



***Protocol for the
European
Works Council
within the
Air France KLM
Group***

PREAMBLE

P-1 As part of the development of a Single European Market that takes social aspirations into account, and given the importance of the business activities of the Air France KLM Group in this part of the world, it has been agreed to set up a body to represent personnel in Europe and to promote its smooth operation.

P-2 This body is to be set up to foster social dialogue and cohesion among employees in undertakings controlled by the Air France KLM Group by strengthening a common sense of belonging and contributing to an enhanced climate of trust and mutual respect.

P-3 The Air France Social and Ethical Charter adopted and signed on 25 June 2001 is a key reference, which applies to all undertakings of the Air France Group. It shall be the prerogative of the Air France KLM European Works Council (AFKL EWC) to examine, if it so desires, via negotiations, the conditions under which the ethical and social principles enshrined in the Charter shall be applied to the new Air France KLM Group configuration.

P-4 The Air France KLM Group management acknowledges the need for social dialogue and for employees to be informed. It also acknowledges the need for employees' representatives to be informed and consulted in a timely manner at European Works Council level in the framework of its prerogatives and taking into account the geographical and/or strategic level where it stands concerning the transnational decisions affecting the activities of the Group and any changes therein.

P-5 The present protocol is adopted pursuant to the provisions of the French Transposition Act n°96-985 of 12 November 1996 relative to the European Works Council in order to reflect the European dimension of the business activities of the Air France KLM Group.

P-6 The provisions in the Protocol are compliant with the spirit and the letter of the Law.

ARTICLE 1: SCOPE

1-1 The Air France KLM European Works Council (AFKL EWC) is a body for the information and consultation of employees' representatives on issues concerning the whole Group, its subsidiaries and sub-subsidiaries, as set out in annex 1.

1-2 It shall also be consulted with respect to transnational issues within the areas of competence set out below.

1-3 A transnational decision is one taken at Air France KLM Group level concerning two Air France KLM Group undertakings or companies operating in two different countries or restructurings concerning one or more subsidiaries located outside France and the Netherlands, or a decision involving one country only, but whose scale is such that it will by its very nature impact the Air France KLM Group as a whole.

1-4 The objective of the AFKL EWC is to improve the flow of information to employees of all undertakings within the corporate structure of the Air France KLM Group.

1-5 The AFKL EWC shall not substitute for the employees' representative bodies specific to each undertaking and country, which shall retain the totality of their missions.

1-6 This provision shall not hinder the AFKL EWC from taking into account the situation of a country concerned on the grounds that such a country does not have an employees' representative body.

1-7 The aim of the present protocol is to define the scope, information, consultation composition, operation and resources of the AFKL EWC.

ARTICLE 2: EXTENT OF THE AIR FRANCE KLM GROUP

2-1 The present protocol concerns the Air France KLM Group, its subsidiaries and sub-subsidiaries in European countries (i.e., the European Union including Switzerland and countries in the European Economic Area).

2-2 The list of these countries and companies on the date when the present protocol is signed are reflected in annex 2. It will be modified in accordance with developments in the Group.

2-3 Within this geographical area, and pursuant to the provisions of article L.439-1 of the French code du travail (Labour Law) and Act n° 96-985, the present protocol shall concern all undertakings over which the Air France KLM Group exercises a dominant influence within the meaning of Article 1 of the said Act.

2-4 The structure thus defined shall be reviewed annually in order to take account of changes to the extent of the Air France KLM Group and make any necessary adjustments.

ARTICLE 3: PROVISION OF INFORMATION TO THE AFKL EWC

3-1 Members, deputies and observers of the AFKL EWC shall regularly receive information concerning the life of the Air France KLM Group and the economic, financial and social strategies of the Air France KLM Group at European level.

3-2 To achieve this, Management shall provide employees' representatives in a timely manner with information enabling them to understand the objectives pursued and to ensure relevant dialogue.

3-3 The content of such information notably (but not exclusively) concerns:

- The Air France KLM Group's structure and any changes to it,
- The economic and financial situation of the Air France KLM Group (including the presentation of consolidated financial statements, investments and budgets),
- Transfers of production,
- Substantial changes concerning the organization of working practices and the introduction of new technologies,
- Mergers, acquisitions or closures of establishments or undertakings,
- Changes to any and all activities and their impact on employment levels within the Air France KLM Group,
- The available social characteristics relative to the Air France KLM Group as a whole.
- EC regulations and directives with an impact on the Air France KLM Group as a whole.

3-4 The Chairman of the Air France KLM Group may also notify to the AFKL EWC any information concerning the Air France KLM Group's global strategy. This information and its social consequences may give rise to discussion.

ARTICLE 4: CONSULTATION OF THE AFKL EWC

4-1 The consultation of the AFKL EWC consists in an exchange of views and the establishment of a dialogue between employees' representatives and the Air France KLM Group Management on subjects falling within the competence of the AFKL EWC as set out in article 1 of the present protocol.

4-2 When it concerns a project corresponding to a strategic issue, such consultation shall take place in a timely manner with appropriate means and content so that the comments, observations and recommendations of the employees' representatives may be taken into consideration by the Management of the Air France KLM Group.

4-3 This consultation may give rise to a recommendation.

4-4 The recommendation of the AFKL EWC may be formulated during the said meeting or no later than seven (7) days after the meeting.

ARTICLE 5 : EXCEPTIONAL CIRCUMSTANCES

5-1 Where there are exceptional and transnational circumstances, pursuant to article 1, affecting the interests of Air France KLM Group employees, particularly in the field of employment involving relocations, the closure of undertakings or collective redundancies, the Chairman of the AFKL EWC and the Select Committee of the AFKL EWC shall meet for an exchange of views at the initiative of the Chairman of the AFKL EWC or of a majority of the members of the Select Committee.

5-2 The Select Committee and the Chairman of the AFKL EWC may decide by mutual agreement whether or not to convene an extraordinary plenary meeting of the AFKL EWC, or a meeting of the Select Committee plus the AFKL EWC's members, deputies and/or observer(s) from the countries affected by the said exceptional circumstances.

5-3 Failing agreement with the Chairman of AFKL EWC as to the necessity of convening the AFKL EWC, the Select Committee may request the opinion of members of the AFKL EWC by e-mail within a maximum period of five (5) working days. In parallel, the AFKL EWC chairman shall also inform members of the AFKL EWC of his position.

5-4 If a two-thirds (2/3) majority of members is in favour of a plenary meeting – with each e-mailed reply being copied to the Air France KLM Group Management – the said meeting shall be convened no later than seven (7) calendar days thereafter.

5-5 To ensure that such consultation has a useful effect, the procedure to implement it shall take place:

- After the information and consultation procedure with the competent national representative bodies concerned (where they exist) has been initiated.
- Before the plan is implemented, in order to allow the Air France KLM Group Management to include the elements of discussion or the recommendations of the AFKL EWC in the decision-making process and to take any opinions expressed during the extraordinary meeting into consideration.

5-6 The AFKL EWC may formulate a recommendation during the said plenary meeting or in writing no later than seven (7) calendar days following the meeting.

5-7 The Air France KLM Group Management shall deliver a reasoned response no later than seven (7) calendar days after receiving the recommendation.

ARTICLE 6 : COMPOSITION

6-1 At the time it is set up, the AFKL EWC shall comprise members (see Annex 2), representing the employees of the Air France KLM Group, broken down by country and with the objective of guaranteeing optimal representation, as follows:

Countries	N° of members
Germany	2
France	10
Italy	2
Spain	2
Portugal	1
Greece	1
Sweden	1
Denmark	1
Austria	1
Hungary	1
Czech Republic	1
GB	3
Ireland	1
Belgium	1
Switzerland	1
Netherlands	6
Poland	1
Norway	1
	37

CALCULATION METHOD

Headcount	N° of airlines and their subsidiaries	No. Of implantations		Members
From 35 to 250	1	1		1
	1	2	Or more	1
	2	1		1
From 251 to 500	2	2	Or more	1
	1	1		1
	1	2	Or more	1
	2	1		1
From 501 to 1 000	2	2	Or more	2
	1	1		1
	1	2	Or more	2
	2	1		1
From 1 001 to 10 000	2	2	Or more	2
	1	1		2
	1	2	Or more	3
	2	1		2
From 10 001 to 30 000	2	2	Or more	3
				5
				6
From 30 001 to 50 000				6
Over 50 001				10

6-2 The number of 37 members arrived at in this manner shall constitute a maximum.

6-3 In the event of Group enlargement, it may be necessary to recalibrate the number of members per country to avoid exceeding this maximum number of representatives.

6-4 Personnel employed by the Air France KLM Group in a country, which becomes a European Union Member State, shall be able to have themselves represented, by a member who will join the delegation of employees' representatives serving on the AFKL EWC at the time of its renewal, under the conditions of the applicable transposition law.

6-5 During the transitional phase and until the end of the current mandate, such personnel from countries becoming European Union Member States shall be able to designate an observer, insofar as the workforce concerned corresponds to the potential presence of at least one member.

6-6 At the request of the Select Committee a representative of the European Transport Federation – ETF – affiliated to the European Trade Union Confederation – ETUC – in the European Union may attend plenary meetings, preparatory meetings and debriefings of the AFKL EWC as an expert in an advisory capacity and have the same facilities as those accorded to employees' representatives.

6-7 In agreement with the Chairman of the AFKL EWC and the Select Committee, employees' representatives may be assisted during preparatory meetings, and the debriefings by one or more competent persons belonging to the Air France KLM Group who shall be accorded the same facilities as the members.

ARTICLE 7: APPOINTMENT

7-1 Members of the AF/KL EWC are appointed as follows:

7-2 EWC members shall be appointed or elected according to the rules of the transposition law in each country.

7-3 Members shall be appointed for the full term of office.

7-4 For each member an employee shall be appointed to deputize in the event that the designated member is unable to attend the plenary, preparatory and debriefing sessions, loses his mandate or leaves the company. In these two latter cases, a new deputy shall be appointed to deputize for the newly appointed member.

7-5 Such deputies shall not be invited to attend other than where the member is unable to attend for the above-mentioned reasons. Notwithstanding, this, they shall receive the information notified to members of the AFKL EWC.

ARTICLE 8: TERM OF OFFICE

8-1 The term of office of the AFKL EWC is set at four (4) years in order to guarantee the continuity of the body and promote its operation.

ARTICLE 9 : MODIFICATION TO REPRESENTATION

9-1 Any and all modifications to employee representation as a result of Group developments shall take place in accordance with the provisions in article 2 above.

9-2 Each year, the make-up of employee representation on the AFKL EWC, as defined in article 6 above, shall be adjusted to take account of any changes in Group structure as defined in article 2 above provided this concerns a variation of at least 250 employees.

9-3 The mandate of a member of the AFKL EWC shall terminate automatically when the undertaking the employees' representative belongs to exits the Air France KLM Group structure.

9-4 The same shall apply when the member, deputy or observer loses his or her electoral or trade union mandate. In the latter case, the departing member shall be replaced according to the rules of appointment set out in article 7.

ARTICLE 10 : MEETINGS

10-1 The AFKL EWC shall meet twice (2 times) a year either in Paris or in Amsterdam.

10-2 By agreement between the Select Committee and the Air France KLM Group Management, a third plenary session may be convened outside of any exceptional circumstances.

10-3 Each plenary meeting shall take place over one day and shall be preceded by a half-day of preparation followed by a half-day of debriefing.

10-4 On exceptional occasions the delegation of employees' representatives of the AFKL EWC may meet outside the presence of the Management of the Air France KLM Group at the request of the Select Committee of the AFKL EWC once a year after agreement with the Management of the Air France KLM Group. The General Secretary of the AFKL EWC shall be responsible for organizing this meeting. This meeting shall take place in the same conditions and with the same resources as plenary meetings with the Management of the Air France KLM Group.

ARTICLE 11 : CHAIRMAN

11-1 Plenary meetings of AFKL EWC shall be chaired by the Chairman of the Air France KLM Group or his/her designated empowered representative, with a permanent or exceptional mandate, in the event of an exceptional incapacity.

11-2 He may be assisted by members of staff.

ARTICLE 12 : DATES AND AGENDAS

12-1 Plenary meetings dates and agendas are set by the Chairman and General Secretary of the AFKL EWC and notified by the General Secretary to members, deputies and observers of the AFKL EWC. The agenda for meetings will be notified twenty (20) calendar days before the date of each session.

12-2 Failing agreement between the Chairman and the General Secretary of the AFKL EWC on the content of the agenda, said agenda shall be set by the Chairman of the AFKL EWC.

12-3 However, any request for a point to be included on the agenda formulated by a two-thirds (2/3) majority of the members of AFKL EWG must be included.

12-4 All documents and other written information provided by the Management of the Air France KLM Group, to AFKL EWC members, deputies and observers shall be provided in French and English.

ARTICLE 13: MINUTES

13-1 Minutes of the meeting of the AFKL EWC shall be drawn up in French and English under the responsibility of the General Secretary and distributed by the Management of the Air France KLM Group to members of the AFKL EWC following the joint agreement of the Chairman and Select Committee of the AFKL EWC as soon as reasonably possible and no later than two (2) weeks following the meeting of the AFKL EWC.

13-2 All discussions during plenary meetings shall be recorded in order to facilitate the drafting of the minutes.

13-3 Furthermore, an external service provider shall draw up a summary of the discussions, which shall be approved by the Chairman and the General Secretary of the AFKL EWC.

ARTICLE 14 : WORKING LANGUAGES

14-1 The official working languages, written as well as spoken, are French, English and Dutch.

14-2 Simultaneous translation of these three languages shall be provided for participants during the preparatory meetings, plenary meetings and debriefings.

14-3 The Select Committee, after agreement of the Chairman of the AFKL EWC, may agree to expand the scope of these facilities to include other meetings.

ARTICLE 15: WORKING GROUPS

15-1 In order to deal with certain specific subjects falling within its scope the AFKL EWC may where necessary decide to set up an internal working group chaired by an employee representative.

15-2 The principle of the setting up of such groups, the themes of their deliberations, their make-up, their assignments and their life-span shall be determined by the AFKL EWC in agreement with the Chairman of the AFKL EWC.

ARTICLE 16: OPERATION AND RESOURCES

16-1 An annual credit of three (3) days shall be granted to each member, deputy and observer of the AFKL EWC, other than members of the Select Committee;

16-2 To allow for individual situations, a total annual credit of 25 (twenty-five) days is granted to employees' representatives, whose allocation shall be decided by the Select Committee after informing the Chairman of the AFKL EWC of such.

16-3 In the event of an extraordinary meeting, and depending on the needs identified, additional credits may be allocated.

16-4 The time spent in preparatory and plenary meetings and debriefings for employees' representatives and all meetings convened with the agreement of the Management of the Air France KLM Group, together with the time spent traveling to all such meetings shall not be deducted from this time credit.

16-5 Such credits may not be carried over from one year to the next.

16-6 The time spent in meetings by the members, deputies and observers of the AFKL EWC shall be deemed to be working time and remunerated normally as such on the usual dates.

16-7 If meetings fall on or during public holidays, vacations or rest days, those members affected shall be able to take time off in lieu, in consultation with the local management of those affected.

16-8 The Management of the Air France KLM Group, in conjunction with the Select Committee, shall provide all necessary resources required for the satisfactory operation of the AFKL EWC and the Select Committee (time credit for Select Committee members, office space, secretarial services, technical and communication resources, documentation, arrangements to meet the cost of travel expenses and a budget). These arrangements shall be set down in an operational protocol negotiated following the creation of the AFKL EWC.

ARTICLE 17 : INFORMING PERSONNEL

17-1 Once the agreement for setting up the AFKL EWC has been signed, all personnel of the Air France KLM Group shall be informed about the setting up of the body, its role, and its intranet address in French, English and Dutch.

17-2 The Group Management and the Select Committee shall discuss the dissemination of information concerning the activities of the AFKL EWC on the intranet website during their initial meetings.

17-3 An intranet portal on the Air France KLM network shall be placed at the disposal of the AFKL EWC. The information posted on this shall comply with the IT charter in force.

ARTICLE 18 : SELECT COMMITTEE OF THE AFKL EWC

18-1 At the time of its first meeting, the AFKL EWC shall elect by a majority of its members, a Select Committee of seven (7) employee members comprising:

- Four (4) members from countries other than France and the Netherlands and who shall be from at least three (3) member countries,
- One (1) member for the Netherlands
- Two (2) members for France.

It is agreed that of the seven members, four (4) shall be from Air France and three (3) from KLM.

18-2 Among the members of the Select Committee, a General Secretary and two (2) deputy secretaries shall be elected by a majority of members on the AFKL EWC.

18-3 Following the loss of all qualities of incumbency of an employee representation body pursuant to provisions of transposition laws or the rules or usage of the country concerned; or following the resignation of a member of the Select Committee, an election to replace the former member shall take place no later than the first plenary meeting following.

18-4 The Select Committee shall have a standing mission with respect to the operation of the AFKL EWC.

18-5 Outside of the meetings devoted to the preparations of the ordinary annual meetings of the AFKL EWC, the Select Committee shall meet three (3) times per year.

18-6 The minutes of Select Committee meetings shall be drawn up, in both French and English, by the General Secretary and circulated to the members, deputies and observers of the AFKL EWC after approval by the Chairman of the AFKL EWC.

ARTICLE 19: TRAINING OF THE AFKL EWC MEMBERS

19-1 The members of the AFKL EWC, their deputies and observers are entitled to eight (8) days of collective training during their term of office to prepare themselves to exercise this specific mandate and its developments. The cost of such training and that of its inherent expenses shall be borne by the Air France KLM Group following acceptance of the applications.
The members' salaries shall be paid in full by the employer.

19-2 The training body shall be an approved body within the meaning of existing legislation and/or one recommended by the European Trade Union Confederation, jointly with the Select Committee.

19-3 The content of such training courses shall be defined by the Select Committee. Notably, training may cover economic aspects, a knowledge of the Air France KLM Group and of its subsidiaries, European Community social legislation, or cultural aspects.

19-4 Independently of this, effective language training leading to rapid progress in French or English will be provided for each member, deputy and observer of the AFKL EWC on the basis of the policy for developing foreign language skills within the Air France KLM Group.

ARTICLE 20 : EXPERTISE

20-1 The delegation of employees' representatives at the AFKL EWC may be assisted by the expert of its choice on specific subjects during preparatory meetings, plenary meetings, debriefings, Select Committee meetings as well as all meetings related to article 5 "Exceptional circumstances".

20-2 On these specific subjects, the expert will receive the documents communicated to members of the AFKL EWC required for the proper execution of the mission entrusted to him/her. The expert shall be under the same obligations as AFKL EWC members, deputies and observers with respect to confidentiality, as described under article 22 of this protocol.

20-3 He or she may also request a meeting with the Chairman and/or members of the Air France KLM Management regarding the subject he or she has been consulted on.

20-4 The budget assigned by the Management of the Air France KLM Group for outside experts will be restricted to 100 000 euros per four-year mandate; this includes any traveling and accommodation expenses. Any additional costs in connection with exceptional circumstances may be jointly examined by the Chairman and the General Secretary of AFKL EWC.

ARTICLE 21: MOVEMENT RIGHTS

21-1 Members, deputies and observers of the AFKL EWC have access to undertakings belonging to the Group structure in order to meet, on their own premises, elected employees' representatives or trade union representatives. They may visit the sites of these undertakings subject to prior agreement with the Chief Executive of the undertaking concerned.

21-2 Travel expenses (transport and accommodation) corresponding to these trips shall be paid for under the budget allocated to the Select Committee of the AFKL EWC defined in the operational protocol.

21-3 Where a member of the AFKL EWC represents several undertakings or an undertaking comprising several establishments in a single country, the said representative shall be entitled to meet personnel of that or those undertakings in order to report on his/her mandate in conditions that do not disrupt the operation of the undertaking and excluding all contact with customers.

21-4 This entitlement forms part of an agreement negotiated with the Managements of the undertakings concerned within six (6) months of signing the present protocol and validated by the Select Committee of the AFKL EWC.

ARTICLE 22 : CONFIDENTIALITY

22-1 Members, deputies and observers of the AFKL EWC shall not disclose to third parties any information presented to them as being of a confidential or secret nature. This requirement shall continue after termination of the mandate of the AFKL EWC member.

22-2 If information is confidential or secret, this fact shall be clearly specified beforehand. The reasons for its confidential or secret character shall be set out at the same time, as shall the length of time such information shall be deemed confidential or secret and the persons to whom the confidentiality requirement shall apply.

ARTICLE 23: PROTECTION OF AFKL EWC MEMBERS AND THEIR DEPUTIES

23-1 AFKL EWC members, deputies and observers enjoy at least the same level of protection and the same guarantees as those provided for employees' representatives under existing legislation in the countries where they are employed.

23-2 The fact of being a member, deputy or observer of the AFKL EWC should not be in itself the cause of career hamper, a disciplinary action or a dismissal.

23-3 Any notified decision of dismissal of a member, deputy or observer of the AFKL EWC will be the subject of information at the Select Committee of the AFKL EWC under the expressed agreement of the interested party.

23-4 The Management of the Air France KLM Group shall facilitate the exercise of the mandate for the members, deputies and observers of the AFKL EWC as described in this protocol. Said mandates shall be communicated to the local managements of all undertakings and/or establishments falling within the scope of this protocol by the Management of the Air France KLM Group.

23-5 The Chairman and the Select Committee of the AFKL EWC shall ensure that local undertakings and/or establishments confirm individually and in writing to the said members, deputies and observers that they shall not be hindered in the performance of their duties for the AFKL EWC.

ARTICLE 24: TERM OF THE PRESENT PROTOCOL

24-1 The present Protocol shall be signed for a fixed period of four years and shall be governed by the provisions of the Act of 12 November 1996.

24-2 A review of its application shall be carried out at the end of two (2) years with the intention, where necessary, of revising the present protocol to amend it .The final decisions shall be made in agreement with the Chairman and on a majority vote by members of the AFKL EWC.

24-3 Negotiations shall be initiated eight (8) months before expiry of the term with a view to drawing up a new protocol between the AFKL EWC and the Management of the Air France KLM Group.

24-4 On expiry of the present protocol, and if no new protocol has been signed, all effects of the present protocol shall cease to apply.

ARTICLE 25 : REGISTRATION

25-1 The present protocol shall come into force on the day following the day of its registration.

25-2 The coming into force shall de facto result in the disappearance of all European Works Councils heretofore existing within the Air France (CGEAF) and KLM (Euroforum) Groups.

25-3 The present protocol shall be translated into English.

25-4 However, only the version drafted in French shall be deemed to be the authentic document by the parties hereto.

25-5 The Select committee of the AF KL EWC shall keep an original of the present protocol to be at the disposal of the members, deputies and observers of the AFKL EWC, and shall provide certified copies of it, as and when required.

25-6 The present protocol is governed by the laws of the Republic of France.

25-7 The Air France KLM European Works Council office is located at the DOME; 5 rue de La Haye 95 747 Roissy CDG Cedex, France.

Roissy, 13th of February 2006

Jean Cyril Spinetta
Chairman and CEO Air France KLM

Leo Van Wijk
Vice Chairman Air France KLM

CABRERA François
France

BONNEFOUS Philippe
France

HUREL Patrick
France

OLIVROT Didier
France

LUCET Rémi
France

BECKMANN Hartmut
Germany

QUINTERO Rafael
Spain

BOUTS Mathi
The Netherlands

FREITAS Ferry
The Netherlands

MORRISSEY Thomas
the Netherlands

COLLIANDER Gehan
Sweden

COX Duncan
UK

SAVINO Rafaella
Italy

THACKERAY Guillemette
UK

HAILLEZ André
Belgium

SCHREINER Marta
Austria

REURICH Egbert
The Netherlands

KAISER Uwe
Germany

GUIRADO MORA Manuel
Spain

TRUEMPY Monique
Switzerland