

**▲** DELTA



Delta is in the business of bringing people together.

It's what we do when we fly customers to friends, family and colleagues half a world away

When we keep our **employees safe** and recognize them for jobs well done

When we **support charitable organizations** in our communities with our time, talent and resources

And when we **operate sustainably**, helping to ensure an enduring planet for all

For more than 90 years, every decision we've made has put people first

Because at Delta, air travel is our business

But PEOPLE ARE OUR PRIORITY



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# A Message From Ed



Taking care of people is the most important job we do at Delta. Whether it's our employees, the 180 million customers who trust us with their travel each year, or the millions who make up the communities where we live, work and serve—making people our priority has always been the backdrop for all our efforts.

At no other time has this been more apparent than in 2017—one of the best years in Delta's 90+ year history—when we continued investing billions of dollars not just in our employees through innovative tools and \$1.1 billion in profit sharing, but in the products and services our customers have come to know and expect from Delta online, in our airports and on our aircraft.

As we charged through 2017, our operational reliability reached new heights with an unprecedented 242 days without a cancelling a mainline flight. This, combined with harnessing customer insights to deliver more personalized service has meant our customer satisfaction scores continued climbing and employee satisfaction remained high as our people continued differentiating Delta on the global stage.

Throughout the pages of this report you'll find example after example of ways Delta is charting our own course forward to have a meaningful impact on the people we encounter, while mitigating the impact our business has on our environment for future generations. Some highlights from 2017 included:

- » Reducing our global employee injury rate thanks to our LIVESAFE program that targets improvements in personal safety leadership, training and proactive intervention
- » Driving diversity and inclusion across Delta by providing front-line and executive training and signing on to the CEO Action for Diversity & Inclusion program to cultivate a workplace in which different points of view are welcome and employees feel encouraged to discuss diversity and inclusion topics
- » Providing more than \$4 million in Red Cross relief efforts in the aftermath of hurricanes Harvey, Irma and Maria, and multiple earthquakes in Mexico in addition to Delta's commitment to giving back 1 percent of our net income from the previous year to key charitable organizations through cash contributions and grants from The Delta Air Lines Foundation that exceeded \$45 million in 2017
- » Developing meaningful technology through employee teams and our Global Innovation Center, The Hangar, to enhance the customer experience with features like the proprietary flight weather viewer

that helps pilots avoid turbulence, biometric boarding passes, free in-flight mobile messaging, RFID bag tracking through the Fly Delta app, auto check-in and post-purchase upgrades

- » Launching Delta's flagship onboard experience with the A350 and announcing the addition of the Airbus A220-100—both aircraft that will continue Delta's environmental sustainability efforts to replace 20 percent of our mainline fleet by 2020
- » Fuel-saving efforts that contributed to a 13.3 percent reduction in absolute emissions since 2005, putting us on track toward the goal of reducing emissions by 50 percent over 2005 levels by 2050
- » Voluntarily purchasing and retiring in total nearly 2.5 million offsets in 2017 as part of our effort to voluntarily reduce our total emissions to 2012 levels
- » "Up-cycling" thousands of wear-testing uniform samples as part of developing Delta's new uniforms for 60,000 front-line employees
- » Implementing industry-leading operational recovery processes to lessen the impact of major weather events on customers and employees
- » Earning top employment awards from Fortune, Great Place to Work and Glassdoor

At the core of every decision we make as a company is a strong set of core values set forth by our founder nearly 90 years ago. To care for our customers, our community and each other is defined as servant leadership, and is reflected in our commitment to being a good steward of the environment, a positive force in the communities we serve and a great place to work and fly. This concept will continue driving us forward in our mission to take care of people while being sustainable in all aspects of our business for decades to come.

#### **Ed Bastian**

Chief Executive Officer

# **Delta By-The-Numbers**

As a worldwide leader in the aviation industry, we provide scheduled air transportation for passengers and cargo throughout the United States and around the world. Delta is a founding member of the SkyTeam global alliance, and we participate in the industry's leading trans-Atlantic joint venture with Air France-KLM and Alitalia, as well as joint ventures with Virgin Atlantic, Virgin Australia and Aeromexico and entered into a joint venture with Korean Air that is subject to regulatory approval in Korea. Subsidiaries include Monroe Energy, LLC and Delta Global Services, LLC. A listing of Delta subsidiaries can be found in the Appendix.





» Atlanta

- » New York-John F. Kennedy
- » London-Heathrow

» Boston

- » New York-LaGuardia
- » Paris-Charles de Gaulle

» Detroit

- » Salt Lake City
- » Tokyo-Narita

- » Los Angeles
- » Minneapolis-St. Paul
- » Seattle
- » Amsterdam

#### Additional information is available at:

delta.com Twitter.com/delta

Delta News Hub: news.delta.com Instagram.com/delta

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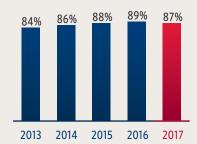
## **Goals & Progress**

In 2017 we aligned our Key Performance Indicators (KPIs) with the environmental, social and governance issues that are most relevant to our business and set goals for each. The following are the results of our progress toward these 2017 goals. More in-depth information on individual material issues and KPIs can be found throughout the report.



### **Employee Satisfaction**

**GOAL:** Achieve **85 percent** employee satisfaction.



With an 87 percent return rate from Delta people all over the world, we surpassed our annual satisfaction rate goal by achieving 87 percent satisfaction.





### **Customer Safety**

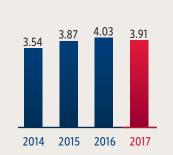
GOAL: Proactively reduce risks by identifying, assessing, mitigating and/or eliminating hazards that may cause incidents, accidents or injuries to customers.



### **Employee Safety**

Achieve word class personal safety performance with the goal of sending all Delta employees and business partners home safely.

#### Global Injury Rate

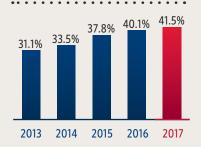


We achieved a slight reduction in global injury rate due to initiatives that targeted improvements in safety leadership, proactive intervention and training, standardized rules and processes and proactive injury management.

### **Net Promoter Score (NPS)**

**GOAL:** Short-Term: Consistent year-over-year growth from the 2016 baseline. Long-Term: Achieve a NPS of 50 percent.

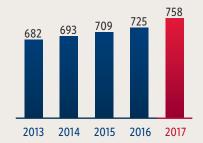
#### **Domestic Net Promoter Score**



Since 2013, our NPS has improved by more than 10 percent, with a 1.4 percent improvement from 2016. This improvement reflects increasing brand relevance over the past five years.

### **Customer Service**

**GOAL:** Earn JD Power Award for Customer Service.



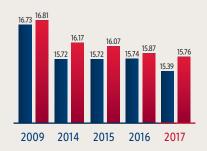
In 2017, Delta finished second among network carriers in the JD Power satisfaction survey, improving 33 points over 2016 and earning our highest score to date.



### **Fuel Efficiency**

**IATA-ALIGNED GOAL:** 

Short-Term: Improve fuel efficiency an average of 1.5 percent per year from 2009 to 2020.



Overall fuel efficiency has improved by 8 percent based on revenue miles since 2009, and 6.2 percent based on gallons per 1,000 Available Seat Miles (ASM) since 2009. Delta continues to pursue initiatives to enhance fuel efficiency toward achieving IATA goals.

RTM: Gallons per 100 Revenue Ton Miles ASM: Gallons per 1,000 Available Seat Miles

### **Carbon Neutral Growth**

IATA-ALIGNED GOAL: Medium-Term: Cap net international aviation CO2 emissions from 2020.



In Millions of Metric Tons of CO2

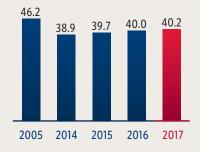
Over the past five years, we have successfully grown our business without growing our carbon emissions, thanks to fuel-efficiency initiatives and carbon offset purchases.

**EMISSIONS** OFFSETS

### **Absolute Emissions Reduction**

IATA-ALIGNED GOAL:

Long-Term: Reduce net aviation CO2 emissions 50 percent by 2050, relative to 2005 levels.

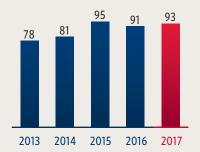


Since 2005, absolute emissions have been reduced by 13 percent. Fuel savings in 2017 avoided emissions of 19,000 metric tons CO2e.

In Millions of Metric Tons of CO2

### **Spills**

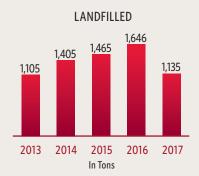
GOAL: Experience no more than 87 combined Class I and Class II spills annually.

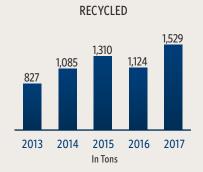


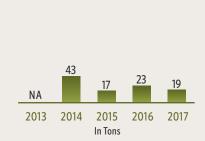
The annual variability of spills is due to the growth in operational events and variations in the frequency of fueling, fleet type, deicing events and other maintenance activities. Annual variability will continue to affect this metric on a year-over-year basis.

### **Nonhazardous Waste Generation**

**GOAL:** Reduce year-over-year waste generation.





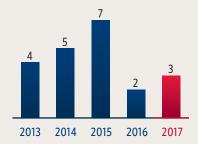


**UPCYCLED** 

In 2017, overall recycling increased while landfill decreased.

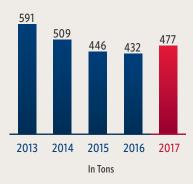
### **Environmental Notices of Violation**

**GOAL:** Not to exceed three Notices.



### **Hazardous Waste Generation**

**GOAL:** Reduce year-over-year waste generation.



The expansion of maintenance operations and improvements to our maintenance service offerings to external customers resulted in an increase in hazardous waste generation during 2017.

## **Common Goals**

The United Nations 17 Sustainable Development Goals (UNSDGs) engage organizations across all sectors to help end poverty, protect the planet and ensure prosperity for all. Delta is committed to supporting those goals that most closely align with our business.



- Provide over 80,000 jobs throughout our global operations
- Rank consistently on national lists for employee engagement
- Provide competitive benefits and compensation
- Share profits with employees, averaging approximately \$1 billion annually over the past two years
- Invest in the individual potential of employees through training and development programs
- Establish processes and encourage practices to ensure a safe workplace



- Invest in innovative technology, such as biometrics, to enhance safety, security and the customer experience
- Collaborate with regulatory and government agencies to deploy new technologies that enhance flight safety



- Promote a culture of diversity and inclusion through Business Resource Groups that count more than 15,000 members
- Support industry workplace diversity initiatives, such as the CEO Action for Diversity & Inclusion
- Committed to gender pay parity and spousal benefits for same-sex couples and their children
- Maintain a robust supplier diversity program
- Provide affordable air transport to facilitate cultural understanding and exchange
- Enable travel for those who are disabled or have medical conditions



- Enable global travel through the availability of affordable air transport
- Support local communities where we live, work, and serve through The Delta Air Lines Foundation
- Promote community engagement through our three key pillars of Education, Health & Wellness, and Armed Service Members & Veterans



- · Work with our suppliers to increase the efficiency of our aircraft through lightweighting and aircraft replacements
- Upcycle aircraft, aircraft parts, and uniforms through programs such as re:loom
- Promote our headquarters and in-flight commingled recycling program in 35 destination cities
- Comply with all environmental regulations in the areas of air quality, aircraft drinking water, and waste



- Committed to and have achieved carbon neutral growth for five consecutive years
- Aligned with International Air Transport Association on short-, medium-and long-term goals to improve fuel efficiency, achieve carbon neutral growth, and reduce carbon emissions
- Purchase and retire more than 2.5 million carbon offsets in 2017
- Work with suppliers to increase the fuel efficiency of aircraft and implement fuel-saving flight procedures
- Engage producers in support of alternative aviation fuels



## **Talent & Culture**

In 2017, Forbes published the W20 Group's list of the 15 Most Relevant Brands in America, adding to the headline, "Number 11 Will Surprise You." Number 11 was none other than Delta, the only airline among a list of leading technology companies and other top consumer brands.

"The airline makes the cut in large part due to the incredibly strong showing from employees as they discuss life at Delta, the operating culture and company values," the publication wrote. The ranking may have come as a surprise to list makers, but not to Delta. While culture is a new area of emphasis for many companies, it's been the heart of Delta's business model for 90 years.

ongoing and active listening, including formal mechanisms, such as our annual employee engagement survey, and a variety of informal measures. And we share our success with the people who make it

Our long history of building and nurturing our culture has earned us deep emotional connections with our employees and shared values of integrity and respect. We nurture these connections through

possible, as evidenced by our attractive total rewards package and industry-leading profit-sharing program.

Delta consistently ranks on national lists for both employee engagement and customer loyalty. This is no accident. Satisfied employees make for satisfied customers, which in turn make us a more successful business. The fuel for this virtuous cycle is our investment in our people. We will continue this journey by putting people first: refining our talent attraction and retention practices, rewarding high performance, providing opportunities to learn and develop, and cultivating a diverse and inclusive place to work.







## **Employee and Customer Satisfaction Recognition**

#### **Fortune**

100 Best Companies to Work for 2017





<sup>\*</sup>Delta mainline active employees as of 12/28/2017

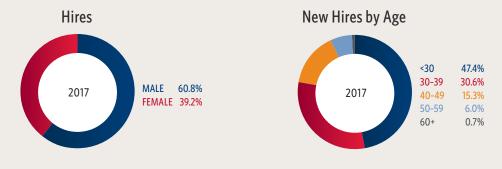
<sup>\*\*</sup>Delta mainline active employees as of 12/28/2017. Excludes people who did not report their ethnicity.

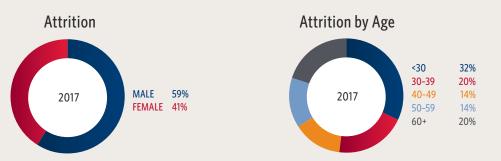
"No one individual can create an airline. An airline is a team. It must be a friendly, courteous, cooperative and efficient team, bound as closely as a devoted family."

C.E. Woolman Founder, Delta Air Lines

## A Closer Look at Delta People







## Living the Delta Difference

The "Delta Difference" separates us from our competitors. Since 1929, Delta people have worked diligently to build our record for delivering safe, high-quality service and for acting with honesty, integrity and professionalism in all we do. We are proud of this legacy.

Three key documents describe and reinforce the fundamental values and basic behaviors required of all Delta employees, as well as what employees can expect of Delta in return. These documents are the centerpiece of our companywide compliance program and are supported by our Board of Directors and senior officers. They are:

- » Rules of the Road, the foundation of our core values and principles, which define clear unifying behaviors of our culture and outline expectations for modeling leadership at every level of the company.
- » The Way We Fly helps us put our culture into practice by outlining basic expectations of trust, dignity, respect, common sense and good judgment.
- » The Code of Ethics and Business Conduct provides our employees, our subsidiaries and affiliates worldwide with a summary of standards for business conduct. The Code also describes some of the resources available that help us maintain our standards. The Code helps ensure that our actions never fall short of our legal and ethical commitments.

One of the ways we help to create a great place to work is by maintaining an open-door policy. Each employee is proactively encouraged and expected to raise concerns if they become aware of practices or work environments that do not meet Delta's expectations, particularly issues of safety, harassment and discrimination. We encourage employees to speak to their immediate leaders about questions or concerns, but they can also report concerns through the following channels:

- » Divisional and corporate leadership
- » Human Resources professionals
- » The Equal Opportunity department
- » Safety, Ethics & Compliance HelpLine

We do not tolerate hostility, harassment, unwelcome sexual advances or other unprofessional conduct under any circumstances. As reports of sexual harassment and other acts of misconduct make national headlines, Delta has reinforced our commitment to appropriate behavior—and swift response in the event of wrongdoing. We aim to create an atmosphere in which employees at every level of the company have confidence to raise concerns

regarding discrimination, harassment or intimidation. From there, Delta puts words into action by investigating those concerns quickly and fairly, always ensuring that the employees who raise concerns suffer no adverse consequences from doing so.

The Delta Safety, Ethics & Compliance HelpLine makes it easy to report conduct that may be unethical, illegal, a violation of professional standards or contradictory to Delta's Code of Ethics and Business Conduct. Using the HelpLine, employees can speak up about concerns, including those regarding safety, labor practices, harassment or discrimination.

Examples of activity that could be reported include:

- » Creating or ignoring safety hazards
- » Insider trading
- » Accounting or auditing irregularities
- » Use, sale or transportation of illegal drugs
- » Physically harming or harassing others
- » Ticket, credit card or SkyMiles fraud
- » Information leaks
- » Vandalism or sabotage

The HelpLine is available to employees, customers, vendors and other third parties in a business relationship with Delta, and operates 24 hours a day, seven days a week. It is answered by a third-party operator. All calls to the HelpLine can be made anonymously, and procedures ensure that confidentiality will be maintained to an extent consistent with Delta's obligations under the law.

When EthicsPoint, our HelpLine provider, receives a notification, it is reviewed by the HelpLine paralegal and attorney responsible for HelpLine calls. They determine where to direct the report, whether to an investigator, Delta's General Counsel, Chief Compliance Officer or, when appropriate, the Board of Directors.

Each month, the HelpLine Attorney and HelpLine Paralegal meet with representatives from Human Resources, Equal Opportunity, Compliance, Corporate Safety and Regulatory Compliance to review the information gathered during investigations and assist, if necessary, in developing responses. The caller is notified when an investigation has concluded. Depending on an investigation's

outcome, remedial action may also be taken. This could include policy clarification, process revision, additional training, coaching sessions or disciplinary action, up to and including termination. All allegations received through the HelpLine are tracked to inform trend analysis.

The HelpLine supports Delta's commitment to providing a safe and secure operation—our most fundamental commitment to our

customers, employees and the communities we serve. We do not retaliate against any employee who reports a conduct violation in good faith.

Delta also provides antibribery and anticorruption training to all Delta personnel and agents who may interact with foreign officials on Delta matters. Training available to employees is provided in person to supplement mandatory online training.

### PRIORITY: All Delta People Worldwide

## Saying a Big "Thank You!"

A small "thank you" can go a long way. But as Delta headed into the busy summer 2017 travel season, we decided a big "thank you" was more in order—one in which we used a Facebook Live event to individually recognize by name our more than 80,000 employees worldwide.

More than 430 celebrities, athletes and business leaders from Delta and its global partners in 20 cities around the world took turns reading names. Familiar faces included Jeff Foxworthy, Sean Astin, Anthony Anderson, the cast of "Stranger Things," Chelsea Football Club, Dr. Bernice King, Miss America and more. The event lasted more than 50 hours, one of the longest in Facebook Live history. Employees could log in to a microsite to find out when their name would be announced.



# **Rewarding Employees** for Great Work

Our success as a business depends on every Delta employee at every level, and we believe in rewarding them for the success they help to create. Our competitive and generous compensation philosophy is also designed to help us recruit and retain talented employees.

Delta employees are grouped into two categories for compensation purposes: scale and merit employees. The latter includes a broad mix of leaders and individual contributors who are paid a salary. We track pay for merit employees by using data to benchmark relative to their peers at Delta and across multiple industries. Merit employees' job performance is evaluated based on skill, experience, innovation, effort and leadership.

Scale employees, who include pilots, flight attendants, maintenance technicians, baggage handlers and others, are paid an hourly wage. Delta's leadership position in the industry allows us to pay scale employees competitively and reward excellent performance. We offer pay premiums based on job function and work rules that provide a balance of flexibility, productivity and quality of work life. Benefits are competitive and flexible and include paid time off, retirement savings and comprehensive healthcare coverage.

For all employees, competitive base pay is one piece of a larger compensation pie that includes added rewards and benefits. Our profit sharing program is one of the most generous in the industry and recognizes our employees' contributions in meeting Delta's financial targets. Over the past five years, we have paid out more than \$5 billion through the program, more than any other company. This plan, combined with highly competitive base pay and monthly Shared Rewards bonuses paid for meeting operational targets, has resulted in an 80 percent increase in total annual compensation since 2008. Our people can further share in our financial success through an Employee Stock Purchase Plan (ESPP). This plan allows employees to use payroll deductions to purchase Delta stock.

The Shared Rewards program helps incentivize employees to deliver safe, on-time, best-in-class travel to our customers. Eligible employees can earn a monthly cash bonus based on achieving the specific operational goals in the categories of baggage handling, completion factor, on-time arrivals and domestic net promoter score. Employees earn \$25 for meeting or exceeding one goal,



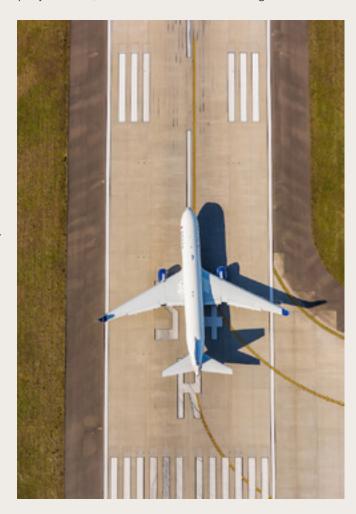


\$50 for two, \$75 for three and \$100 for all four, with a maximum payout of \$1,200 per year for U.S.-based employees. Eligible international employees participate in Shared Rewards with target payout values appropriate for each country.

Delta supports flexible employment arrangements. Ready Reserve employees are eligible to work fewer weekly hours; receive competitive pay, profit sharing, Shared Rewards, 401(k) savings and travel privileges; but in most locations are not eligible to participate in health and welfare plans. The Reservation Sales Work @ Home program allows Ready Reserve employees to receive the same benefits as full-time employees without the time and expense of traveling between home and the engagement center. Employees must live within a three-hour drive of the center to be eligible.

Delta employees also care deeply for one another, as seen through the work of two internal funds created by employees, for employees. The Employee & Retiree Care Fund supports individuals who suffer from severe financial hardship resulting from unforeseen and unavoidable crises such as natural disasters. This fund distributed nearly \$4 million to employees in 2017. The Delta Scholarship Fund helps employees and eligible family members achieve their dreams of earning an advanced degree. The Delta Scholarship Fund has awarded more than \$5 million in scholarships since it launched in 2008, and 591 employees and dependents received funding for the 2017-2018 school year.

Executive compensation is aligned with compensation for all Delta employees but is also dependent on the airline's performance, which includes environmental, social and governance factors. The Personnel & Compensation Committee of the Board of Directors sets evaluation criteria and compensation for the CEO and reviews and approves compensation for other officers. The Committee also produces an annual report on executive compensation for inclusion in Delta's proxy statement, in accordance with SEC rules and regulations.



## Top Talent for a Top Airline

For 90 years, Delta has fostered one of the most engaged and loyal workforces of any airline in the world. To continue our tradition of excellence, we follow a human capital development strategy that is rooted in our shared values of honesty, integrity, respect, perseverance and servant leadership. We work hard to hire people steeped in these values so they can help perpetuate our unique culture. Delta reinforces these values through an experiential onboarding process, continuous development and coaching opportunities, recognition for hard work and an industry-leading compensation philosophy.

We continue to update those strategies to keep pace with workplace trends. Today's job seekers are looking for positions that did not exist a decade ago and are finding information about these jobs in new ways. They want careers that are dynamic with the opportunity to develop and take on new roles over time. Delta, too, has evolved over time. We are in a strong financial position with goals of becoming one of the top service brands in any industry. These aspirations demand top talent to match.

Industry dynamics also drive recruitment efforts. As more people embrace air travel, we require more employees to support seasonal surges in demand and respond to new risks. Recruiting the next generation of employees to replace those retiring from key technical roles—especially pilots and mechanics—is also a major focus. In the coming years, we plan to hire approximately 5,000 employees annually. We find talent by publishing all positions on both our internal and external career websites. We also invest in recruitment marketing initiatives such as targeted advertising, social media outreach and employee referrals, and we create partnerships with community-based organizations and institutions, as well as state and local workforce agencies.

An important way we will retain the brightest talent is by providing opportunities to grow within Delta. That's why we've invested \$50 million to modernize our human resources technology offerings, including those supporting career development. Today, we provide a range of talent development opportunities, including mandatory compliance training, new hire training and general professional development. We also support employees informally with coaching, mentoring and performance support as needed. A new online learning database allows employees to view all resources that Delta offers in one place, from webinars to inperson workshops. Delta will also launch a customer experience training for front-line employees following the success of a 2017 pilot program.

#### CAREER GROWTH THROUGH PERFORMANCE REVIEWS

Every year, merit employees, who make up 10.9 percent of our workforce, participate in a performance management process which helps support their career development goals. In fact, 8,436, or 87.7 percent, of merit employees completed these reviews in 2017. Employees receive feedback on whether their outputs over the past year support Delta's goals and Rules of the Road. Performance ratings have been eliminated in Delta's merit population in order to support a focus on development and an increasingly cross-divisional, collaborative way of working. Merit employees are evaluated on the basis of what they achieve against their goals and their alignment to the Rules of the Road. The new performance management process encourages ongoing conversations about employee performance and development goals so that employees know where they stand and have development conversations that are timely and open. Merit employees now have ongoing check-in conversations focusing on goals, feedback, career development and strategies for improvement.

» Performance Planning—Employees create performance objectives aligned to the goals of their manager, division and the overall corporation. Individual Development Plans are utilized to ensure employees can meet these goals and are aligned to Delta's Rules of the Road.

#### Training Hours per Employee by Division

	AIRPORT CUSTOMER SERVICE	CARGO	FLIGHT OPERATIONS	IN-FLIGHT SERVICE	RESERVATIONS	TECHNICAL OPERATIONS	CORPORATE
Merit	36.9	16.3	9.7	10.5	16.3	29.7	7.0
Front-line	24.3	25.0	39.8	8.2	25.1	60.5	6.4

- » Ongoing Check-In Conversations—Throughout the year, employees and managers have conversations on the progress being made toward goals and an employee's development.
- » Year-End Conversations—During the last quarter, a final check-in conversation occurs to review an employee's progress over the last year toward goals achievement and to ensure

individual performance and alignment with behaviors in Delta's Rules of the Road.

Beyond formal performance management, feedback and coaching conversations are scheduled quarterly to ensure employees have the guidance and information to continuously grow.

### **PRIORITY: Future Female Aviators**

## Winging Girls to a Future In Aviation

Commercial airline flight decks across the U.S. have a problem: only 5.14 percent of pilots are female. Girls and women are not often encouraged to pursue careers in aviation, and they have few female role models to look up to in the industry.

Delta is trying to change that through Women Inspiring Our Next Generation (WING), a day-long program to expose girls to aviation careers. In 2017, the third year of the program, we flew 115 girls between the ages of 12 and 18 from Atlanta to Pensacola, where they explored the National Flight Academy. From gate agents in the terminal to the pilots and flight attendants onboard the aircraft, to the ramp agents loading and unloading the plane to the dispatchers tracking the flight from Delta's

operations center, the flight was entirely crewed by women employees.

Throughout their day at the Flight Academy, the girls tried out different roles. They were given a chance to navigate as a team, communicate as a team and fly an actual route as a team in Naval simulators. Students also heard from accomplished Delta women about careers in aviation, including as pilots, mechanics, engineers, technicians, IT specialists, communicators and reservations agents.

Delta plans to hire more than 25,000 employees over the next five years. Through programs like WING, we hope to ensure that many more positions will be filled by women from the engineering department to the flight deck.



# A Culture of Diversity, Inclusion & Equality

To serve the world, we must reflect its diversity and be a model for inclusiveness. As reflected in our Rules of the Road, Delta embraces diverse people, thinking and styles, and we treat each other with dignity and respect. These values are important both inside and outside of the company and help foster a safe and professional workplace that promotes teamwork and trust.

Delta's diversity and inclusion strategy focuses on three strategic imperatives: seeking diversity, promoting inclusion and driving accountability. Diversity is the mix, inclusion is finding value in the mix, and accountability is the sustaining factor for both. With efforts including renewed recruitment strategies, an increased focus on pipeline development, inclusion training for more than 5,000 employees and diversity-focused development sessions for more than 300 leaders, Delta's 2017 efforts concentrated on building a solid foundation for seeking diversity and driving inclusion.

Underscoring our commitment to diversity, Delta CEO Ed Bastian signed on to the CEO Action for Diversity & Inclusion, a CEOdriven business commitment to advance diversity and inclusion

in the workplace. As a collaborative group of more than 175 CEOs and presidents at many of the world's leading companies, the leaders have agreed to take action to cultivate a workplace in which different points of view are welcome and employees feel encouraged to discuss diversity and inclusion topics.

Our commitment to diversity and inclusion is reflected in our policies, including providing spousal benefits for eligible, legally married same-sex couples and their children. Another important example is our commitment to gender pay parity. Delta conducts periodic pay reviews to take a closer look at equal pay among men and women and address any equity issues. During the company's most recent review, Delta achieved complete pay parity for men and women

## **Diversity and Inclusion Recognition**



Best Place to Work for LGBTQ Equality 2018



Military Friendly Employer 2018 **Victory Media** 



Best Workplace for Diversity 2017



**Best Workplace** for Women 2017



Best Place to Work for Disability Inclusion 2017 (Perfect Score)



America's Best Large Employers 2017



**Workforce Magazine** 

in administrative and front-line jobs. Maintaining pay parity is an ongoing effort, and Delta remains fully committed to maintaining parity as our employee base continues to change and grow.

Delta is committed to providing a workplace that is free from discrimination. This means we recruit, hire, train and promote without regard to a person's race, color, religion, national origin, sex, sexual orientation, gender identity, pregnancy, disability, genetic information, age, veteran status, citizen status, marital or familial status, or political affiliation. As an equal-opportunity employer, all employment decisions, including compensation decisions, are based on legitimate work-related criteria. This includes providing reasonable accommodation for employees' disabilities and

pregnancies, and religious beliefs and practices. Our employees help promote a culture of diversity and inclusion through Business Resource Groups (BRGs). With a strong focus on inclusion, Delta experienced unprecedented growth of its BRGs in 2017, now totaling more than 15,000 members. All BRGs have an overall mission aligned with Delta's business strategy, and are important resources for market research, professional development, recruitment and retention of diverse employees. Our current BRGs represent groups aligned with disabilities and accessibility; Asian and Pacific Islander employees; Black employees; LGBTQ employees; multigenerational workgroups; Latin American and Hispanic employees; veterans; working families; women and employees interested in environmental sustainability.

### PRIORITY: LGBTQ Employees and Allies

## Serving as a Resource for Business and Individuals

A few months after the tragic 2016 shooting at Pulse nightclub in Orlando, Florida, Mathew Palmer received a phone call: "My son just came out to me. I don't know what to do." Calls like this aren't unusual for Palmer, a New York-based flight attendant who supports the airline's LGBTQ community. EQUAL is an employee group committed to promoting inclusion, respect for differences, equal opportunity and workplace diversity, and serves as a champion for LGBTQ employees and their allies.

But this was different, Palmer said. Although the caller was a fellow Delta employee, he was also a stranger, trusting Palmer with a truly intimate matter. "He was worried," Palmer says. "But what started out as a reluctant acceptance turned into genuine understanding. The more we talked, the more comfortable he became."

Interactions like these are exactly what EQUAL is about. Many at Delta know EQUAL for its support of Pride events around the world. In 2017, EQUAL, in partnership with Delta's Community Engagement team, participated in 16 Pride initiatives, from the Nashville Pride Walk to Pride in London. But these events are only one part of the group's purpose.



"We want employees and the business to see us for what we are—a business resource group. Whether it's a parent with a child who has just come out, or an employee who needs assistance, we want people to know that we're here to help," Palmer says. EQUAL has advised Delta on policies of interest to LGBTQ employees, such as health benefits for same-sex couples. The group also raises money and volunteers for organizations such as Jerusalem House, a nonprofit that provides housing to low-income and homeless people affected by HIV/AIDS; The Trevor Project, a toll-free hotline for LGBTQ youth; and PFLAG, an advocacy group for LGBTQ people and their family, friends and allies.

Employee resource groups like EQUAL offer essential perspective for all employees at Delta—allowing us to better take better care of our people, our customers and the communities we serve.



# **Safety**

Delta's #1 Core Value is "Put Safety First—Always." The safety framework at Delta is supported by a robust Safety Management System that is integrated into our business and built on elements including Policy, Risk Management, Assurance, Promotion, Leadership, and Continuous Improvement. The SMS supports Delta employees as they make risk-based decisions and proactively manage risks to address hazards that could lead to injuries, damages or harm each day.

In 2017, we renewed our focus on safety with a new tagline: "LIVESAFE—At Work, At Home, At Play." This message reflects our understanding that safety matters beyond the workplace, and the only way for us to create lasting change is to help employees make safe behaviors part of their daily habits.

Delta is further integrating safety into our human resources, supply chain and finance processes, using what we call the CARE Model. The model was developed for Delta but is based on industry best practices in safety competencies and behaviors:

- » Communicate Safety Expectations
- » Assess Risks
- » Reinforce Safety Behaviors
- » Engage Employees

The CARE Model is a way to integrate safety into the end-to-end employee management process, from hiring to retiring. In 2018, we plan to begin using the model in our performance evaluation process. The Delta Supply Chain team is focused on forging stronger safety partnerships with our contractors and suppliers and ensuring transparency of safety performance. Finally, by taking a risk-based view of our safety incidents and injuries, we are ensuring critical safety investments are built into the capital expenditure planning process.

In our journey of continuous improvement, Delta not only collaborates and benchmarks with airlines around the globe—there is no competition when it comes to safety—but actively does the same with major global employers in other industries, with the ultimate goal of achieving world-class performance in personal safety.





47.7%1

Delta Days Away Restricted

Transferred Rate



Delta's TRIR is
47.2%
better than industry average



Work-related fatalities

# Reducing Injury at Work

Employees across Delta are trained in the safety challenges and risks unique to their divisions. Each division, from Airport Customer Service (ACS) to Cargo to Flight Operations to In-Flight Service to Technical Operations (TechOps), has developed a distinct set of "lifesaving rules" designed to prevent the most significant injuries to employees.

Many of these rules, such as wearing a seatbelt in any vehicle equipped with one, are simple—but we know they can make a big difference. For example, TechOps and ACS both have requirements to prevent falls from height, recognizing we regularly work at heights above four feet, where a fall could have serious consequences.

Another way we frame safety for employees is by stressing the power of "and," showing our teams how they can provide great service and on-time performance and stay safe. In this way, we believe we can engage all employees as safety champions for themselves and for our customers, ensuring safe operations and striving to eliminate personal injuries.

With lifesaving rules as a baseline for behavior, we have taken further measures to reduce injuries. For example, ergonomic injuries continue to be the most common across all our divisions. These injuries can be minimized with proper warm-up and stretching routines, which we have rolled out among select teams in ACS and TechOps. At multiple locations, including Atlanta, Minneapolis and Los Angeles, we have also established athletic trainers in the station, allowing our people to address pain or discomfort before it becomes a serious problem.

We also continue to search for equipment to improve ergonomics across our operations. This includes relatively low-technology solutions such as cart casters to enhance movement in our maintenance shops and PowerStow belt loaders that convey baggage directly into cargo bins, thereby minimizing human intervention.

In the event of an incident, we have introduced improved tools to determine root causes and solutions, including the TapRooT and Human Factors Analysis and Classification System (HFACS) investigation tools. We launched RiskNet to maintain our safety risk assessments any time we implement a new policy, procedure or piece of equipment, to ensure risks are identified and mitigated early in the process.

We completed several Safety Workouts in 2017. These are events that bring employees together for three days to offer their insights



on safety issues. Employees identify hazards or challenges they experience on the job, then work to generate solutions to mitigate them. At the end of the Workout, employees present their ideas to a panel of Delta's top executives, who decide whether to implement the recommendations.

#### **RECOGNIZING SAFE FACILITIES**

Quality Assurance conducts onsite visits, reviews required documentation and interviews employees to confirm that safety expectations are being met. Delta also complies with new OSHA regulations, such as the Final Rule for Walking-Working Surfaces and Fall Protection Standards, finalized in 2017.

Delta is the only major airline with OSHA's Corporate VPP status. Delta has 20 VPP Star locations in the United States. VPP is not an award, but an acknowledgment of commitment to continuously improving our employees' safety at work. Across more than 5.6 million U.S. worksites, less than one-tenth of 1 percent share the VPP Star distinction.

At Delta's VPP sites, the rate of on-the-job injury and illness is far lower than the industry average: 1.34 injuries per 100 employees, compared to the air transportation industry average of 7.4<sup>1</sup>. In addition, the OSHA recordable injury rate at our VPP facilities is 55 percent better than non-VPP Delta sites and 82 percent better than the industry average.

<sup>&</sup>lt;sup>1</sup> Based on a comparison using NAICS 481111

### **PRIORITY: Front-Line Employees**

## **Making Safety Personal**

Delta continues to engage all employees on safety through activities such as National Safety Month and, for the first time in 2017, a companywide Safety Day. On this day, every Delta employee was engaged in two safetybuilding activities. First, we asked employees, "Who do you stay safe for?" People answered this question by bringing in photographs of their families, pets, friends and more—their reasons for keeping out of harm's way.

The second activity was a personal commitment to safety, during which we asked employees to write down a single thing they could commit to doing differently to keep themselves safer. Employees found these exercises to be incredibly impactful, and we will continue to use Safety Day as an opportunity to make safety personal.



## Safer in the Skies

Ensuring the health, safety and security of our customers is paramount. To fulfill this promise to our customers while providing the highest levels of service in the air and on the ground, we ensure that all safety policies and procedures either meet or exceed the best safety practices of the airline industry.

In most cases, our proactive safety culture allows us to exceed regulatory standards. The goal of Delta's Flight Safety Program is to identify and eliminate hazards before they cause injuries to people or damage to aircraft or facilities. This includes both how we operate aboard our aircraft and how we respond to external risks and that could affect data.

Onboard recorders measure thousands of aircraft parameters, producing enormous amounts of data that allow us to identify vulnerabilities and areas for improvement. The data we gather is also used to produce animated videos that we use for training purposes.

Delta has invested in technology that greatly expands our pilots' awareness of turbulence and other weather. We participated

in a collaborative project with the FAA and the National Center for Atmospheric Research that developed a product called Eddy Dissipation Rate (EDR). EDR provides real-time depictions of the location and severity of turbulence in a given area, allowing pilots to adjust routes as needed to reduce the potential for an injury and improve customers' in-flight experience.

Flight Operational Quality Assurance (FOQA) is the program we use to ensure the safety and efficiency of flights. The success of FOQA requires the cooperation of diverse stakeholders and is a testament to the strength of relationships and safety focus of the management and labor teams at Delta. Additionally, we use this valuable information for predictive maintenance, propulsion engineering and fuel savings.



## A Foundation for Safety

Whether we are protecting our employees, customers, business partners or our airplanes, Delta believes in a structured approach to Safety Management and is a strong advocate for Safety Management Systems (SMS).

The Delta SMS includes four key elements: Safety Policy, Safety Risk Management, Safety Assurance and Safety Promotion; along with Safety Leadership and Continuous Improvement, these components establish the framework to ensure we manage risk while building our safety culture. The SMS is an integrated approach that is applied to Safety Management across our business with the goal to mitigate hazards before they lead to incidents.

Since its development in 2006, Delta's SMS has matured into a strong, successful and healthy foundation for our evolving daily operational processes. The keys to its success are employee engagement, leadership

support and communication. Our front-line employees are the eyes and ears of our operation and are best positioned to identify daily hazards and offer solutions. Constant analysis of systems, processes and procedures provides ongoing opportunities to proactively identify hazards before an incident occurs. Effective hazard reporting by all employees throughout the organization helps to ensure we address issues in a timely manner. The strong relationship we have with our connection carriers and SkyTeam Alliance partners helps Delta gather and assess safety-related data, best practices and lessons learned.

### **PRIORITY: Flight and Employee Safety**

## **Certifying Our Safety Systems**

Delta received approval of the airline's enterprisewide Safety Management System (SMS) from the Federal Aviation Administration in 2017, following a process of more than two years. Delta submitted its SMS implementation plan to the FAA in March 2015, putting us among the first U.S. carriers to do so and among the first to receive certification. Receiving the FAA's certification of our SMS demonstrates the commitment of our people to maintain and enhance Delta's culture of safety.

Over the last two years, Delta's safety team has undergone systemwide FAA audits aimed at evaluating Delta's compliance within the four elements of SMS. These audits ensure employees know where they can report safety concerns and how those concerns are effectively addressed.

The SMS remains in a state of continuous improvement, based on direct employee feedback and divisional input to operational issues that may pose a safety concern. The success of the SMS lives with every Delta employee's active participation in the hazard identification process. Each operational division has systems in place where hazards to customers, employees and equipment can be reported.

Delta already leads the U.S. airline industry with the lowest global injury rate and managed to eliminate or reduce risk as an organization focused on continuous improvement. We are committed to reducing the global injury rate by 75 percent in the next five years as we track on a path to joining some of the safest companies for employees in the U.S.

# **Ensuring Secure Flights** & Rapid Emergency Response

Our world is increasingly characterized by geopolitical change and uncertainty. This requires us to be ready to respond swiftly to security challenges that could threaten our customers or employees.



Delta continues to evolve our security program, taking a proactive approach to addressing risks and minimizing impacts and working with government and airport partners to expand customer service security initiatives. In close collaboration with U.S. government partners, we conduct regular threat assessments of all locations Delta serves to ensure appropriate levels of protection. Delta also relies on employees with security clearances to guide our response to emerging or existing threats, which could include diverting flights en route to safeguard our customers, people and assets—above and beyond government guidance.

Delta's Business Continuity and Emergency Response programs provide training and support that ensure we can appropriately respond to any crisis impacting our airline. Thanks to this training, Delta's highly skilled responders can work through any disaster by quickly assessing the situation, using predeveloped plans and developing an action plan to be used throughout the crisis. Frequent drills and simulations keep our employees familiar with response processes and equipped to respond at a moment's notice. They also help us understand areas of improvement, and we continually make improvements to our plans outside of an actual emergency. As an example, a new area of training for employees is how to respond to active shooter events. Delta Business Continuity engages all divisions to develop secondary business processes aimed at minimizing disruption to our customers during a business failure. We maintain daily vigilance to ensure our teams are ready to respond to any crisis that affects our company, employees and customers.

We take great pride in our all-volunteer force of employees from Delta and our Delta Connection partners. These volunteers, known as the Care Team, are specially trained in working with survivors and families of an aviation disaster. The Care Team is composed of compassionate, caring individuals who are on call for immediate deployment to any worldwide destination. Our current goal for Care Team membership globally is between 2,600 and 4,000 employees. The Care Team is organized into smaller teams of 15-20 members each. Assistance can include making flight arrangements, assisting with ground transportation, arranging hotel accommodations, providing food and emergency clothing and helping keep customers and family members informed. Care Team members also help coordinate communication among hospitals, airport officials and organizations like the Red Cross or Red Crescent and can be a shoulder to lean on during a difficult time—helping our customers feel at home, no matter where they are in the world. Delta's Emergency Response team focuses on ensuring Delta meets or exceeds requirements of the U.S. Aviation Disaster Family Assistance Act of 1996. In doing this, we make certain we're meeting requirements for all the international destinations in which Delta operates.

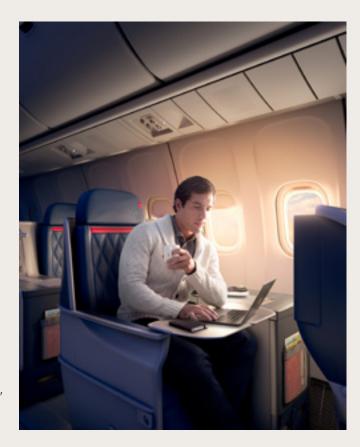


# **Protecting Customer Health**

Our commitment to customers' safety includes their health condition during flight. Our in-flight medical capabilities provide best-in-class safety that exceeds FAA regulatory guidance for onboard medical equipment, supplies, medication and ground medical physician support.

Delta also accommodates battery-operated medical devices, including portable oxygen concentrators that have been preapproved by the U.S. Department of Transportation and Delta to ensure compatibility with aviation electronic systems.

In rare cases, customers may need assistance that goes beyond the treatment we can provide in-flight. That's why we voluntarily contract with STAT-MD, a division of emergency medicine services of the University of Pittsburgh Medical Center. STAT-MD provides 24/7 ground-based medical support for all domestic and international in-flight medical events, in addition to pre-flight medical fitness-to-fly consultative support. STAT-MD physician consultants are board-certified emergency medicine physicians who understand Delta's onboard medical capabilities and the effects of altitude on physiology in flight. During in-flight medical occurrences, these trained physicians consult from the ground and provide treatment recommendations, which could include diverting a flight to provide a patient with more immediate medical care. This consultation happens in collaboration with pilots in the flight deck, flight attendant first responders, customer medical volunteers, if available, and the flight's dispatcher from the Operations and Customer Center.



# Handling Potentially Dangerous Goods

Another important component of flight safety is the safe handling of dangerous goods. Delta's Dangerous Goods Management Group manages and oversees handling of dangerous goods, as well as implementation of companywide dangerous goods policies.

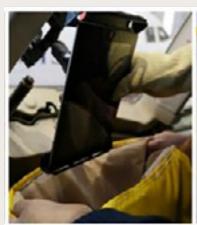
Due to strict regulations by domestic and international authorities related to acceptance, handling and transport, our dangerous goods program is operated as part of our quality management system. The program is tasked with establishing hazardous materials and dangerous goods standards, evaluating operations against those standards, recommending appropriate improvements and promoting awareness and compliance.

Delta understands the risks associated with carrying regulated materials onboard and accepts and transports hazardous materials through our Cargo/Airport Customer Service division, as well as transporting company-required materials to Technical Operations facilities. Delta's HazMat program is fully compliant with applicable regulations as well as the International Civil Aviation Organization (ICAO) technical instructions. Further ensuring the safety of our employees and customers, all Delta employees who may be required

to handle any type of HazMat are trained annually through an FAAapproved training program.

We have also taken proactive measures to limit the onboard risks posed by potential lithium ion battery fires from personal electronic devices (PED). The average airline passenger travels with three to five lithium ion—powered devices, which equates to hundreds of batteries on any given flight. Although very rare, the threat of a thermal runaway involving lithium ion batteries is real. Recognizing this threat, in 2017, Delta proactively purchased PED overheat containment kits that will be installed on our entire fleet in 2017-2018. We are the first major domestic carrier to deploy this safety enhancement.

At Delta, the safety of our onboard customers and employees will remain a top priority. In 2015 we were among the first airlines to ban hoverboards, and in 2018 we were among the first airlines to prohibit the use of "smart bags" with nonremovable lithium-ion batteries.







Delta is the first major domestic carrier to deploy Personal Electric Device overheat containment kits on its entire fleet. The kits help to limit the onboard risks posed by lithium ion battery fires from PEDs.

# Safety Across Our Network

Delta is committed to collaboration with airline partners on safety beyond what regulations require. This includes codeshare partners and members of our SkyTeam Alliance. The FAA requires audits of each of our partners every two years. These audits last roughly five days each and include hundreds of elements, ranging from flight operations to cabin maintenance, in order to meet IATA standards. In between audits, we monitor major changes and any safety, security or quality incidents.

We believe that these standards are just a start, however, and engage with partners well beyond FAA requirements to ensure we are operating at consistent levels across our network. Delta strives to collaborate on the highest degrees of safety and security across all partnerships through:

- » Monthly sessions with our Delta Connection Partners during which partners report on safety and security metrics and share corrective actions and mitigation plans.
- » Routine sessions with heads of safety for each of the 20 SkyTeam partners. This group includes six working groups that focus on operational safety, ground, safety, emergency response, quality and compliance, and security.

- » Dedicated sessions with our equity and joint venture partners.
- » Continuous monitoring of the global airspace to ensure that no Codeshare partner flights pass through prohibited areas.

Delta also participates in and leads multiple industry-wide safety initiatives. For example, we participate in a working group that uses the FAA's Aviation Safety Information Analysis and Sharing (ASIAS) system. ASIAS promotes the open exchange of de-identified safety information to continuously improve aviation safety. We also are an active participant leader and member of the Flight Safety Foundation, Commercial Aviation Safety Team (CAST), National Safety Council and International Society of Air Safety Investigators.





## **Customer Satisfaction**

Building lasting relationships with our customers is one of Delta's priorities. To do this, we strive each day to provide the most reliable, safe and convenient experience possible on every flight and through every interaction.

This includes calls to our Customer Engagement Centers and customer inquiries through social media. Delta prides itself on having received Contact Center Certification from J.D. Power and Associates four years in a row—the only airline ever to earn the title. In addition, Delta continues to enhance the travel experience through innovation, streamlined security procedures and an unrelenting focus on safety.

This level of discipline is especially important when we are faced with events that are beyond our control. In the middle of the holiday travel season, for example, a power outage shut down operations at the Atlanta airport, Delta's busiest hub, for 12 hours. And, a record number of hurricanes closed airports throughout the Caribbean and Florida for several days in 2017 as well. Through it all, Delta people provided our customers the very best service in the industry, and customer satisfaction during such events has improved year over year, based on data collected on every flight.

Recovery from major events like these is crucial to maintaining customer trust. In 2017, we reinforced our readiness for these unforeseen challenges by establishing an Irregular Operations Steering Committee, consisting of senior leaders from each operational division. This group has developed a cross-divisional manual of agreed-upon actions to aid in recovery from a disruption.

Key elements include:

- » Dispatching additional flight crew resources to affected cities
- » Setting up cross-divisional communications coordinators
- » Establishing automated alerting for airport congestion
- » Predetermining overtime requirements
- » Establishing remote work resources to aid during high workload periods
- » Creating response checklists for key operational positions
- » Developing scorecards for evaluating teams' performance on certain mission-critical tasks during debriefings

Additional keys to keeping satisfaction high during extraordinary circumstances have been advance planning, proactive communication and support in airports for impacted customers. For example, when severe weather or other events disrupt operations, Delta may issue a travel waiver to give customers the chance to take alternate flights without paying a change fee. To make it easier for customers to know when a waiver is available, Delta now notifies customers via email or text when they are traveling from, through or to a market with a waiver. A pilot test of the tool drove a significant increase in customer experience scores.



### **PRIORITY: Holiday Travelers**

## Relieving the Stress of Stressful Travel

Picture the Atlanta airport—the busiest in the world and our largest hub—during Thanksgiving week, one of the most popular travel times of year, particularly for those who fly infrequently, and it's easy to see why Delta needs all hands on deck. Peach Corps, a team of hundreds of Delta employee-volunteers, helps customers start the holiday right by assisting their journey through the airport during especially busy times.

The Peach Corps' mission: Answer travelers' questions, solve minor problems and guide customers in the right direction to minimize waiting and frustration. This also eases the load on other employees by redirecting customers who don't need to see a customer service agent to begin their trip.

The Peach Corps was such a success in its pilot during Atlanta's Thanksgiving rush that we are expanding the

program. In Los Angeles, 210 volunteers—some from outside the U.S.—assisted customers as Delta and other airlines moved operations across the airport in an epic terminal swap. At New York-LaGuardia, Peach Corps volunteers ensured smooth operation as the busy Delta Shuttle operation switched terminals. Some volunteers have received advanced training so that they can perform tasks such as creating extra boarding lines at gates and rerouting luggage. That's especially valuable during severe weather delays, such as those caused by Hurricane Irma.

The ways that Peach Corps members help may seem small: "Where's the nearest restroom?" "How does this kiosk work?" But for customers who now start their journeys with a little less stress, it makes all the difference.



## **Doing More for Our Customers**

We recognize that we are only as good as our ability to get customers to their destinations reliably and on time. For this reason, we consider completions, or flights that arrive without cancellation, and on-time arrivals among key measures of customer satisfaction performance.

We set monthly and annual goals for these metrics for both Delta and Delta Connection partners, and award bonuses to our employees for meeting or exceeding these goals. In 2017, we ran 242 days without canceling any mainline flights, including 90 days with no system cancellations on the entire Delta platform—a 10 percent increase from 2016. In addition, 82.8 percent of our flights were on time, ranking us number one among North American airlines.

Delta takes the pulse of our customers using net promoter scores, a standard tool for measuring customer satisfaction. Recognizing that customer satisfaction is driven by all aspects of the flight experience, from a smooth boarding process and technology upgrades to interactions with Delta employees, we are making investments in each of these areas. Training for Delta people now includes a focus on how interactions with customers can directly affect net promoter scores and, in turn, customer loyalty and company revenue.

During 2017, we achieved record customer satisfaction levels, with higher net promoter scores in every region and a two-point improvement overall. We will continue to build on this success with investments in our products and people, as well as more than \$12 billion in airport facility projects planned in the next decade.

**Our Performance** on Our Customers' Behalf in 2017

PARTNERSHIPS WITH **GLOBAL AIRLINES. GIVING CUSTOMERS MORE CHOICE** 

82.8% on-time performance; #1 ranking among major North American airlines; **OAG Punctuality League** 













# Welcoming Everyone on Board

Delta is proud to serve customers of all ages, cultures, nationalities and walks of life. As our world becomes more connected and our customer base becomes more diverse, we are committed to preparing our employees to provide the same high level of service to all.

Delta has an uncompromising policy to never discriminate against any customer, including on the basis of race, gender, age, national origin, religion, disability, sexual orientation, veteran status or other similar classifications. This not only complies with legal requirements; it is part of Delta's core values.

In 2017, we provided diversity training to 23,000 flight attendants, in addition to training that is required of all Delta executives. This training uses real-life scenarios to help front-line employees understand and confront issues such as unconscious bias and microaggressions, which can greatly affect interpersonal interactions.

Delta's nondiscrimination policy includes providing reasonable accommodations for our customers with disabilities. Those who serve our customers are responsible for knowing the company's policies and procedures, as well as applicable government regulations, that apply to service for customers with disabilities. This includes customers who travel with service or support animals. We carry approximately 700 of these animals daily, adding up to nearly 250,000 per year. However, lack of regulation in health and training screening for service and support animals has led some travelers to stretch the true intent of service animal policies, using fraudulent certification paperwork. When animals that have not undergone the rigorous training required of true service and support animals board our flights, they pose a risk to customers—and do a disservice to individuals who have real and documented needs.

To respond to this risk, Delta worked with our Advisory Board on Disability to find a solution that supports customers with a legitimate need for these animals, while creating a safe and consistent travel experience for all. We asked for feedback from this board, made up of Delta frequent flyers with a range of disabilities. Delta also incorporated feedback from other advocates for customers with disabilities.

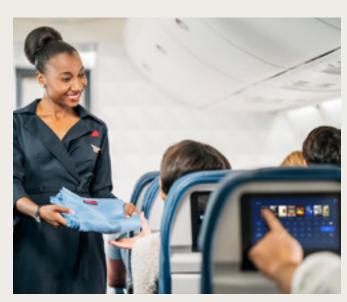
A new Service Animal Support Desk should simplify the travel experience for customers traveling with service and support animals. The desk will verify that all required documentation is received and will also confirm the customer's reservation to travel with an emotional support or psychiatric service animal before arrival at the airport. Since our new policy announcement, other airlines have made similar changes. Delta's new policy, which took effect in March 2018, initiated the following requirements:

Customers Traveling with Trained Service Animals

- » Possible requirement for pet health forms and/or immunization records
- » Check in via Delta.com, the Fly Delta mobile app, airport kiosks or with an airport agent

Customers Traveling with Emotional Support or Psychiatric Service Animals

- » A signed Veterinary Health Form and/or an immunization record
- » Emotional Support/Psychiatric Service Animal Request Form
- » Letter prepared and signed by licensed mental health professional
- » Signed Confirmation of Animal Training Form
- » Check in with airport agent



### **PRIORITY: Active-Duty Military Customers**

### Recognizing **Service Members**

During 2017, Delta CEO Ed Bastian received a note from a customer, an active military member: Would the airline consider recognizing individuals traveling on orders? Delta people have a proud history of supporting the military, so we jumped at the chance to honor this request.

After 20 days of thoroughly testing the concept, Delta teams were confident that a systemwide rollout could happen quickly. Feedback from employees and customers proved that the move was the right thing to do. Now, when boarding begins on Delta flights, customers hear, "Our active duty U.S. military service members with ID are welcome to board."



As Delta invests in tools and processes to improve the customer experience, this initiative is a reminder that caring for our customers doesn't always require the latest technology. With approximately 3,000 Delta employees in the U.S. Armed Forces and 10,000 employee veterans, military personnel are a remarkably important part of our business. We're proud to have one more way to show our gratitude to those who sacrifice so much for us.

# **Enhancing the**









### AT THE AIRPORT

Check bags quickly and securely with biometricbased, self-service bag drop

### AT THE GATE



Snap your picture, confirm and board your . . . international flight

### ON BOARD

Receive personalized recognition by Delta Flight Attendants based on Medallion status, achieved milestones and more

# **Transforming Travel Through Tech**

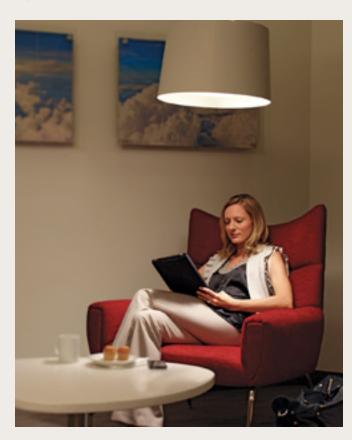
As technology transforms so many aspects of modern life, Delta is making investments in technology that are enhancing the customer experience in new ways.

For example, thanks to recent advancements in biometrics technology, facial and fingerprint scans are beginning to replace boarding passes and government-issued IDs. Soon, customers will arrive at the airport, check their bags, enter the Delta Sky Club and board their flights—all without showing a boarding pass or photo ID. Biometric verification has a higher level of accuracy than paper boarding passes and frees up agents to assist customers with seat changes and perform other skilled tasks. It gives customers less to keep track of as they move through the airport, allowing them to travel faster and more seamlessly than ever.

A series of pilot tests at our U.S. hubs in 2017 got us much closer to this future. We started by allowing Delta Sky Club guests with CLEAR membership to check in to the DCA Delta Sky Club by scanning their fingerprints. In partnership with U.S. Customs and Border Protection, we also tested next-generation facial recognition boarding in Atlanta and New York—John F. Kennedy. In Minneapolis, we opened the first biometric self-service bag drop, streamlining the secure bag check process. As of early 2018, biometric check-in is now available at all 50 domestic Delta Sky Club locations.

Beyond biometrics, new mobile devices for Delta employees are allowing gate agents and flight attendants to deliver service with a more personal touch. For example, the Nomad tool is the size of a cell phone and allows agents to make seat changes, rebook customers, check bag status, board or check in customers and print bag tags and boarding passes from the palm of their hand. The device got its name from the freedom it provides agents to untether from a computer when helping customers. Similarly, Delta Sky Pro, a handheld device for flight attendants, provides information about the customers traveling on each flight, such as who recently achieved Medallion status or who experienced a delay on a recent flight. These insights allow flight attendants to offer personalized engagement. If every flight crew recognized 20 customers per flight, Delta could personally enhance the travel experience of 50,000 customers every day.

Delta is also making improvements to customers' in-flight technology experience, including free mobile messaging on all Wi-Fi-enabled flights; high-speed, gate-to-gate Wi-Fi for domestic narrowbody aircraft; Wi-Fi portal enhancements; simplified Wi-Fi pricing; and bag tracking via the Fly Delta mobile app. And we're not stopping there. We continue to generate new ideas through investments like The Hangar, a global innovation center that taps into top university talent; Engage, an Atlanta-based accelerator that supports technology startups of which Delta is a founding supporter; and Innovative Flight Experience weekends for employees, meant to generate solutions from within our business. All of these efforts are helping bring about a digital transformation at Delta, allowing us to continually make the travel experience a little bit smoother for our customers.



### PRIORITY: Healthcare Professionals and Patients

### **Transporting Critical Cargo**

Caring for people means more than delivering customers to their destinations. It also includes using our resources to transport lifesaving cargo like medication, human tissues—even a beating heart for a transplant.

Delta Cargo now offers a variety of services for transporting these priceless packages, including DASH Critical & Medical, the first fully GPS-enabled, same-day service offered by a U.S. freight carrier. Customers can ship items up to 45 minutes before a flight's scheduled departure, and a dedicated team will monitor the shipment throughout its journey.

In 2017, Delta Cargo also became the first U.S. global customer carrier to receive Pharma Logistics Certification from the Center of Excellence for Independent Validators, creating the network's first trans-Atlantic route. Building upon this certification, we expanded the list of destinations reached by our Pharma 4 program, which is used for products that must be shipped at room temperature. Delta now has 49 pharma stations on six continents, in addition to nine approved facilities across Europe that we operate with our partners.

As Delta adopts new certifications and grows the number of locations served by Cargo services, we are not only helping deliver essential care—we are raising the bar across our industry for handling of vital medical products.



# **Protecting Our Digital Assets**

Technology is a common thread across all improvements to the customer experience. As such, information security is essential to Delta. To operate effectively in a large, diverse environment and compete successfully in the global economy, Delta commits to having information assets that are secure, accurate and accessible. We make the security and privacy of our customers' personal information a top priority.

Like most businesses and organizations, our information and technology systems are subject to increasing threats of continually evolving risk. The mission of Delta's Information Security Program is to protect Delta's business and people (customers, employees, and partners) from information security threats while empowering and enabling Delta to "keep climbing" through innovative, forwardlooking, holistic information security services, products and solutions. The Information Security Division is committed to safeguarding all forms of internal business and customer information, as well as protecting all information systems from unauthorized access, use, disclosure, disruption, modification or destruction. To carry out our mission, Delta focuses on five layers of protection: identify, protect, detect, respond and recover.

The Information Security Program ensures the confidentiality, integrity and availability of critical business information. It also takes steps to maintain the privacy of information we hold regarding our customers and employees. All Delta employees are expected to play their part in maintaining general information security and privacy as they handle corporate and customer information in their job functions.

We made significant progress in 2017 in the transformation of our information technology function to improve operational reliability and enhance disaster recovery capabilities. Most significantly, we

opened a new data center to provide redundancy for our key systems and continue the enhancement of that facility. We also reduced the risk of technology system failures to our operations through additional disaster recovery processes and heightened emphasis on our information security program, including through the hiring of an experienced information security professional as our Chief Information Security Officer (CISO).

The current Information Security division consists of the CISO role, with four workgroups that support the information security of our global operations:

- » Cyber Monitoring and Assurance whose mission is to identify, protect, detect, respond and recover from cyberattacks and provide reasonable assurance that IT systems are adequately protected through continuous vulnerability scanning and systems testing.
- » Identity and Access Management to provide a holistic, coordinated approach to managing identity, access and authentication.
- » Governance Risk and Compliance establishes security policies and standards, conducts risk assessments, and promotes securityrelated training and awareness programs, as well as ensuring compliance with legislation and regulatory requirements.





» Delta Information Assurance Leaders (DIAL) lead security efforts with IT portfolio owners, engage in business projects at the ground level and work to influence the security of those projects before they go through their build and deploy processes.

Delta also seeks the opinions of industry experts to ensure that our information security program remains effective. These assessments are both voluntary and compliance-based. Following third-party assessments and audits, we implement additional security controls and technologies as needed to ensure we are keeping pace with current cyberthreats and trends.

Delta employees are the first line of defense against information security threats, and a workforce that is trained and aware of information security policies and processes helps to reduce the security risk to Delta's information assets. Relevant and appropriate training regarding data protection—related privacy policies and processes is available for all personnel. All employees with logical access to Delta systems must complete information security awareness training upon hire and on an annual basis. Additional training and education is provided to key audiences, such as IT developers and people who process credit cards. We also give practical guidance on information security issues throughout the year to employees and managers across the company.

Our Information Security Awareness Program includes a quarterly expert speaker series, quarterly "clean desk" audits, creation and distribution of video and poster campaigns, awareness and engagement events in conjunction with large corporate events such as the Delta Block Party and LEAD. The team also participates in National Cybersecurity Awareness Month in October and Data Privacy Day in January. Awareness campaigns throughout the year focus on hot topics such as phishing, antitampering, data classification, password protection and ensuring a secure workspace. Training and awareness activities serve to not only educate employees about how to protect Delta's information assets, but also to give employees and their families the tools they need to protect themselves in the digital world.

### **BEING RESPONSIBLE WITH CUSTOMER DATA**

Delta carries millions of customers each year, and we have a responsibility to protect the privacy of the information that customers entrust to us when they choose Delta as their airline. At the core of Delta's global commitment to data protection is our Data Protection Governance Framework, as set forth in our data privacy and cybersecurity-related policies and procedures.

We collect and process only the personal data that is necessary for achieving the purposes set forth in our Privacy Policy and have established appropriate physical, electronic and managerial safeguards to protect the information we collect. These safeguards are regularly reviewed to protect against unauthorized access, disclosure and improper use of customer information, and to maintain the accuracy and integrity of that data. In the event of policy changes or a data breach, we communicate with customers in a timely manner and provide assistance to those who may have been impacted by an incident.

Delta's privacy practices are explained to our customers on our website. Topics include Delta's Privacy Policy, Policy for Mobile Applications and extensive information on customer privacy and data security. We and other U.S. carriers are subject to laws regarding privacy of customer and employee data that vary between the countries in which we operate. In addition to the heightened level of concern regarding privacy of customer data in the U.S., certain European government agencies are reviewing airline privacy practices. We will track and comply with these new regulations as they evolve to keep our customers safe.

To support privacy by design and by default as specified by the EU General Data Protection Regulation, Delta conducts a Privacy Impact Assessment at the outset of new projects and initiatives that relate to personal data processing. This may include the procurement of a new IT system or application, the collection of personal data through a new channel or the sharing of personal data with a new vendor.



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# **Climate Change**

Being a sustainable business means staying mindful of the impacts of our decisions. Nowhere is this clearer than in our approach to reducing carbon emissions and managing our environmental impacts. Environmental stewardship at Delta includes not only reducing our emissions due to the burning of jet fuel, but also minimizing the impact of activities throughout our business.

While air travel accounts for only 2 percent of global carbon emissions, we recognize the seriousness of the threat posed by climate change and the need to shrink our carbon footprint. We are committed to working with regulators and with partners across our industry to find workable solutions to decrease our impact. The greatest contributor to our environmental footprint—and therefore our biggest opportunity—is our use of jet fuel. We are making progress on this front by meeting international targets for emissions reduction, investing in more fuel-efficient aircraft and improvements to existing aircraft, purchasing carbon offsets to mitigate the emissions from many of our flights and driving energy efficiency in our facilities where possible.

Climate change considerations influence Delta's short-term, medium-term and long-term climate goals. The opportunity to address climate change risks has driven us to track metrics and model future impact related to both physical and regulatory risk. Physical risks include weather risks to airports, passenger safety and turbulence and more irregular operation days due to weather events. Regulatory risks include the current European Union's Emissions Trading System (EU ETS), the International Civil Aviation Organization (ICAO) Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) and other potential environmental and emissions reduction schemes. To help address these risks, Delta has integrated expected carbon

costs into aircraft planning and purchasing strategies and fuelefficiency commitments.

Management of environmental and climate change-related risks and opportunities is integrated into our companywide risk management process, and ultimate oversight of Delta's environmental sustainability program falls to our Board of Directors' Corporate Governance Committee. A cross-divisional council—the Delta Risk, Privacy and Compliance Council—develops risk mitigation strategies and updates its assessment of risks as conditions change.

Day-to-day management of climate change issues is the responsibility of the Managing Director of Global Environment, Sustainability and Compliance, who reports to the Senior Vice President of Corporate Safety, Security and Compliance. The Senior Vice President is responsible for setting the direction and standards for environmental performance at Delta and chairs the Executive Environment Leadership Council (EELC). The EELC is made up of senior-level executives who are responsible for the approval of our emissions strategy and emissions-related annual goals. It provides advice and recommendations to the CEO and corporate leadership team on issues related to sustainable development, including climate change. The EELC typically meets meets two to three times per year, or more as necessary.



# Responding to New Regulations

Many parts of the world are introducing regulations to limit carbon emissions produced by various entities. For example, under the EU ETS, any flight originating from and landing in the European Union is currently subject to the ETS. If an airline exceeds its free emissions allowances under the ETS, it must purchase additional ones. Currently, Delta's obligation under EU ETS only applies to intra-EU diversions and charters.

As the regulatory landscape changes in the U.S. and abroad, we may face added regulations, taxes or permitting requirements related to our emissions, including requirements from multiple jurisdictions for the same operations. As a result of ongoing discussions between the U.S. and other nations, the International Civil Aviation Organization (ICAO) adopted a global, market-based emissions offset program known as the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

Delta has a Carbon Emissions Policy that aligns with ICAO and International Air Transport Association (IATA) guidelines, including IATA's targets for short-, medium- and long-term reductions in emissions across the aviation industry. The responsibility of review for this program falls to our EELC. In addition, Delta leadership compensation is tied to performance, which includes ESG sustainability efforts such as fuel savings initiatives. Because fuel accounts for a significant portion of Delta's costs, any efforts to save fuel directly impact Delta's bottom line, which in turn affects bonus pools and profit sharing for all employees.

### **How Delta Supports IATA Goals**

GOAL	IMPROVE FUEL EFFICIENCY BY 1.5 PERCENT PER YEAR	ACHIEVE CARBON-NEUTRAL GROWTH	REDUCE EMISSIONS BY 50 PERCENT OVER 2005 LEVELS	
HORIZON	Short-Term	Medium-Term	Long-Term	
TIMEFRAME	2009-2020	2021-2035	2005-2050	
HOW IT'S MEASURED	Fuel needed to carry a set amount of weight a certain distance (expressed as gallons per 100 revenue ton miles)	CO2 emissions for aviation industry from 2020 onward	Total aircraft emissions in 2050 compared to 2005	
WHAT DELTA IS DOING	Decreasing weight, improving takeoff and landing procedures (see page 46)	Carbon offsets (see pages 48 & 49)	Annual fuel savings initiatives (see pages 44 & 45)	
OUR PROGRESS	2.3 percent improvement in aircraft efficiency from 2016 to 2017.	Delta has achieved carbon-neutral growth compared to 2012 emissions. We are the only airline to voluntarily cap emissions ahead of IATA's deadline.	13.3 percent reduction in absolute emissions since 2005, putting us on track toward this goal.	

# Reducing Absolute Emissions

We recognize that fuel efficiency and carbon-neutral growth alone are not sufficient to address the risks of climate change. In line with IATA's long-term emissions-reduction goals, we must also dramatically decrease absolute emissions, which result mainly from burning of jet fuel by our mainline and regional aircraft.

Because of the environmental and financial challenges posed by purchasing increasing amounts of jet fuel, many members of the aviation industry believe that the future lies with alternative, or nonpetroleum-based, sources of energy. As researchers explore the use of biofuels as alternative fuel sources, Delta has proactively developed a set of biofuel principles that will guide our decision-making and investments in this area. To be worthy of investment, we believe that any new biofuel project must:

- » Meet applicable technical and regulatory standards, including ASTM D1655
- » Have lower environmental impacts (climate, water, air and biodiversity), including lower life-cycle carbon emissions than conventional, petroleum-based jet fuel
- » Ideally, come from feed stocks that will not displace or compete with food crops
- » Satisfy technical and functional criteria that allow biofuel to be commingled within existing national fuel transport, storage and logistics infrastructure, as well as within individual airport and airline systems
- » Have no adverse impact on aircraft engines
- » Be somewhat cost competitive with existing petroleum-based supply

- » Advance the future availability of jet biofuels
- » Meet Delta's reputational and creditworthiness standards

In 2017, Delta launched a partnership with the University of Georgia to manage ongoing life-cycle analyses of new biofuels. An evaluation of camelina oil, including the entire life-cycle from cultivation and harvesting to biojet fuel production, transport and combustion, demonstrated that it could significantly reduce carbon emissions compared to petroleum-based fuels. In addition, Delta will continue to engage with producers to assess the technical, financial and regulatory challenges associated with bio-jet opportunities.



Jet fuel (Scope 1 and 3) from mainline and regional aircraft accounts for 98.8 percent of Delta's total emissions. Currently, Scope 3 emissions only include jet fuel from our regional partners.

Scope 1, 2 and 3 emissions and any offsets purchased and retired are calculated and third-party verified annually in accordance with The Climate Registry's reporting protocols. Delta's emissions data and verification statements can be found on The Climate Registry's reporting website.

To track our progress on this long-term goal, we verify our complete emissions inventory, including the fuel burned by our regional carriers, under The Climate Registry protocol. These emissions metrics are measured annually and are used to benchmark our progress on efficiency improvements and absolute emissions reductions.

### **CARBON EMISSIONS (Metric Tons CO<sub>2</sub>e)**

EMISSIONS SOURCES	2005	2015*	2016	2017			
SCOPE 1 — DIRECT EMISSIONS FROM OWNED OR CONTROLLED SOURCES							
Jet fuel from mainline operations and wholly owned subsidiaries such as Delta Private Jets	41,741,619	34,888,066	35,257,525	35,591,053			
Fuel used in ground support equipment	133,194	98,580	98,505	106,286			
Natural gas (stationary combustion)	55,593	68,809	75,505	78,632			
Chemicals	3,469	1,190	1,386	1,913			
Refrigerants	10,513	3,304	3,800	4,343			
Emergency generators, fire pumps	834	168	135	219			
SCOPE 2 — INDIRECT EMISSIONS FROM PURCHASED E	LECTRICITY						
Electricity from directly billed owned facilities	227,169	186,383	175,024	146,239			
Electricity from leased facilities	193,249	106,071	111,824	117,367			
SCOPE 3 — INDIRECT EMISSIONS IN VALUE CHAIN							
Jet fuel from regional partners	3,808,637	4,392,668	4,291,817	4,129,530			
Total	169,277	39,745,239	40,015,521	40,175,582			
Offsets	_	2,059,745	2,361,921	2,522,752			
OUR NET EMISSIONS	46,173,685	37,685,493	37,685,493	37,685,493			

<sup>\*</sup>Emissions numbers updated post 2016 CRR publication after emissions verification had been completed.

# Fuel-Efficiency Improvements

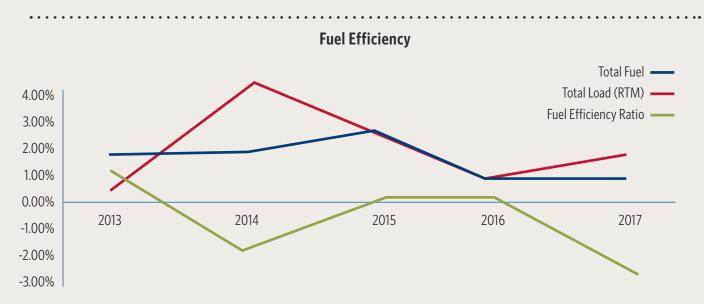
Delta's primary opportunity for lowering our emissions is optimizing use of jet fuel. Between mainline and regional aircraft, jet fuel accounts for more than 98 percent of our total emissions and is our second-largest operating expense.

One way we can reduce our fuel use is by decreasing the weight that planes must carry. We did this in 2017 by installing carbon brakes on some airplanes that reduced weight by 700 pounds.

Other creative solutions include a renewed focus on using only a single engine for taxiing and asking customers to close shades in the cabin during summer months. This keeps the cabin up to 10 degrees cooler, decreasing the amount of time we need to run the auxiliary power unit. In addition, a new proprietary flight weather app allows our pilots to better avoid rough air, which ensures a smoother ride and burns less fuel. The result of these initiatives is that in 2017, although

our planes carried more weight, they required significantly less fuel to do so.

We also use IATA's guidelines to calculate emissions intensity, or emissions per 100 revenue ton miles. Measuring emissions intensity aligns with IATA's emissions-reduction goal and allows airlines to focus on growth. While our total absolute emissions (direct conversion from fuel) may increase, emissions intensity (emissions to transport 100 revenue ton miles) should be reduced over time.



Though total load increased from 2016 to 2017, we were able to maintain a consistent level of fuel use. This resulted in an improving fuel efficiency ratio.

Making proactive efficiency improvements also helps to offset other factors, some that are beyond our control. For example, new customer expectations such as in-flight Wi-Fi require us to add equipment—and therefore, weight—to our aircraft. At busier airports, planes spend more time taxiing and may even have to circle in the air before being cleared for landing. A plane can use up to 400 gallons of fuel per hour while on the ground, and, as congestion increases at airports worldwide, this problem results in increased fuel burn.

Delta's substantial regional fleet adds complexity to our efforts to reduce emissions. Shorter flights are less efficient, mile for mile, than longer ones. In addition, planes use the most energy during takeoff

and landing, and these stages take up a greater percentage of time on short flights. Finally, shorter flights also tend to use smaller planes, so efficiency per passenger also decreases on these flights.

Over the past few years, we have reduced the number of regional aircraft and depended on larger aircraft, such as the Boeing 717-200, to achieve the same capacity using fewer takeoffs and landings, thereby improving overall efficiency. In addition, improvements to arrival and departure procedures, onboard weight reduction and other measures saved Delta an incremental 1.87 million gallons of fuel in 2017.

# A Sustainable & Efficient Fleet ( )



Our commitment to addressing climate change informs the way we manage our fleet. We balance technological improvements available in new aircraft with a desire to build a fleet that is sustainable for the long term and maximizes planes' useful life.

We view airplanes as long-term investments. While the body of a plane may stay in our fleet for up to 30 years, we are continually improving aircraft from the inside out, increasing customer comfort and connectivity with new interiors and making fuel-efficiency improvements, such as adding winglets and routinely washing engine compressors to remove airborne particles.

As narrowbody aircraft approach retirement age over the next five years, we will replace them with quieter, more fuel-efficient Airbus 321s, Airbus 220s and Boeing 737-900ERs. These upgrades will build upon our lightweighting and other efficiency measures, allowing us to steadily transform our fleet's performance.

### **Delta's Fleet**









# Offsetting Our Impact

Delta continues to buy carbon offsets to reduce our total emissions footprint to 2012 levels. We ensure that these projects have a positive impact in places where Delta does business. Since 2013, we have voluntarily purchased and retired almost 9 million carbon offsets, including a commitment to retire more than 2.5 million offsets in 2017 alone.

These offsets include a biomass project in Alagoas, Brazil. There, two small factories that produce tiles, bricks and ceramic products now have the resources to adopt more sustainable practices. The factories' owner switched from native wood to renewable materials, such as bamboo, coconut husks, cashew shavings, sawdust, elephant grass and sustainable timber, providing an eco-friendly building option for the local construction industry. The factory has also partnered with local universities to conduct research on biomass and invested in more efficient production technology. As a further benefit, the owner of the factories opened a soccer school, open daily, that promotes education and keeps children away from street violence.

Global carbon-sequestering projects we support deliver both social and environmental benefits. For example, one project is <u>The International Small Group & Tree Planting Program (TIST)</u>, which empowers subsistence farmers in countries such as Kenya and Uganda to reverse the devastating effects of deforestation, drought and famine through tree planting and sustainable agriculture.

The loss of trees and the continuing use of some agricultural practices hurt the land and threaten the lives of subsistence farmers. The world's poorest farmers depend on having healthy land for their very survival. They often clear trees off land for new farms. Removing trees exposes the ground to drying winds. Erosion from intense rains removes the rich top soil. Eventually the soil "dies" and farmers move to other land, clear trees and begin the cycle again.

TIST Small Groups are always finding better ways of working together, planting trees and farming. From their successes and failures, Small Groups develop "best practices" and then encourage other groups to adopt them. Groups adopt new farming practices using existing hand tools and natural fertilizers that increase food production. They develop practices for starting nurseries and caring for the seedlings, and share what works best for germinating and transplanting different tree species.

# How Delta and Duke's First One-Of-Its-Kind Partnership helps local community with carbon offsets.



Partnership facilitated by Urban Offsets will fund:



carbon offsets to cover Duke's carbon footprint for business travel in 2017 on Delta, and







for Raleigh-Durham urban areas removing another 5,000 metric tons of CO, from the air in their lifespan.



### **PRIORITY: Environmentally Focused Customers**

### Partnerships to Make Travel Carbon Neutral

During the 2017 regular season, the Seattle Seahawks traveled 25,688 miles—the sixth-highest amount of travel of any team in the NFL. As the official airline of the Seahawks, we share the team's commitment to environmental sustainability. To support that commitment, we offset carbon emissions from the miles the Seahawks traveled by purchasing 1,080 carbon credits from Cedar Grove Composting.

Cedar Grove diverts yard waste and food scraps from landfills in the Puget Sound region, producing nutrient-rich compost used by local farms, businesses, governments and residents. Taking the partnership even further, the Seahawks and First & Goal Hospitality offered a custom gameday menu at the stadium, featuring organic vegetables grown by Sound Sustainable Farms using Cedar Grove compost.

Delta is also the official airline of Duke University Athletics. In 2017, we expanded this partnership further with a first-ofits-kind sustainability program. Delta and Duke's combined purchase of 5,000 carbon credits simultaneously offset carbon from all Duke University business travel on Delta in 2017, while supporting urban forestry in the Raleigh-Durham area through funding the planting and care of 1,000 new trees.

The program is being facilitated by North Carolina-based Urban Offsets. Approximately half of the trees being planted will benefit historically disadvantaged Raleigh-Durham neighborhoods identified through a 2016 Duke Nicholas School of the Environment student-led report outlining the red-lining policies of the 1930s that resulted in trees being planted in mostly wealthy white neighborhoods.

These purchases underscore Delta's own commitment to carbon-neutral growth, which also was demonstrated during 2017 when we extended offsets to customers nationwide for one day, offsetting emissions on all domestic travel into and out of Seattle, Boston, Los Angeles and all three New York-area airports. Approximately 30,000 offsets accounted for the travel of more than 100,000 customers. In addition, we offset company business travel for Delta employees during Earth Month in April, totaling more than 12,000 offsets purchased.

# **Environmental Compliance**

Think of an airline, and you might picture airplanes and check-in counters. But Delta's operations, and our impact, go well beyond what most people see. Mechanics use chemicals and other materials in maintenance facilities to repair, clean and maintain aircraft. Customers generate waste at Delta Sky Clubs and in flight. Ground crews handle millions of gallons of fuel daily. And, safe drinking water must be on board every Delta flight. In each case, these actions have an environmental impact.

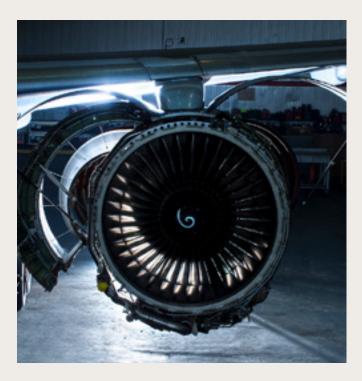
Compliance with environmental laws and regulations is a starting point for nearly every action we take. We view regulations as minimum requirements. Where we can, we go beyond compliance to make sure that our operations have the lowest possible environmental impact. And where regulations do not exist, we operate responsibly by following the best practices of the aviation industry and our knowledge of what's best for our people and the environment.

We manage and measure performance in the following areas:

- » Number and volume of spills
- » Number of Notices of Violation/Non-Compliance
- » Number of Core Tasks completed on time in our Environmental Management Information System (EMIS)
- » Compliance with air quality regulations
- » Compliance with hazardous and nonhazardous waste regulations
- » Compliance with drinking water and wastewater regulations
- » Compliance with hazardous materials regulations

These areas are governed by Delta's Environmental Policy, which is approved by our Executive Environmental Leadership Council (EELC). During 2018, the Board of Directors' Corporate Governance Committee began overseeing all environmental and climate-related risks.

mainline airport stations and maintenance locations that we operate. They coordinate environmental actions, including conducting inspections, keeping records, liaising between airport environmental staff and regulatory authorities and overseeing airport service contractors. ECs also communicate our efforts to operating divisions and leadership at their respective stations. In addition, members of our corporate environmental compliance management team routinely work with ECs at each station to provide training and to ensure that all compliance work is monitored and audited using the same metrics and protocols across the system. New Airport Customer Service ECs must also attend live training sessions



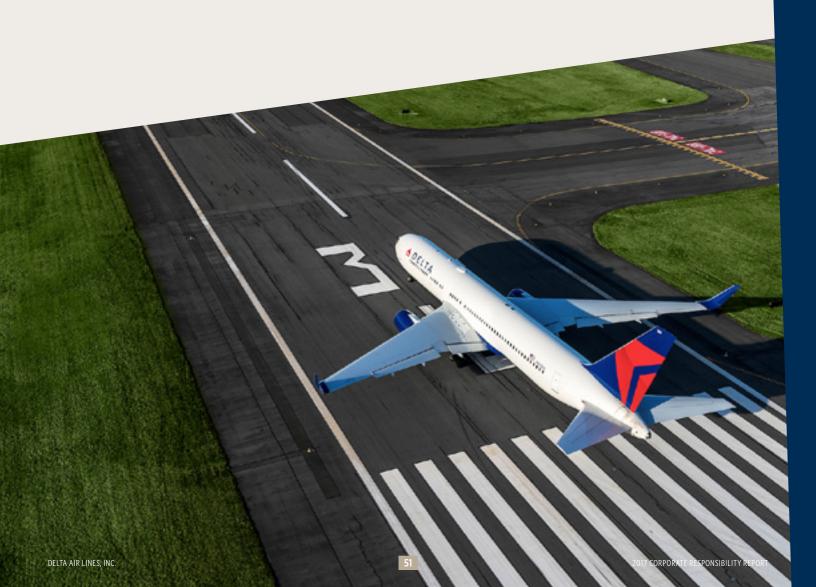
with an environmental compliance manager from their division and can enroll in follow-up training to gain more hands-on experience. In addition, ECs who use specialized equipment or have oversight in specific areas such as stormwater, hazardous waste or drinking water receive additional standardized compliance training in their areas of responsibility.

» **Spill Drills.** In the event of a spill, Delta employees are trained to follow internally approved and externally compliant procedures for mitigation. We provide both computer-based and hands-on training for spill response and cleanup. During the initial phase of a response, Delta personnel are trained to protect people's safety; stop the leak and contain the spill; notify the airport fire department and airport authority; gather information on the location, cause, material and quantity spilled; and determine with airport personnel whether the spill is controlled and contained.

- » **Compliance Visits.** These formal, nonregulatory visits provide additional opportunities for corporate environmental managers to reinforce training and provide additional guidance and valuable feedback to station and divisional leaders. In 2017, we transitioned to conducting all compliance visits in-house, rather than using third parties. This allows us to conduct visits more regularly and give valued feedback directly to operations employees. This comprehensive process, in turn, allows us to maintain continuous compliance by identifying operational and process improvements, while also providing opportunities for creating corrective action plans as necessary.
- » Environmental Programs Manual (EPM). This document helps ensure compliance by explaining exactly how to follow environmental regulations. The EPM is managed at a corporate level and is updated to ensure that it addresses all applicable local, state and federal environmental regulations. It provides a consistent set of guidelines and best practices for all of Delta's U.S.-based operations.

- » Environmental Management System (EMS). Another internal management tool, the EMS is used to proactively manage and track station-specific roles, responsibilities, records and documents, which helps airport stations understand their commitments for documenting and monitoring environmental compliance. Users are provided with a proactive tool that outlines environmental requirements and methods for complying.
- » Environmental Management Information System (EMIS).

  EMIS is a web-based tracking tool that works with EMS and gives stations a system for ensuring compliance with automated notifications and task descriptions. In addition to task completion, compliance information and data can be entered online, allowing it to be monitored by corporate, divisional and operational leaders.



# Managing & Mitigating Spills

Our environmental policies include procedures for preventing hazardous substances associated with our operations from entering the environment. These procedures explain how to store and handle all Delta-required substances and materials. This includes petroleum products like jet fuel, diesel fuel, gasoline and hydraulic fluid, as well as other substances such as glycol-based aircraft deicing fluids.

Our first step and ongoing goal is to prevent spills from occurring. However, in the event of a spill, Delta employees are trained to follow internally approved and externally compliant procedures for mitigation.

When a spill happens, we manage the spill in an environmentally responsible manner, containing it, beginning cleanup and completing all required regulatory reporting and documentation. Then, involved personnel communicate the incident to station and division leadership. At that point, corporate environmental managers conduct a comprehensive analysis of the entire incident. Their goal is to gather any lessons to be learned from the experience, so we can prevent future spills from happening.

To continually improve our progress on spills, we set goals for our operating divisions and track spill performance throughout the year. Where required under spill reporting guidelines, for volumetric amounts of Class I and Class II\* spills, or spills entering the environment via a storm drain or soil, we report incidents to local, state and federal regulatory agencies. Other reportable environmental compliance areas include wastewater discharges, air emissions and solid waste, but can include any regulated material that may enter the environment. We

investigate all Class I and II spills to determine causes and contributing factors. This helps us develop solutions that benefit all stations.

In 2017, Delta experienced an increase in the number of reportable spills overall. Our total number of recordable Class I and Class II spills was 93, six above our goal, and this number includes a total of 21 regulatory reportable spills, a 31 percent increase over 2016. With the goal of continuous improvement, the annual variability of spill numbers is due to the growth in operational events and variations in the frequency of fueling, fleet type, deicing events and other maintenance activities. Annual variability will continue to affect our reported spills on a year-over-year basis.

#### **NOTICES OF VIOLATIONS**

We received three notices of violation (NOVs) from an environmental regulatory agency in 2017. One NOV was for failure to pay an industrial wastewater permit fee on time; one was for an exceedance of a permit condition in an industrial wastewater discharge; and one was for a failure to submit a remedial investigation report on time. No NOV resulted in a monetary penalty to the company.

\*Class I: Any spill that reaches soil and/or water and/or any spill equal to or greater than 25 gallons. Class II: Any spill that is equal to or more than five gallons, but less than 25 gallons and does not reach soil and/or water.



### **Total Number and Volume of Significant Spills**

2017 ACS, DCC, GESC AND TOC SPILLS

Spill Material		Customer te (ACS)		onnection rs (DCC)	Sustair	ovironment, nability & nce (GESC)		nnical ons (TOC)	To	otal
	Count	Volume (gals)	Count	Volume (gals)	Count	Volume (gals)	Count	Volume (gals)	Count	Volume (gals)
Diesel/ Gasoline	0	0	2	36	0	0	1	30	3	66
Glycol	10	470	2	275	0	0	0	0	12	745
Hydraulic Fluid	10	162	0	0	0	0	0	0	10	162
Jet A Fuel	21	1,321	19	273	0	0	14	225	54	1,819
Lav Fluid/ Waste	6	153	2	10	0	0	1	10	9	173
Other*	5	59	0	0	0	0	0	0	5	59
Total	52	2,165	25	594	0	0	16	265	93	3,024

\*Aqueous Film Forming Foam, Antifreeze, Engine Oil, Industrial Waste Water, Varsol

### **Recorded Spills and Spill Goals**

	2014	2015	2016	2017
Class I Recorded Spills	38	41	40	38
Class II Recorded Spills	43	54	51	55
Total Recorded Spills (Class I + Class II)	81	95	91	93
Regulatory Reportable Spills	22	28	16	21
Annual Spill Goal (Class I + Class II)	69	100	90	87

### **Notices of Violations/Noncompliance**

	2014	2015	2016	2017
Notice of Violation Goal	2	2	5	3
Noncompliance/Permit Exceedances Goal	4	*	*	*
	Performance (by year)			
Notice of Violation	5	7	2	3
Noncompliance/Permit Exceedances	1	*	*	*
Monetary Value (\$) of significant fines	\$0	\$0	\$0	\$0

\*With the goal of continuous improvement, in 2015, Delta did not set a goal for noncompliance/permit exceedances. This decision was made due, in part, to the limited number of historically reported incidents, as well as the goal to focus on identifying and minimizing the occurrence of documentable compliance violations. Refocusing of our efforts has also allowed us to establish best practices for the avoidance of reportable regulatory violations.

# **Protecting Air Quality**

Delta is committed to reducing air emissions, including carbon monoxide (CO), nitrogen oxides (NOx), particulate matter (PM), sulfur oxides (SOx), volatile organic compounds (VOCs) and hazardous air pollutants (HAPs).

To help improve air quality around airports, our stations and Technical Operations facilities comply with federal, state, city, county and district requirements. Third-party environmental professionals review and audit our air quality programs for compliance as necessary. These audits include a multifaceted inspection of agency reporting, emissions records and work practices. Delta tracks stationary and mobile equipment that contains ozone-depleting substances (ODS), chemicals that destroy stratospheric ozone. These substances are commonly found in aerosol products, foams and fire extinguishers. They are also used as refrigerants in air conditioning and cooling equipment.

ODS Class I and II refrigerants are categorized based on their ozone-depleting potential. Because these units contain regulated substances, only certified technicians can perform maintenance that involves accessing the refrigerant-containing circuits. During required maintenance and servicing, we take all appropriate measures to prevent release of ODS into the atmosphere. Where feasible, we buy or retrofit equipment that contains a substitute refrigerant with a lower global warming potential.

In addition, eight Delta facilities must file routine emissions inventory reports due to individual state requirements. This includes tracking five pollutants that may contribute to climate change: CO, NOx, PM, SOx and VOCs. Seven sites require regulatory reporting annually, and one requires reporting every three years. The eight facilities are:

- » Atlanta Technical Operations Center, Atlanta, Georgia
- » Atlanta Airport Station, Atlanta, Georgia
- » Atlanta Corporate Headquarters, Atlanta, Georgia
- » Minneapolis Airport Station and Technical Operations Center (combined reporting), Minneapolis, Minnesota

- » Minneapolis-St. Paul International Airport Office Building J, Minneapolis, Minnesota
- » Iron Range/Hibbing Reservation Center, Hibbing, Minnesota
- » Cincinnati Airport Station, Cincinnati, Ohio
- » Salt Lake City Airport Station, Salt Lake City, Utah (triennial reporting)

### **PROGRESS ON AIR QUALITY IN CALIFORNIA**

At the end of 2017, Delta was compliant with all mobile source equipment rules in California, which are more stringent than those imposed on our other domestic operations. Delta's goal in California is to meet the air emissions requirements set by the state. In addition, we set our ground support equipment replacement and retrofit schedules in California to meet those required by regulation.

Our off-road diesel fleet in California proactively achieved the 2019 target of 4.1 grams of NOx per brake horsepower-hour, a standard measure for heavy-duty and nonroad engines. We achieved this target due to credits obtained by using electric off-road vehicles in place of diesel vehicles or adding newer diesel vehicles with verified emission controls in place.

We also surpassed the large spark ignition engine targets for forklift and nonforklift subsets. For the forklift group, we exceeded the mandate for hydrocarbon (HC) and NOx emissions (1.1 g/bhp-hr) with our fleet average of 1.0 g/bhp-hr. For the nonforklift group, we exceeded the mandate for HC and NOx emissions (2.5 g/bhp-hr) with our fleet average of 2.1 g/bhp-hr.

Finally, we met 2017 compliance targets for the diesel Airborne Toxic Control Measures. To do this, we achieved the particulate matter standard of 0.18 g/bhp-hr for portable nondrive diesel engines under 175 horsepower and 0.08 g/bhp-hr for similar engines between 175-750 horsepower.

### Mandated Reporting Emissions Progress Emissions (tons/year)

Criteria Pollutant Emissions	2014	2015	2016	2017
CO	308.7	53.8	42.7	159.9
NOx	154.2	103.5	98.4	133.4
PM	15.7	10.9	23.3	24.2
S02	20.4	12.1	11.7	12.2
VOC	199.6	128.4	159.2	179.5

# **Aircraft Drinking Water**

Aircraft drinking water is a top priority to ensure customer safety and satisfaction. Each Delta plane is equipped with a tank system that holds anywhere from 38 gallons to 290 gallons of water, depending on fleet size and type.

This water is needed for hot tea and coffee made in the galleys, while regular drinking water is served from bottles. The onboard water system also supports sinks and commodes in the lavatories.

Delta sources local water from municipal water sources that have been approved by the EPA as a public water system. Public water systems are held to the EPA's National Primary Drinking Water Standards. As required by EPA's Aircraft Drinking Water Rule, Delta disinfects each of its more than 950 aircraft four times per year, performs water quality sampling once per year and reports this information to EPA on an ongoing basis. Delta Cabin Maintenance mechanics are responsible for performing disinfections and taking water samples.

For flights to international locations, potable water used on our aircraft must meet EPA requirements that water be absent of total coliform bacteria, an indicator of potential water contamination. If coliform is detected in any water sample, Delta performs prescribed corrective measures at the earliest possible opportunity for each aircraft. These measures include further disinfection of the water tank and follow-up sampling. Total water consumption across airport stations is unable to be tracked and monitored due to varying scenarios where we do not own and/or manage property and leaseholds, thereby making it impossible to measure water usage as a whole.

### **PRIORITY: Water-Conscious Customers**

## Changing the Course of Water Conservation



Jeremy Diner, American Rivers

Delta and
HartsfieldJackson Atlanta
International
Airport are giving
visitors a chance
to contribute to
the conservation
of waterways
nationwide. We
recently launched
a partnership
to support
Bonneville

Environmental Foundation's Change the Course, a freshwater conservation and restoration initiative. Customers and employees can replenish waterways across North America by texting the word "Delta" to 474747, or by refilling a reusable water bottle at water filling stations on Delta concourses and throughout the Atlanta airport. Change

the Course restores 1,000 gallons of water for every text received and bottle filled. The partnership aims to restore approximately 30 million gallons of water within a year.

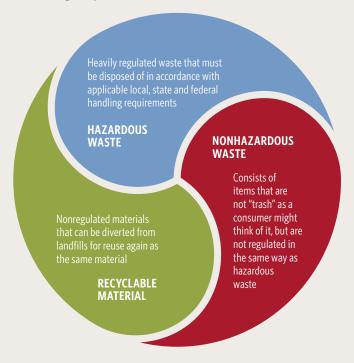
Delta and the Atlanta airport's support of Change the Course will go toward the Flint River Water Stewardship project, which provides funding, outreach and technical support to modernize irrigation systems, maximize crop production, reduce water use and restore flows in important areas throughout the lower Flint River Basin. The river runs 344 miles across the state, including underneath Hartsfield-Jackson Atlanta International Airport.

Georgia's rivers provide drinking water for millions and supply farms, cities and businesses across the state. These freshwater ecosystems are home to some of the greatest aquatic biodiversity in North America. Pressures like drought, pollution and population growth, however, have stressed rivers and freshwater supplies, putting natural ecosystems and local economies at risk. Change the Course fosters the innovation, partnership and stewardship necessary to sustain the water supply and improve water quality.

# **Thinking Differently About Waste**

Reducing the waste that we generate is important both for meeting our environmental compliance commitments and lowering our overall environmental impact. We continually assess our waste streams and waste handling operations to identify high-value materials for reuse and recycling, as well as ways to minimize what we send to landfills.

# We have identified three main waste streams varying by material type and regulatory handling requirements.



### **HAZARDOUS WASTE**

Hazardous wastes are a byproduct of operating a safe and compliant commercial airline. We recognize the negative societal and environmental impacts of improper handling and disposal of hazardous waste—including harm to the health of our employees and

local communities. Accordingly, Delta has initiatives in place to ensure proper disposal and to meet all applicable regulatory handling and disposal requirements. Delta's hazardous waste is carefully managed by vetted and approved handlers to ensure that both Delta and the public remain protected and safe.

Delta has waste minimization plans at all large-quantity generator locations and is working to reduce hazardous waste generation. However, due to expanded maintenance operations and improvements to our product and maintenance service offerings, we generated more hazardous waste in 2017 than in prior years. As a result, we did not achieve our 2017 goal for hazardous waste generation, which was a reduction from the 432 tons generated in 2016. Our 2018 goal is less than 477 tons of hazardous waste, and we will track and monitor this goal monthly. Establishing this goal increases transparency and compels us to continuously identify ways to reduce our environmental impact.

### NONHAZARDOUS WASTE

Operating a major airline includes not only management of our own waste, but also customer-generated waste materials. Delta-generated waste includes waste from operations, maintenance and construction activities at airports and other locations where partners can separate our materials and send us waste stream volumes.

Understanding and handling this complex mix of waste streams means that not all nonhazardous waste that is generated can be recycled or diverted from a landfill. Working toward the highest possible diversion rate, we continually seek to identify both materials and opportunities to increase our landfill diversion efforts.

### Nonhazardous Waste Generation (in tons)

Material Streams	2014	2015	2016	2017
Landfilled or Incinerated Materials	1,405	1,465	1,426	1,135
Landfilled Construction Debris	361	0	220	0
Recycled Material	1,085	1,310	1,124	1,529
Reused/Upcycled Materials	42.8	17.3	23.4	19

Much like our approach to hazardous waste, in 2017 we targeted year-over-year improvements for reducing the nonhazardous waste volume generated in our operations. In 2017, we produced 2,664 total tons of nonhazardous waste, which includes reusable and recyclable materials. This number is down from 2,792 tons in 2016.

### **REUSABLE MATERIAL**

Delta has embraced the concept of "upcycling," or giving materials second life as new product or product inputs. These innovative diversion programs, launched with a variety of partners and vendors, reduce the amount of new materials needed to produce new products in the marketplace. Working with our partners, through 2017 we diverted just under 40,000 pounds of leather seat covers in total.

### **RECYCLABLE MATERIAL**

A major way we're reducing our environmental impact is by identifying and diverting valuable recyclable materials from our waste streams. We're doing this both through recycling goods on flights where we maintain control of the materials at the station level, and by encouraging our employees to recycle at home and at work using our

Atlanta-based Employee Recycling Center. In both efforts, we donate all rebate funds to Delta community and employee support programs.

### FINDING VALUE IN RECYCLED GOODS

Delta's in-flight commingled recycling program, in operation since 2007, is a great example of our commitment to reducing waste in the air and on the ground. While the program is not available on every Delta flight, due to destination airport service availability and operational constraints, we do offer onboard recycling options for 35 destination cities. We collect single-stream materials, including plastic, aluminum and paper, during flights and bag them for diversion. Upon flight arrival, the materials are collected by the Cabin Service team or catering team and transported to airport recycling centers.

Delta catering partners at select airport stations also collect and recycle empty cans and bottles purposely left in beverage carts. A new aluminum can recycling partner supplied a can compactor to the domestic flight kitchen, which allowed us to significantly increase the number of cans we collected and processed in 2017. We are currently exploring the potential of expanding this partnership to process

### **PRIORITY: Individuals Who Need Job Training**

# Recycling Uniforms to Support Job Training

Delta people tested thousands of garments from our new uniform collection to find the best possible fit and function. When the wear test ended, the Delta uniform team set out to find a creative way to give these garments new life. Nonbranded clothing could be donated easily; however, Delta-branded uniform pieces presented more of a challenge.

That led us to partner with re:loom, an Atlanta organization that helps individuals address obstacles to employment through paid on-site job training and leadership opportunities. At re:loom, weavers design and produce handmade products and lead a team of weavehouse volunteers. With a stable salary, 100 percent healthcare coverage and opportunities to engage in the operation of the weavehouse, employees gain a financial foundation, leadership skills and a sense of purpose and accomplishment.



The program repurposed Delta's Zac Posen-designed uniforms into rugs, keychains and other colorful products—finding use for materials that would have otherwise gone to waste.

cans from international flights inbound to Hartsfield-Jackson Atlanta International Airport. If implemented, the program will take place in partnership with the U.S. Customs and Border Patrol to ensure that Delta remains compliant with all U.S. regulations.

There are 34 domestic recycling locations and one international recycling location across the Delta system. We do not always receive rebates or volumes for these materials due to airport-specific protocols for removing waste, but we are nevertheless committed to removing these items from the waste stream. Thanks to our increased can recycling volume, the program set a record for collection and revenue in 2017 of more than \$250,000. We continue to donate rebates earned from Delta's in-flight recycling program to Habitat for Humanity through Delta's Community Engagement team. From the proceeds raised in 2017, Delta will be able to build two Habitat homes in the metro Atlanta area. Total rebates from 2007 to 2017 totaled more than \$1,000,000. These funds have been used, along with Delta employee volunteer hours, to fund and build nine Habitat for Humanity homes in five Delta cities, with two more on the way.

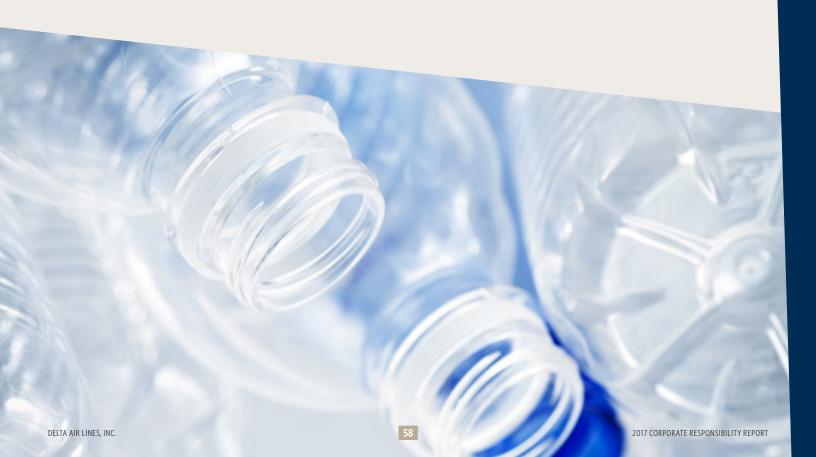
### IN-FLIGHT RECYCLING CHALLENGES

Materials handling and infrastructure issues pose a challenge to capturing and reporting progress on in-flight recycling efforts. At most domestic locations, we encounter challenges in measuring diversion rates and understanding trends for recycling efforts once materials leave our aircraft. Our waste streams may become



intertwined with other carriers' waste, or airport authorities may choose not to share this information. This difficulty, combined with more airports developing their own recycling programs, means that we foresee continued challenges in capturing, tracking and monitoring total volumes for our recycling efforts.

International flight regulations also pose challenges to increasing in-flight recycling. The U.S. Department of Agriculture considers materials from international flights contaminated with meat, dairy and/or produce to be regulated waste, which must be thermally treated to ensure there is no contamination to domestic U.S. agriculture. Similar rules exist in every country to which we fly. For this reason, Delta's greatest challenge remains how best to collect and separate materials to keep recyclable materials uncontaminated both onboard the aircraft and upon arrival at the international flight kitchen.



# Celebrating 10 Years of On-Board Recycling

In 2007, Delta became the first airline with a comprehensive in-flight recycling program for cans, newspapers, water bottles and snack containers. Take a look back at what we've achieved.



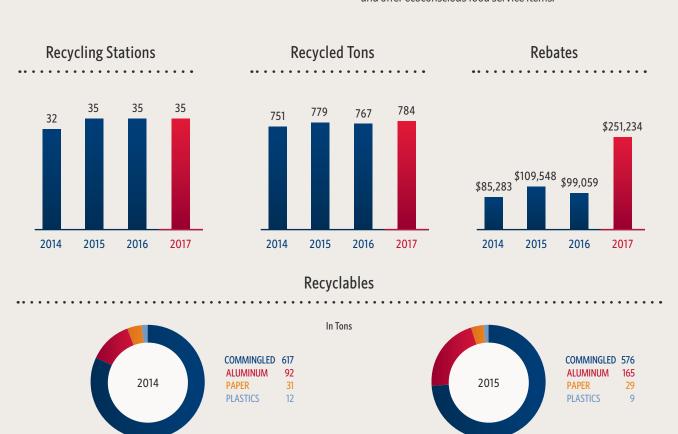
### **RECYCLING AT DELTA HEADQUARTERS**

In support of the largest concentration of Delta employees and Delta office space domestically, the Employee Recycling Center (ERC) in Atlanta provides a place for all employees to recycle materials generated at home and process recyclables from our Atlanta headquarters.

Employees can bring materials that include aluminum cans, plastic bottles, glass, tin and paper. We also have an employee recycling program at the Atlanta Technical Operations Center. The ERC donates all rebate funds to the Delta Employee & Retiree Care Fund to help individuals who suffer from severe financial hardship resulting from unforeseen and unavoidable crises such as natural disasters.

Delta is reviewing the operations at our corporate campus to determine what changes must be made to qualify as a zero-waste facility. There is no universally accepted definition of what "zero waste" means, and we have chosen to define it as at least 90 percent diversion from landfills. A cross-functional team of employees is evaluating Delta's current recycling practices, composting options and potential offsite waste-to-energy solutions to determine next steps for reaching our zero-waste goal.

Currently, multiple Delta Sky Club locations, including those in Seattle, Minneapolis-St. Paul and San Francisco meet our definition of zero waste. These Delta Sky Clubs recycle packaging, compost leftover food and offer ecoconscious food service items.





# **Community**

Giving back has been core to our culture for more than 80 years. Delta's mission to serve as a global network connecting people, places and communities is reflected in our long-term commitment to action and outreach that makes communities better places to live.

At Delta, charitable giving is driven by our success, as we invest 1 percent of the previous year's net income each year into the communities where we live, work and serve. This continual commitment raises the bar for Delta's Community Engagement program, formalizing communities as one of our key stakeholders. Based on 2016 earnings, Delta and The Delta Air Lines Foundation gave more than \$45 million back to communities in 2017. We think of these actions as profit sharing for the community: the more our business succeeds, the bigger difference we can make.

Delta's community efforts are guided by three pillars of focus: Education, Health and Wellness, and Armed Service Members and Veterans. Through corporate giving, donations and employee volunteerism, we aim to enhance educational opportunities, improve health and wellness accessibility across the globe and support our armed service members, veterans and their families nationally.



### **Delta's Community Engagement**

### **EDUCATION**



**26** Junior Achievement chapters supported across

4 continents to teach financial literacy, work readiness and entrepreneurship education



**20** KaBOOM! playgrounds

built across 10 markets since 2013, giving kids a safe place to play



25 YMCA chapters

supported across 5 countries through programs that include swim lessons, tutoring, job shadows and more

# ARMED SERVICE MEMBERS & VETERANS

### 148 million miles

donated to Fisher House Foundation's Hero Miles Program and Luke's Wings since 2013



\$735,000

**1,330** bikes and

**2,500** toys donated to Marine Toys for Tots



11 USO chapters supported as well as the Freedom Center in Detroit and the Armed Forces Service Center in Minneapolis-St. Paul

### **HEALTH & WELLNESS**



253 Habitat homes

built in 12 countries since 1995



**9,375** pints of blood donated to the American Red Cross in fiscal year 2017 (YE 6/30)

**#2** corporate blood donor in U.S.



19 children's hospitals supported worldwide

including 14 Children's Miracle Network Hospitals



22 food banks supported worldwide

including Feeding America food banks



\$4.3 million

to **7**Red Cross organizations in support of global disaster relief

### **OTHER INITIATIVES**



**40+** Arts and culture organizations supported



**1,825** employees

participated in 16 Pride events worldwide



\$6 million raised by employees and customers for the American Cancer Society, American Heart Association, Breast Cancer Research Foundation and United Way

# **Education**

Today's students will be tomorrow's Delta employees, customers and shareholders. Our global education efforts aim to spark students' imaginations and position them for bright futures in aviation and the general workforce.

In line with this commitment, we invest in organizations that engage students in science, technology, engineering and math (STEM) programs and underscore the importance of financial literacy, economics and entrepreneurship.

- » Delta supports 26 Junior Achievement chapters across four continents, igniting students' interest in aviation careers through job shadows and outreach programs that teach financial literacy, entrepreneurship, macroeconomics, business and career readiness.
- » Delta and The Delta Air Lines Foundation have implemented our education strategy through immersive collegiate partnerships that include Auburn University, Clark Atlanta University, Emory University, Georgia State University, Georgia Tech, Morehouse College, Morehouse School of Medicine, Spelman College and the University of Georgia to enhance leadership development, higher

- education and aviation programs and facilities to encourage innovation in the aerospace industry.
- » Each March, Technical Operations and Flight Operations employees share the science of aviation with more than 20,000 students at the Atlanta Science Festival's Exploration Expo, which celebrates and promotes STEM education.

In addition, Delta supports early education programs, recognizing that learning can take on many forms.

» In 2017, our employees built KaBOOM! playgrounds in Atlanta, Cincinnati, Minneapolis and Washington, D.C. Delta has contributed to 20 total KaBOOM! playground builds across 10 markets since 2013—giving students and local kids safe places to play.



- » In July, we launched our partnership with Atlanta Public Schools (APS), pledging to contribute \$500,000 over five years to improve the quality of education and literacy rates at two elementary schools in the South Atlanta cluster for APS, each located near Hartsfield-Jackson Atlanta International Airport. The partnership includes ongoing reading and tutoring support with Delta employees and helps cover essential student needs like books, clothing, reading glasses and meals.
- » Delta partners with 25 YMCA chapters globally, helping children, adults and families with programs and services

- including afterschool care, financial assistance, global education, swimming, mentoring, early learning readiness and more.
- » Through our partnership with the National Flight Academy, more than 430 students from our community partners and children of Delta employees spend six days aboard the world's only virtual land-locked aircraft carrier located in Pensacola, Florida. Students role play as pilots, develop their skills in simulators and test their mental preparedness, communication and teamwork in immersive scenarios that inspire students to learn about aviation and STEM careers.

### PRIORITY: The Next Generation of Employees & Customers

# Delta Partners With Junior Achievement Globally to Grow Pipeline of Future Talent



Delta strives to give students around the world the opportunity to succeed in a global economy. Our partnership with Junior Achievement (JA)—now spanning 26 chapters across four continents—aims to spark students' interest in aviation careers, while teaching financial literacy, work readiness and entrepreneurship education through job shadows and outreach programs.

Through JA, we have inspired more than 800,000 students—the next generation of Delta employees and customers. Students work alongside Delta employees, shadowing leaders on the job at key Delta hubs for

a behind-the-scenes look at airport operations. In Atlanta, Detroit, Los Angeles, New York and Salt Lake City, students learn financial literacy and budgeting skills through interactive Delta Sky Club® storefronts at JA Finance Park and BizTown facilities. Delta also supports JA's U.K. chapter, Young Enterprise, through job shadows at Heathrow Airport and sponsorship of Young Enterprise's annual Company Programme Trade Fair and the National Finals. And since 2015, Delta has supported the JA Company of the Year competition, presenting the Delta Social Impact Award to students across the globe who have shown entrepreneurial thinking to develop an innovative solution to a social challenge.

In addition, Delta launched a new educational strategy with the JA Academy program in Georgia with students from Benjamin Banneker High School for the 2016–2017 school year. Students work though case study challenges in the classroom and participate in job shadows at Delta hubs to integrate learning and experience in a real-world, hands-on approach. As a result, JA Academy participants have significantly outperformed non-JA Academy peers academically as part of Georgia's Milestone performance ratings.

# Health & Wellness

Supporting global health and wellness initiatives is an important way Delta helps meet employees' and customers' basic needs while building connections with business and community leaders.

Each year, Delta employees and customers raise millions of dollars for organizations actively working to promote wellness, combat disease and fight hunger. Highlights from 2017 include:

- » Delta people have helped build or rehab 253 homes in 12 countries across the globe through our more than 20-year partnership with Habitat for Humanity. Each year, more than 2,500 employees volunteer their time to build safe and affordable homes. Throughout 2017, Delta employees constructed 12 homes in Chulavista, Mexico, in addition to homes in Atlanta, Los Angeles, Minneapolis, New York and Seattle.
- » Delta supports 19 hospital organizations in the U.S. and the U.K., 14 of which are Children's Miracle Network Hospitals, and serves as the presenting sponsor of Children's Miracle Week in Orlando each year. Other hospital support includes Great Ormond Street Hospital in the U.K. and St. Jude Children's Research Hospital.

» Employees volunteer at 22 food banks across the globe, 17 of which are Feeding America food banks. Our support included Delta's eighth year of monthly volunteering with Food Bank for New York City.

In addition, our commitment to action and outreach is exemplified through a variety of employee-run initiatives.

» Since 2005, Delta employees and customers have raised an unprecedented \$12.8 million for Breast Cancer Research Foundation (BCRF). We celebrated the 13th anniversary of the "Breast Cancer One" survivor flight in October—our keystone event that kicks off a month-long campaign to generate awareness and raise money for BCRF. The Pink Plane carried 140 employee breast cancer survivors from Atlanta to Seattle to celebrate their victories, share inspiring stories of courage and raise funds for breast cancer research.



- » Employees raised a record \$2.3 million in 2017 in support of the American Cancer Society through events such as Relay for Life, the Delta Jet Drag and the Hope Ball. Delta has supported the American Cancer Society for 16 years and has contributed more than \$11 million to support the organization's lifesaving initiatives, including medical research, education and patient programs.
- » Delta employees annually contribute approximately \$1.6 million to United Way—a longstanding partner of more than 30 years. In addition, we have a 100 percent giving participation rate from officers and directors across the company.



### PRIORITY: Neighbors & Communities in Crisis

# Delta and Our Employees Join Forces in Support of the American Red Cross Disaster Relief Programs

Since World War II, Delta has partnered with the American Red Cross—our longest-standing nonprofit partner. Delta provides ongoing contributions to the American Red Cross as an Annual Disaster Giving Program member at the \$1 million level and holds blood drives across the country, ranking as the second-largest corporate donor of blood in the U.S. Delta hosts the largest single-site corporate blood drive in the U.S at our TechOps in Atlanta, which consistently generates more than 500 units of blood each drive.

From July 2016 to June 2017, Delta employees donated 9,375 total pints of blood at 178 drives across 32 donation locations, making Delta the largest corporate donor in the Southeast. In March, Delta was also the proud recipient of the American Red Cross Biomedical Partnership Award for our blood drive donation model.

Through our partnership with the American Red Cross, Delta Air Lines, The Delta Air Lines Foundation and our employees mobilized during disaster when Hurricanes Harvey, Maria and Irma devastated the Gulf Coast and the Caribbean and multiple earthquakes struck in Mexico in the fall of 2017. A combined \$4.3 million was donated to the American Red Cross and various international Red Cross societies to help those directly affected by the natural disasters.



# **Armed Service Members & Veterans**

Nearly 12,000 veterans and military personnel, including pilots and aircraft mechanics, are currently employed at Delta, many of whom balance active duty with their Delta jobs.

In recognition of this, we support organizations that help military service members, veterans and their families across the United States.

- » Delta serves as a principal funder of four Fisher House facilities, a network of comfort homes where families of military personnel can stay at no cost while their loved ones receive medical treatment. In 2017, Delta participated in the groundbreaking of two homes near James J. Peters VA Medical Center in Bronx, New York, slated to open spring 2019.
- » In addition to employee-led toy drives across the system in 2017, Delta contributed \$735,000 to Toys for Tots, which is run by the U.S. Marine Corps Reserve, toward funding in 17 markets, including \$100,000 toward the national literacy program. In Atlanta and Detroit, employees also participated in bike builds where 1,330 bikes were constructed and 1,000 helmets and 2,500 toys were collected for local youth.
- » Delta supports 11 USO chapters systemwide, as well as the Freedom Center in the Detroit Metropolitan Airport and the

- Armed Forces Service Center in the Minneapolis-Saint Paul International Airport. Each year, Delta supports USO Fleet Week in Los Angeles, New York and Seattle. In 2017, employees built over 500 bikes to be distributed to children of military personnel in partnership with USO of Metro New York.
- » As a national sponsor of the Congressional Medal of Honor Foundation, Delta honors the legacy of the living Medal of Honor recipients with our highest SkyMiles status, Diamond Medallion.

Delta customers also support our commitment to military personnel through SkyWish, the charitable arm of the SkyMiles program.

» In 2017, Delta and our customers donated a combined 10.4 million miles to the Fisher House Foundation's Hero Miles Program and Luke's Wings, helping to reconnect hundreds of service members with their loved ones during hospitalization. Over the past four years, Delta and our customers donated more than 148 million miles to these organizations.





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## **About This Report**

This Corporate Responsibility Report (CRR) presents our defined material areas and metrics as of December 31, 2017. We issue our CRR on an annual basis. This 2017 report is an update to our previous report published in 2016. For all material Key Performance Indicators (KPIs), we present data for the current year and data for at least three previous years.

### **GRI CONTENT**

This report has been prepared in accordance with Global Reporting Initiative (GRI) Standards at the Comprehensive application level. This report also provides additional information and data, not specified by GRI, that we and our stakeholders deem relevant to business operations. A complete GRI Standards content index is included in this report beginning on page 82.

### **EXTERNAL ASSURANCE**

We conduct assurance to verify our main environmental impact—carbon emissions. The external assurance statement for emissions is on page 80. Ruby Canyon Engineering, Inc. was engaged beginning in 2016 to conduct carbon emissions verification and to provide a reasonable level of assurance on our Statement of Greenhouse Gas (GHG) Emissions. Verified emissions data back to 2005 are publicly available on The Climate Registry at <a href="https://www.cris4.org">www.cris4.org</a>.

Note that Delta's annual GRI reporting timeline and annual emissions verification and reporting timelines do not coincide. For this reason, annual verification of emissions trail GRI reporting by one year. As a result, annual emissions for the 2017 CRR reporting year will be verified after this CRR has been published. Due to internal timeline reporting differences, any discrepancies from past CRR reporting to final verification will be noted in the external verification statement and in relevant tables.

### CONTACT INFORMATION

Please send comments or questions about this CRR to Christine.Boucher@delta.com or in writing to:
Delta Air Lines, Inc.
Attn: Christine Boucher, Managing Director
Global Environment, Sustainability and Compliance
Department 885
1020 Delta Blvd.
Atlanta, GA 30354

### MATERIALITY

As part of the Global Reporting Initiative (GRI) reporting guidelines, Delta periodically performs materiality assessments to identify which sustainability topics are most important to our stakeholders. Materiality in this context differs from the concept of materiality in a securities law perspective, but helps guide our sustainability strategy and reporting. In 2017, we refreshed our materiality assessment. Our last assessment was conducted in 2015. The exercise also prepared Delta to transition from the GRI-G4 reporting framework to the GRI Standards framework.

### **MATERIALITY ASSESSMENT PROCESS**

Delta's materiality assessment process draws from GRI guidance to consider how our activities and impacts influence stakeholder expectations and interests. For this process, we used a third party to help us first identify a list of all potential topics material to Delta, prioritize these topics from most important to least important based on stakeholder input, validate these results through an internal materiality workshop and apply the final list of prioritized issues to Delta's sustainability reporting strategy. In the process, we garnered input and feedback from more than 700 internal and external stakeholders through an online survey.

The result of our materiality assessment process identified 10 material issues most important to both Delta and our stakeholders.

- Customer Safety & Security
- Customer Satisfaction
- Customer Data Privacy
- Occupational Health & Safety
- Employee Satisfaction
- Fleet Strategy
- Environmental Compliance & Regulation
- Ethics Management
- Customer Nondiscrimination
- Training & Development

We have assigned each of these material issues a set of key performance indicators (KPIs), for which we have set goals and continue to track progress. Performance data and year-over-year progress can be found in this report on pages 5 through 8. All KPIs use either generally accepted or industry-standard metric protocols for reporting. Delta is committed to achieving stated goals and continuing to make progress annually on our KPIs.

## **Financial Performance**

We primarily report on our organization and our financial performance through our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q and investor relations website <a href="http://ir.delta.com">http://ir.delta.com</a>. In this report, financial performance data focuses on economic performance as it relates to environmental, social and governance (ESG) issues. The organizational entities covered in this CRR are the same as those presented in our Annual Report.

## Freedom of Association

Delta respects all employees' legal rights, including the rights to free association and collective bargaining. This includes the right to decide whether to be represented by a union. Our U.S.-based employees are covered by the Railway Labor Act (RLA), the federal law governing labor relations between air carriers and their employees. Under the RLA, employees have the right to decide whether they wish to be represented by a union. They also have the right to reject union representation. As of December 31, 2017, we had more than 80,000 full-time equivalent employees, approximately 19 percent of whom were represented by unions. The following table shows our domestic airline employee groups that are represented by unions—numbers from the December 31, 2017 10K page 10.

- Delta Pilots = 13,324
- Delta Flight Dispatchers = 420
- Endeavor Air Pilots = 1,805
- Endeavor Air Flight Attendants = 1,160
- Endeavor Air Dispatchers = 55

## Governance

#### **CORPORATE GOVERNANCE**

Ensuring that the right people, principles and guidelines are in place has helped us secure our current position as one of the world's most admired airlines. We are proud of our history of good corporate governance. To learn more about our corporate governance, policies, processes and procedures, please visit our investor relations page at <a href="http://ir.delta.com">http://ir.delta.com</a>.

Online governance documents include:

- Certificate of Incorporation
- Bylaws
- Director Independence Standards
- Audit Committee Charter

- Corporate Governance Committee Charter
- Finance Committee Charter
- Personnel and Compensation Committee Charter
- Safety and Security Committee Charter
- Employee Code of Ethics and Business Conduct
- Stock Ownership Guidelines
- Corporate Governance Principles

In addition, we make available on our website all documents filed with the United States Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K and Proxy Statement for each annual meeting. These filings contain detailed information about our activities, including financial performance, business strategy and executive compensation.

#### SUSTAINABILITY GOVERNANCE

Delta's stakeholders expect us to produce sustainable and responsible positive financial results while investing in healthy communities, maintaining a robust workforce and protecting natural environments. Collectively, these expectations drive our approach to ESG sustainability and responsibility. For this reason, ESG sustainability at Delta is defined as meeting the company's financial goals of growth and profitability over time through innovative business practices that minimize the environmental impact of Delta operations and promote the health, welfare and productivity of the individuals and communities we employ and serve.

Our Executive Environmental Leadership Council (EELC) is made up of senior leaders who help establish and support environmental sustainability and corporate responsibility policy, strategy and action plans that address risks and opportunities annually.

Seeking continuous improvement, including self-evaluation and risk mitigation related to ESG, in 2017 the EELC met two times to further align and direct sustainability and climate change issues and initiatives that included:

- Industry engagement on climate change policy at the International Civil Aviation Organization (ICAO)
- Performance against the International Air Transport Association's (IATA) 1.5 percent fuel efficiency improvement goal
- Climate change and biofuel strategy and action plan
- Stakeholder engagement on sustainability
- Environmental partnerships, including carbon offsets from The Nature Conservancy
- Sustainability reporting and disclosures through the Corporate Responsibility Report, the CDP, the Dow Jones Sustainability Index and corporate customer questionnaires

**EELC Leader Members Include:** 

- Senior Vice President—Corporate Real Estate
- Managing Director—Global Environment, Sustainability and Compliance
- Senior Vice President—Fuel Management
- Executive Vice President and Chief Legal Officer
- Vice President—Brand Management
- Senior Vice President—Flight Operations
- Vice President—Investor Relations
- Executive Vice President and Chief Financial Officer
- Senior Vice President—Safety, Security and Compliance
- Senior Vice President and Chief Marketing Officer
- Senior Vice President—Supply Chain Management & Fleet
- Senior Vice President—Technical Operations
- Vice President—Sales Operations and Development
- Vice President—Operations Customer Center
- Senior Vice President and Chief Communications Officer
- Executive Vice President and Chief Operating Officer

In 2017, day-to-day environmental events were addressed by the affected operational division. The EELC serves as the primary governance body responsible for addressing ESG policy risks. In 2017, the EELC received zero reports of critical ESG concerns or issues. However, we remain aware of concerns related to the impact of carbon emissions and climate change from the aviation industry. In recognition of these concerns, we are actively engaged with ICAO efforts to establish an efficiency standard and a carbon-neutral growth initiative.

#### **BOARD EDUCATION & COMMUNICATION**

The Board recognizes the importance of continuing education and encourages members to take advantage of education opportunities at Delta's expense. Additionally, the Board remains in touch with stakeholder concerns through several communication processes.

The Board and the EELC are also regularly briefed on trends related to material issues and on stakeholder ESG concerns. Relating directly to ESG, the Board enhances its knowledge by:

- Reviewing ESG industry trends related to strategy, performance, policies and goals
- Reviewing other Delta governance body reports

#### **POLITICAL CONTRIBUTIONS & LOBBYING TRANSPARENCY**

In 2017, DeltaPAC contributed a total of \$653,595 to various candidates for federal election campaigns. Corporate political contributions totaled \$55,000 in Georgia, \$25,000 in Michigan, \$20,000 in Florida, \$1,000 in Utah and \$8,500 in Washington.

#### **RISK MANAGEMENT**

The global and highly competitive nature of our industry presents many risks. Financial and operational risks include the following factors, among others:

- Terrorist attacks, geopolitical conflict or security events may adversely affect our business, financial condition and operating results
- High fuel costs or cost increases, the effect of rebalancing the fuel hedging program and mark-to-market adjustments, as well as significant extended disruptions in the supply of aircraft fuel could also materially negatively affect our business
- Significant investments in airlines in other parts of the world and our commercial relationships with those carriers may not produce returns or results we expect
- We are at risk of losses and adverse publicity from a serious aircraft accident
- Breaches or lapses in the security of our technology systems and the data we store could compromise others' information and expose us to liability and could have a material adverse effect on our business
- Employee strikes and other labor-related interruptions and disruptions of service at one of our hub, gateway or key airports or by our third-party regional carriers could have a material adverse effect on our operations
- Disruptions of our information technology infrastructure could have a material adverse effect on our business
- Failure of our technology to perform effectively could have an adverse effect on our business
- Failure to comply with agreements governing our debt, including financial and other covenants, could result in events of default
- Employee strikes and other labor-related disruptions may adversely affect our operations
- Our results can fluctuate because of weather, natural disasters and seasonality

- An extended disruption in services provided by third parties, including regional carriers, could have a material adverse effect on our operating results
- The failure of insurance to cover a significant liability related to our refinery could have a material adverse effect on our results
- The failure to comply with environmental regulations by our refinery or the enactment of additional regulations could have a negative impact on our results
- If we lose senior management personnel and other key employees and they are not replaced by individuals with comparable skills, our operating results could be adversely affected
- Our reputation and brand could be damaged if we are exposed to significant adverse publicity through social media
- The global airline industry is highly competitive, and if we cannot successfully compete in the marketplace, our business, financial condition and operating results will be materially adversely affected
- The airline industry is subject to extensive government regulation, and compliance with existing and new regulations may increase our operating costs
- Extended interruptions in service at major airports could have a material adverse effect on our operations
- The rapid spread of a contagious illness could have a material adverse effect on our business and results of operations
- Prolonged periods of stagnant or weak economic conditions could have a material adverse effect on our business and financial results
- Economic conditions and regulatory changes leading up to and following the United Kingdom's exit from the European Union could have a material adverse effect on our business and results of operations

## **Health Benefits**

In addition to comprehensive healthcare coverage, Delta offers dental, vision and flexible spending account benefits to eligible employees. To promote disease prevention, employees enrolled in a Delta Account-Based Healthcare Plan are covered at 100 percent for preventive care services based on the recommendations of the U.S. Preventive Services Task Force (USPSTF). Beyond USPSTF recommendations, employees covered by Delta's medical plans receive other preventive services such as travel immunizations and assistance with healthcare questions and needs through the Delta Health Direct program. In addition, employees and their

eligible family members have access to Delta's Employee Assistance Program, which offers confidential counseling, assessment and referral service support.

As of January 2017, U.S.-based expectant mothers in all ground and flight attendant positions, including Ready Reserve and Flex @ Home, receive a minimum six weeks at 100 percent pay for maternity leave. In addition, all mothers and fathers may take a 30-day unpaid bonding leave following the birth, adoption, guardianship or fostering of a child once paid maternity leave (if applicable) and/or other Family Medical Leave Act benefits have been exhausted.

Through Delta Health Rewards, a voluntary, incentive-based wellness program, we help U.S. employees and their spouses or same-sex domestic partners reach health goals. Participants earn Rewards dollars by completing specific health actions such as undergoing an annual physical exam, completing an online health assessment and refraining from the use of tobacco products. Rewards dollars are put into employee health reimbursement accounts (HRAs) or Optum Bank health savings accounts (HSAs) each year and can be used to pay for eligible medical expenses.

#### TRAVEL AND WORK HEALTH

To continually ensure the health of all Delta employees, numerous employee medical surveillance programs, screenings and safety trainings were conducted at Delta airport stations. Programs included:

- Implementing WHO International Health Regulation pertaining to Lifetime Yellow Fever vaccination status while maintaining optional 10-year revaccination benefit at the employee's option.
- Maintaining crew and other employee business traveler awareness around Zika risk and prevention strategies.
   Travelers could avoid destinations with active Zika transmission secondary to pregnancy considerations.
- Leading the placement of a CPR automated training kiosk at Gate A11 of Atlanta Hartsfield-Jackson International Airport.
   Its aim is to engage and educate passengers on CPR techniques in less than 15 minutes.

Our employees travel to all parts of the world, which can occasionally expose them to disease outbreaks and other health risks. To address these challenges, Delta provides its employees on business travel with travel health consultation and company-paid vaccine coverage, antimalaria medication and insect repellent.

Delta's medical plans also provide travel vaccine coverage for global travel by employees and covered family members. Separate Delta internal programs target prevention of illness among employees who travel internationally on company business, especially to developing countries with risks of malaria, yellow fever, dengue, chikungunya, Zika, food/waterborne illness and other diseases that may occur as outbreaks. Employee education focuses on promoting awareness about the use of personal protection measures, early symptom recognition, a 24/7 malaria hotline and prompt medical treatment.

Delta also provides top-tier global medical assistance to help employees who become ill or injured while on company business internationally. Telephone consultations, available 24/7, can result in a hotel physician visit, a doctor's office appointment or referral to an emergency room. Case management continues until the ill employee can travel back home. In rare circumstances, we can dispatch an air ambulance staffed with a highly skilled transport team of healthcare professionals.

## **Subsidiaries**

Monroe Energy, a wholly owned subsidiary of Delta Air Lines, operates an oil refinery outside of Philadelphia. The refinery has more than 450 employees and fulfills approximately 70 percent of Delta's domestic jet fuel needs through both direct production and various exchange agreements.

Monroe Energy is a limited-liability company that operates independently of Delta with its own operational and environmental policies and its own management for oversight of its policies. It is not subject to Delta's environmental policy, procedures or reporting requirements. As such, details of Monroe Energy's environmental performance, governance and regulatory compliance, including carbon emissions, are not included in this report.

## Structure

#### PARENT COMPANY: DELTA AIR LINES, INC.

Subsidiaries:

- 1. Aero Assurance Ltd.
- 2. Comair Holdings, LLC Subsidiaries:
  - 1. Comair Services, Inc. *Subsidiaries:*
  - 1. Delta Private Jets, Inc.
- 3. DAL Global Services, LLC
- 4. Delta Air Lines Dublin Limited
- 5. Delta Air Lines, Inc. and Pan American World Airways UNTERSTUTZUNGSKASSE GMBH
- 6. Delta Air Lines Private Limited
- 7. Delta Flight Products, LLC
- 8. Delta Material Services, LLC
- 9. Delta Receivables, LLC
- 10. Delta Sky Club, Inc.
- 11. Endeavor Air, Inc.
- 12. Epsilon Trading, LLC
- 13. MLT Vacations, LLC Subsidiaries:
  - 1. Delta Gift Cards, Inc.
- 14. Monroe Energy, LLC Subsidiaries:
  - 1. MIPC, LLC
- 15. Montana Enterprises, Inc.
- 16. New Sky, Ltd.
- 17. Northwest Airlines, LLC
- 18. NW Red Baron LLC
- 19. TATL Services B.V. (100% owned by Delta Air Lines, Inc.)
- 20. DL International Enterprises, LLC (100% owned by Delta Air Lines, Inc.)
- 21. DL Investment Partners, L.P. (Delta Air Lines, Inc. is a 99.9% General Partner; DL International Enterprises, LLC is a 0.1% Limited Partner)
- 22. DAL Foreign Holdings C.V. (Delta Air Lines, Inc. is a 99.8% General Partner; DL Investment Partners, L.P. is a 0.1% General Partner; DL International Enterprises, LLC is a 0.1% Limited Partner)
- 23. DAL Europe C.V. (DAL Foreign Holdings C.V. is a 89.9% General Partner; DL Investment Partners, L.P. is a 10% General Partner; DL International Enterprises, LLC is a 0.1% Limited Partner)
- 24. DAL Leasing Limited (DAL Europe C.V. is the sole Member)
- 25. Delta TATL UK Limited (DAL Europe C.V. is the sole Member)

# Supply Chain

Delta is firmly committed to social, environmental and economic responsibility in all our operations. Delta's Supply Chain Management (SCM) professionals operate at a level befitting a global airline leader, following rigorous internal material standards for sourcing, procurement and selection of our suppliers and business partners.

Delta's SCM organization has multiple units that partner with business divisions to formulate business and sourcing strategies to deliver sustainable results to the company. This ensures a continuous supply of cost-competitive, quality goods and services that meet responsibility requirements.

We understand that our SCM is a component of providing long-term sustainable support to our customers. To do this, we work hand-in-hand with vendors and suppliers to manage the services and products they provide.

There are many links in our supply chain beyond procurement. These include logistics, distribution, materials management and transportation.

We partner with our suppliers and business units to manage services using the following values:

- Integrity and ethical behavior
- Fact-based decision-making
- Challenging the status quo
- Enhancing shareholder value
- Diversity
- Teamwork
- Continuous improvement
- Respect for people and the value they bring
- Innovation
- Excellence in performance

#### **SUPPLIER ESG ASSESSMENT**

Our strategic sourcing process defines how we work with suppliers to ensure that they are operating up to our standards. We actively engage with NGOs, industry peers and other stakeholders to develop our strategic sourcing process to best address ESG issues within our supply chain. This includes a due-diligence policy to screen all key suppliers for potential environmental, social and governance (ESG) risk factors. Following this process helps eliminate any potential negative impacts of our global supply chain—which in turn helps Delta improve. We hold ourselves to the same high standards as our suppliers, adhering to operational ESG requirements and using mechanisms for monitoring, reporting and correcting ESG issues.

As part of our Green Procurement Policy, we seek to understand and mitigate supplier risk when making sourcing decisions. A key part of this policy includes assessing the following ESG risk factors:

#### Environmental

- Energy Use/Efficiency
- Environmental Breaches
- Waste Reduction
- Environmental Emissions
- Deployment of Renewables
- Carbon Footprint
- Hazardous Waste

#### Social

- Employee Health & Safety
- Lost Injury Days
- Community Investment
- Diversity Issues
- Employee Labor Practices
- Absence Rate/Turnover
- Customer Perception

#### **Corporate Governance**

- Reporting & Transparency
- Audit Processes
- Notices of Violation
- Training & Development
- Performance Management
- Shareholder Interests
- Anticorruption Practices

The two most important documents we use to verify that our suppliers adhere to sustainable business practices are our Supplier Code of Conduct and Supplier Sustainability Guidelines. The Supplier Code of Conduct is distributed to all vendors, who are required to read and agree to comply with all requirements.

To further ensure continuous improvement, we offer a Supplier Performance Management program. The program includes the use of monthly performance scorecards, periodic business reviews and discussions on developing and maintaining sustainable business processes. In 2017, 100 percent of all supplier assessments utilized our Supplier Code of Conduct and Supplier Sustainability Guidelines, with 66 key suppliers participating in Delta's Supplier Performance Management program that includes the use of monthly performance scorecards, periodic business reviews and discussions on developing and maintaining sustainable business processes. Taking ESG factors into account when we select suppliers adds shareholder value by reducing risks. It also addresses customer desires to do business with a company that values ethical business practices.

# **Supplier Diversity**

Delta recognizes the critical role suppliers play in our global value chain. As a global service provider, "local" to us means maximizing our responsible returns to stakeholders through diversity and by requiring significant expenditures in the communities we serve. Expenditures include contracted labor, facility rents and landing fees that support local airport station operations across the Delta system.

Commitment to diversity in our supply chain means ensuring that our supplier base reflects the diversity of our customers. To do this, we set annual spend targets with minority- and women-owned businesses, and we measure progress toward achieving these targets.

Our annual spend with minority- and women-owned businesses reached \$773 million in 2017, which is up 13 percent from 2016. We've achieved this high level by identifying viable, diverse companies—then helping them understand and develop the capabilities required to compete successfully for Delta business. We encourage our Tier I suppliers to build similar relationships with diverse businesses.

# Stakeholder Engagement

Continuous engagement and regular dialogue with our stakeholders through both formal and informal processes allows us to innovate and proactively address emerging needs and risks. In addition to ongoing internal stakeholder engagement efforts and commitments, we regularly engage with external stakeholders on trending and emerging issues that matter to their organizations. To do this we periodically receive and respond to inquiries and requests for information related to the sustainability practices of our company. Our long-standing commitment to engagement allows us the opportunity to continue to refine corporate governance and corporate strategy over the long term. The following table summarizes our 2017 stakeholder engagement activities on sustainability-related issues:

Delta understands that increased transparency through corporate sustainability reporting helps us effectively engage with stakeholders, resulting in continuous improvement to our business over the long term. Here is a list of external charters and associations Delta is actively engaged with:

- Global Reporting Initiative (GRI)
- CDP (formerly Carbon Disclosure Project)
- The Climate Registry
- Dow Jones Sustainability Index (DJSI)
- FTSE4Good
- Human Rights Campaign Corporate Equality Index
- International Air Transport Association (IATA)

## **Stakeholder Engagement At-A-Glance**

Stakeholder Group	Primary Communication Channels/Frequency	Key Issues	Example of 2017 Action(s)
Investors	<ul> <li>Annual shareholder meetings</li> <li>Annual report, quarterly earnings and proxy statement</li> <li>External recognition, ratings and rankings</li> <li>Investor Day</li> </ul>	Return on investment     Transparent reporting practices and disclosures	<ul> <li>Held Investor Day in Atlanta</li> <li>Initiated contact with</li> </ul>
			90 percent of top 20 investors
			<ul> <li>Attended more than 10 industry conferences with management</li> </ul>
Customers	<ul> <li>19 different customer group satisfaction surveys</li> <li>Social media</li> </ul>	Reliable and on-time flights Expansive global network In-flight comfort Efficient cargo delivery	<ul> <li>Ranked first among North American airlines in on-time performance</li> </ul>
			<ul> <li>Improved our overall net promoter score by two points</li> </ul>
			<ul> <li>Provided diversity training to 23,000 flight attendants</li> </ul>
			<ul> <li>Revised Service Animal policy</li> </ul>
			<ul> <li>Continued to transform customer experience through technology enhancements at home, at the airport and in flight</li> </ul>
Employees	Employee Satisfaction Survey	Competitive pay and benefits	Achieved an 88 percent
	Employee Involvement Group (EIG)	Workplace safety	employee satisfaction survey score
	<ul> <li>TechOps EIG</li> <li>Reservations Liaison for Information Networking and Communication (ResLINC)</li> <li>Airport Customer Service and Cargo Frontline Involvement Team (FIT)</li> </ul>	Clear communication	<ul> <li>Shared \$1.1 billion in profits</li> </ul>
		Work/life balance     Covery and growth apparaturation	with employees
		<ul><li>Career and growth opportunities</li><li>Support of a diverse workforce</li></ul>	<ul> <li>Invested \$50 million to modernize human resources, including career</li> </ul>
	<ul> <li>Velvet-360 Tour</li> </ul>		development, technology
	<ul> <li>Town Hall Program</li> </ul>		<ul> <li>Signed the CEO Action for</li> </ul>
	Delta Board Council		Diversity & Inclusion
Suppliers	Supplier ESG Assessment     Supplier Diversity (MBE, WBE and SBE) engagement	<ul> <li>Leadership in testing and scaling alternative fuels and vehicle technologies</li> <li>Capacity-building support for local and diverse suppliers</li> </ul>	Utilized our Supplier     Performance Management
			Program with 66 key suppliers to facilitate the use of monthly performance scorecards, periodic business reviews and discussions of sustainable business procedures
			<ul> <li>Increased spend with minority- and women- owned businesses by 13 percent to reach \$773 million</li> </ul>

### **Stakeholder Engagement At-A-Glance**

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Stakeholder Group	Primary Communication Channels/Frequency	Key Issues	Example of 2017 Action(s)
Governments & Nongovernmental Organizations	<ul> <li>Collaborative partnerships with governments and NGOs around the world</li> <li>Industry associations</li> <li>External recognition, ratings and rankings</li> </ul>	<ul> <li>Facilitation of cross-border travel</li> <li>Expansion of security initiatives</li> <li>Socially and environmentally friendly business practices</li> <li>Support for infrastructure investment and maintenance</li> <li>Creation of competitive marketplaces</li> <li>Private-sector expertise and resources</li> <li>Collaboration on innovative solutions</li> <li>Socially and environmentally friendly business practices</li> <li>Transparent reporting practices</li> </ul>	Continued to support efforts to develop alternative fuels and modernize the U.S. air traffic control system Implemented measures to save 1.87 million gallons of fuel during 2017 Upheld our commitment to carbon-neutral growth for the fifth consecutive year Purchased more than \$2.5 million worth of carbon offsets Realized a year-over-year reduction in the amount of nonhazardous waste volume generated in our
Communities	The Delta Air Lines Foundation  Delta Air Lines corporate contributions  Contributions to nonprofit organizations  Social media	Employee volunteerism and local support     Flight and travel safety programs	operations  Gave 1 percent of previous year's income, or \$48.6 million, back to communities  Contributed \$4.3 million to Red Cross organizations in support of global disaster relief  Supported a wide range of causes and organizations through our three pillars of focus: Education, Health and Wellness and Armed Service Members and Veterans

## Verification Statement



This verification statement documents that <u>Ruby Canyon Engineering</u>, <u>Inc.</u> has conducted verification activities in conformance with ISO 14064-3 and The Climate Registry's (TCR) General Verification Protocol for the emissions report described below.

Member Name: Delta Air Lines

Emissions Year: January 1, 2016 through December 31, 2016

**Reporting Classification:**  $\square$  Complete

Reporting Boundary: Worldwide (including North America)

**Consolidation Methodology:** 

Ruby Canyon Engineering, Inc. has conducted a <u>full</u> verification of <u>Delta Air Lines'</u> emission report to a <u>reasonable</u> level of assurance. Based on <u>Ruby Canyon Engineering</u>, Inc.'s verification activities and findings, <u>Delta Air Lines'</u> emissions report is prepared in all material respects in accordance with the reporting criteria identified below.

#### GHG reporting criteria against which verification was conducted:

- The Climate Registry's General Reporting Protocol Version 2.1, dated January 2016

#### GHG verification protocols used to conduct the verification:

- The Climate Registry's General Verification Protocol Version 2.1, dated June 2014
- ☐ The Climate Registry's GVP Updates and Clarifications document dated March 2016

#### Total Entity-Wide Emissions Verified (Control Criteria):

Total Scope 1 Emissions:  $\underline{35,436,857.03}$  metric tons CO<sub>2</sub>e, consisting of metric tons of each GHG as follows:  $\underline{35,086,304.37}$  CO<sub>2</sub>  $\underline{6.72}$  CH<sub>4</sub>  $\underline{1,114.10}$  N<sub>2</sub>O  $\underline{5,017.83}$  HFCs (CO<sub>2</sub>e)  $\underline{21.59}$  PFCs (CO<sub>2</sub>e)  $\underline{0}$  NF<sub>3</sub>  $\underline{0}$  SF<sub>6</sub>

Biogenic Direct CO<sub>2</sub> Emissions (stationary and mobile combustion only): <u>0</u> metric tons CO<sub>2</sub>

Total Location-based Scope 2 Emissions: <u>318,628.03</u> metric tons CO<sub>2</sub>e, consisting of metric tons of each GHG as follows:

316,639.98 CO<sub>2</sub> 27.66 CH<sub>4</sub> 4.54 N<sub>2</sub>O

Biogenic Indirect Location-based CO<sub>2</sub> Emissions: 0 metric tons CO<sub>2</sub>

Total Market-based Scope 2 Emissions: 318,628.03 metric tons CO<sub>2</sub>e, consisting of metric tons of each GHG as follows:

316,639.98 CO<sub>2</sub> 27.66 CH<sub>4</sub> 4.54 N<sub>2</sub>O

Biogenic Indirect Market-based CO<sub>2</sub> Emissions: 0 metric tons CO<sub>2</sub>

### Total Entity-Wide Emissions Verified (Equity Share Criteria, if applicable): Total Scope 1 Emissions: metric tons CO<sub>2</sub>e, consisting of metric tons of each GHG as follows: CO<sub>2</sub> CH<sub>4</sub> N<sub>2</sub>O HFCs (CO<sub>2</sub>e) PFCs (CO<sub>2</sub>e) NF<sub>3</sub> SF<sub>6</sub> Biogenic Direct CO<sub>2</sub> Emissions (stationary and mobile combustion only): \_\_\_\_\_metric tons CO<sub>2</sub> Total Location-based Scope 2 Emissions: \_\_\_\_\_ metric tons CO2e, consisting of metric tons of each GHG as CO<sub>2</sub> \_\_\_\_ CH<sub>4</sub> \_\_\_\_ $N_2O$ Biogenic Indirect Location-based CO<sub>2</sub> Emissions: metric tons CO<sub>2</sub> Total Market-based Scope 2 Emissions: \_\_\_\_\_ metric tons CO<sub>2</sub>e, consisting of metric tons of each GHG as follows: - CO<sub>2</sub> —— CH<sub>4</sub> —— N<sub>2</sub>O Biogenic Indirect Market-based CO<sub>2</sub> Emissions: \_\_\_\_\_metric tons CO<sub>2</sub> Comment: Please note that Delta applied 2,361,921 retired offsets to Scope 1 emissions total resulting in a net total of 33,074,936.03 tCO2e for Scope 1 emissions. Attestation: Jessica Stavole-Carter, Lead Verifier Date □ Digital Signature Acknowledgement\* Samantha Phillips, Independent Peer Reviewer Date □ Digital Signature Acknowledgement\* **Authorization:** I Stephanie Zhu accept the findings in this Verification Statement and authorize the submission of this verification statement to The Climate Registry on behalf of Delta Air Lines. 06/05/2018 Member Representative Signature Date □ Digital Signature Acknowledgement\*

\*For digital signature: By checking the "Digital Signature Acknowledgement" box, I agree that this verification statement shall be deemed to be "in writing" and to have been "signed" for all purposes and that any electronic record will be deemed to be in "writing." I will not contest the legally binding nature, validity, or enforceability of this verification statement and any corresponding documents based on the fact that they were entered and executed electronically, and expressly waive any and all rights I may have to assert any such claim.

### **GRI INDEX**

GIGI III DEA		
Disclosure	Disclosure Title	2017 Decreases
Number GRI 102: Gener	Disclosure Title	2017 Response
Organizationa		
102-1	Name of the organization	Corporate Profile
102-1	Activities, brands, products, and services	Corporate Profile
102-3	Location of headquarters	Corporate Profile
102-3	Location of operations	Corporate Profile
102-4	Ownership and legal form	Delta Air Lines, Inc. is a publicly held corporation incorporated in the state of
		Delaware. Our shares trade on the New York Stock Exchange.
102-6	Markets served	Corporate Profile Corporate Profile
102-7	Scale of the organization	Corporate Profile Corporate Profile
102-8	Information on employees and other workers	A Closer Look at Delta People
102-9	Supply chain	Appendix — Supply Chain
102-10	Significant changes to the organization and its supply chain	There have been no significant changes during the reporting period.
102-11	Precautionary Principle or approach	Delta has not formally adopted use of the precautionary principle. For Delta, adoption of the principle would apply primarily to potential harm related to use of fossil fuels and carbon emissions. While the principle is not formally used we are aware of risks; we meet all SEC and compliance reporting standards; we have established a Climate Change Policy; and we are actively engaged with the airline industry regarding mitigation efforts.
102-12	External initiatives	Appendix — Stakeholder Engagement
102-13	Membership of associations	Appendix — Stakeholder Engagement
Strategy		
102-14	Statement from senior decision-maker	A Message From Ed
102-15	Key impacts, risks, and opportunities	Delta 2018 10-K pages 12-19 Environmental Stewardship — Climate Change Appendix — Risk Management
Ethics and Inte	grity	
102-16	Values, principles, standards, and norms of behavior	Talent & Culture — Living the Delta Difference
102-17	Mechanisms for advice and concerns about ethics	Talent & Culture — Living the Delta Difference
Governance		
102-18	Governance structure	Corporate Governance Principles
102-19	Delegating authority	Appendix — Governance
102-20	Executive-level responsibility for economic, environmental, and social topics	Appendix — Governance
102-21	Consulting stakeholders on economic, environmental, and social topics	Appendix — Governance Delta 2018 Proxy, page 4
102-22	Composition of the highest governance body and its committees	Board of Directors
102-23	Chair of the highest governance body	Delta 2018 Proxy, page 11
102-24	Nominating and selecting the highest governance body	Corporate Governance Principles
102-25	Conflicts of interest	Delta Code of Ethics and Business Conduct
102-26	Role of highest governance body in setting purpose, values, and strategy	Appendix — Governance
102-27	Collective knowledge of highest governance body	Appendix — Governance
102-28	Evaluating the highest governance body's performance	The Board of Directors and each of its committees conducts an annual self-evaluation. This evaluation includes a review of performance with respect to governance of economic, financial, operational, environmental and social topics. The specific input process varies from year to year in order to promote critical and productive self-evaluation. After self evaluation, the Board and each committee review the results and appropriate actions are taken to address any areas of concern.
102-29	Identifying and managing economic, environmental, and social impacts	Appendix — Governance Delta 2018 Proxy, page 14
102-30	Effectiveness of risk management processes	Appendix — Governance Delta 2018 Proxy, page 14
102-31	Review of economic, environmental, and social topics	Appendix — Governance Delta 2018 Proxy, page 14
102-32	Highest governance body's role in sustainability reporting	Appendix — Governance

Disclosure Number	Disclosure Title	2017 Response
102-33	Communicating critical concerns	Stockholders and other interested parties may communicate with Delta's non-management directors via e-mail at nonmgmt.directors@delta.com. Communications with non-management directors may also be mailed to:  c/o Law Department, 981  Attn: Chief Legal Officer 1030 Delta Boulevard Atlanta, GA 30354
102-34	Nature and total number of critical concerns	Appendix — Governance
102-35	Remuneration policies	Delta 2018 Proxy, pages 3, 23-50
102-36	Process for determining remuneration	Talent & Culture — Rewarding Employees for Great Work
102-37	Stakeholders' involvement in remuneration	Delta 2018 Proxy, page 27
102-38	Annual total compensation ratio	Delta 2018 Proxy, page 50
102-39	Percentage increase in annual total compensation ratio	Delta 2018 Proxy, page 50
Stakeholder E	ingagement	
102-40	List of stakeholder groups	Appendix — Stakeholder Engagement
102-41	Collective bargaining agreements	Delta 2018 10-K page 10
102-42	Identifying and selecting stakeholders	Appendix — Stakeholder Engagement
102-43	Approach to stakeholder engagement	Appendix — Stakeholder Engagement
102-44	Key topics and concerns raised	Appendix — Stakeholder Engagement
Reporting Pra	actices	
102-45	Entities included in the consolidated financial statements	Delta 2018 10-K page 55
102-46	Defining report content and topic Boundaries	Appendix — About This Report
102-47	List of material topics	Appendix — About This Report
102-48	Restatements of information	There have been no restatements in this reporting period.
102-49	Changes in reporting	Appendix — About This Report
102-50	Reporting period	Appendix — About This Report
102-51	Date of most recent report	Appendix — About This Report
102-52	Reporting cycle	Appendix — About This Report
102-53	Contact point for questions regarding the report	Appendix — About This Report
102-54	Claims of reporting in accordance with the GRI Standards	Appendix — About This Report
102-55	GRI content index	Appendix — About This Report
102-56	External assurance	Appendix — About This Report
Topic-Specifi	c Standards	
GRI 205: Anti	-Corruption	
103-1	Explanation of the material topic and its Boundary	Delta Code of Ethics & Business Conduct Talent & Culture — Living the Delta Difference
103-2	The management approach and its components	Delta Code of Ethics & Business Conduct Talent & Culture — Living the Delta Difference
103-3	Evaluation of the management approach	Delta Code of Ethics & Business Conduct
205-1	Operations assessed for risks related to corruption	$Enterprise wide \ assessment for corruption-related \ risks.$
205-2	Communication and training about anti-corruption policies and procedures	Talent & Culture — Living the Delta Difference
205-3	Confirmed incidents of corruption and actions taken	There were no incidents of corruption during 2017.
GRI 206: Anti	-Competitive Behavior	
103-1	Explanation of the material topic and its Boundary	Delta Code of Ethics & Business Conduct Talent & Culture — Living the Delta Difference
103-2	The management approach and its components	Delta Code of Ethics & Business Conduct Talent & Culture — Living the Delta Difference
103-3	Evaluation of the management approach	Delta Code of Ethics & Business Conduct Talent & Culture — Living the Delta Difference
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Delta 2018 10-K pages 22, 55

Disclosure Number	Disclosure Title	2017 Response
GRI 302: Energ	у	
103-1	Explanation of the material topic and its Boundary	Environmental Stewardship — Climate Change
103-2	The management approach and its components	Environmental Stewardship — Climate Change
103-3	Evaluation of the management approach	Environmental Stewardship — Climate Change
302-1	Energy consumption within the organization	Environmental Stewardship — Climate Change
302-2	Energy consumption outside of the organization	Environmental Stewardship — Climate Change
302-3	Energy intensity	Environmental Stewardship — Climate Change
302-4	Reduction of energy consumption	Environmental Stewardship — Climate Change
302-5	Reductions in energy requirements of products and services	Environmental Stewardship — Climate Change
GRI 305: Emiss	ions	
103-1	Explanation of the material topic and its Boundary	Environmental Stewardship — Climate Change
103-2	The management approach and its components	Environmental Stewardship — Climate Change
103-3	Evaluation of the management approach	Environmental Stewardship — Climate Change
305-1	Direct (Scope 1) GHG emissions	Environmental Stewardship — Climate Change
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Stewardship — Climate Change
305-3	Other indirect (Scope 3) GHG emissions	Environmental Stewardship — Climate Change
305-4	GHG emissions intensity	Environmental Stewardship — Climate Change
305-5	Reduction of GHG emissions	Environmental Stewardship — Climate Change
305-6	Emissions of ozone-depleting substances (ODS)	Environmental Stewardship — Environmental Compliance — Protecting Air Quality
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Environmental  Stewardship - Environmental  Compliance - Protecting  Air  Quality
GRI 306: Efflu	ents and Waste	
103-1	Explanation of the material topic and its Boundary	Environmental Stewardship — Environmental Compliance
103-2	The management approach and its components	Environmental Stewardship — Environmental Compliance
103-3	Evaluation of the management approach	Environmental Stewardship — Environmental Compliance
306-1	Water discharge by quality and destination	Environmental  Stewardship  -  Environmental  Compliance  -  Thinking  Differently  About  Waste
306-2	Waste by type and disposal method	Environmental  Stewardship - Environmental  Compliance - Thinking  Differently  About  Waste
306-3	Significant spills	EnvironmentalStewardship-EnvironmentalCompliance-MakingProgressonSpills
306-4	Transport of hazardous waste	Environmental  Stewardship - Environmental  Compliance - Thinking  Differently  About  Waste
306-5	Water bodies affected by water discharges and/or runoff	Delta does not significantly discharge into water bodies.
GRI 307: Enviro	onmental Compliance	
103-1	Explanation of the material topic and its Boundary	Environmental Stewardship — Environmental Compliance
103-2	The management approach and its components	Environmental Stewardship — Environmental Compliance
103-3	Evaluation of the management approach	Environmental Stewardship — Environmental Compliance
307-1	Non-compliance with environmental laws and regulations	Environmental Stewardship — Environmental Compliance
GRI 401: Emplo	yment	
103-1	Explanation of the material topic and its Boundary	Safety — Reducing Injury at Work Talent & Culture Appendix — Health Benefits
103-2	The management approach and its components	Safety — Reducing Injury at Work Talent & Culture Appendix — Health Benefits
103-3	Evaluation of the management approach	Safety — Reducing Injury at Work Talent & Culture Appendix — Health Benefits
401-1	New employee hires and employee turnover	Talent & Culture — A Closer Look at Delta People
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Appendix — Health Benefits
401-3	Parental leave	Delta does not track this information.
GRI 403: Occu	pational Health and Safety	

Disclosure Number	Disclosure Title	2017 Response
103-1	Explanation of the material topic and its Boundary	Safety
103-2	The management approach and its components	Safety
103-3	Evaluation of the management approach	Safety
403-1	Workers representation in formal joint management-worker health and safety committees	Safety — Reducing Injury at Work
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Safety — Reducing Injury at Work
403-3	Workers with high incidence or high risk of diseases related to their occupation	Delta is unaware of any high risk for diseases related to our employees' occupation.
403-4	Health  and  safety  topics  covered  in  formal  agreements  with  trade  unions	Safety — Reducing Injury at Work
GRI 404: Train	ing and Education	
103-1	Explanation of the material topic and its Boundary	Talent & Culture — Top Talent for a Top Airline
103-2	The management approach and its components	Talent & Culture — Top Talent for a Top Airline
103-3	Evaluation of the management approach	Talent & Culture — Top Talent for a Top Airline
404-1	Average hours of training per year per employee	Talent & Culture — Top Talent for a Top Airline
404-2	Programs for upgrading employee skills and transition assistance programs	Talent & Culture — Top Talent for a Top Airline
404-3	Percentage of employees receiving regular performance and career development reviews	Talent & Culture — Top Talent for a Top Airline
GRI 405: Diver	sity and Equal Opportunity	
103-1	Explanation of the material topic and its Boundary	Talent & Culture — A Culture of Diversity, Inclusion & Equality
103-2	The management approach and its components	Talent & Culture — A Culture of Diversity, Inclusion & Equality
103-3	Evaluation of the management approach	Talent & Culture — A Culture of Diversity, Inclusion & Equality
405-1	Diversity of governance bodies and employees	Talent & Culture — A Closer Look at Delta People Delta 2018 Proxy, page 2
405-2	Ratio of basic salary and remuneration of women to men	Talent & Culture — A Culture of Diversity, Inclusion & Equality
GRI 416: Custo	mer Health and Safety	
103-1	Explanation of the material topic and its Boundary	Safety Customer Satisfaction
103-2	The management approach and its components	Safety Customer Satisfaction
103-3	Evaluation of the management approach	Safety Customer Satisfaction
416-1	Assessment of the health and safety impacts of product and service categories	Safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no incidents reported in 2017.
GRI 418: Custo	mer Privacy	
103-1	Explanation of the material topic and its Boundary	Customer Satisfaction — Protecting Our Digital Assets  Delta Air Lines, Inc. Privacy Policy.
103-2	The management approach and its components	Customer Satisfaction — Protecting Our Digital Assets Delta Air Lines, Inc. Privacy Policy
103-3	Evaluation of the management approach	Customer Satisfaction — Protecting Our Digital Assets  Delta Air Lines, Inc. Privacy Policy
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Confidentiality constraints maintain that Delta does not report this information.
GRI 419: Socioeconomic Compliance		
103-1	Explanation of the material topic and its Boundary	Talent & Culture — Living the Delta Difference
103-2	The management approach and its components	Talent & Culture — Living the Delta Difference
103-3	Evaluation of the management approach	Talent & Culture — Living the Delta Difference
419-1	Non-compliance with laws and regulations in the social and economic area	Delta 2018 10-K page 22