the variable portion	
	Target: 122% of the fixed compensation	Maximum: 150% of the fixed compensation
<b>Quantitative financial performance</b>		
<b>Absolute Current Operating Income (COI)</b> Air France-KLM COI at December 31, 2023 compared to the COI figuring in the 2023 budget	24.4%	30.0%
<b>Air France-KLM unit costs</b> Comparison between the unit costs of Air France-KLM during the 2023 financial year with those of the 2022 financial year (constant fuel price, currency and furlough programs)	24.4%	30.0%
<b>Strengthening of Air France-KLM's equity under IFRS</b> Realization of measures strengthening Air France-KLM's equity under IFRS	24.4%	30.0%
<b>Qualitative non-financial performance</b>		
<b>Societal &amp; Environmental Responsibility (CSR)</b>	12.2%	15.0%
People	12.2%	15.0%
Customer	12.2%	15.0%
Individual & Leadership	12.2%	15.0%

— Evaluation of the 2023 performance criteria

**Quantitative financial performance:**

The quantitative performance relative to the financial criteria (Absolute Current Operating Income, Air France-KLM unit costs, strengthening of Air France-KLM's equity under IFRS) will be evaluated on the basis of the following rules:

Absolute Air France-KLM COI	Performance	% attainment of the criterion
Air France-KLM COI at December 31, 2023 compared with the COI figuring in the 2023 budget	Level 1. < 70% of the target	0%
	Level 2. Between 70% and 100% of the target	From 0% to the target Proportionate
	Level 3. Target	100%
	Level 4. Above the target and below 130%	100% to Maximum Proportionate
	Level 5. > 130% of the target	Maximum

**2023 unit costs (constant fuel price, currency and furlough programs (Now/partial activity) compared with 2022**

Comparison between the unit costs of Air France-KLM during the 2023 financial year and the unit costs of Air France-KLM during the 2022 financial year	% attainment of the criterion
Level 1. Significantly below the target	0%
Level 2. Below the target	From 0% to the target Proportionate
Level 3. Target	100%
Level 4. Above the target and below the maximum	100% to Maximum Proportionate
Level 5. Significantly above the target	Maximum

## Air France – KLM IFRS equity restoration

Realization of the measures strengthening the IFRS equity vs the target	% achievement of the criterion
Level 1. Significantly below the target	0%
Level 2. Below the target	From 0% to the target Proportionate
Level 3. Target	100%
Level 4. Above the target and below the maximum	100% to Maximum Proportionate
Level 5. Significantly above the target	Maximum

## Qualitative non-financial performance

The qualitative performance relative to the non-financial criteria (CSR, People, Customer, Individual & Leadership) will be evaluated on the basis of the following rules:

<b>Societal &amp; Environmental Responsibility (CSR)</b>	The evaluation will cover the actions and results on Societal & Environmental Responsibility, notably in the light of the following priority: <ul style="list-style-type: none"> <li>&gt; engage in the appropriate initiatives to stay on track for the 2030 environmental road map, notably by (i) continuing to secure a substantial proportion of the SAF requirement and (ii) continuing to modernize the fleet and its impact on CO<sub>2</sub> reduction.</li> </ul>
<b>People</b>	The evaluation will cover the actions and results on Human Capital, notably in the light of the following priorities: <ul style="list-style-type: none"> <li>&gt; improvement in the staff engagement score versus 2022;</li> <li>&gt; Diversity of the 10% of managers at the highest level of responsibility</li> </ul>
<b>Customer</b>	The evaluation will review the actions and results on customer engagement, notably in the light of the following fundamental priorities: <ul style="list-style-type: none"> <li>&gt; improvement in the NPS versus 2022;</li> <li>&gt; realization of the flight schedule evaluated with regard to punctuality.</li> </ul>
<b>Individual &amp; Leadership Performance</b>	The evaluation will review the actions and results, notably in the light of the following fundamental priorities: <ol style="list-style-type: none"> <li>1) Maintained social stability;</li> <li>2) Strategic view on the market;</li> <li>3) Transformation disruption;</li> <li>4) Increase involvement towards the support functions.</li> </ol>

## Societal &amp; Environmental Responsibility

Performance	Percentage granted
Below the target	0%
Target attained	100%
Significantly above target	Maximum

## Human Capital

Performance	Percentage granted
Significantly below the target	0%
Target attained	100%
Significantly above the target	Maximum

**Customer Relations**

Performance	Percentage granted
Significantly below the target	0%
Target attained	100%
Significantly above the target	Maximum

**Individual & Leadership**

Performance	Percentage granted
Subject to the evaluation of the Board of Directors	0% to Maximum

As necessary and in any case, this annual variable compensation would be subject to approval by the Shareholders' Meeting in the year during which the Board of Directors may decide to grant any such compensation, in application of Article L. 22-10-8 of the *Code de Commerce* (ex-ante vote), and the year of its payment, in application of Article L. 22-10.34 of the *Code de Commerce* (ex-post vote).

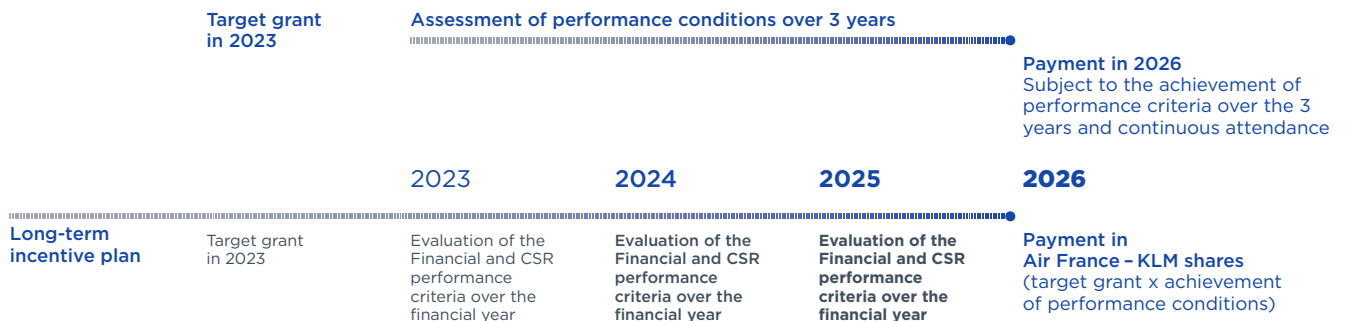
align the compensation with the Group's performance on a long-term perspective, thereby contributing to the Company's strategy and long-term sustainability.

These elements of compensation correspond to a Long-Term Incentive Plan subject to the achievement of demanding performance conditions evaluated over a three-year period and covering the interests of the Group, its employees and its shareholders. Note that the vesting and payment of these elements of compensation will only take place at the end of this three-year period.

**— Long-term compensation**

The compensation policy for the Chief Executive Officer is predominantly composed of long-term variable elements to

**Long-term compensation scheme for Air France-KLM**



**c) Long-term incentive plan**

The Group plans to launch targeted strategic actions aimed at improving the medium and long-term operational performance, into line with the best international airline standards, while taking into account the environmental and societal issues linked to its growth. Accordingly, a new long-term incentive plan applicable to the Chief Executive Officer and to a number of the Group's other managers and employees has been established pursuant to the resolutions of the Board of Directors of February 16, 2022. During its meeting of February 16, 2023, the Board of Directors decided to establish a long-term incentive plan applicable to the Chief Executive Officer with the same characteristics as the long-term incentive plan established in 2022. This decision is aimed at the stability of the conditions applicable to the compensation of the Chief Executive Officer and consistency with market practices.

In respect of this plan, the Chief Executive Officer is thus granted performance units on an annual basis corresponding to an amount of €2 million, payable in shares at the end of a three-year vesting period following the grant, subject to the attainment of specific performance conditions, evaluated over the whole of this period, and with a maximum of 100% over three years. The payment of the performance units is also subject to a three-year presence condition, except in the event of death or disability (without performance conditions), or retirement departure or in some cases of forced termination (the performance conditions remaining applicable). It is specified that one performance unit will confer the right to one Air France-KLM share.

The number of performance units granted each year is calculated with reference to the Air France-KLM opening share price on April 1 of the grant year. The payment of these performance units (subject to performance and presence conditions) is made in Air France-KLM shares (one performance unit conferring the right to one share). The Board of Directors reserves the option, instead of the granting of units, to grant an equivalent number of performance shares with the same performance and presence conditions.

At its meeting of February 16, 2023, the Board of Directors thus set demanding performance conditions for the evaluation, as necessary, of the Chief Executive Officer's long-term performance for the eventual granting of this long-term variable compensation as described below. It is stipulated that the levels of performance and the achievement percentages of these criteria were set by the Board of Directors during its meeting of March 16, 2023.

	<b>Performance</b>	<b>Vesting of a % of the grant with a maximum of 100% over 3 years</b>
<b>1. Net debt/EBITDA (25%)</b> Comparison of the net debt/EBITDA ratio with the budget at the end of the 2023-25 period	<b>Level 3.</b> 130%	130%
	<b>Level 2.</b> 70% to 130%	0 to 130% Proportionate
	<b>Level 1.</b> < 70%	0%
<b>2. Relative AF-KL COI margin evolution (25%)</b> Reduction in the gap in Air France-KLM's performance relative to those of IAG and Lufthansa Group over 3 years (2023, 2024, 2025)	Reduction in the gap relative to Lufthansa and IAG	100% Maximum
	Reduction in the gap relative to Lufthansa or IAG	0% to 100% Proportionate
	Increase in the gap relative to Lufthansa and IAG	0%
<b>3. Relative TSR position (20%)</b> TSR position relative to IAG and Lufthansa (2023, 2024, 2025)	Position 1	130%
	Position 2	70%
	Position 3	0%
<b>4. CSR performance targets (30%)</b>		See the evaluation rules below

The CSR performance criteria within the framework of the long-term incentive plan are as follows:

	<b>Indicators</b>	<b>Targets</b>
<b>Environment</b>	1. Reduce the well-to-wake jet fuel scope 1 and 3 greenhouse gas (GHG) emissions (in tons of CO <sub>2</sub> equivalent per Revenue-Ton Kilometer (RTK))	Target of a -10% reduction by 2025 relative to the 2019 baseline
<b>Employees</b>	2. Improve the employee engagement score and reinforce diversity	Improve the 2025 EPS score relative to 2022 and achievement of a target of +2 points women in 2025 relative to 2022 amongst the 10% of managers with the highest level of responsibility
<b>Customers</b>	3. Reinforce customer satisfaction	Improve the 2025 NPS score relative to 2022.

These criteria are evaluated in the following manner:

Criteria	Performance	Percentage grant
Identical evaluation of each criterion	Significantly above target	Max (100%)
	Target achieved	50%
	Significantly below target	0%

The number of performance units granted in 2023 will be calculated with reference to the Air France-KLM opening share price on April 1, 2023. Payment of these performance units, subject to performance and presence conditions, will be made in Air France-KLM shares (one performance unit conferring the right to one share).

It is stipulated that the Chief Executive Officer has not used and has given a formal undertaking not to use risk hedging transactions within the framework of this plan until payment of the performance units.

**d) 2018, 2019, 2020, 2021 and 2022 long-term incentive plans**

In 2023, the Chief Executive Officer will continue to benefit from the long-term incentive plans granted in 2018, 2019, 2020, 2021 and 2022 (granted subject to the condition precedent of the repayment of at least 75% of the State Aid) with the option to defer payment of these performance units for a maximum of three years (already exercised for the 2018 plan, the 2019 plans and the 2020 “phantom shares” plan).

For more details on the long-term incentive plans, see section 2.5.2.2 b of the 2022 Universal Registration Document.

**e) Severance payment and benefits in kind**

The Chief Executive Officer will continue to benefit from the severance payment granted by the Board of Directors in its meeting of August 16, 2018, as approved by the Shareholders’ Meeting of May 28, 2019.

During its meeting of August 16, 2018, the Board of Directors authorized the granting to the Chief Executive Officer of a severance payment in some instances of forced termination, including dismissal, non-renewal of his mandate as Chief Executive Officer or resignation following a change of control (other than in relation to a gross misconduct). It is specified that the instance of forced termination enabling the implementation of this severance pay excludes any situation of serious misconduct on the part of the Chief Executive Officer.

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 (based on specific calculation methods referring, as applicable, to the target variable 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 performance of the interested party with reference to the level of the achievement of the performance criteria relating to the annual variable component of his compensation over the two last financial years of his mandate (or since his appointment, in the event of termination during the first 24 months). The Board of Air France-KLM will be responsible for evaluating the achievement of these performance criteria.

The Chief Executive Officer will also benefit from the usual benefits in kind (chauffeur-driven company car, supplementary pension scheme benefiting all Group employees, supplementary health insurance and disability coverage, provision of free airline tickets, Group CEO civil liability insurance - D&O) and benefits consistent with the policy applied within the Group for senior executive expatriation and mobility.

**f) Others**

The Chief Executive Officer will not benefit from an employment contract, nor from a top-up pension scheme, non-compete indemnity, stock options or free shares.

