

Air France-KLM takes care

Sustainability report

2018

At a glance



AIRFRANCEKLM
GROUP

AIR FRANCE-KLM TAKES CARE AT A GLANCE

Our global business brings people, economies and cultures together, and drives economic growth and social progress.

We assume our responsibilities and take action to reconcile growth with environmental protection, social value and local development at our hubs and our destinations. Through our operational activities, we aim to create sustainable long-term value for all our stakeholders.

Our sustainability strategy is built on 4 pillars.



Environment

Employee journey

Customer trust

Societal value

Discover our Sustainability Report 2018: <http://csrreport2018.airfranceklm.com/en/>

By integrating sustainability into our business and operations, we strive to contribute to the UN Sustainable Development Goals. The 2030 agenda sets 17 Sustainable Development Goals (SDGs) which are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity.

Air France-KLM significantly contributes to the realization of SDG 7 Affordable and Clean Energy, SDG 8 Decent Work and Economic Growth, SDG 9 Industry, Innovation and Infrastructure, SDG 12 Responsible Consumption and Production and SDG 13 Climate Action.





318 destinations in
118 countries

OUR OPERATIONS

101.4
MILLION CUSTOMERS

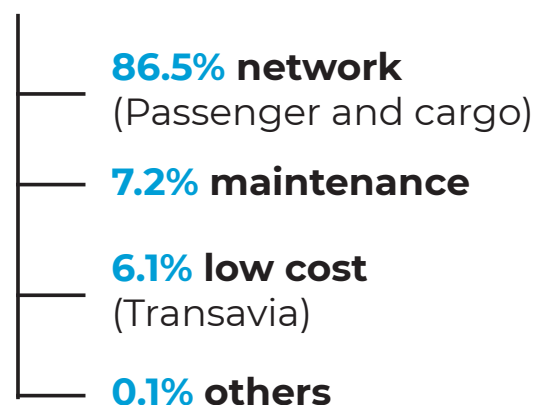
1.14
MILLION TONS OF
CARGO CARRIED

81,527
EMPLOYEES (FTE)

**TRANS-ATLANTIC
& ASIAN**
JOINT-VENTURES

SKYTEAM
FOUNDING MEMBER

€ 26,512 MILLION
REVENUES





3.21 LITERS

fuel per passenger / 100 km

21.6%

CO₂ emissions reduction since 2011

incl. economic measures
(g CO₂ / passenger / km)

IN THE AIR

548

AIRCRAFT

11.3 YEARS

fleet average age

35%

NOISE REDUCTION

since 2000

4.3 MILLION

tons of CO₂ avoided

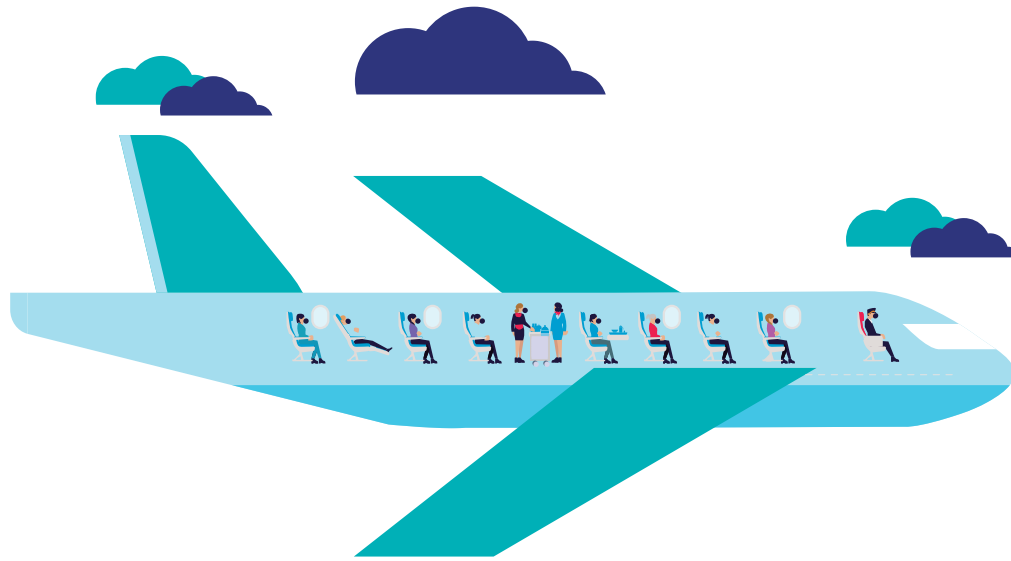
(energy efficiency
conditions of 2011)

BIOFUEL

Strong involvement in the development of a sustainable market

MORE THAN 1,300 tons of sustainable aviation fuel used by KLM

Air France partner of the French biojet **Green Deal**



Caring for
all passengers

EVERY **20** SECONDS
A new Flying Blue member

ON BOARD

PERSONALIZED SERVICES

RESPONSIBLE CATERING

Organic products in children offers on Air France flights
9.4 million sustainably produced sandwiches served on board KLM flights

CIRCULAR ECONOMY

13 million headphones reconditioned, reused & recycled at Air France

LIGHTER AIRCRAFT

Digital press, 4,600 tons of CO₂ saved

DIGITAL

More than 9 million Air France, KLM and Transavia app downloaded



23%

energy reduction
since 2011

50%

electric ground
support equipment

ON THE GROUND

WASTE

4%

REDUCTION
since 2011

WATER

6%

REDUCTION
since 2011

SUPPLY CHAIN

3,900

SUPPLIERS

67%

SIGNED THE CSR CHARTER

€ 19 MILLION

SPENDING IN
SHELTERED SECTOR



312

hectares of tropical forest
planted in Panama by KLM CO2ZERO service

85,500 trees

planted thanks to Trip and Tree
Air France program

IN THE WORLD

AIR FRANCE FOUNDATION

76 PROJECTS IN 57 COUNTRIES
in favor of disadvantaged children

WINGS OF SUPPORT

85 PROJECTS SUPPORTED
IN 16 COUNTRIES

GROUP CONTRIBUTIONS

€ 15 MILLION FINANCIAL SUPPORT
to community projects

3,552 FLIGHT TICKETS
donated by Flying Blue members to NGOs

TURNING OUR RESOURCES INTO ASSETS...



SOCIAL AND RELATIONSHIP CAPITAL

A diversified customer portfolio and a network of suppliers, favoring local and sustainable players.

— The European pillar of the leading global airline partnership and commercial integration within the SkyTeam alliance.



INDUSTRIAL CAPITAL

Continuous modernization of our fleet, slots and traffic rights enabling an extensive network in all major markets.

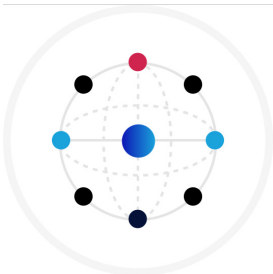
— An optimized fleet and network reinforcing our operational and environmental performances.



HUMAN CAPITAL

81,527 innovative and fully committed employees (full-time equivalent) with a diverse culture nurtured by more than 110 nationalities.

— Professional and dedicated ground staff, cabin and cockpit crews for a caring journey.



INTELLECTUAL CAPITAL

Prestigious airline brands with a common frequent flyer program, “Flying Blue”, and a strong maintenance brand based on specific know-how and leading-edge technologies.

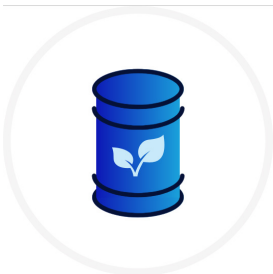
— Attractive brands offering high-quality products & services.



FINANCIAL CAPITAL

A stable shareholding structure with the French State, the Dutch State and two strategic partners, Delta Air Lines and China Eastern Airlines.

— A sound financing structure to further accelerate our transformation and deliver growth, in a market growing by 5%.



ENVIRONMENTAL CAPITAL

Fuel, contribution to the creation of a sustainable alternative biofuels industry for aviation.

— A player committed to contributing to positive change at industry level.

OUR AMBITION

To become the leading airline group in Europe and one of the most powerful in the world, assuming its corporate and social responsibility as a global aviation player.

OUR PRIORITIES

1. Invest in and empower our people.
2. Simplify our brand portfolio and embody the best of our home markets culture.
3. Modernize our fleet and products for the benefit of our customers.
4. Leverage our partnerships
5. Improve each business unit's contribution to the Group financial performance

ONE IMPERATIVE

FLIGHT SAFETY

OUR ACTIVITIES AND SERVICES

NETWORK

European leader for long-haul traffic

AIRFRANCE 



FLYING BLUE FOR ME

PASSENGER NETWORK

- 85.6m passengers
- 468 aircraft
- Expanded network organized around two major European hubs
- 54,700 employees

CARGO

Belly-dominant business model

- 1.1m tons of goods transported
- 6 full-freighter aircraft
- 3,860 employees



LOW COST

No.1 Low Cost in the Netherlands and at Paris-Orly



FLYING BLUE FOR ME

- 15.8m passengers carried
- 74 aircraft
- 3,030 employees

MAINTENANCE

2nd largest global MRO (Maintenance, Repair, Overhaul)

- Undisputed excellence in the maintenance of large aircraft fleets
- Support on over 2,000 aircraft, for more than 200 clients
- 13,460 employees



A CARING JOURNEY

- An improved offer through cabin retrofit, ground infrastructure investment, on-board connectivity
- Customer-centric approach to become the reference airline for **Customer Intimacy**
- Digital investment for ever-more personalized services

101.4 million passengers carried

A RELIABLE JOURNEY

- **Focus on reliability and punctuality**
- Maintain **highest safety and quality standards**

318 destinations in 118 countries

AN EMPLOYEE JOURNEY

- **Develop careers and skill sets of employees**
- **Safe and motivating environment** to improve staff **involvement** and **well-being** at work

40 training hours per employee

A COMPETITIVE JOURNEY

- A **strong performance** across all business segments
- Operating result driven by **revenue growth and cost discipline**

Net debt / EBITDA ratio at 1.5x

AN INCLUSIVE JOURNEY

- **Connecting people, economies and cultures**
- Contribution to **regional development** and global **economic growth** through **international trade and foreign investments**
- **Local employment**, with direct and indirect jobs around our hubs

KLM **3rd** largest private sector employer in the Netherlands
Air France's impact on French GDP at **>1%**

A RESPONSIBLE JOURNEY

- **Steady reduction in our environmental impact**
- **At the top** of the DJSI Europe and World indices **for 14 years running**

13.5% improvement in operational fuel efficiency
per passenger/km between 2011 and 2018

CONTRIBUTING TO THE UN SDGs...

