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Air France-KLM S.A.

Statutory Auditors' special report on related-party agreements

Annual General Shareholders' Meeting for the approval of the financial statements for the year ended December 31, 2023

Air France-KLM S.A.

7 Rue du Cirque 75008 Paris

KPMG SA
société française membre du réseau
KPMG constitué de cabinets
indépendants adhérents de KPMG
International Limited, une société de droit
anglais ("private company limited by
guarantee").

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Statutory Auditors' special report on related-party agreements

Annual General Shareholders' Meeting for the approval of the financial statements for the year ended December 31, 2023

This is a free translation into English of the Statutory Auditors' special report on related party agreements issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

In our capacity as Statutory Auditors of Air France-KLM S.A. (hereinafter the "Company"), we hereby report to you on related party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of the agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R. 225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R. 225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Annual General Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

AGREEMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE ANNUAL GENERAL SHAREHOLDERS' MEETING

Agreements authorized and entered into during the year

In accordance with Article L. 225-40 of the French Commercial Code, we were informed of the following agreements entered into during the year and authorized in advance by the Board of Directors during the year.

Repurchases of a fraction of the Undated Deeply Subordinated Notes and subscription to new Undated Deeply Subordinated Notes for a total amount of €727,800,000

Persons concerned

- The French State, a shareholder owning more than 10% of voting rights;
- Mr. Pascal Bouchiat and Mr. Jean-Dominique Comolli, both members of the Board of Directors of the Company, appointed by the Annual General Shareholders' Meeting as proposed by the French State;
- Ms. Stéphanie Besnier, director representing the French State appointed by ministerial order until her resignation on March 15, 2023;

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NANTERRE

- Ms. May Gicquel, director representing the French State appointed by ministerial order on March 15, 2023, replacing Mrs. Stéphanie Besnier, until her resignation on October 9, 2023;
- Ms. Céline Fornaro, director representing the French State appointed by ministerial order on October 9, 2023, replacing Ms. May Gicquel.

Nature, purpose and conditions

As part of the Group's recapitalization plan announced on April 6, 2021, Air France-KLM entered into a subscription agreement on April 20, 2021 relating to the issue by the Company and the subscription by the French Republic of undated deeply subordinated notes in the total amount of €3 billion composed of three €1 billion tranches redeemable, respectively, in April 2025 (the "NR4 Deeply Subordinated Notes"), April 2026 (the "NR5 Deeply Subordinated Notes") and April 2027 (the "NR6 Deeply Subordinated Notes") (together the "Deeply Subordinated Notes"). Following the various repurchases and redemptions realized in 2022, only the NR6 Deeply Subordinated Notes remained outstanding, representing a principal amount of €595,000,000, i.e. 5,950 NR6 Deeply Subordinated Notes whose repurchase was carried out in full on March 17, 2023 and April 19, 2023.

The recapitalization aid also included the subscription by the French State, simultaneously with the subscription to the Undated Deeply Subordinated Notes, to €593 million in shares as part of the Company's capital increase of approximately €1.04 billion in April 2021 (the "State Shares 2021" and, with the TSS French State, the "Recapitalization").

As a result of this objective of full repayment of the Recapitalization aid, in two stages on March 17, 2023 and April 19, 2023, the Company repurchased the NR6 Undated Deeply Subordinated Notes remaining in circulation. These repurchases were carried out subject to the subscription by the French State of new Deeply Subordinated Notes in the amount of €320,400,000 on March 17, 2023 (the "Subordinated Notes March 2023") and €407,400,000 on April 19, 2023 ("the "Subordinated Notes April 2023" and, together with the Subordinated Notes March 2023, the "Subordinated Notes 2023") (it being specified that the Subordinated Notes April 2023 will be assimilated to the Subordinated Notes March 2023 from March 17, 2024).

As part of the repurchase of these Undated Deeply Subordinated Notes and the issue of the Subordinated Notes 2023, the Company entered into the following agreements with the French State, which held 28.6% of the Company's share capital at the date of conclusion of these agreements:

- on March 17, 2023, the repurchase offer by the Company for 3,000 NR6 Deeply Subordinated Notes and the corresponding interest for an amount of €320,404,110 and (ii) the subscription agreement for the issue of 3,204 Subordinated Notes March 2023 for an amount of €320,400,000 by the Company and subscribed in full by the French State; and
- on April 19, 2023, (i) the repurchase offer by the Company for 2,950 NR6 Deeply Subordinated Notes and the corresponding interest for an amount of €317,064,377.50, together with the payment of a sum of €90,354,401.01 relating to the application of Article 64ter of the Temporary Framework, as set out below, to remunerate the French Republic following the aid granted within the framework of its purchase of an equity interest during the capital increase of April 2021 (the "Exit Amount") and (ii) the subscription agreement for the issue of 4,074 Subordinated Notes April 2023 in the amount of €407,400,000 by the Company and subscribed in full by the French State (the "Regulated Agreements").

Reasons why the agreement is beneficial for the Company

Within the context of the recovery in airline industry activity, at levels close to those of prior to the Covid crisis, the Company considered that it was now vital to proceed with the effective and full redemption of the Recapitalization aid.

The repurchases were therefore concluded to allow the Company to redeem in full the Undated Deeply Subordinated Notes issued by the Company on April 20, 2021, for a total amount of €3 billion and fully subscribed by the French State by way of set-off on claims held by the French State against

the Company pursuant to the shareholder's current account agreement dated May 6, 2020, entered into between the French State and the Company. The repurchase offer concluded on April 19, 2023 was further increased by the Exit Amount due by the Company to the French State in accordance with the rules provided for in the Temporary Framework and the decision to grant Covid aid (Decision SA.59913).

The repurchases were carried out subject to the subscription by the French State to the Super Subordinated Notes 2023 corresponding to the amounts provided for in the repurchase offers, i.e. a total of around €727,800,000. This subscription was carried out following approval by the European Commission, on February 16, 2023, of a compensation aid from the French State without any bans for the benefit of Air France-KLM and Air France.

No Undated Deeply Subordinated Notes have been outstanding since April 19, 2023.

Amendment to the subscription agreement entered into on May 22, 2022 between Air France-KLM and CMA CGM

Persons concerned

- CMA CGM, a shareholder of the Company with 8.0% of the voting rights; and
- Mr. Rodolphe Saadé, director appointed by the Annual General Shareholders' Meeting of the Company on May 24, 2022 as proposed by CMA CGM.

Nature, purpose and conditions

On May 22, 2022, Air France-KLM (the "Company") entered into a subscription agreement in the context of the conclusion of a long-term strategic partnership in air freight with the company CMA CGM, a shareholder of the Company with 9% of its share capital (the "Subscription Agreement").

In effect, in February 2023, Mr. Rodolphe Saadé, a Board director of the Company, had announced his intention to be replaced as a Board director by the company CMA CGM. On April 19, 2023, the Company concluded an amendment to the Subscription Agreement.

Consequently, on April 19, 2023, the Company's Board of Directors authorized the signature by the Company of an Amendment to the Subscription Agreement allowing the nomination by CMA CGM of a legal person.

The other provisions of the Subscription Agreement remain unchanged.

Reasons why the agreement is beneficial for the Company

The objective of the conclusion of the amendment to the Subscription Agreement was to ensure the continuity of the cooperation between Air France-KLM and CMA CGM by ensuring the possibility for CMA CGM to be represented within the Company's Board of Directors by a natural or a legal person.

Apart from the impact on the composition of the Company's Board of Directors, this amendment has no other impact on the Company's business and the long-term strategic partnership in air freight with the company CMA CGM.

Termination of the financial settlement waiver agreement relating to the joint-venture agreement with China Eastern Airlines Co. Ltd.

Persons concerned

- China Eastern Airlines Co Ltd. ("China Eastern Airlines"), a shareholder with 6.3% of the voting rights; and
- Mr. Jian Wang, director appointed by the Annual General Shareholders' Meeting, as proposed by China Eastern Airlines.

Nature, purpose and conditions

On December 4, 2020, the Air France-KLM Board of Directors authorized the suspension of the financial mechanism relating to the “settlement” (financial mechanism designed to distribute the income generated by the joint-venture) set forth in the joint-venture agreement entered into with China Eastern Airlines Co. Ltd. on November 26, 2018 (the “JV Agreement”), effective February 1, 2020.

With the reopening of the Chinese borders in early 2023, the company initiated discussions with China Eastern Airlines Co. Ltd, aimed at reactivating the financial mechanism provided in the initial JV Agreement.

The parties then entered into an agreement providing for the reactivation of the financial settlement mechanism as set forth in the JV Agreement as from July 1, 2023 until December 31, 2023 (inclusive), but with a decrease in the settlement cap of the JV's total revenues so as to limit the financial risk for the parties given the uncertainty still overhanging the recovery dynamic.

Reasons why the agreement is beneficial for the Company

The signature of the Agreement will enable the financial mechanism provided for in the initial JV Agreement to again be applied, thereby enabling the renewed coordination and cooperation with China Eastern Airlines Co. Ltd.

Conclusion of an Investment Agreement between Air France-KLM, Air France, KLM, BlueTeam VII, AP Fides Holdings I LLC and AP Fides Holdings II LLC**Persons concerned**

- Ms. Anne-Marie Couderc, chairman of the Board of directors of both the Company and Société Air France;
- Mr. Benjamin Smith, Chief Executive Officer of the Company and director of the Company, Air France and KLM;
- Mr. Cees 't Hart, directors of both the Company and KLM.

Nature, purpose and conditions

On October 26, 2023, Air France-KLM entered into an investment agreement (the “Investment Agreement”) with Air France, KLM, BlueTeam VII (“Newco”), AP Fides Holdings I LLC (the “Bond Investor”) and AP Fides Holdings II LLC (the “Share Investor”), setting forth the terms and conditions of the proposed financing transaction for up to €1.5 billion raised by Newco, to which will be transferred certain assets of the Flying Blue loyalty program relating to the Miles-issuing business on an exclusive basis with the program's third-party partners (“Project Fides” or the “Transaction”).

On July 27, 2023, the Board of Directors authorized the entry into exclusive discussions with Apollo Capital Management, L.P. to negotiate and finalize the transaction documents relating to Project Fides.

The Investment Agreement sets forth the terms and conditions of the Transaction, and notably:

- i. The investment on the date of completion of the Transaction (the “Closing”) of €1,492,800,000 by the Bond Investor through the subscription of deeply subordinated notes issued by Newco (the “Bonds”), qualifying as equity under IFRS, thereby reinforcing the Air France-KLM group's balance sheet, it being specified that the Bond Investor's firm commitment will be to subscribe to bonds for €1,292,800,000 and that, in excess of this nominal amount, the Bond Investor will benefit from the right to substitute the Company for the subscription of Bonds up to a maximum amount of €200,000,000;
- ii. The investment on the Closing date of €7,200,000 by the Share Investor through the subscription of preferred shares issued by Newco, representing around 2% of the share capital and voting rights of Newco;

- iii. The subscription by the Company, at the Closing date, in cash to a share capital increase by Newco for an amount of €355,490,000; and
- iv. The conditions precedent to the realization of the Transaction, it being specified that the agreed forms of all the contractual documents to be entered into at the Closing are attached to the Investment Agreement.

Reasons why the agreement is beneficial for the Company

This Transaction is an essential part of the recapitalization measures announced on publication of the Company's 2022 annual results. Subject to the fulfillment of the conditions precedent to the Transaction, the Investment Agreement enables:

- i. a competitive financing operation with a positive impact on the Company and the Group, contributing to the equity-restoration objectives. This additional tool enables the Company to optimize its sources of liquidity financing; and
- ii. the implementation of a structure to accelerate the development of the Flying Blue business, including the sale of Miles, while remaining compatible with the Company's and the Group's European consolidation strategy.

Conclusion of a Shareholders' Agreement relating to Flying Blue Miles, between Air France-KLM, Air France, KLM, AP Fides Holdings I LLC and AP Fides Holdings II LLC, in the presence of Flying Blue Miles

Persons concerned

- Ms. Anne-Marie Couderc, chairman of the Board of directors of both the Company and Société Air France;
- Mr. Benjamin Smith, Chief Executive Officer of the Company and director of the Company, Air France and KLM;
- Mr. Cees 't Hart, directors of both the Company and KLM.

Nature, purpose and conditions

On November 30 2023, Air France-KLM ("AFKLM") entered into, with Air France, KLM, AP Fides Holdings I LLC (the "Bond Investor") and AP Fides Holdings II LLC (the "Share Investor"), in the presence of Flying Blue Miles S.A.S. (formerly known as BlueTeam VII), a société par actions simplifiée (simplified joint stock company) incorporated under French Law, with its registered office located at 45, rue de Paris, 95747 Roissy Charles-de-Gaulle Cedex 93290 Tremblay-en-France, and registered with the Bobigny Trade and Companies Registry under number 921,540,258 ("Flying Blue Miles"), a shareholders' agreement (the "Shareholders' Agreement") in the context of the financing of €1.5 billion raised by Flying Blue Miles, to which have been transferred certain assets of the Flying Blue loyalty program relating to the Miles-issuing business on an exclusive basis with the program's third-party partners (the "Transaction").

It is recalled that (i) on July 27, 2023, the Board of Directors authorized the entry into exclusive discussions with Apollo Capital Management, L.P. to negotiate and finalize the transaction documents relating to the Transaction and (ii) on October 26, 2023, the Board of Directors approved the signature of a definitive agreement on the Transaction and the corresponding contractual documentation, including the signature of the Shareholders' Agreement.

The Shareholders' Agreement defines the terms and conditions, inter alia, of the governance of Flying Blue Miles, the covenants of Air France-KLM as majority shareholder of Flying Blue Miles, certain covenants of Air France and KLM, the rights attached to the preferred shares issued by Flying Blue Miles and subscribed by the Share Investor, the terms and conditions of AFKLM's call option on the preferred shares held by the Share Investor in Flying Blue Miles, and the Share Investor's contractual remedies in the event of a breach by Air France-KLM, Air France and/or KLM of certain material obligations under the agreements (including, in this case, (i) the right of the Share Investor to appoint

the President of Flying Blue Miles and of the SPVs, and to terminate the operational agreements relating to the Transaction, and (ii) the right of Flying Blue Miles to claim for liquidated damages for a total amount of €1.5 billion upon such termination).

The Shareholders' Agreement also includes specific provisions whereby:

- i. AFKLM shall be jointly and severally liable with Air France and KLM with respect to the payment of any liquidated damages owed, as the case may be, by them in the event of a breach of their material obligations, to Flying Blue Miles for the total amount of €1.5 billion;
- ii. Air France-KLM shall procure that neither Air France nor KLM shall take any action that would result in a breach of their material covenants in the Shareholders' Agreement; and
- iii. AFKLM shall indemnify Flying Blue Miles for any liability it may incur, if applicable, in respect of the processing of personal data in accordance with the Joint Controller Agreement, an agreement entered into on November 30, 2023 between Air France, KLM and Flying Blue Miles, the purpose of which is to set out the respective rights, obligations and liabilities of Air France, KLM and Flying Blue Miles as joint controllers in respect of the processing of personal data within the framework of Flying Blue.

Reasons why the agreement is beneficial for the Company

The Shareholders' Agreement is an essential component of the Transaction. The latter is an essential part of the recapitalization measures announced on publication of Air France-KLM's 2022 annual results and enables:

- i. a competitive financing operation with a positive impact on Air France-KLM and the Group, contributing to the equity-restoration objectives. This additional tool enables the Company to optimize its sources of financing; and
- ii. the implementation of a structure to accelerate the development of the Flying Blue business, including the sale of Miles, while remaining compatible with Air France-KLM's and the Group's European consolidation strategy.

Agreements authorized and entered into since the year-end

We were informed of the following agreements entered into since the year-end, and authorized in advance by the Board of Directors during the year.

Conclusion of a Term Sheet between Air France-KLM, Air France, KLM, CMA CGM, CMA CGM Air Cargo and CMA CGM Air Cargo 9

Persons concerned

- Ms. Anne-Marie Couderc, chairman of the Board of directors of both the Company and Société Air France;
- Mr. Benjamin Smith, Chief Executive Officer of the Company and director of the Company, Air France and KLM;
- Mr. Cees 't Hart, directors of both the Company and KLM;
- CMA CGM, a shareholder of the Company with 8.0% of the voting rights; and
- Mr. Ramon Fernandez, permanent representative GMA CGM, co-opted as director on April 19, 2023 by the Board and whose co-optation was ratified by the Shareholders' Meeting of June 7, 2023

Nature, purpose and conditions

On January 15, 2024, the Company entered into a term sheet called White Cargo - Term Sheet ("the Term Sheet") with Air France, KLM, CMA CGM, CMA CGM Air Cargo ("CCAC") and CMA CGM Air Cargo 9 ("CCAC 9") and, together with the Company, Air France, KLM, CMA CGM and CCAC (the

“Parties”), providing for the terms and conditions of the termination of the commercial cooperation between the entities of the Air France-KLM group and the entities of the CMA CGM Group concerning their air freight activities, effective March 30, 2024. The Term Sheet provides notably for the termination of the commercial cooperation agreement entered into on December 9, 2022 between the Parties (the “Cooperation Agreement”) and the ancillary agreements relating to their cooperation in the air freight sector (the “Ancillary Agreements”).

The Term Sheet provides for the terms and conditions of the termination of the Cooperation Agreement and the Ancillary Agreements and notably:

- i. the termination of the Cooperation Agreement, effective March 30, 2024;
- ii. the termination of the dry and wet lease agreements, effective January 16, 2024;
- iii. the termination of the Ancillary Agreements, effective March 30, 2024.
- iv. the payment of the various amounts due by each of the Parties to the other under all the agreements relating to the cooperation in the air freight activities (with the exception of certain operational costs) resulting in a global final payment by the Company to CMA CGM of €20,000,000.
- v. the waiver by the Parties of any recourse against each other in respect of the commercial cooperation in the air freight activities; and
- vi. the terms and conditions of the transition period commencing on January 16, 2024 (inclusive) and ending with the termination of the commercial cooperation, effective March 30, 2024 (inclusive).

Reasons why the agreement is beneficial for the Company

The signature of the Term Sheet enables the Company to terminate, by mutual agreement with CMA CGM, their commercial cooperation in the air freight sector, which had been unable to function optimally given the tight regulatory environment in certain important markets, while clarifying the terms and conditions of the transition period commencing on January 16, 2024 (inclusive) and ending with the termination of the commercial cooperation effective March 30, 2024, and the settlement of the various financial flows under this cooperation.

Amendment to the Subscription Agreement entered into on May 22, 2022 between Air France-KLM and CMA CGM

Persons concerned

- CMA CGM, a shareholder of the Company with 8.0% of the voting rights; and
- Mr. Rodolphe Saadé, director appointed by the Annual General Shareholders' Meeting of the Company on May 24, 2022 as proposed by CMA CGM;
- Mr. Ramon Fernandez, permanent representative GMA CGM, co-opted as director on April 19, 2023 by the Board and whose co-optation was ratified by the Shareholders' Meeting of June 7, 2023.

Nature, purpose and conditions

On May 22, 2022, Air France-KLM entered into a subscription agreement in the context of a long-term strategic partnership in air freight with the company CMA CGM, a shareholder of the Company with 9% of its share capital (as modified by the Amendments of November 28, 2022 and April 19, 2023, the “Subscription Agreement”).

On January 15, 2024, and as outlined in Section I above, the Company entered into a term sheet (“White Cargo – Term Sheet”) with Air France, KLM, CMA CGM, CMA CGM Air Cargo and CMA CGM Air Cargo 9, setting forth the terms and conditions for the termination of the commercial cooperation agreement entered into on December 9, 2022 and the ancillary agreements relating to their air freight activities effective March 30, 2024.

In the context of the termination of the commercial cooperation, on January 15, 2024, the parties also agreed on an Amendment to the Subscription Agreement which henceforth that CMA CGM's lock-up undertaking to retain all the shares in the Company subscribed by CMA CGM in the rights issue by the Company announced on May 24, 2022, initially due to expire upon termination of the commercial cooperation agreement or on June 15, 2025 (in the case of all the Company's shares subscribed by CMA CGM in the rights issue and on June 15, 2028 in the case of 50% of such shares), will be modified and will expire on February 28, 2025, and will no longer be conditional on the existence of the commercial cooperation agreement between the Company and CMA CGM.

Furthermore, the Amendment to the Subscription Agreement provides that CMA CGM will no longer have a representative on the Company's Board of Directors from March 31, 2024 under the Subscription Agreement as amended by the Amendment to the Subscription Agreement.

The Amendment to the Subscription Agreement will however not change the standstill commitment provided for under the Subscription Agreement, which thus continues to apply.

Reasons why the agreement is beneficial for the Company

Apart from the impact on the composition of the Company's Board of Directors, the conclusion of the Amendment to the Subscription Agreement enables the continuity, until February 28, 2025, of CMA CGM's lock-up undertaking on the Company's shares subscribed by CMA CGM in the rights issue announced by the Company on May 24, 2022.

AGREEMENTS ALREADY APPROVED BY THE ANNUAL GENERAL SHAREHOLDERS' MEETING

Agreements approved in previous years that continued to be implemented during the year

In accordance with Article R. 225-30 of the French Commercial Code, we were informed of the following agreements, approved by the Annual General Shareholders' Meeting in previous years, which continued to be implemented during the year.

Subscription agreement for the issue of Undated Deeply Subordinated Notes entered into on April 20, 2021

Persons concerned

- The French State, a shareholder owning more than 10% of voting rights;
- Mr. Pascal Bouchiat and Mr. Jean-Dominique Comolli, both members of the Board of Directors of the Company, appointed by the Annual General Shareholders' Meeting as proposed by the French State;
- Ms. Stéphanie Besnier, director representing the French State appointed by ministerial order until her resignation on March 15, 2023;
- Ms. May Gicquel, director representing the French State appointed by ministerial order on March 15, 2023, replacing Mrs. Stéphanie Besnier, until her resignation on October 9, 2023;
- Ms. Céline Fornaro, director representing the French State appointed by ministerial order on October 9, 2023, replacing Ms. May Gicquel.

Nature, purpose and conditions

As indicated in the "Repurchases of a fraction of the Undated Deeply Subordinated Notes and subscription to new Undated Deeply Subordinated Notes for a total amount of €727,800,000" agreement above, on April 20, 2021 as part of the Group's recapitalization plan announced on April 6, 2021, Air France-KLM entered into a subscription agreement with the French State relating to the issue by the Company and the subscription by the French Republic of/to undated deeply subordinated notes (qualifying as equity under IFRS in the Company's consolidated financial statements) in the total amount of €3 billion.

This agreement remained in force during the 2023 financial year and gave rise to the partial Repurchases outlined in the above agreement "Repurchases of a fraction of the Undated Deeply Subordinated Notes and subscription to new Undated Deeply Subordinated Notes for a total amount of €727,800,000".

Conclusion of a commercial Cooperation Agreement between Air France-KLM, Air France, KLM, CMA CGM Air Cargo and CMA CGM

Persons concerned

- CMA CGM, a shareholder of the Company with 8.0% of the voting rights; and
- Mr. Rodolphe Saadé, director appointed by the Annual General Shareholders' Meeting of the Company on May 24, 2022 as proposed by CMA CGM;
- Mr. Ramon Fernandez, permanent representative GMA CGM, co-opted as director on April 19, 2023 by the Board and whose co-optation was ratified by the Shareholders' Meeting of June 7, 2023.

Nature, purpose and conditions

On December 9, 2022, the Company entered into a commercial cooperation agreement in air freight (the "Cooperation Agreement") with Air France, KLM, CMA CGM Air Cargo and CMA CGM, a shareholder in the Company with 9% of its share capital.

On May 17, 2022, the Company's Board of Directors approved the main terms and conditions of the Cooperation Agreement, together with the investment of CMA CGM in the share capital of the Company through a capital increase realized by the Company on June 14, 2022 (the "Investment").

The Cooperation Agreement covers cargo capacities in the air freight sector and will allow the Air France-KLM and CMA CGM Groups to pool their cargo networks, all-cargo capacity and dedicated services, and to jointly market their air freight capacities.

The Cooperation Agreement is established for an initial term of ten years from its entry into force on fulfillment of the customary conditions precedent for this type of operation. The commercial cooperation started in the 2023 second quarter.

The Cooperation Agreement is a commercial agreement whose costs and benefits for the Company are not quantifiable at this stage.

As outline above in the agreements "Conclusion of a Term Sheet between Air France-KLM, Air France, KLM, CMA CGM, CMA CGM Air Cargo and CMA CGM Air Cargo 9" and "Amendment to the Subscription Agreement entered into on May 22, 2022 between Air France-KLM and CMA CGM", on January 15, 2024, the parties entered into an agreement known as the "White Cargo - Term Sheet", setting forth the terms and conditions for the termination of the Cooperation Agreement, effective March 30, 2024, and an Amendment to the Subscription Agreement.

Expansion of the cooperation agreement entered into between the Company, Air France, KLM and China Eastern Airlines

Persons concerned

- China Eastern Airlines Co Ltd. ("China Eastern Airlines"), a shareholder with 6.3% of the voting rights; and
- Mr. Jian Wang, director appointed by the Annual General Shareholders' Meeting, as proposed by China Eastern Airlines.

Nature, purpose and conditions

In the context of the Group's recapitalization plan announced on April 6, 2021, on June 23, 2021 Air France-KLM entered into an agreement with China Eastern Airlines to accelerate their efforts to deepen and broaden the existing and future cooperation, and further strengthen their partnership for transportation services between China and Europe (the "CEA Commercial Agreement").

The CEA Commercial Agreement sets out the ambitions for the expansion of the cooperation between China Eastern Airlines, Air France-KLM, Société Air France and KLM. The parties intend to intensify their commercial cooperation (exclusive joint-venture partnership from January 1, 2022 for passenger air transportation between Europe and China (improved code share offer, closer alignment of fares and sales policy, etc.) and extend cooperation.

In particular, the parties in the CEA Commercial Agreement undertook to:

- add the Paris-Beijing and Amsterdam-Beijing routes to the CEA Commercial Agreement, upon satisfaction of the agreed conditions;
- accelerate their efforts to deepen the existing cooperation on business, operational, marketing and innovation policies, including through staff exchanges;
- explore new opportunities for cooperation in the area of passenger transportation in particular in the domains of competition rules, alliances and technologies;
- explore synergies in areas such as ground services, catering, maintenance and non-aviation-related areas such as tourism, hotels and car rental; and
- strengthen the strategic coordination between the parties within the SkyTeam alliance and IATA.

State Guaranteed Loan (Prêt Garanti par l'État – PGE), as amended on December 10, 2021

Persons concerned

- The French State, a shareholder owning more than 10% of voting rights;
- Mr. Pascal Bouchiat and Mr. Jean-Dominique Comolli, both members of the Board of Directors of the Company, appointed by the Annual General Shareholders' Meeting as proposed by the French State;
- Ms. Stéphanie Besnier, director representing the French State appointed by ministerial order until her resignation on March 15, 2023;
- Ms. May Gicquel, director representing the French State appointed by ministerial order on March 15, 2023, replacing Mrs. Stéphanie Besnier, until her resignation on October 9, 2023;
- Ms. Céline Fornaro, director representing the French State appointed by ministerial order on October 9, 2023, replacing Ms. May Gicquel.

Nature, purpose and conditions

To address the impacts of the crisis linked to the Covid-19 pandemic on the cash level of the Air France-KLM group, on May 6, 2020 Air France-KLM secured a €4 billion loan from a consortium of banks, up to 90% guaranteed by the French State (the "State Guaranteed Loan"), which held 14.3% of the Company's share capital at the time of the conclusion of the agreement.

To smooth the State Guaranteed Loan's redemption profile beyond its 2023 maturity and thus balance the Group's consolidated debt maturity schedule, on December 10, 2021, the Company agreed with the bank consortium and the French State an amendment to the State Guaranteed Loan (the "Amendment").

The State Guaranteed Loan, subject to the decree of May 7, 2020 and in application of Article 6 of the Finance Amendment Act No. 2020-289 of March 23, 2020, granted a guarantee from the French State to the banks for 90% of the State Guaranteed Loan.

The Amendment modified the following stipulations of the State Guaranteed Loan as follows:

- the final maturity date of the State Guaranteed Loan was extended by two additional years, i.e. to May 6, 2025;
- the State Guaranteed Loan had to be repaid by amortization based on the following schedule:
 - €500 million on the signature date of the Amendment;
 - €800 million on May 6, 2021;
 - €1.35 billion on May 6, 2024;
 - €1.35 billion on May 6, 2025;
- the rate of interest has been set as follows: 3-month Euribor (with a floor at zero) with an annual margin of between 0.75% and 2.75%, it being specified that this margin had to be applied according to the following schedule: 1.50% from May 6, 2021 (inclusive) until May 6, 2022 (exclusive) and 2.75% from May 6, 2022;
- the guaranteed fee had to be applied according to the following schedule: 1.0% from May 6, 2021 (inclusive) until May 6, 2023 (exclusive) and 2.0% from May 6, 2023. Until May 6, 2023 (exclusive), calculated based on the initial amount of €4 billion, the calculation basis being reduced by the scheduled repayments mentioned above.

Mandatory prepayment clauses ("Mandatory Prepayments") were provided for in the contract, in particular in the event of debt issues resulting from capital market transactions in the bond market, up to a limit of 75% of the amounts raised, excluding hybrid instruments, convertible bonds or quasi-equity repayments to be made under bonds and convertible lines existing on the signature date of the Amendment and with maturity dates falling during the term of the extended State Guaranteed Loan.

A first early redemption of the PGE occurred on November 7, 2022 for one billion euros, and the PGE was subsequently fully repaid on March 15, 2023 for the amount of 2.5 billion euros.

Framework Agreement between the Company, KLM and the Dutch State

Persons concerned

- The Dutch State, shareholder owning more than 10% of the voting rights;
- Mr. Dirk van den Berg, director appointed by the Annual General Shareholders' Meeting as proposed by the Dutch State; and
- Mr. Cees 't Hart and Mr. Benjamin Smith, directors of both the Company and KLM.

Nature, purpose and conditions

On August 7, 2020, within the framework of the financial support package granted by the Dutch State to KLM, a subsidiary of Air France-KLM, Air France-KLM entered into a Framework Agreement with KLM and the Dutch State, a shareholder in the Company with 14% of its share capital, to enable KLM to meet its urgent need for liquidity following the crisis linked to the Covid-19 pandemic and prepare for the future.

This financial support package, approved on June 25, 2020 by the Company's Board of Directors in the total amount of €3.4 billion, was structured as follows:

- a revolving credit facility in the amount of €2.4 billion, granted to KLM by eleven banks and up to 90% guaranteed by the Dutch State; and
- a direct loan in the amount of €1 billion, granted by the Dutch State to KLM, with subordination to the revolving credit facility.

Several conditions were associated with the granting of these loans, including respect by the company of the commitments on sustainability and the restored performance and competitiveness of KLM, including a comprehensive restructuring plan and a contribution made by employees. KLM also undertook to suspend dividend payments to its shareholders until such time as these two loans had been repaid in full.

During the 2022 first half, KLM repaid amounts made available with the framework of the revolving credit line (€665 million) and the subordinated loan (€277 million), without however terminating the framework agreement.

KLM also cancelled the revolving credit facility guaranteed by the Dutch State and the direct loan granted by the Dutch State.

Following this cancellation, the conditions attached to this aid were no longer applicable.

The framework agreement remains however applicable mostly as concerns the stipulations relating to the assurances given to the Dutch State which provide, in particular, for the extension from nine months to five years of the notice period to terminate these assurances.

Adjustment to the financial conditions of the joint-ventures entered into with firstly (i) Delta Air Lines, Inc. and Virgin Atlantic Airways Ltd. (the "Blue Skies" partnership contract, and secondly (ii) China Eastern Airlines Co.Ltd. (the "Air France-China Eastern Airlines Joint-Venture Agreement") (together the "Joint-Venture Agreements) in the context of the Covid-19 crisis

Persons concerned

- Delta Air Lines Inc. ("Delta"), a shareholder with 3.8% of the voting rights and a director of the Company, represented by Alain Bellemare;
- China Eastern Airlines Co Ltd. ("China Eastern Airlines"), a shareholder with 6.3% of the voting rights; and
- Mr. Jian Wang, director appointed by the Annual General Shareholders' Meeting, as proposed by China Eastern Airlines.

Nature, purpose and conditions

On December 4, 2020, pursuant to Article L. 225-38 of the Code de Commerce, the Air France-KLM Board of Directors had authorized the adjustment of the financial provisions relating to the financial settlement mechanism (to share the revenues and costs generated by the joint-venture) in the Blue Skies joint-venture agreement (entered into with Delta Air Lines, Inc. and Virgin Atlantic Airways Ltd. on May 15, 2018 and amended in October 2019), for the calendar year 2020. In this respect, each



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party waived all rights it may have with respect to the amounts due to it under the Blue Skies joint-venture agreement for the calendar year 2020, and agreed to waive them permanently.

By mutual agreement between the parties, the term of this waiver was extended to the 2021 and 2022 financial years owing to the duration of the impact of the Covid-19 virus on the operations of the Blue Skies joint-venture.

On December 21, 2023, an agreement was concluded between the parties providing for new settlement caps to be applicable solely in respect of the 2023 calendar year.

On December 4, 2020, in accordance with Article L.225-38 of the Code de Commerce, the Air France-KLM Board of Directors had also authorized the suspension of the settlement mechanism aimed at sharing the revenues generated by the joint-venture provided for in the Air France-KLM-China Eastern Airlines joint-venture agreement. In this context the parties waived all payment in respect of the joint-venture agreement as of February 1, 2020 and for a period to be mutually agreed between the parties depending on the duration of the impacts of the Covid-19 epidemic on the joint-venture.

The parties to the Air France-China Eastern Airlines Joint-Venture entered into an agreement, effective as of July 1, 2023, terminating the waiving by the parties of all payments in respect of the Air France-China Eastern Airlines joint-venture agreement (decided in 2020) and providing for a new transitional settlement cap and applicable solely for the period from July 1, 2023 until December 31, 2023.

In December 2023, the parties extended the term of the Air France-China Eastern Airlines Joint-Venture Agreement, that had been due to expire on December 31, 2023, to enable the parties to pursue their cooperation while actively negotiating the terms of a new joint-venture agreement in 2024.

Given the adjustment to the financial settlement mechanism provided in the joint-venture agreements, there has been no need to calculate the impact that would have resulted from the application of these provisions.

Transatlantic partnership between the Company, Delta Air Lines Inc. and Virgin Atlantic Airways Ltd.

Persons concerned

- Delta Air Lines Inc. ("Delta"), a shareholder with 3.8% of the voting rights and a director of the Company, represented by Mr. Alain Bellemare.

Nature, purpose and conditions

On October 30, 2019, the Board of Directors mandated the Air France-KLM management to finalize the discussions and negotiate amendments to the agreements authorized during the Board meetings of March 14 and May 15, 2018 (see section 2.7.4 "Partnerships with Air France-KLM"), so as not to proceed with the planned acquisition by Air France-KLM of a 31% equity interest in Virgin Atlantic Limited as initially provided in that this impacts the position of Air France-KLM in the commercial joint-venture between Delta, Virgin Atlantic and Air France-KLM.

As a result, the agreements entered into on March 14 and May 15, 2018 were amended and an agreement was signed between Air France-KLM, Delta and Virgin Group (signed and effective as of January 30, 2020) granting Air France-KLM, subject to specific conditions, a right to acquire shares in Virgin Atlantic Limited in the event of a sale by Virgin Group of shares in Virgin Atlantic Limited to a third party.



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Commitments relating to severance pay for Mr. Benjamin Smith, Chief Executive Officer of the Company

Persons concerned

- Mr. Benjamin Smith, Chief Executive Officer of the Company

Nature, purpose and conditions

On August 16, 2018, pursuant to the provisions of the former Article L. 225-42-1 of the Code de Commerce (repealed by Ordinance No.2019-1234 of November 27, 2019), the Air France-KLM Board of Directors authorized the granting of a severance payment to the benefit of Mr. Benjamin Smith, Chief Executive Officer of Air France-KLM, in some instances of forced termination and, namely, dismissal, non-renewal of his mandate as Chief Executive Officer or forced resignation linked to a change of control.

It is stipulated that the instances of forced termination enabling the implementation of this severance payment exclude any situation of serious misconduct on the part of the Chief Executive 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 (according to specific calculation modalities based, as applicable, on the target variable compensation in the event of a termination during the first 24 months).

A coefficient (between 0 and 100% inclusive) will be applied to the basis of the severance payment based on the achieved performance criteria relating to the annual variable component of his compensation over the two last financial years of his mandate. The Board will assess the achievement of these performance criteria.

The Statutory Auditors

Paris La Défense, March 28, 2024

KPMG S.A.

Neuilly-sur-Seine, March 28, 2024

PricewaterhouseCoopers Audit

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