

**CORPORATE SOCIAL
RESPONSIBILITY
REPORT 2018**

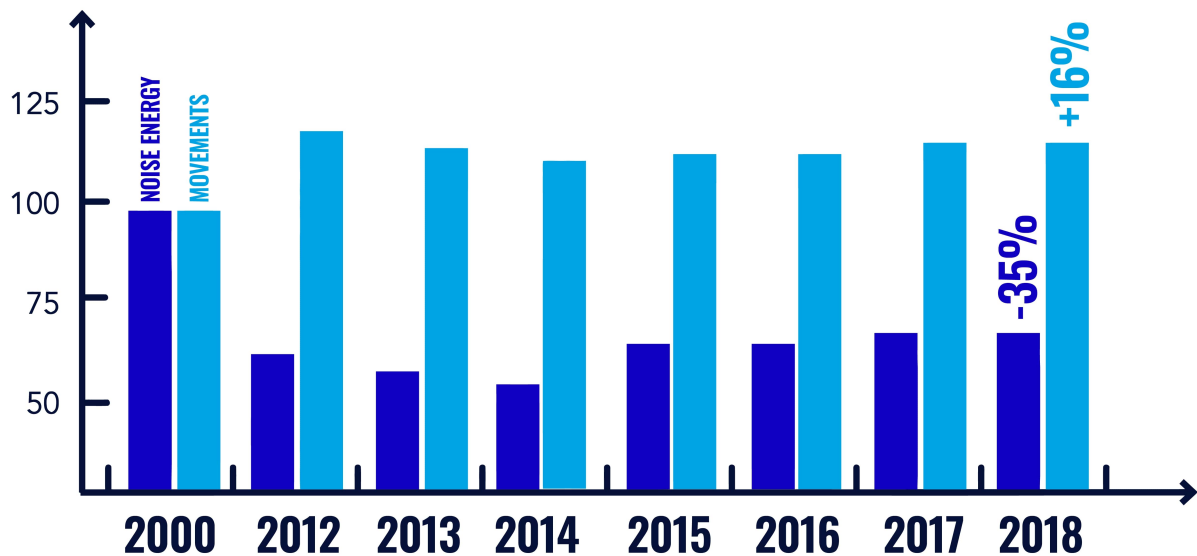
Noise hindrance

NOISE HINDRANCE

Noise is one of the main themes of Air France-KLM's environmental policy. We strive to reduce our impact by taking the necessary measures in dialogue with our local communities. While accommodating the increasing customer demand for mobility, one challenge for the aviation industry is to maintain noise hindrance at an acceptable level for those living near airports.

42%: reduction of global noise energy per movement since 2000.

AIR FRANCE KLM GLOBAL NOISE ENERGY INDICATOR



REDUCING NOISE AT SOURCE

Fleet modernization and flight operation improvements are the two pillars of our noise abatement strategy.

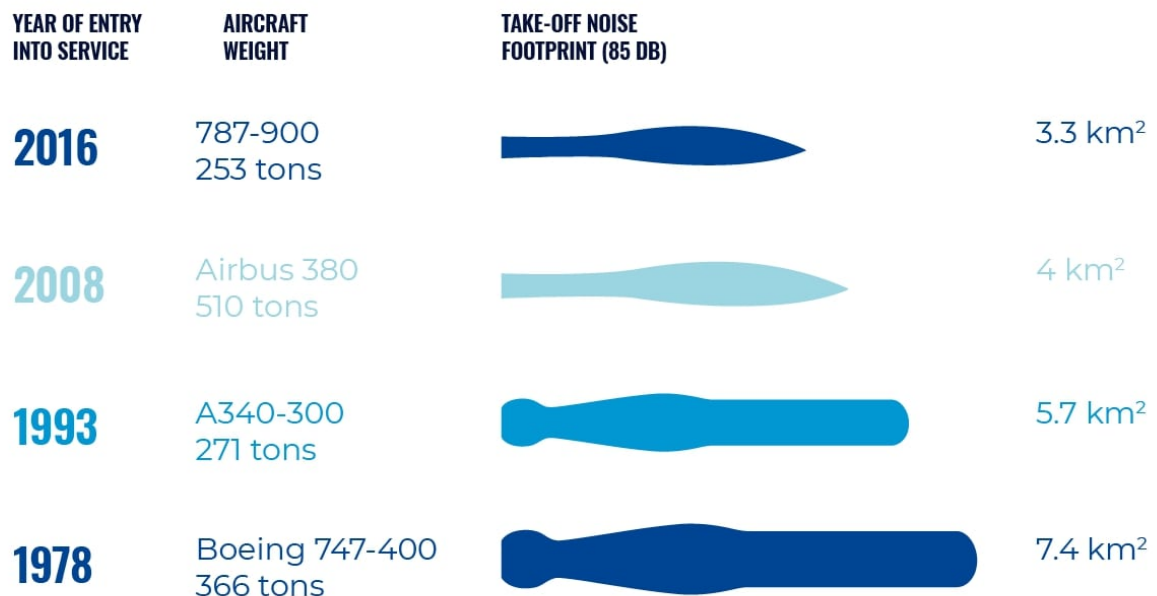
Fleet renewal

We pursue a pro-active policy of fleet renewal and modernization, thereby contributing to the improvement in our energy efficiency and a reduction in our noise footprint.

We significantly reduced our noise footprint by withdrawing the noisiest aircraft, Boeing 747s and A340, from operational service, and introducing the 787-9. In 2018:

- Air France retired its last Boeing 747 in 2016 and six A340 aircraft in 2017 and 2018. It has and introduced six 787-9 since 2017.
- KLM added three Boeing 787-9 Dreamliners and seven Embraer 175+ aircraft to the fleet. Three Boeing 747s were phased out.
- The introduction of the Boeing 787-9 reduced the operational noise footprint by approximately 40% compared to similarly sized aircraft. Boeing 787's noise footprint has been reduced to the point that, at each takeoff, the exposure to noise in the surrounding airport area is lower than 85 dB(A) (comparable to the noise of a truck passing).

NOISE MAPS PER AIRCRAFT



Noise abatement procedures

We are working to improve departure and approach procedures, along with the French and Dutch Civil Aviation Authorities who are assessing the environmental benefits of the improved procedures.

KLM implemented the new Noise Abatement Departure Procedure 2, which significantly reduces noise pollution and emissions in areas around the airport. With respect to the local noise regulations at Schiphol Airport, all reduction targets for 2020 have already been achieved thanks to KLM's

active strategy of fleet renewal and operational measures. The goal of 5% noise hindrance reduction among highly annoyed persons (Alders Agreement 2008) has been achieved and surpassed, reaching 20.3 % (source: 2013 Alders research).

DIALOGUE WITH RESIDENTS, AN OPPORTUNITY TO SHARE THE FRAMEWORK FOR SUSTAINABLE DEVELOPMENT

Air France and KLM are engaged in an ongoing dialogue with representatives of local communities bordering the airports in order to strengthen their relationships with stakeholders and residents.

Specific solutions are also sought to reduce noise emissions from aircraft. For example, although not required by any regulation, Air France decided to equip its entire A320 fleet (115 aircraft) with Air Flow Deflector noise-reduction kits to reduce the characteristic whistling sound during the A320's approach phase. A number of residents' associations have confirmed the positive impacts in terms of a reduction in overall noise energy.

DIALOGUE WITH RESIDENTS, AN OPPORTUNITY TO MITIGATE NOISE

Air France and KLM meet with the representatives of local communities, airport and aviation authorities to identify measures and solutions to reduce noise hindrance that could affect people living near airports.

In the Netherlands, KLM has been a longstanding member of the Schiphol Regional Consultative Committee (CROS) for all issues arising in the area around Schiphol. In 2015, the Committee was succeeded by a regional council called Omgevingsraad Schiphol (ORS). Among other things, the Omgevingsraad council addresses issues surrounding noise. The Alders Agreement identified a hindrance reduction target of 5% by 2020, relating to the number of severely annoyed people in the airport vicinity. The target has already been achieved well above the set goal (20.3%), an achievement that can be attributed to fleet renewal and a variety of noise reduction measures taken by KLM.

In France, Air France fosters a dialogue with residents and partakes in the advisory committees on environment and residents' issues, such as CCE (Commission Consultative de l'Environnement) and CCAR (Commission Consultative d'Aide aux Riverains) at all the French airports where it operates.

Air France has been actively involved in a Night Flights working group, overseen by the Prefect of the Paris-Charles de Gaulle airport region. This working group notably proposed new "dead of night" continuous descent procedures and welcomed the commitment to retiring noisy aircraft, including Air France's B747 aircraft. Lastly, the punctuality of flights scheduled for late at night or early in the morning is the subject of a specific monitoring procedure.

French and Dutch government policies include the exposure to aircraft noise in their urban planning considerations and provide financial help for soundproofing homes.

- In 2018, the Air France Group's contribution (Air France, Transavia and HOP! Air France) to the French Tax on Air Transport Noise Pollution (TATN) paid to the French government amounted to

€18 million. Overall, since 2005, Air France Group was one of the biggest contributors to the total €676 million of noise TATN taxes.

- Extensive noise control measures have been implemented Around Schiphol airport. Over the past two decades, KLM has contributed a major portion to the total of €754 million noise taxes, and has been devoted to soundproofing and compensating for loss of property value around Schiphol airport.