Remuneration report and policy

Remuneration policy for the Statutory Board of Managing Directors

General overview
In 2025, the reinstated remuneration policy continued to apply to the KLM Board of Managing Directors, following a prolonged period during which compensation for the KLM Managing Directors was significantly impacted. In alignment with the ongoing Back on Track cost-saving program and the collective labour agreement negotiations stipulating a zero salary increase, all members of the KLM Board of Managing Directors have voluntarily chosen to forgo any individual increases in base salary for 2025. As a result, there have been no changes made to the remuneration policy for the KLM Managing Directors in 2025.

The Supervisory Board reaffirms its aspiration to aligning KLM’s remuneration policy with market benchmarks, with the objective of maintaining an attractive and motivating reward package.

Process
The Supervisory Board with prior approval from the Meeting of Priority Shareholders of Air France-KLM, sets the remuneration and terms for individual statutory members of the Board of Managing Directors based on advice from the Remuneration Committee. This Committee is responsible for formulating, implementing, and evaluating the remuneration policy.

Each year, the Committee assesses whether changes are needed in the remuneration package, considering external benchmark data, inflation, developments in KLM's collective labour agreements, and amendments to the remuneration policy at Air France-KLM Group. The Committee may use discretionary powers, where applying the policy would result in unfair outcomes. Any proposed changes are subject to approval by the Meeting of Priority Shareholders.

Objective of the policy
The primary goal of KLM's remuneration policy is to establish a clear and understandable remuneration structure that attracts and retains qualified Managing Directors while offering stimulating rewards. The policy aims to motivate the Managing Directors to enhance KLM's performance and achieve long-term objectives within the Air France-KLM governance framework.

Structure of remuneration package
The remuneration package for KLM's Board of Managing Directors includes:
1. Base Salary: designated to be around the median of benchmarked market level;
2. Short-term Incentive: cash incentives linked to pre-agreed financial and non-financial performance targets; and
3. Long-term Incentive: phantom shares for the KLM CFO and COO and Air France-KLM shares for KLM CEO, based on achieving predetermined long-term targets.

Additional provisions
Managing Directors may retain payments from other remunerated positions, with a maximum of two such positions allowed per Managing Director, subject to Supervisory Board approval. Payments from Supervisory Board memberships within KLM Group companies or other airline companies are due to KLM. Managing Directors are also entitled to travel facilities comparable to those for KLM employees.

Pensions
KLM's pension policy provides a career average salary scheme for its Managing Directors. The short-term incentive (up to 30%) is part of the pensionable income, capped at EUR 137,800 for 2025. Managing Directors receive an allowance for the portion of the base salary above this cap, which can be used as a premium (deposit) for KLM's net pension scheme.

Claw back clause and severance payment
The Supervisory Board has the authority to reclaim payments based on Article 2:135 sub 8 of the Dutch Civil Code. For Managing Directors severance pay is limited to one year's base salary.

This comprehensive remuneration policy ensures that KLM remains competitive in attracting and retaining top talent while aligning with general corporate governance standards and the broader Air France-KLM Group's standards and objectives.

Remuneration report of the Board of Managing Directors for the financial year 2025

The financial year 2025 has been characterised by turbulent times and a significant rise in cost levels. Against this challenging backdrop, the Supervisory Board has exercised particular diligence in its assessment and evaluation of the remuneration for the Managing Directors. The Supervisory Board has thoroughly considered the evolving responsibilities of each Managing Director, taking into account inflationary pressures, developments in KLM's collective labour agreements and the ongoing Back on Track initiatives. The Supervisory Board remains steadfast in its commitment to the established remuneration policy, recognising that competitive and fair compensation is essential for attracting and retaining high calibre leadership.

Following this comprehensive review, the Supervisory Board has set the remuneration packages for the KLM Board of Managing Directors for the entire year 2025, ensuring alignment with both internal standards and the wider objectives of the Air-France KLM Group.

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Employment contracts with statutory members of the Board of Managing Directors

Members of the Board of Managing Directors have indefinite employment contracts with KLM. Their appointments as Managing Directors are set for four years, ending at the first General Meeting of Shareholders in the fourth year after their appointment.

The current overview of terms is as follows:

- Mrs Rintel has an indefinite employment contract with a fixed-term appointment as Chief Executive Officer until the Annual General Shareholders Meeting in 2026. The Supervisory Board has announced its intention to nominate Mrs Rintel for a second term of 4 years.
- Mr Brouns has an indefinite employment contract with a fixed-term appointment as Chief Financial Officer until the Annual General Shareholders Meeting in 2028.
- Mr Stienen has an indefinite employment contract with a fixed-term appointment as Chief Operating Officer until the Annual General Shareholders Meeting in 2027. Mr Stienen has indicated that he does not wish to pursue a second term and will step down as Chief Operating Officer after the Annual General Shareholders Meeting in April 2026.

Base salary

In line with KLM's remuneration policy, base salaries are intended to be set at proximity of the median market level. The current base salaries of KLM Board of Managing Directors fall below this median. Although our policy aspires to maintain salary levels near external benchmarks, the prevailing social environment requires deliberate consideration. As a result the supervisory Board has resolved to follow the wish of the KLM Managing Directors to forego individual increases in salary in 2025.

For the year 2025, Mrs Rintel continued to receive a base salary of EUR 600,000 (2024: EUR 600,000). Mr Brouns received a base salary of EUR 330,000 (2024: EUR 227,213, proportionate to his appointment date of April 24, 2024).

Mr Stienen received a base salary of EUR 370,000 (2024: EUR 370,000).

Short-term incentives

The Remuneration Committee reviewed KLM's results against the agreed targets and concluded to reward moderate the following short-term incentive pay-outs, which were approved by the Supervisory Board:

- Mrs Rintel: 66.6% of base salary;
- Mr Brouns: 42.3% of base salary;
- Mr Stienen: 34.3% of base salary.

No payments were made under the company wide profit-sharing scheme for 2025.

Long-term incentives

Under the long-term incentive plan for 2025-2028, the following phantom shares were conditionally granted to the Managing Directors:

- Mr. Brouns: 19,334 phantom shares; and
- Mr. Stienen: 21,678 phantom shares.

As part of the Air France-KLM Performance Share Plan, Mrs. Rintel, the KLM CEO, was granted 69,767 shares. These shares will be evaluated and vest in April 2028.

Under the long-term incentive plan for 2023-2025, phantom shares will vest to the Managing Directors end of April 2026.

Internal pay ratios

In line with the Dutch Corporate Governance Code, internal pay ratios are important for assessing the remuneration of the Board of Managing Directors. For 2025, the ratio between the CEO's annual total compensation and the average KLM employee's compensation was 9.8 (8.8 for 2024). The annual total compensation includes variable income and pension benefits.

Loans and advances

No loans or advances were granted to members of the KLM Board of Managing Directors.

Further details of the 2025 remuneration received by the individual members of the Board of Managing Directors are presented in note 31. Statutory Board of Managing Directors Remuneration to the financial statements.

Remuneration policy for KLM's Supervisory Board

The remuneration structure for the Supervisory Board members includes a fixed annual fee and an additional fee for each committee meeting attended.

It is important to note that Supervisory Board members do not receive performance-related rewards, shares, or rights to shares as part of their remuneration. Nor are they granted loans, advances, or guarantees.

Remuneration 2025 KLM Supervisory Board

The remuneration structure for the Supervisory Board members and committees has been updated to reflect the following:

Supervisory Board Fixed Annual Fee:
- Chairman: EUR 50,000 (2024: EUR 50,000);
- Other Members: EUR 35,000 (2024: EUR 35,000).

Audit Committee Meeting Fee:
- Chairman: EUR 4,500 per meeting (2024: EUR 4,500);
- Other Members: EUR 2,300 per meeting (2024: EUR 2,300).

Remuneration and Nomination Committee Meeting Fee:
- Chairman: EUR 3,000 per meeting (2024: EUR 3,000);
- Other Members: EUR 2,000 per meeting (2024: EUR 2,000).

Additionally, Supervisory Board members are entitled to the travel facilities as outlined in the KLM employee travel regulations. For detailed information on the remuneration received by individual Supervisory Board members, please refer to note 30. Supervisory Board remuneration to the financial statements.