

**PUBLICATION IN APPLICATION
OF THE AFEP-MEDEF CORPORATE GOVERNANCE CODE**

Based on the Remuneration Committee's recommendations, during its meeting of June 22, 2016 the Air France-KLM Board of Directors decided to grant Mr Janailac, in his quality of Chairman and Chief Executive Officer as from July 4, 2016, a fixed and variable compensation identical to the one set in March 2016 for Mr A de Juniac in his quality of Chairman and Chief Executive Officer for 2016, except for the qualitative performance criteria which have been updated. This fixed and variable compensation is defined below:

▪ Fixed compensation

Mr. Janailac fixed annual compensation in his capacity as Chairman and Chief Executive Officer as from July 4, 2016 is set at €600,000.

The compensation that will be paid to Mr. Janailac for 2016 will be calculated prorata temporis for the period between July 4 til December 31, 2016.

▪ Variable compensation

The magnitude of Mr. Janailac's variable compensation is determined with a target value of 80% of his fixed compensation and a maximum of 100% of this compensation.

The criteria for determining the variable compensation for the 2016 financial year have been set as follows:

| | Breakdown of the variable portion | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------|
| | Target: 80% of fixed compensation | Maximum: 100% of fixed compensation |
| Quantitative performance: Air France-KLM EBITDA (EBITDA compared with the budget) | 40% | 50% |
| Quantitative performance: Air France-KLM free cash flow before divestments (free cash-flow before divestments relative to the budget) | 8% | 10% |
| Qualitative performance | | |
| - Presentation by November 1st , 2016 of an updated strategic plan including competitiveness driven growth, sustainability and international strategy | 16% | 20% |
| - Engage the Group' staff around the new plan, building on a revitalised climate of social dialogue | 16% | 20% |

There are no directors' fees in addition to this compensation.

The compensation that will be paid to Mr. Janailac for 2016 will be calculated prorata temporis for the period between July 4 til December 31, 2016.