VOHG1S

AMSTERDAM COURT

private law department

Case number / case number: C/13/719848 / HA ZA 22-524

Judgment of 20 March 2024

in the case of

the foundation FOUNDATION TO PROMOTE THE FOSSIL-FREE MOVEMENT, based in Amsterdam, plaintiff, F.M. Peters, lawyer, Amsterdam, against

the public limited company **ROYAL AIRLINE** N.V, based in Amstelveen, defendant, Advocate Mr B.M. Katan, Amsterdam.

The parties are hereinafter referred to as Fossil Free and KLM.

What is this case about?

Fossil Free has filed a class action against KLM because it believes KLM is engaging in *greenwashing*. The court finds that a number of advertisements KLM ran in the past were misleading and therefore unlawful. For instance, KLM makes environmental claims based on vague and general statements about environmental benefits and thus KLM misleads consumers. In other statements, KLM paints too rosy a picture of the effects of measures such as *Sustainable Aviation Fuels* and reforestation. Those measures only marginally reduce negative environmental aspects and falsely create the impression that flying with KLM is sustainable.

KLM thus failed to provide consumers with fair and concrete information. KLM now no longer carries the advertisements and does not have to rectify the statements either. KLM is allowed to continue to advertise flying and also does not have to warn consumers that today's aviation is not sustainable. If KLM informs consumers about its ambitions in terms of CO2 reduction, for example, it must do so honestly and concretely.

1. The procedure

1.1. The conduct of the proceedings is evidenced by: - the summons dated 6 July 2022, with exhibits 1 to 35;

- the interlocutory judgment of 8 February 2023;

the record of oral proceedings, held on 20 April 2023, and the documents referred to therein, including the deed of submission of additional exhibits, with exhibits 36 to 46, by Fossil Free and the deed of submission of exhibits, with exhibits 26 to 30, by KLM;
the interlocutory judgment of 7 June 2023, declaring the Mass Tort Claims Settlement Act applicable to Fossil Free and Fossil Free's claims admissible;

- The deed dated 2 August 2023, with exhibits 47 to 61, of Fossil Free;

- the statement of reply, with exhibits 31 to 80;

the record of oral proceedings, held on 19 December 2023, and the documents referred to therein, including the deed of submission of additional production, with exhibits 62 to 86, by Fossil Free and the deed of submission of production, with exhibit 81, by KLM;
the letter dated 16 January 2024 from Mr Peters with comments to the minutes of the oral hearing;

- the letter dated 19 January 2024, with an annex, from Mr Katan, with comments to the minutes of the oral p r o c e e d i n g s .

1.2. Judgement was then determined.

2. Parties

2.1. Fossil Free was incorporated on 22 March 2016. Its articles of association read with effect from 23 June 2022, so far as relevant here:

Article 3. Purpose.

1. The foundation aims, for the benefit of present and future generations, to: To promote, protect, support and bring about social, environmental and economic justice and health at local, regional and national levels, to r e m o v e the social legitimacy of coal. oil and gas companies (so-called fossil companies") and to bring about alternative uses of investments and resources in order to thereby accelerate the transition to a sustainable economy based on renewable energy.

2. The foundation seeks to achieve this goal, among other things, by taking on all possible tasks svelke its purpose. Such as, for example:

- Calling on public and private institutions and organisations such as universities. municipalities. insurers. banks, religious organisations and pension funds to sever their financial or other ties with coal, oil and gas companies and become 'fossil-free'.

- Preventing and countering misleading. inaccurate, incomplete and/or unsubstantiated or insufficiently substantiated public statements on environmental and climate impact by the fossil industry and other companies and organisations, which statements, by their misleading nature, incite consumers to sell, purchase and/or use fossil products and services, or legitimise or encourage this, thus contributing to dangerous climate change.

- Investigating, initiating or participating in legal proceedings. whether or not referred to in Article 305a of Book 3 of the Civil Code, which may benefit the cause.

3. The foundation does not aim to make a profit.

⁻ the statement of reply under section 1018c(5) Rv, last sentence, with exhibits 1 to 25;

Article 4. The Fossil-Free Movement.

The foundation stems from a growing movement: the 'Fossil-Free Movement'. This is a growing network of, among others, students. citizens and professionals who are calling on their own municipality. university or pension fund to sever their financial ties with the fossil fuel industry (so-called 'divestment'). and/or cut other kinds of ties with the fossil fuel industry. in order to tackle climate change and accelerate the transition to a sustainable economy with renewable energy in this way.

This **movement** is part of the global divestment movement supported by the organisation 350.org". The international Fossil Free campaign was fired in the US in two thousand twelve and quickly grew into an international **movement. also with** a Dutch branch. The foundation is aware of the history of the 'Fossil Free Movement' that led to Foundation for the Promotion of the 'Fossil Free Movement'. Contact with and representation of the movement on the board is essential for the foundation.

Contact with and representation of the movement on the board is essential for the foundation.

2.2. KLM is an airline company. According to its Climate Action Plan 2023, it aims to emit 30% less CO, relatively(per passenger kilometre) and 12% less in absolute terms by 2030, both compared to 2019. To achieve this COI reduction, it focuses on three pillars, which amount to: (i) modernising and renewing its fleet, (ii) using more sustainable aviation fuel(Sustafnable *Aviation* Atie/, SAF) and (iii) improving operational efficiency. For the longer term (2030-2050), it also counts on future technological developments in the aviation sector. KLM has had its targets validated by the *Validation Teant* of the *Science Based Targets initiative* (SBTi), an alliance of non-gouvernemental organisations.

3. The dispute

The vorJeniztgen vastFossil free'

3.1. Fossil Free's claims are set out in full in the appendix attached to this judgment. A (final) decision on part of these claims has already been rendered in the interlocutory judgment of 7 June 2023 (hereinafter: the interlocutory judgment) (see ECLI:RBAMS:2023:3499). Still to be considered - in summary - are the claims of Fossil Free, as far as possible provisionally enforceable:

- IV That <u>it be ruled</u> that advertisements made by KLM which suggest that flying can be or become sustainable (expressions 1 to 13) and which suggest that the purchase of or contribution to a "compensation" product actually reduces, absorbs or compensates for part of the climate impact of flying (expressions 14 to 19) are misleading and unlawful and that KLM thereby infringes fundamental rights and the Unfair Commercial Practices Directive;
- V (i) That KLM is <u>banned from public disclosure</u>:
 - expressions 1 to 19;

- advertisements with text equal or similar to this, as well as suggesting by commendatory wording that flying, whether KLM or not, can be "sustainable" or "responsible" from a climate change perspective;

(ii) That KLM be <u>ordered to remove</u> and keep removed from all media statements 1 to 19 and statements that vary thereon but have substantially the same tenor;

(iii) That KLM be <u>ordered to rectify</u> expressions 1 to 19 (in the manner set out in the annex to this judgment);

- VI That KLM forfeits a <u>penalty payment</u> of £100,000 for each breach of the prohibition mentioned in V(i) and/or the injunctions mentioned in V(ii) and (iii);
- VII That KLM be ordered to pay the legal costs and the (ii) full extrajudicial costs.

Judge determines content win claim

3.2. For the purpose of the assessment of the precise contents of the collective claim required by Section 1018e(2) of the Dutch Code of Civil Procedure, the District Court gave Fossil-Free the opportunity, on the basis of the interlocutory judgment, to comment on the question whether assessment of all nineteen expressions referred to in the summons is still current and to adjust its claims accordingly, if necessary. Fossil Free then stated that it had an interest in its original claims, also with regard to expressions mentioned in the summons that are no longer held by KLM and that for that reason it had not changed its claim or the grounds thereof.

3.3. The Court observes that it appears from Fossielvrij's assertions that in claim IV it does not so much refer to the Unfair Commercial Practices Directive as to the Unfair Commercial Practices Act or, in other words, Section 3A of Title 3 of Book 6 of the Civil Code (Sections 6:193a to 6:193j of the Civil Code). KLM's submissions show that it too understood Fossil Free in this way. This reading also fits the nature and purpose of a European directive and a national implementation law. Claim IV is therefore read as Fossielvrij intended.

3.4. The court notes that only the description of the injunction claim expresses "advertisements containing text identical or similar thereto" and the description of the removal claim expresses "statements varying therefrom but having substantially the same purport". The claims for injunctive relief and an order for rectification are limited to the 19 advertisements described in the summons. To the extent that Fossil Free assumes that the claimed declaratory judgment and the claimed order for rectification also extend to "similar statements", the court does not go along with this. This is not part of the petition.

3.5. The court thus determines the substance of the class action under Section 1018e(2) Rv on the claims brought by Fossil Free, with the aforementioned observation.

Notes on Your claims vnn Fossil Free'

3.6. Fossil Free argues that the aim of its claims is to get KLM to stop misleading consumers, because KLM is using this deception to perpetuate the harmful growth of aviation. Fossielvrij also wants the damage, in the form of the false perception created by the campaigns, to be repaired. In doing so, Fossielvrij highlights nineteen expressions KLM has made as part of its "Fly Responsibly"

campaign and the "CO2ZERO" product and the marketing surrounding the "KLM Real Deal Dagen". According to Fossil Free, the common denominator of the expressions sees three parts. First, KLM uses the term sustainable while its products are far from sustainable. Second, KLM claims it is tackling climate change when in fact it is committed to aviation growth. None of the measures KLM is betting on outweigh that growth. Third, KLM offers COI-compensating products while these do not validly offset or reduce the climate impact of flying.

3.7. Paragraph 2.1 ("Core of the case") of the writ was quoted in the interlocutory judgment. In it, Fossil Free describes, among other things, the following:

3. This case looks at the urgent duty of companies like KLM. which sell the most polluting products available today. to be honest about the extent to which they and their products contribute to harmful climate change.

4. The air vane industry is a major consumer of fossil fuel, to sveten petroleum in the form of paraffin. KLM. as the largest airline in the Netherlands, has a very large impact on the climate. in particular due to the CO2 emissions of its aircraft when burning paraffin, the greenhouse gas emissions of the entire paraffin supply chain. the other greenhouse gases that aircraft emit, and the opsvarming effect otherwise caused by its flights.

5. KLM misrepresent this in its advertisements and other communications to the public. In its communications, which reach thousands if not millions of people. KLM tells the public that together with [us] it can create a more sustainable future" and says it is on a sveg towards sustainable travel together". When a customer buys a ticket online, he/she has the opportunity to offset" and reduce" his/her impact with a product advertised as <u>CO2ZERO</u>". This marketing svordt is laced with images of green leaves, younger generations and of futuristic aircraft.

6. These claims sound green, but are vague, fundamentally flawed and in breach of the Unfair Commercial Practices Directive (...) ("**OHP Directive"**). Anyone who bothers to look deep into KLM's website for substantiation. sees that KLM tells people that it and the wider aviation industry are on track to meet the internationally agreed temperature target from the Paris Climate Agreement. However, KLM fails to mention, crucially, that both KLM and the aviation industry are counting on further *business eis iisiiai"* growth in air traffic, iers which is completely contrary to the Paris target. Such growth is the opposite of KLM's "Fly_<u>Responsibly"</u> claim and which it uses as a brand and logo - a claim that is zosvel an invitation to the public as a eulogy about KLM's own responsibility. The claims suggest that KLM is fully committed to tackling the climate crisis and has the solutions to do so. In the process, this advertising svects false confidence in passengers that flying can be done sustainably, even among people who are actually concerned about flying and the climate. Fossil-Free wants this *greenivnsliing" to* stop.

8. (...) Regularly, and in 2022 svas that for example on 17 May 2022, KLM launches a discount promotion where people are encouraged to fly at a discount to a range of destinations for several sveks. Since this year, this discount promotion has been called the <u>KLM Real Deal Days</u>" (...). As part of this promotion, people can fly round trip to New York for just £349, for example. KLM offered this year that if one books such a cheap flight and chooses to make a contribution towards KLM's cost of adding SAF. KLM will "double" that amount. On balance, however, this only encourages more flying and puts far more CO2 into the atmosphere than if someone were to pass up this discount offer.

9. The sustainability claims KLM makes in the context of these campaigns are, in Fossielvrij's view, misleading. Fossielvrij therefore claims in this case that KLM rectifies those expressions and does not repeat them again. t. ...)

11. Fossil-Free does not demand that flying be banned or that KLM close its doors. However, Fossil-Free does believe that the public is entitled to the truth about KLM and its product, and in particular the fact that, with a view to climate change, there is no question of more sustainable" or responsible" flying and that the only sustainable thing KLM can do is fly fewer planes. Fossilfree believes that to bring aviation in line with the Paris target. people need to be informed and social norms and awareness about flying need to change. Fossilfree therefore evil that the public should not be lulled to sleep by KLM with green talk, and then actually believe that when booking a flight with KLM, there is any contribution svordi to hei countering the damage of climate change. The climate crisis is urgent. and the extent to which companies contribute to the achievement of climate goals or, on the contrary, are in the sveg. should not be disguised by companies like KLM that cause serious pollution.

Stiindpiint ELM

3.8. KLM disputes that the disputed expressions are misleading and believes it is free to communicate about its sustainability efforts. KLM disputes that Fossielvrij still has an interest in having its claims upheld, inter alia because the nineteen expressions at issue are no longer conducted. KLM therefore moved that Fossielvrij be declared inadmissible in its claims, and that Fossielvrij be ordered to pay the costs of the proceedings.

3.9. Paragraph 1.1 ("The stakes of these proceedings") of KLM's second response reads, in so far as relevant here:

1. KLM is working hard to make its operations more sustainable. KLM is replacing its current fleet with aircraft that emit tens of per cent less CO, than their predecessors. KLM bousvt to a good position for purchasing more sustainable jet fuel - with success. KLM is making all kinds of operational improvements, it is partnering with start-ups and research teams to drive innovation, and it is also working on making ground operations (including taxiing) and on-board services more sustainable.

2. KLM does so recognising that its main business activities are not sustainable now, nor can they become so at the push of a button. That is why it is working on many projects simultaneously. each of which makes a large or small contribution to its climate goals.

3. To ensure that KLM can fulfil its climate ambitions, KLM needs the support of its (potential) customers. of employees, governments and industry partners and even competitors. This is why KLM communicates its sustainability efforts and ambitions, including through a *branding* campaign. (...)

5. Assessing whether an advertisement is misleading and therefore an unfair commercial practice (as referred to in Section 6:193a et seq. of the Dutch Civil Code) requires careful consideration of what the advertisement says, what the context of that advertisement is and how the average consumer will interpret it. Fossil Free states virtually nothing concrete in this respect.

6. When the expressions of KLM that are central to these proceedings are considered in such a careful manner. it becomes clear that those expressions present an accurate picture. are nuanced and sufficiently supported by facts.

11. KLM explained at the admissibility stage that Fossil Free has no interest in its claims. Firstly, because KLM no longer conducts the nineteen expressions that the writ of summons ordered to be prohibited. Secondly

because KLM's communications do not persuade people to fly less. they are persuaded to fly anyway - at most, they are persuaded to travel with KLM instead of another airline.

3.10. The contentions back and forth are discussed in more detail below, in the context of the assessment.

4. The review

ColJoan belnng

4.1. Section 3:303 of the Civil Code provides that without a sufficient interest no one is entitled to a legal claim. The court should be reluctant to dismiss a claim on the ground that there is no sufficient interest. In principle, it must be assumed that sufficient interest exists. The following is considered in this regard.

4.2. KLM argues that it has since ceased to carry the 19 advertisements described in the summons and that it will no longer carry them. To the extent that the expressions can still be found, it is only in archives and the like, but that does not constitute "carrying advertising".

4.3. Fossil-Free seeks an injunction against publication, removal or removal and rectification of (in summary) statements 1 to 19 and "similar statements". To assess this, the legality of the 19 expressions must first be assessed. The parties disagree on this. Fossil Free therefore does have an interest in its claims, even if it is determined that KLM no longer carries any of these nineteen specific expressions.

4.4. KLM further argues that the claims brought by Fossielvrij cannot lead to its ultimate goal, which is to prevent or at least limit climate change. According to Fossielvrij, however, there is a connection between that ultimate goal and the KLM advertisements it challenges.

4.5. In the interlocutory judgment, the court referred to Fossil Free's goal (as described above under section 2.1) and the avenues by which it seeks to achieve this goal. It further considered that Fossil Free is pursuing one of these avenues with the claims brought in this case. At the oral hearing of

19 December 2023 stressed that (as the parties continue to disagree on this issue) it wants it to be made clear when an expression is misleading and that a court opinion on the statements made is essential for this. In this, the court sees sufficient interest.

4.6. In conclusion, Section 3:303 of the Civil Code does not preclude the claims brought by Fossil Free.

GrondsMg: unfair liiin'fefspriiktiyken

4.7. The dispute focuses first and foremost on whether KLM's 19 advertisements described in the summons violate the Unfair Commercial Practices Act, Sections 6:193a to 6:193j of the Civil Code.

It is true that Fossielvrij expressed in the petition that KLM is in violation of the fundamental rights referred to in the body of the summons and the Unfair Commercial Practices Act, but at the oral hearing Fossielvrij explained that by fundamental rights it refers to the right not to be misled. This right is protected by the Unfair Commercial Practices Act, so the court assumes one and the same basis for the claim. No independent meaning is attributed to the reference to fundamental rights.

4.8. According to Fossielvrij, KLM's advertising statements also constitute an independent tort within the meaning of Section 6:162 of the Dutch Civil Code. This basis is disregarded because Fossielvrij did not explain, and moreover, it is not apparent that this basis has independent meaning next to the basis of the Unfair Commercial Practices Act. Incidentally, this does not preclude qualification of acting in breach of the Unfair Commercial Practices Act as "unlawful" (as Fossielvrij also does). An unfair commercial practice is a species of tort.

4.9. The court will outline the assessment framework below and then apply it to the specific advertisements.

Assessment framework

4.10. The test framework applied by the court in assessing these advertisements is as follows.

4.11. Article 1 ('Purpose') of the Unfair Commercial Practices Directive' states that the purpose of the Directive is to contribute to the proper functioning of the internal market and achieve a high level of consumer protection by approximating the laws, regulations and administrative provisions of the Member States on unfair commercial practices harming consumers' economic interests.

4.12. The Directive has been implemented in the Netherlands in Section 3A ("Unfair commercial practices") of Book 6 of the Civil Code, the Unfair Commercial Practices Act (Articles 6:193a to 6:193j of the Civil Code). These articles in the BW state that consumer means a natural person not acting in the exercise of a profession or business. Furthermore, the articles state when a commercial practice is unfair and that the trader must prove that his information is correct.

4.13. The European Commission formulated Guidelines on the interpretation and application of the Directive in late 2021, which should facilitate the proper application of the Directive.' These Guidelines are therefore relevant when interpreting Sections 6:193a-j of the Civil Code.

^{&#}x27;Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair businessto-consumer commercial practices in the internal market, OJEU L 149

Guidelines on the interpretation and application of Directive **2005/29/EC** of the European Parliament and of the Council concerning unfair business-to-consumer commercial practices in the internal market, OJ C 526/1

4.14. Chapter 4 ("The application of the Unfair Commercial Practices Directive in specific areas"), section 4.1 ("Sustainability"), paragraph 4.1.1 ("Environmental claims") reads, in so far as relevant here:

An environmental claim" or a green claim" svor suggests (in commercial messages. marketing or advertising) or otherwise creates the impression that a product or service **has a positive or no impact on the** environment **or does less damage to the environment** than competing goods or services. The goods or services in question derive their environmentally friendly character, inter alia, from their composition. the way in which they are produced, the sv way in which they can be disposed of or the fact that their use is more energy-efficient or less polluting. Putting for ward oruvare or non-verifiable claims of this type is often called "greensvashing". (...) Depending on the circumstances, this may include all types of statements, information. symbols. symbols. logos, images and brand names. as well as their interaction mel colours, on packaging, labels. advertising, in all media (including websites) and made by svelke organisation whatsoever, if it is considered a trader" and engages in commercial practices towards consumers.

The Unfair Commercial Practices Directive does not provide specific rules on environmental claims. However, this directive provides a legal basis to ensure that traders do not present environmental claims in a way that is unfair to consumers. As long as green claims" are not unfair, the directive does not prohibit their use. On the contrary, the Unfair Commercial Practices Directive can help traders who invest in the environmental performance of their products by enabling them to communicate these efforts to consumers in a transparent manner and by preventing competitors from presenting misleading environmental claims.

4.15. Section 4.1.1.2 ("Main principles") reads, in so far as relevant here:

Under Articles 6 and 7 of the Unfair Commercial Practices Directive, which deal with misleading actions and misleading omissions. green claims must be truthful, must not be accompanied by false information, and must be presented in a clear, specific, accurate and unambiguous manner so as not to mislead consumers. Under Article 12 of the Unfair Commercial Practices Directive, traders must be able to substantiate their claims with evidence and present this evidence to the competent enforcement authorities in a comprehensible manner if the claim is disputed.

4.16. Paragraph 4.1.1.3 ("The application of Article 6 of the Unfair Commercial Practices Directive to environmental claims") reads, in so far as relevant here:

Consequently, the visual material and general product presentation (i.e. design,

choice of colours, images, photographs, sounds, symbols and labels) should be a truthful and accurate representation of the extent of the environmental benefit. and not paint too rosy a picture of the benefit achieved. For implied claims, depending on the circumstances of the case, images (of e.g. trees, rainforests, svater, animals) and colours (e.g. a blue or green background or letters) that evoke associations with environmental sustainability may be used.

Environmental claims can be misleading if they are based on **vague and general statements regarding environmental benefits,** without proper substantiation of the benefit and without specifying svelk aspect of the product to which the claim relates. Examples of such claims are eco-friendly", eco green", friend of nature". ecological", sustainable", good for the environment", climate-friendly" or kind to the environment", nonpolluting", biodegradable", zero-emission", low-carbon", reduced CO emissions", carbon-neutral", climateneutral*, as well as the more generic claims conscious and responsible".

In some cases, such unsubstantiated claims may give consumers the impression that a product or activity of a trader has no negative effect or only a positive effect on the environment. Such claims may fall under Article 6(1)(a) and (b) of the Unfair Commercial Practices Directive

fall if they can deceive the average consumer and lead them to make a decision on a transaction they would not otherwise have made.

Because terms such as conscious" and veranisvoord" can refer to many aspects, for example social or economic conditions, such claims. even if nuanced. can be considered misleading as they are vague and ambiguous terms.

4.17. The interpretation of the notion of average consumer varies depending on the context. The recitals to the Directive and the case-law of the European Court of Justice refer to the notional average consumer, i.e. the reasonably well-informed, prudent and observant consumer, also taking into account social, cultural and linguistic factors. The average consumer can be expected to be willing to delve into the information offered by the trader. In doing so, the average consumer is, in principle, expected to be able to appreciate the information provided and to seek further information if necessary, and then to link information from different sources. However, this does not mean that the average consumer is always expected to be able to process information from different sources. Whether this can be expected should be assessed on the basis of the circumstances of the case.

4.18. For the administrative enforcement of the Directive, the Consumer and Market Authority (hereinafter the ACM) has been designated as the competent authority for the Netherlands. The ACM has issued a Guideline on Sustainability Claims. In it, it has formulated rules of thumb to help companies formulate

sustainability claims. These public law rules can serve as inspiration when interpreting the civil law standards framework. The Sustainability Claims Guideline issued by the ACM (version 2, 2023) provides - in summary - the following rules of thumb, among others: use correct, clear, specific and complete sustainability claims, substantiate sustainability claims with facts and keep them up to date, describe future sustainability ambitions concretely and measurably, and ensure that visual claims and labels are helpful to consumers and not confusing.

4.19. The Advertising Code Foundation has drawn up the Dutch Advertising Code (NRC) as part of self-regulation. These rules - and the decisions of the Advertising Code Committee and the Board of Appeal based on them - colour the statutory civil law standards framework in more detail. Edition 2020 of the NRC states (among other things) that advertising may not be unfair or misleading. The Environmental Advertising Code (hereinafter: the MRC) of the Advertising Code Foundation, which was amended with effect from 1 October 2000 and applied until 1 February 2023, describes that environmental claims may not contain statements, images or suggestions that c o u1d mislead consumers about environmental aspects of the advertised products, or about the advertiser's contribution to maintaining and promoting a clean and safe environment in general. Environmental claims must also be demonstrably correct. The more absolute the environmental claims are, the tougher the requirements for evidence become.

General remarks for assessing negezttien expressions win KLM

4.20. In assessing these 19 advertisements against the standards framework set out above, what matters first is whether these advertisements are factually correct. Also important is whether the information provided and/or omitted is misleading. This includes the context in which the information was provided and/or omitted.

4.21. KLM has ambitions in the field of CO,-reduction and in that context is committed to (among other things) fleet renewal, the use of aviation fuel other than fossil fuel (SAF) and operational improvements. The court first of all stated that KLM is free to inform consumers about its ambitions and about the way in which KLM endeavours to realise its ambitions. KLM is also free to advertise flying with KLM. Thereby, the use of the term "sustainable" is not unacceptable, but when using such vague terms about environmental benefits with social connotations, it is up to the user (KLM) to make clear to the consumer what is meant by it in this specific case. Otherwise, there is a risk of creating the impression among consumers that a KLM product or activity has no (or less) negative impact on the environment than it actually does. And that can be misleading are. The above does not mean that KLM should warn consumers by stating in its expressions that today's aviation is *not* sustainable. The bottom line is that consumers should be given fair information.

4.22. The court is mindful of the fact that in this day and age, consumers like to be informed about the environmental aspects of the products they use. Consumers are concerned with sustainability and the desire to make better choices in this respect increasingly plays a role in the decision to buy or not to buy a particular product. This also applies to the decision to fly or not (and if so, under what conditions). Expressions that respond to this and create an impression about the "sustainability" of a product or the provider may therefore influence the decision to purchase a product from KLM.

4.23. With regard to the 19 KLM advertisements described in the summons, against this background, it is considered and ruled as follows.

4.24. Advertisements 1 to 13 are part of the "Fly Responsibly" campaign, which KLM says is primarily an awareness campaign.

Expression 1 (location: social media)

Fortunately, the ittan manner in which we travel-and ann let change-and And gncin we santen on our way naca- a costainer future tl'ant dtiiir-aniei- travel-and is our biggest avonttriir ever Snmen on the road nnni more sustainable travel and

4.25. This is the introduction that is part of an (advertising) video that can be found on KLM's Fly Responsibly website.

4.26. Advert 1, according to KLM, encompasses an ambition that is recognisable as such and expressed in its pioneering role. An ambition accompanied by the repeated statement, "Yes, we are an airline and we realise that aviation today is far from sustainable, despite the fact that we have been working hard for some time to improve every aspect of our operations".

4.27. Nevertheless, this advertisement contains an environmental claim based on, what paragraph 4.1.1.3 of the European Commission's Guidelines calls, vague and general statements regarding environmental benefits ("the way we travel (is) changing", "more sustainable" and "more sustainable"). This advertising is insufficient

concrete about what environmental benefit will be achieved and what aspects of (flying with) KLM this then relates to. Nor does it make it clear to consumers what KLM has in mind concretely to achieve certain objectives. The fact that additional information can be found on KLM's Fly Responsibly website does not change this.

In particular because it is insufficiently clear from the expression that this is merely an ambition of KLM. KLM posits quite firmly that consumers are heading towards a more sustainable future with it, while it is not clear whether and if so how flying with KLM contributes to this.

4.28. Therefore, advertisement 1 is misleading and qualifies as a prohibited trade practice.

Expression 2 (location: physical advertising)

Join its in creating ci ntoi-e siistciinable future

4.29. This concerns a poster on a billboard (at the time) at Schiphol Airport showing a child sitting on a swing, against a background of sky, water and mountains.

4.30. In fact, KLM's advertisement here (as with advertisement 1) includes the message that consumers will join KLM on the road to a more sustainable future. The expression is considered misleading for the same reasons as mentioned above for expression 1. In addition, the background reinforces the impression that there are environmental benefits to be gained by joining KLM" without making it clear in what way.

Expression 3 (location: "Fly Responsibly" website)

fifeI bly Responsibly neentl KLitf ltet forIoiii-a/ie **loekontst** mooi- aviation le i-ealise. tl'ij recognise dm opf'tion of the earth is urgently nioel to limit. Dnni-o/i have committed ann the goals of ltei klimnatakkoot-d vcin Paris. .i men- we can only slngen nls we allmnnl sattteniverken. So join ii still vnndnag with us acin for a duiu-s-anter future.

4.31. Advert 3 opens and ends with a vague and general statement about environmental benefits ("With Fly Responsibly, KLM is taking the lead to achieve a more sustainable future for aviation" and "So join us today for a more sustainable future" respectively). It lacks sufficient clarity about the (concrete) environmental benefits and to which aspects of the product they relate.

4.32. In recognition of the urgent need to limit global warming, KLM has, according to this advertisement, committed itself to the goals of the Paris climate agreement. This can mean nothing other than that KLM has endorsed these objectives in the sense that it has aligned its own objectives with them. Clearly, the realisation of the Paris Climate Accord objectives does not, at least not solely, depend on KLM and the realisation of its objectives. But advertisement 3 does suggest that the realisation of KLM's own objectives - in line with the Paris Climate Agreement - is feasible. While this feasibility is made conditional on cooperation with others ("all"), it is not fleshed out in concrete, measurable and specific terms. How consumers can "connect" and how this contributes to "a more sustainable future" remains entirely undefined.

4.33. In view of the above, advertisement 3 is misleading and a prohibited trade practice.

Expression 4 to 10 on the website "Ffy Responsibly" at' "Hat we' do"

4.34. Advertisements 4 to 10 from the "Fly Responsibly" campaign concern KLM's own measures.

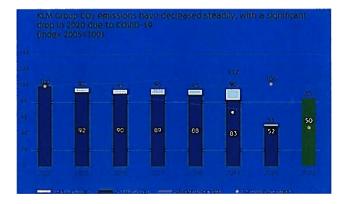
Expression 4

Liiclitvaat-tindiistrie lteefi the antbition to realise net zero CO2 emissions by YOY and to underline der-e promise, we are developing our own pnd based on let Science Bcised Targets initiative.

This path consists of fat-splitting niceties, each of which will .-iindiate the destruction of our CO2 emissions. Such as fleet fat reduction, operational safety payments and CO2 offsetting. Äfoor the gt-oodest contribution -already to be made by the ver-vcing of fossil aviation fuel by dirursnte aviation fuel or. SAF (Siistainable Avintion Fiels).

Expression S

CO2 emissions vnn the NLlf Group has gesiang decreased.



Expression 6

Push--ame flyiiig fuel: a promising solution.

[...] So ivaciront just switch CLV/ ttiei to SAF? Unfortunately, ltet is not -o simple. Global production vcin SAF covers slechts about 0.1% vnn ltet totnle fuel consumption of the liiclttvcinrtindiisty and is gerented by a status quo: there is -more little production capacity available worldwide- therefore

SAF is at least 2 to 3 times more expensive than regular paraffin

due to ltoge prices Stijn only -very few liiclttvntii-tinaaiscltappies willing and able to buy SAF and because there is -o little demand, production capacity is not being scaled up

To break der-e impcisse, a krncltiig signal is needed from the liiclttvanrtindiistry to step up and boost SAF production, and ultimately bring prices down. SAF is a crucial component of the liicltivnartindiisty's trajectory to achieve zero CO2 emissions by 2050. It is therefore important to slcigen.

Dnarom, KLAf decided to act nls indiistrileader in creating this demand-driven signal. KLEI currently has a ntienable share of the global SAF mcirkt, ntaar this still covers less than 1ê£ of our entire fuel consumption. To ltnlen our-e climantnnibilies, we want to use /G°fi SAF by 2030.

Dncii-for we work santen not Sky.vRG to build Eiiropci's largest SAF fabi-tek. Moreover, since janiicv-i 2h22, we have been ntening a small percentage of SAF on KU f flights departing vnncifAnistei-dam.

Yes, we ltebben now about small ltoeveellteden SAF, which produce only minor fat-ntindet-ings in CO2 emissions. tl'e can't create der-e mnrkt alone, ntanr we can and .-iillen point the way.

Uiting 7

Eersie passengervliiclti on dmu-s-anie syniltetisclie paraffin.

[...] The---first flight is a major nt milestone in the development of duurt-anie syntletisclte paraffin as a hnnlable alternative to fossil brcindents. Dant-nnast is let a big step towards a dmu-s-ame toekontst for- the liiclitvaartindiistt-ie.

Expression 8

Smaller carbon footprint, more forests.

II ten years Inng we offer ii a simple sei'vice that allows ii ir\v pei-personal share of CO2 emissions from tr\v vliicltl climb. i our-e C'O2ZERO-sei'vice can ii reduce the inipncl win ir\v flight on let milien (...).

Expression 9

Snnien we can inv -nkenreis dmv-s-antet- ntaken.

KLiYl staar not nlleen in ltcinr desire duur-.kamer -tasks to do. l "eel other companies, in all kinds of industries, also think -o about it. tl'ij gann ntet -iilke companies enter into a parfnei-schnp to stiitiiilize the bescliiklteid vcin duius-ame aviation fuel on a large scltcial and to make that bi-andstofeconontisclt more competitive nt with fossil paraffin.

Expression 10

STA P I "OOR STA P h'AA R EEiv DC/t/tZA.tfE TOEKO.WIST. SUSTAINABILITY BEI'ORDEREiv KA.S' I.v BIJ.vA ALL ASPECTE.¥ l'A.U 0.F2E BUSINESS l'OERI.vG. Thus, EEiY KLEI.vE A FNA THAT l'A.8' HAS A .Y ERK8AAR EFFECT.

4.35. The court considers these expressions on the website in relation and context, and in light of the context, and then addresses specific parts of them.

4.36. In these expressions, KOti4 expresses an ambition and lists at a number of points what it is doing to achieve this ambition. The goal is (expressions 4 and 6) to achieve "net zero CO2 emissions" by 2050. KLM has sufficiently explained that it is actually making efforts to reduce CO2 emissions (or their consequences). The fact that KLM does not aim to fly less, but mainly to reduce the harmful effects cannot be held against it, as an airline. Nevertheless, the Court came to the conclusion that KLM did not sufficiently substantiate that the solutions it mentioned are of such a nature that they justify the text of the claims and the statements (also considered together). To this end, the following is relevant.

4.37. KLM uses terms like "an important milestone" and "promising solution" and "a big step towards a sustainable future". KLM lists measures such as fleet renewal, operational improvements and COI compensation and then states "but by far the largest contribution will be made by SAF". This suggests that a lot can already be expected from the other measures KLM is betting on and that SAF will contribute much more to the goal of achieving "net zero CO2 emissions" by 2050. This arouses

too rosy a picture, as it follows from the explanations accompanying the measures that they are currently only marginally reducing COs and the negative environmental aspects of flying. It cannot be excluded that this will improve in the future, but given all the uncertain factors in that area, it does not befit KLM to paint the rosy picture it did in the expressions. As such, the expressions are, with one exception, misleading.

Expression 4

4.38. Expression 4 states that the measures KLM is taking "piece by piece" help reduce CO' emissions. An example of the measures includes CO,- compensation. This refers to an amount customers can pay to contribute to reforestation *(carbon credits)*. KLM recognises that measures that see CO,-compensation have the effect (at best) of reducing the negative aspects of CO,-emissions. CO,emissions themselves are not reduced by something like reforestation. This part of the expression is therefore factually incorrect. It creates a false impression about the climate impact of the product that may influence the consumer's decision and is thus misleading.

4.39. In doing so, the court did not consider it decisive that KLM underlines the ambition of "net zero CO2 emissions by 2050" by developing its own pathway based on the *Science Based* rarge initiative. Indeed, KLM does not base specific claims on the SBTi validation.

Expression 5

4.40. The table outlines the KLM Group's COz emissions over the period from 2005 to 2020 and an ambition for 2030. Fossil Free has not sufficiently highlighted why this table would be incorrect or misleading. The text accompanying the table that COz emissions have steadily decreased is not incorrect in view of the statistics. Therefore, the statement does not constitute an unfair commercial practice.

Expression 6

4.41. SAF is presented here as "sustainable" aviation fuel. Although SAF can contribute to reducing the harmful environmental aspects of flying, the term "sustainable" here is too absolute and not concrete enough. The statement that it is a "promising solution" also paints too rosy a picture. KLM then does nuance the share of SAF and its application on a larger scale to some extent, but given the firm starting claim "Sustainable jet fuel: a promising solution", it does not do so sufficiently. At the moment, SAF's share in total fuel consumption (and hence CO, emissions reduction) is still very limited due to various reasons. A more substantial share can only be expected in the distant future, and thus uncertain. The expression is therefore misleading.

Expression 7

4.42. KLM reports that "the first" passenger flight has taken place on synthetic paraffin and it describes this as an "important milestone" in the development of a viable alternative to fossil fuels. It is "a major step towards a sustainable future for the aviation industry". All this raises positive expectations among consumers about flying on synthetic paraffin . KLM explained at the oral hearing that after this one flight, there will be no

(passenger) flights on synthetic paraffin took place anymore. It was an experiment. No new flights on synthetic paraffin are currently planned either. This is not clear to the person reading the expression. The advertisement therefore suggests more than is actually the case and paints too rosy a picture. The advertisement is therefore misleading.

Expression 8

4.43. With this expression, KLM addresses the possibility for KLM customers to make a financial contribution to a reforestation project selected by KLM (carbon credits). The term CO2ZERO service thereby creates the impression that customers thereby (can) contribute in a relevant way to "CO2ZERO" or "zero CO2 emissions". This is an absolute and farreaching term. This impression is not justified and may well be essential when choosing the product. Added to this, the expression says "with our CO2ZERO service, you can reduce the impact of mtr flight on the environment". And it talks about mr share of emissions from mr flight. This suggests that there is a link between the customer's contribution and reducing the negative environmental aspects of the customer's own flight. It gives the impression that the customer can completely erase the negative effects of COz emissions caused by him. This is not the case. While the system of more forests is to be welcomed in itself, its impact is uncertain because, for example, it is not clear whether the trees will remain permanently. To the extent that any contribution is made by the reforestation project to reduce the impact of COz emissions on the environment, there is no direct link between the customer's tangible contribution and the impact of COz emissions from its flight. Against this background, the statement is misleading.

Expression 9

4.44. This expression does not target consumers within the meaning of the Unfair Commercial Practices Act and therefore falls outside the standards framework outlined above. Insofar as the claims relate to this expression, they are therefore dismissed

Expression 10

4.45. The expression begins with "step by step to a sustainable future". In this context, the court refers to its previous considerations on vague and general statements about environmental benefits. KLM then describes what it apparently has in mind when moving towards a "more sustainable future", namely "Promoting sustainability can be done in almost all aspects of our business". In doing so, KLM does not make sufficiently clear which concrete steps it is then taking and how these lead to environmental benefits. The advertisement still mentions the noticeable effect of a small decrease in flight weight, but specifications are lacking, as is the marginal effect on "sustainability". The advertisement is thus misleading.

Expressions 11 to 13 on the website "Fly Responsibly" at' "Wnt you can iloen"

4.46. Advertisements 11 to 13 from the "Fly Responsibly" campaign deal with consumer action. These expressions address consumers directly. They are not about aspirations, but about what consumers can actually expect when buying a particular product.

Expression 11

C/13/719848 / HA ZA 22-524 20 March 2024

tl'at ii climb do

(...) If ii decides orrl to fly anyway, there are always nannies to do irreversible intpnci on the milieü ie vel niindei.

Expression 12

CO2ZERO

[...] If it want to further reduce the ntilieii-effects of inv flight, in our CO2ZERO offer, it can now choose from a ncintal of other options for drums-ante airplane fuel in addition to let-forestation programmtn.

Reforestation can offset the CO2 iiitsIooI ann the IiicIitvcinriindiisIie on nnliiiiary. i'lel lterforestation betacilt ii a small contribution to offset (part of) the iitipact of your vliicltt on ltet environment. This lteefi no impact to the direct emissions of the flight -elf, ntnar ii helps by plnnting breasts that reabsorb ele CO2 from inv flight.

The new SAF-based options in CO2ZERO ltehave a double benefit for ltel environment. First, ii dii-ect reduces the net CO2 emissions vnn a flight. Secondly, ii helps grow the SAF ntcirkt.

iYlet der-e initiatives aims to push KU flying in a fully transparante ntanier push-anter maken. [... J l'an the SA F revenue received fin the ticket pi-ijen and ltet comprehensive CO2ZERO programintn -already $1\ddot{u}0'\ddot{A}$ be used directly, transparently and exclusively to buy new SAF cinn and promote the production of SAF worldwide.

Expression 13

Together we can make a bigger- vei-scliil

It is only nis nlllentally sncn, that can really stink a difference. All stakeholders in the liichr shipping indiisty, all liiclitvnni-litiate companies, allfabril'nnien hei whole business community. Together, we can reduce the piodiiction ann diiiii=-anie aircraft fuel, speed up our fleet and make faster and better calls. Dactro/ti have idenfied this initiative in which 've called on everyone to fly responsibly. "Fly Responsibly". tI'e kindly invite ii to join us in making the liiclttvnnrt diiiu--amei-.

Expression 11

4.47. This expression is not factually incorrect and Fossil Free has also not sufficiently explained why this expression violates the standards framework outlined above. The expression makes no claim and is not misleading or unfair.

Expression 12

4.48. In this expression, KLM discusses the possibilities of contributing to SAF and a reforestation project. In doing so, it uses a number of absolute and/or vague terms, namely "CO2ZERO" and "sustainable aviation fuel". The court refers to what it has noted on this subject in the previous expressions. The options KLM describes in the advertisement do not result in zero COz emissions or undo the harmful environmental aspects of flying to such an extent that the use of the headline "CO2ZERO" is justified. The options mentioned by KLM currently achieve a marginal effect. Moreover, here too, a direct link is wrongly suggested between a customer contribution and the environmental impact of *his* flight. The expression is thus misleading.

Expression 13

4.49. KLM is in fact appealing here to all stakeholders to take steps to make aviation more sustainable. The expression contains no claim about KLM or its products. Fossil Free has not provided sufficient evidence to conclude that the expression is nevertheless misleading or unfair.

Expression 14 to 16: CO2ZERO

4.50. Advertisements 14 to 16 are part of the CO2ZERO marketing, which KLM says is not an advertising campaign (nor a *branding* campaign), but the name of an optional product that allows consumers to contribute to reforestation projects and SAF.

Expression 14

CO2ZERO l "erklein now" intpaci

Expression 15 CO2ZERO

At KU I invest in a reeM initiatives out our-e footnfdi-iik. Also ii ktint inv contribution to make liiclttvnnrt a dium.nntere sectot- ninken. Let's snnten change the future!

Älet our lterbeforestation pi-ogi-nntmn compensates ii no part of) the impact vcin inv flight on ltet tttilieii. It lte has no impact on the direct emissions of the flight --elf, titcini- inv contribution does help in let ltei-establishment of forests that nbsoi CO2.

How can ii ltelpen [...] And, ii can do more- do ntee by- contributing acin one (or both!) of on--e duurtcinte programmed on the program

Restore forests ont [x] kg vnn inv CO2 emissions to nbsoi-beiden Dt-ang contributes to sustainable--nme flight fuel and fat-niinder inv CO2 emissions not[x] kg Your CO2 ge'ibsoied by reforestation 0 kg CO2 Your CO2 reduced by SAF 0 kg CO2

Expression 16

Within our CO2ZERO pcogrnntnta is not nlleen SAF, ninar also our ltei afforestation project. You are in control: choose whether ii want to contribute fully to SAF ordnt ii prefer a mix vnn both initiatives.

Expressions 14 to 16

4.51. KLM here uses the absolute designation "CO2ZERO" and the stilted "Reduce your impact" (with an image of green leaves around an aircraft). In this context, the court refers to its previous considerations on expressions stating "CO2ZERO" or "zero CO2 emissions". The expressions in this case also suggest more than can be fulfilled. KLM is in fact urging consumers to "change the future together" and "create a better future together". This creates the impression that with the reforestation programme offered by KLM and its contribution to SAF when flying, important steps are being taken to make a positive contribution to the future, in that aviation is becoming a "more sustainable industry". In doing so, KLM gives too rosy a picture of the (small) environmental benefits that can be achieved with a customer contribution to reforestation or SAF. Moreover, again, a direct link is wrongly suggested between a customer contribution and the environmental impact of *riyii* flight.

Expressions 17 to 19: KLM Reril Share Days

4.52. Advertisements 17 to 19 are part of the "KLM Real Days" marketing.

Expression 17

The Real Denl Dngen drartien to i ei-and beautiful moments that échl matter. tt'ani nis is \viisler travel-and, -are all ntonients even more beautiful.

KLEI invests abundantly in duurt-nme fuel and we invite you to Itel us in this regard. If you choose der-e option during the Real Denl Days, KL.Y will not double this amount the Push-s-ame Fuel Bonus.

Expression 18

tl'ai -are the KLEI Rem Deal Days?

KL5'I Real Deal Days is a price promotion by KLEI that diitirt 2 weeks. Third ciction offers discounts on nteeithan 50 destinations worldwide. During the promotion, the Drums-aitte Bi-and dust Bonus also applies. nls ii books a ticket during the Renl Deal Days and chooses to invest in last-nnte brnnä dust, dcin invests KU l ntet ii along and doubles inv contribution. Wnnt if we travel more consciously, -are nlle montents even ntoo better.

il'nt is the Duration prime Fuel Bonus?

£Litf neentl let vooi-toinv for a diuu-s-aniere toekontst for liiclttvanrt. Danrotit we fully invest in last-unique bi-and dust(also called Siistainnble Avintion Fiiel or SAF for short). If, during the Renl Denl Days, ii chooses to make a contribution acin our drums-ame breindstofprog+-amitta descented and the Duration-unique Fuel Bonus. Select one of three options iveral Siistaincible Avietion K-uel part of and verntindetinv expectedCO2 emissions. KLiYI doubles every euro ii contributes nan SAF.

l "erdiibbelt KL,ïf also your contribution nnn reforestation?

Fantastiscli nls ii choose to do a bijdi-nge nan lterbeforestation, only here the Duurt-unie Fuel Bontis does not apply. That applies during the Real Deal Days nction only to drums-ante aviation fuel (Siitainable Aviation Fiiel or kol-tsveg SAF).

Does the Dumpt union Brcindstof Bonus also apply on KLEI Holidnys package rei-en?

The Bonus applies only to airline ticket bookings. Package holidays are excluded from the Duurt-ante Br andstofBoniis, as a different diiiit--nanilteidsann offer applies to KU l Holidays bookings. If ii books a complete pcikket journey four KLEI Holidays? KLEI accounts for the expected CO2 intpcict of inv acin share in the flight as standard. All amounts are reclttredirectly invested by us in ltet CO2OL Tropical 4fi. reforestation project in Pnnama.

iVaat-om takes AL t/ this initiative.

iVe feel ltet important dnt our-e customers consciously choose to fly. the begi-ijpen dnt people-iclt-care ntoken about cliriiate change and nent our-e responsibility to reduce the inipcict of our-e operation on our-e environment. Besides fleet renewal and improving opercional innovation and efficiency, w'e want to reduce emissions by encouraging the production of dtitir-anie fuel. Therefore, we have opted to blend 0.5% SAF as standard on flights from Amsterdam. Customers who want to do something extra 's can make a contribution cian the purchase of even nteer last-ame fuel through CO2ZERO.

How is KL tf reducing its carbon footprint?

An important contribution ann the drums-ciamlteids policy is XLilf's large investment in fleet renewal, net the introduction of -iiirreater and quieter aircraft. In addition, £L1f saves fuel through- opercional efficiency, including optintnliscition and reduction of liet geiviclt nan booi-d. The use of electric gi-ondnpparatitiir is essential voot- ltet reducing the CO2-iiiistooi of ground processes. KLii'I is uncle a pioneer in the field of diiiit cinte aviation fuel, which reduces CO2 emissions by at least 7J% compared to the standarcii-d fossil bi-cind fuel. Dciai-naasi we are working scinien titet many different parties oiti the future of flying, for example through the development of non-nversatile, energy-efficient aircraft, the use of 100% diiiit -ante energy, climate-neutral logistics operations of the liiclitynnrt and the impact of expensive.-ante liiclttvaai-t on passengers. Also ltet stintiileting of undernentersclinp and ltet training of new talent is an important piylei.

tI'nt does KL.YI do anything else in the ltet field of drums-aaiiilteid?

See more at Fly Responsibly jfL If.cotii

Expression 19 (during a radio broadcast)

0.05.10

It Stijn Renl Deal Days at ML.If, decils for montents that matter eclti. Like snmen adventures on Ariiba. Al vcnuf599 eui-o.

There -are still niciar nvee real denl dcigen. So take a quick look, at ML.If. *nl*

0.05:36

If during KL.Yf Real deal dngen you choose last-cinte fuel, dcin doubles KU l your bijdi-age. tl'nnt if we consciously t-ei-en. --are all moments even ntougher.

Expressions 17 to 19

4.53. KLM is free to express its ambitions and to advertise flying. Yet these expressions are misleading on a number of counts. KLM states in the expressions that it is investing heavily in sustainable fuel. The term "sustainable fuel", which often recurs in the expressions, is too absolute. Furthermore, KLM does not make sufficiently clear to consumers what it is investing in SAF and what environmental benefits can be achieved. In essential parts of these expressions KLM creates too rosy a picture and makes (implicit) claims that are insufficiently substantiated. Such as that "sustainable jet fuel" reduces CO2 emissions by "at least 75%" compared to fossil fuel. KLM uses the term "more conscious travel" and creates the impression that flying with KLM is sustainable, when in fact it is a price stunt. Although the statements are correct and informative in parts, the court concludes that the statements are misleading when viewed in their entire context.

Manipul'iiievereisie

4.54. KLM made the 19 statements so that its public would consider them in its decision-making. In other words, it was reasonably foreseeable for KLM that the economic behaviour of its public would be disrupted in the event of factually incorrect, incomplete and/or misleading information. It is sufficiently plausible that in the event of such information, the average consumer takes or may take a decision about an agreement with KLM that he would not have taken otherwise. It is also of importance here that the average

consumers, out of an alertness to climate-related issues, are sensitive to "green" claims.

Declaring right: 15 expressions misleiilend

4.55. From what has been considered and ruled above, it follows that the claimed declaratory judgment is admissible to the extent that advertisements 1, 2, 3, 4, 6, 7, 8, 10 and 12 (as described above and suggesting that flying can be or become sustainable) and advertisements 14, 15, 16, 17 18 and 19 (as described above and suggesting that the purchase or contribution to a "compensation" product actually reduces, absorbs or compensates for part of the climate impact of flying) are misleading and unlawful and that KLM thereby violates the Unfair Commercial Practices Act.

Ban on Je expressions

4.56. The dispute then focuses on the question of civil law sanctions for these prohibited business practices by KLM.

4.57. The Court finds, in the absence of sufficient evidence to the contrary, that KLM no longer carries any of the fifteen advertisements assessed as misleading. For this reason, the claim seeking an injunction against publishing these fifteen advertisements is not allowable. While KLM does maintain that (also) these 'iitations were lawfully made, it has, after reconsideration, decided to "sit on the safe side" and no longer carry them. There are no

clues that KLM does intend to carry the 15 unlawful expressions again in the future. This does not show the imminent violation of its legal obligation necessary for an injunction.

4.58. Nor is the claim seeking an injunction against the publication of the expressions that are similar or similar to the expressions that have been found misleading. This is because it cannot be sufficiently determined in advance which "similar expressions" fail the test under the Unfair Commercial Practices Act. In this context, it is particularly important that the outcome of this test always depends on the circumstances of the case. Fossielvrij claims a ban that is unlimited in time, while it cannot be ruled out that developments take place as a result of which (parts of) the 15 expressions can no longer be considered misleading. Imposing a ban on "similar expressions" is so broad that it cannot pass the test of Article 10 ECHR. In the absence of clarity about the scope, the measure could have a *chilling effect*, causing KLM to refrain from making statements more than necessary. In view of this, the measure claimed is not proportionate.

No bevef lot removal evt no rectification

4.59. The order to remove the nineteen expressions and expressions varying therefrom is not admissible. To this end, reference is made to what was stated above under 4.57 and

4.58 considered and ruled. An order to remove advertisements no longer carried is meaningless. To the extent that the order sought concerns advertisements that are

similar to the misleading advertisements assessed, it is not assignable. The debate in this case did not concern other than the 19 disputed expressions.

4.60. With regard to the claim for an order for rectification, the following is considered. Section 6:167 of Book 6 of the Dutch Civil Code provides, in so far as relevant here, that if a person is liable towards another under Title 3 of Book 6 of the Dutch Civil Code in respect of an incorrect or misleading publication of factual information due to incompleteness, the court may order him, at the request of that other person, to publish a rectification in a manner to be specified by the court. It is established that KLM no longer (publicly) carries the 15 misleading advertisements. Fossielvrij does not explain, or at least not sufficiently, that because of these advertisements from the past, the average consumer still takes or may take a decision about an agreement that he would not have taken otherwise. That, according to Fossielvrij, the expressions contributed to the prevailing incorrect image of flying in general is insufficient to justify the rectification claimed. In this context, it is also important that this case (and thus the inadmissibility of the 15 expressions) is expected to receive plenty of media attention. The claimed rectification order is therefore dismissed.

4.61. The claim for an injunction against a warning text is also dismissed. The Unfair Commercial Practices Act provides no basis for such an order.

Litigation costs

4.62. With regard to part (i) of claim VIII ("legal costs and fees"), the following is considered. Fossil Free does not explain, or at least not sufficiently, that it incurred reasonable costs as referred to in Section 6:96(2) of the Dutch Civil Code. Section 10181(2) Rv can only be applied in the event of a judgment pursuant to Section 1018i Rv, i.e. a judgment establishing a collective damage settlement. This is not the case in this instance.

4.63. As the party mainly found against, KLM will be ordered to pay the costs of the proceedings. These are estimated on the side of Fossil Free until this judgment at ± 125.03 in writ costs, $\pm 2,837.00$ in court fees and $\pm 15,249.50$ in solicitor's fees (three and a half points, rate VIII), totalling $\pm 18,211.53$. Subsequent costs are awarded as set out in the decision.

5. The decision

The court:

5.1. Declares that the advertising statements 1, 2, 3, 4, 6, 7, 8, 10 and 12 described in this judgment which suggest that flying can be or become sustainable and the advertising statements 14, 15, 16, 17, 18 and 19 which suggest that the purchase or contribution to a "compensation" product actually reduces, absorbs or compensates for part of the climate impact of flying are misleading and unlawful and that KLM thereby contravenes the Unfair Commercial Practices Act;

5.2. orders KLM to pay the costs of the proceedings, assessed to date at £18,211.53 on the part of Fossil Free, to be paid within fourteen days of being served with notice to that effect; if KLM does not comply with this order in time and the judgment is served thereafter, it must

Pay an additional £92.00, plus costs of service;

5.3. declares this order for costs to be provisionally enforceable;

5.4. Dismisses the more or otherwise claimed.

This judgment was rendered by M.R. Jöbsis, J.W. Bockwinkel and R.C.J. Hamming, Judges, assisted by A.A.J. Wissink, Registrar, and publicly pronounced on 20 March 2024.

men

Annex referred to in 3.1 (the claims brought by Fossil Free)

Fossil Free claims that the court should rule, so far as possible enforceable on a provisional

basis: claim I: exclusive interest advocate

That Fossil Free is admissible in this collective action procedure and is appointed as exclusive advocate;

claim Ïl: definition narrowly defined group

if the court is of the opinion that it must determine for which narrowly defined group of persons the exclusive representative represents the interests in this collective action within the meaning of Section 1018e(2) Rv: that this collective action concerns the following group of natural persons, namely all natural persons residing in the Netherlands at the time the writ of summons is issued, and those who are born and come to reside in the Netherlands after the date of this writ of summons;

claim III: opt-out possibility

that anyone residing or domiciled in the Netherlands for a period of three months after the announcement within the meaning of Section 1018f(3) Rv of the judgment appointing the exclusive representative of interests will have the opportunity, by written notice to the registry of the court, to withdraw from the representation of their interests in this collective action;

claim IV: declaration that:

I. the advertising statements #1 to #13 made by KLM as set out in Chapter 5 of the body of the subpoena, suggesting that flying can be or become sustainable, for reasons set out in the body of the subpoena, are misleading and unlawful and that KLM is thus in breach of the fundamental rights referred to in the body of the subpoena and the OHP Directive; and

the advertisements #14 to #19 made by KLM as described in chapter 5 of the body of the writ, suggesting that the purchase or contribution to a "compensation" product actually reduces, absorbs or compensates for part of the climate impact of flying for reasons as stated in the body of the writ, are misleading and unlawful and that KLM thus violates the fundamental rights referred to in the body of the writ and the OHP Directive;

claim V: prohibition and injunction

(i) That KLM shall be prohibited, not later than one week from the date of the document to be sentence:

a. make public or cause to be made public in any form or by any means the advertisements #1 to #19 as described in Chapter 5 of the body of the writ, or advertisements with text identical or similar thereto, as well as in which it is suggested by commendatory wording that flying, with or without KLM, can be done in a manner from the point of view of climate change "sustainable" or "responsible";

(ii) That KLM be ordered to:

a. within one week after the date of the judgment to be given in this case, to remove and to keep removed, at its own expense, the advertisements # 1 to # 19 as described in chapter 5 of the body of the writ, and statements varying therefrom but having substantially the same purport, from all media on which such statements have been disseminated, including but not limited to KLM's website, its social media channels, leaflets, flyers and periodicals distributed by KLM itself, (video) advertisements online or in print media, or otherwise; and

b. within one week of the date of the judgment to be delivered in this matter, at its own expense, rectify advertising statements #1 to #19 as described in section 5 of the body of the writ by:

i. sending letters to all persons and institutions to whom KLM issued tickets between 1 December 2021 and 23 May 2022, on KLM letterhead, using KLM's usual house style for correspondence with its customers, by post and by e-mail containing, with the exception of the addressing dating and closing, otherwise only the text as shown in Annex A to the summons, or any other text of the same nature and purport that the Court deems appropriate, and without in any other way detracting from the purpose and purport of the rectification (or the recognisability of the rectification);

ii. to place a clear and legible half-page rectifying advertisement, to be prepared in KLM's house style, in five national newspapers (Trouw, AD, Telegraaf, Volkskrant and NRC) on the back page of those newspapers, without any comments or additions in any form with the text as shown in Annex B to the summons, or any other text of the same nature that the court deems appropriate, formatted in accordance with good printing practice, in a red frame with KLM's logo, under the heading "RECTIFICATION";

iii. for four weeks, or such period as the court deems appropriate, to post a clear and legible rectifying text, to be designed in KLM's house style, on all of its online marketing communications including banners and all social media accounts (Instagram, Twitter, Linkedln, etc.), which will remain visible while scrolling in any direction, with the text and in the form as set out in Annex C to the summons, or such other text of the same nature as the court deems appropriate;

c. within three days of the dispatch of the above-mentioned letters of rectification, to send to counsel for Fossil Free a copy of one of the letters of rectification sent, dated but in which the particulars pertaining to the addressee have been rendered illegible, accompanied by a certificate issued by a Dutch

bailiff or notary issued confirmation that the rectification was sent in that form by KLM to the group of persons and institutions specified in the judgment; and

d. within one week of the date of the judgment to be given in this case, to **display** or cause to be **displayed**, at its own expense, in a prominent place on the homepage of the KLM website, the website booking tool and on the airline tickets issued for its flights, an easily readable warning text reading "Aircraft consume fossil fuel and contribute to climate change", in KLM's house style and in a font larger than the smallest font displayed in the same place;

claim VI: penalty payment

that which is claimed under V, on pain of forfeiture of a penalty payment of EUR 100,000.00, or such other amount as the Court considers appropriate, for each time that KLM acts in full or in part contrary to (one or more parts of) the prohibition and/or (one or more) orders claimed under V, in such a way that this penalty payment will be due as many times as (parts of) the said prohibition is violated and/or (parts of) the said orders are not complied with, as well as a penalty payment of EUR 25.000.00 or such other amount as the Court deems appropriate, for each day that the violation or non-compliance in question continues, counting each part of a day as a whole;

claim VII: legal costs and fees

Order KLM to pay Fossielvrij the extrajudicial costs and (litigation) expenses (Section 6:96 BW and Section 10181(2) Rv), being:

(i) the full extrajudicial costs incurred by Fossil Free, to be increased by the statutory interest from the date of the judgment to be given in these proceedings until the date of full satisfaction, to be made out by statement of account if necessary and to be settled in accordance with the law; and

(ii) the costs that Fossil Free will incur in connection with the actions that Fossil Free will be expected to carry out in its capacity as (co-)exclusive advocate until the final judgment, to be increased by the statutory interest from the date of the final judgment to be rendered in these proceedings until the day of payment in full, to be made up by statement, if necessary, and to be settled in accordance with the law;

which amounts (i) and (ii) can be further budgeted.

The annexes referred to in subsection (b) of clause (ii) of claim V read:

ANNEX A

Text proposal for rectification letters to be sent by KLM to its customers.

Subject: rectification on our sustainability claims

Dear [NAME]

KLM apologises for making incorrect and misleading statements about the sustainability of flying and about the possibility of offsetting CO2 in its advertisements and on its website. With this letter, KLM wants to correct the incorrect impression created by its marketing and advertising.

Welenschnppelij "ke consensus: fly schnn'fI hel £/imnn/

There is scientific consensus that a rapid and drastic reduction of greenhouse gas emissions, such as CO2, in all sectors is needed to preserve the reasonable chance of limiting global warming to 1.5°C as agreed in the Paris Climate Agreement. The boiling years are decisive in this respect.

Dangerous clfiitaaN change is already being felt around the world. However, global greenhouse gas emissions continue to rise and the world f5 on its way to catasirofal warming. More information can be found here.

When' burning fossil fuels, such as paraffin in aircraft engines, a lot of CO2 is released. This is the main cause of dangerous cliitiate change. So flying exacerbates climate change. Flying also has other effects, such as nitrogen emissions and condensation trails, which have a significant impact on the kliittate. Booking a flight is for consumers the product ntet the highest emissions that zf can buy.

Less kite is liet only that KLM can Joen to limit Je scliaJe garden liet klimaiit

Alternative fuels (including "sustainable aviation fuels" or "SAF") and future technology can iifeï on ffd "sustainable" ittaken, in line iitel the kliniaat target of the Paris Climate Agreement. Flying must be immediately teriighed oiti that klfitiate goal. It was therefore incorrectly misleading for us to speak of "expensive aatti flying". More inforitiation on the need to reduce flying is available here.

KLM's beleiil is eClfter gEFiClft *R growth and released more CO2.

KLM plans to keep growing. As long as we grow, our total CO2 emissions will increase. Our suggestion that our emissions will decrease and that flying can be done "sustainably" or "responsibly", and by flying not KLM is closer to a "more sustainable future " was false and misleading.

The climbing descluide is not constrained by making a financial biyürnge to KLM's CO2ZERO prognnmma.

We ran a marketing caittpagne genaantd "CO2ZERO". As part of that, we are feeding consuittents to make small financial contributions to reforestation projects or the cost of using small amounts of alternative fuels. We said this would "offset", "reduce" or serve as "offsetting" the negative climate impact of flying. DOt is only if/ true. The payments do not contribute to achieving the climate target of hel Kliitiate Paris Agreement. The naaitt "CO2ZERO" of our marketing cantpagne, was incorrect and ittisleading.

The only itian way to meaningfully mitigate the effect of flying on the klintaat and contribute' to achieving the kliniaatdoelstellingfngen is to fly thief.

Sincerely,

naaitt and signature CEO]

ANNEX B

Text proposal for rectification to be published by KLM in Dutch newspapers

RECTIFICA TIE

KLM has made inaccurate and ntisleading ndisclosures about the sustainability of flying and about the npossibility of so-called CO2 compensation in its advertisements and on its website. Here, KLM wishes to correct the incorrect impression created by hciar ittarketing and reclaite.

Scientific consensus: flying violates let climiint

There is scientific consensus that a rapid and trasic reduction of greenhouse gas emissions, such as CO2, in all sectors is needed oiti the reasonable chance of keeping global warming below 1.5 °C, as agreed in the Paris Climate Agreement. The next few years will be decisive in this respect.

Dangerous climate change is already being felt around the world. However, global greenhouse gas emissions continue to rise and the world is heading towards catastrophic warming. More inforttation can be found <u>here.</u>

'Burning fossil fuels, such as paraffin in aircraft engines, releases a lot of CO2'. This is the main cause of dangerous climate change. So flying exacerbates climate change. Flying also has other effects, such as nitrogen emissions and condensation trails, which have a significant impact on the climate. Booking a flight is for consumers the product not the highest emission they can buy.

Flying less is the only thing KLM can do to limit damage from the climate.

Alternative fuels (including "sustainable aviation fuels" or "SAF") and future technology cannot make flying "sustainable" in time, in line not the kliittaatdoel of the Kliittaatakkoord vcin Paris.

Flies tttoel be unntimely reduced ont that kliittate goal to hcilen. It was therefore incorrect ntisleading that we spoke of "sustainable flying". More information on the need oitt flying is available <u>here</u>.

However, KLM's policy is focused on growth and allowed to emit nor more CO2.

ALM intends le continue to grow. As long as we're'growing. the loial CO2 uilslool of our company will loeneinen. Our suggestion dal our uilslool will decrease and dal flying can take place "sustainably" or "responsibly", and by flying mel IM a "more sustainable ioekonisi" closer" konii, was incorrect and misleading.

The ülimiiatscliaüe worth not limited by a financial biyrlrnge to Joen ann XLM's CO2ZERO programme.

We ran a marketing campaign genacinid "CO2ZERO". As part of this, we asked consuntents otti small financial contributions to reforestation projects or the cost of u s ing small amounts of alternative fuels. We said this would "coittpensate" the negative klintate effect of flying, "verittinderen" or serve as "offsetting". This is just not true. The payments do not contribute to achieving the klintate target of the Paris Kliitt Agreement. The naant "CO2ZERO" of our ntarketing campaign, was incorrect and ntisleading.

The only itian way to meaningfully mitigate the effect of flying on the klitttate and contribute' to achieving klitttate targets is by not flying.

Sincerely,

fnaaiit and signature CEO]

ANNEX C

Text proposal for the correction/banner KLM should publish/display on social media

Correction to KLM ads. There is no such thing as "duiirzaant " flying - flying needs to be immediately reduced to be in line not the goal of the Paris Climate Agreement.