

## BETTER CONNECTING GLOBAL COMMUNITIES STARTS WITH THOUSANDS OF DELTA PEOPLE WHO CONNECT MILLIONS OF PASSENGERS TO HUNDREDS OF GLOBAL DESTINATIONS — EVERY DAY.

But that's just the start. The heart of our business is about connecting people with each other — increasing cultural understanding, fostering economic growth, strengthening communities and making our very big world a bit smaller.

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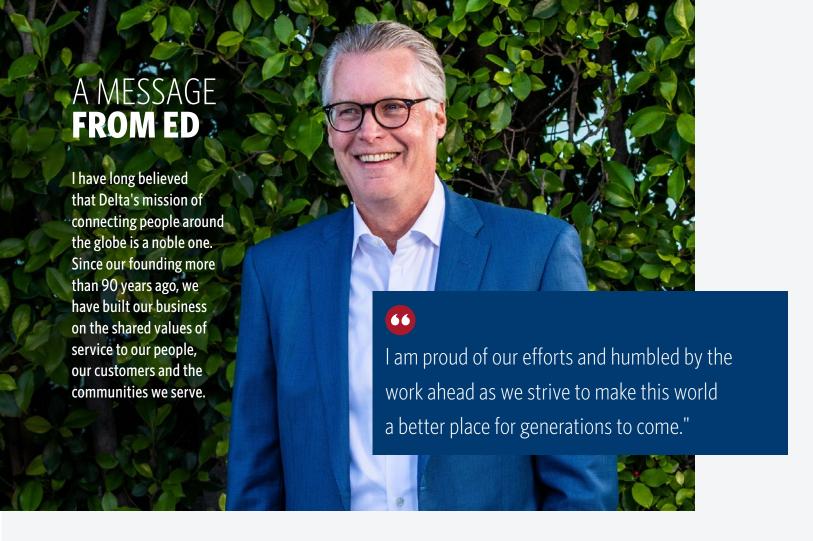






#### **ABOUT THIS REPORT**

The 2018 Corporate Responsibility
Report is our second report aligned with
the Global Reporting Initiative (GRI)
Standards framework, which we apply at
the Comprehensive level. This year, we
also began initial efforts to report to the
Sustainability Accounting Standards
Board (SASB) and the Task Force on
Climate-related Financial Disclosure
(TCFD) standards.



That mission extends well beyond connecting customers on our network of hundreds of global destinations. It's about creating opportunities for cultural understanding, economic growth and stronger communities, driven by 80,000 people who put humanity and empathy into everything we do.

This report outlines our efforts in 2018 to move beyond the basics of our business and be a force for positive change worldwide.

#### **HERE ARE A FEW HIGHLIGHTS:**

#### REDUCING OUR ENVIRONMENTAL IMPACTS

The No. 1 contributor to our carbon footprint is our use of jet fuel, and it is the chief focus of our efforts to reduce our emissions and manage our environmental impact. We continue to work toward our long-term goal of reducing net aviation emissions by 50 percent by 2050, as we replace older aircraft with more fuel-efficient jets, improve the efficiency of our existing aircraft and mitigate emissions with carbon offsets.

Delta's people are constantly seeking impactful and innovative energy projects across our operation. New cockpit technology is reducing the impact of turbulence, making flights more fuel efficient as well as more comfortable. A project to reduce the running time of our onboard auxiliary power units while planes are parked at the gate also is reducing our fuel burn. In Seattle, we're working with 12 other airlines on a plan to reduce emissions and explore the use of aviation biofuels, which are sustainably produced. And we are investing in electric ground support equipment and vehicles that further reduce our carbon footprint.

#### PROMOTING DIVERSITY AND INCLUSION

I believe strongly that Delta should reflect the diversity of the world we serve. Delta Vision 2020, a three-year plan to increase diversity, particularly in leadership roles, at our company, supports and measures our progress in promoting inclusion and driving accountability. More than 80 percent of our leaders have participated in diversity training and education, with a focus on unconscious bias and leading with inclusion. And Business Resource Groups, focusing on LGBTQ equality, veterans, working families and other diverse groups, provide professional development and employee engagement. They are also a great source for new and innovative business solutions.



#### **BUILDING BETTER COMMUNITIES**

Giving back to the communities where we live, work and serve has been part of our culture for decades, and today it is formalized with our pledge to give 1 percent of net income back to communities across the globe. Last year that provided more than \$50 million from Delta and The Delta Air Lines Foundation to charitable partners.

Funding alone is never enough, no matter how generous. That's why we recently launched The Great Delta Give-Back, an annual paid day of service for all of Delta's people worldwide—an initiative that is providing 640,000 hours of service every year to communities around the globe.

#### **PUTTING PEOPLE FIRST**

As CEO, my top responsibility is taking care of our people. That's why my favorite day of the year is Valentine's Day, when we give our employees the profit-sharing checks they have earned with their hard work and dedication. We celebrated a milestone in 2018 when we set aside more than \$1 billion in profit sharing for our people worldwide for the fifth year in a row. The scope of our program is unmatched in American business, but it is just one part

of our commitment to putting people at the heart of everything we do. The empathy and humanity demonstrated on a daily basis by Delta people is at the heart of what sets us apart.

Our commitment to our people-focused culture has resulted in recognition as a great place to work by Fortune, Glassdoor, Indeed.com, Forbes, Business Insider and others. Innovative recruitment efforts are vital to maintaining that culture into the future, and we have been rolling out workforce development initiatives to help train the next generation of pilots, aircraft technicians, engineers and others who we hope will join the Delta family.

#### **LEADING SAFELY**

Our commitment to our customers and people starts with their safety, which is a core value at Delta and impacts every decision. That commitment includes safety on the ground, in the air and in the workplace. Our Safety Management System is a rigorous protocol that establishes our safety expectations, and defines the tools and methods we use to assess and improve safety every day.

You can learn about all of these efforts, and much more, in this report. As I review the progress we have made, I am proud of our efforts while simultaneously humbled by the work ahead as we strive to make this world a better place for generations to come. Whether you are a customer, an investor, an employee or a community partner, I thank you for joining us on this journey and look forward to climbing together.

**Ed Bastian**Chief Executive Officer



#### 2018 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.

#### **HEADQUARTERS**

Atlanta, GA

#### **JOINT VENTURE PARTNERS**

Air France-KLM Alitalia Virgin Atlantic Virgin Australia Aeromexico\* Korean Air

\* Joint Cooperation Agreement

#### **MAJOR SUBSIDIARIES**

Monroe Energy, LLC Delta Global Services, LLC\*

\* Sold in December 2018

#### **KEY HUBS & MARKETS**

Atlanta Amsterdam Boston London-Heathrow Paris-Charles de Gaulle Detroit Los Angeles São Paulo Mexico City Seoul-Incheon Minneapolis/St. Paul Tokyo-Narita New York-John F. Kennedy

New York-LaGuardia Salt Lake City Seattle

80,000+ **FMPI OYFFS** 

180M+
CUSTOMERS

**COUNTRIES** 

**CONTINENTS** 

**324**\* **DESTINATIONS** 

\* Delta and Delta Connection carriers

DAILY FLIGHTS (Including worldwide

alliance partners)

800+

AIRCRAFT (Mainline fleet)

Additional information is available at:

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



#### DELTA UNIFORMS TAKE ON NEW JOBS



When Delta employees boarded planes and entered warehouses and maintenance hangars on May 29th, they did so with a whole new look. The date marked the debut of our new uniform collection, the first update for Airport Customer Service and In-Flight Service employees since 2007 and for Cargo and Technical Operations (TechOps) employees since 2000.

As Delta prepared for the new, Zac Posen-designed uniforms to make their appearance, we also had to decide what to do with the uniforms we'd be retiring. "The first question employees asked when they heard about new uniforms was what to do with the old ones," says Scott Hamlin, CEO of Looptworks, a Delta upcycling partner. "They wanted to know that the uniforms would be put to meaningful use."

We're aware of the challenges presented by textile waste, more than 15 million tons of which are sent to landfills every year. Before the new uniforms were released, Delta design teams conducted wear-testing to ensure designs would support a variety of job functions, climates and body types. After testing, these prototypes were donated to re:loom, an Atlanta organization, where weavers designed and produced handmade products such as rugs, keychains and more.

With a plan to upcycle the prototypes,
we next had to figure out a plan for an entire
airline's worth of old uniforms—more than
1 million pieces in all. Working with more than a
half-dozen partners, we expanded our donation and
upcycling program to put uniforms to work in a number of sustainable ways.
By using every piece of material donated, these efforts allowed us to achieve
one of the largest single company textile diversion programs in U.S. history.

Delta also marked the launch of our new uniforms with fashion shows and celebrations coast to coast—even in the air. We incorporated the uniforms into one of our in-flight safety videos, which featured Delta crewmembers wearing Delta uniforms from the 1940s to today. We're proud to be writing a new chapter in Delta history—one that looks to the future while recognizing the positive impact we can make in the present.

#### COLLECTION

Boxes were placed in more than 90 cities around the Delta system. Partners Looptworks, Relay Resources and the Bobby Dodd Institute (BDI) sorted, deconstructed and warehoused all donations. Relay Resources and BDI provide job opportunities to those who face barriers to employment.

#### DONATION

Non-branded Delta items in good condition were donated to The Salvation Army. Covenant House Georgia gave gently used uniform pieces to homeless youth attending job interviews.

#### 100%

of Salvation Army proceeds given to adult rehabilitation centers

100%

of material donated diverted from landfills and incineration

#### **HOW DELTA PUT** UNIFORMS TO WORK

#### **UPCYCLING**

Looptworks took branded Delta items and upcycled them, or turned them into new products. Many of the products also used leather from retired aircraft seats, which itself is a waste product from other leather manufacturing. A portion of the proceeds were donated to the Youth **Environmental Education and Action Fund** through the Captain Planet Foundation.

#### DOWNCYCLING

Items that could not be donated or upcycled were downcycled or converted into items of lesser value. Leftover fabric from Delta uniforms was turned into home insulation, pillows, pet bed stuffing and more.

#### 325,000+

pounds donated. More than half the maximum takeoff weight of a Boeing 757 aircraft





































## OUR BEST CONNECTION: **DELTA PEOPLE**

Delta's success in connecting global communities on the ground and in the air is credited solely to our more than 80,000 employees. Taking care of them is our top priority. We are proud that they are the best-performing, best-compensated aviation professionals in the industry. Among the ways we demonstrate our commitment to Delta people:

- Consistent pay increases 10 times over the past 10 years, increasing total annual compensation 80 percent since 2008. Base pay has increased more than 30 percent on average in the past five years.
- Strong, middle-class jobs, for example, ramp agents earn starting salaries that are nearly \$18 an hour; airport agents and flight attendants earns \$74,000 and mechanics earn \$121,000 annually after 12 years of service.
- The industry's best profit-sharing plan, and most likely in the U.S., with effectively 15 percent of company profits go to employees, in addition to their salary. For the past five years, payouts have been in excess of \$1 billion.
- An industry-leading 401(k) plan that provides up to a 9 percent contribution from Delta, including a 3 percent company investment and a 6 percent dollar-for-dollar match when the plan member contributes 6 percent. In addition, we have funded \$7 billion into pensions plans over the past five years.

Our commitment to our people is matched by their loyalty to us. Delta's average attrition rate is below 5 percent, significantly under the industry average, and average seniority is 16 years. Delta people show every day their commitment to each other, our customers and our communities and that's why we put them at the heart of every decision we make.



In 2018 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 2018 goals. More in-depth information on individual material issues and KPIs can be found throughout the report.



#### **CLIMATE CHANGE**

#### **Fuel Efficiency**

#### **IATA-ALIGNED GOAL**

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



IATA Goal of 1.5% average annual improvement

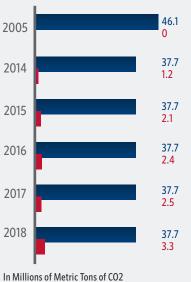
#### Delta Progress (gallons per 100 RTM)

In 2018, fuel efficiency improved 1.23 percent compared to 2017; and our RTM grew by 3.24 percent while total fuel use increased only 1.95 percent.

#### Carbon-Neutral Growth

#### IATA-ALIGNED GOAL

Medium-term: Cap net international aviation CO2 emissions from 2020.



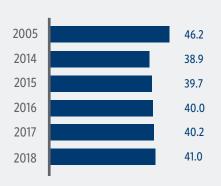
#### OFFSETS **EMISSIONS**

Since 2013, we have purchased and retired nearly 9 million carbon offsets, including a commitment to retire nearly 3 million offsets for our 2018 growth compared to 2012 levels.

#### **Absolute Emissions** Reduction

#### IATA-ALIGNED GOAL

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



In Millions of Metric Tons of CO2

Since 2005, we have reduced absolute GHG emissions by 11 percent.

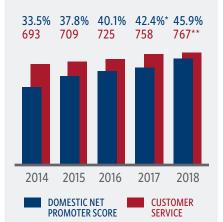
#### **CUSTOMER SATISFACTION**

**Net Promoter Score (NPS)** and JD Power Customer Service Results

#### GOAL

With 10+ points of growth over the past five years, we hope to achieve year-over-year NPS growth in the next five years.

**Domestic Net Promoter Score and** JD Power Customer Service Results



- \*Final 2017 Year-end Domestic NPS; previous report contained 2017 YTD figure
- \*\*JD Power year-end result

Since 2014, Delta's NPS has improved by 12.4+ pts including 3.5+ pts of growth in 2018 versus prior year. This improvement reflects increased recognition from customers of our investments in customer experience, including strong focus on operational reliability and customer service along with other customer experience initiatives. Through continued focus on Delta's strengths and opportunities for additional growth, we hope to continue to increase customer satisfaction measures and realize long-term NPS benefit.

#### **GENERAL SAFETY**

#### **Customer Safety GOAL**

Proactively reduce risks by identifying, assessing, mitigating and/or eliminating hazards that may cause incidents, accidents



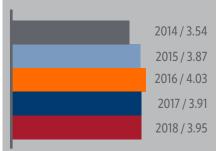
#### **EMPLOYEE SAFETY**

#### **Global Injury Rate**

#### **GOAL**

Achieve world-class personal safety performance with the goal of sending all Delta employees and business partners home safely each day.

**Global Injury Rate** 



In 2018, we invested heavily in Personal Safety initiatives that improved safety awareness, culture and knowledge; however, our injury rate remained flat.

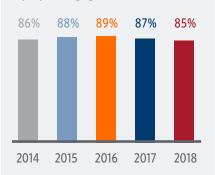
#### **TALENT** & CULTURE

#### **Employee Engagement**

#### **GOAL**

Achieve an 85 percent positive employee engagement score.

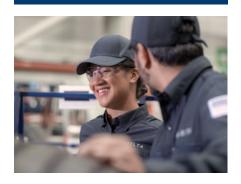
**Employee Engagement** 



In 2018 Delta achieved an 85 percent overall positive engagement score and was recognized by Great Places to Work®.

#### 2018 EMPLOYEE **SATISFACTION SURVEY**





#### **ENVIRONMENTAL COMPLIANCE**

#### Nonhazardous Waste Generation

#### **GOAL**

Reduce year-over-year waste generation.



mitigation. See page 61 table.

#### Hazardous Waste Generation

#### GOAL

Reduce year-over-year waste generation.



Delta was able to meet the goal of reducing our operationally generated hazardous waste through various means and methods. Some of this reduction is attributed to the replacement of older aircraft and some due to normal maintenance cycles that operate on a cyclical basis. Delta is continuing to work with our supply chain to understand and reduce our hazardous waste footprint where possible.

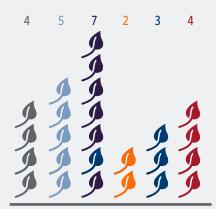


Part of Delta's new collection of upcycled products through Delta's partnership with Looptworks.

#### **Environmental Notices** of Violation

#### **GOAL**

Not to exceed three notices.



2013 2014 2015 2016 2017

#### **Spills**

#### **GOAL**

Experience no more than 90 combined Class I and Class II spills annually.



With the goal of continuous improvement for NOVs and Spills, the annual variability of both numbers is due to the growth in operations and maintenance activities. Therefore, annual variability will continue to affect reported numbers on a yearover-year basis.

#### 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.

8 DECENT WORK AND ECONOMIC GROWTH



- •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 four years
- Invest in the individual potential of employees through training and development programs
- Establish processes and encourage practices to ensure a safe workplace

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



- 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

10 REDUCED INEQUALITIES



- 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 samesex 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

11 SUSTAINABLE CITIES AND COMMUNITIES



- 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 Advancing Education, Improving Health and Supporting Armed Service Members and Veterans

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- 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 and Looptworks
- Promote our headquarters and inflight recycling programs at 38 domestic recycling locations and three international recycling locations worldwide
- Comply with all environmental regulations in the areas of air quality, aircraft drinking water and waste

13 CLIMATE ACTION



- •Committed to and have achieved carbon neutral growth for five consecutive years
- •Aligned with International Air Transport Association on short-, mediumand long-term goals to improve fuel efficiency, achieve carbon neutral growth and reduce carbon emissions
- Purchased and retired nearly
   9 million carbon offsets since 2013, and committed to retiring more than
   3 million offsets for 2018 growth
- Work with suppliers to increase the fuel efficiency of aircraft and implement fuel-saving flight procedures
- Engage producers in support of alternative aviation fuels



# CULTURE AND ENGAGEMENT 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, respect, perseverance and servant leadership in all we do. We are proud of this legacy.

Our long history of building and nurturing our culture has earned us deep emotional connections with our employees and shared values of honesty, integrity and respect. We care for these connections through ongoing and active listening, including formal mechanisms such as ongoing employee engagement surveys, and a variety of informal measures. And we share our success with the people who make it 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. For the second straight year, in fact, Delta landed on Forbes' 100 Best Companies to Work For list, the only airline to do so. This is no accident. Satisfied employees make for satisfied customers, who 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.

A primary way we measure employee satisfaction is through a company-wide employee survey. Nearly 48,000 Delta employees—60 percent—participated in the 2018 Employee Survey. For the sixth year in a row, we achieved our goal for positive employee engagement, with a score of 85 percent. The four highest positive response rates were for questions about:

- Understanding how employees' daily work impacts the company's overall goals
- Understanding and supporting Delta's basic principles and core values
- Employee pride in telling others they work for Delta
- Employee likelihood to refer a friend or family member to work for Delta

Beyond this survey, Delta employees also are heard through division-specific engagement surveys provided annually on an employee's hire date and division-specific employee engagement groups. In addition, the Delta Board Council consists of a representative from every major noncontract operating division and ensures that employee voices are heard at the Board of Directors level. Our Business Resource Groups (BRGs) and our internal social media platform SkyHub are also important engagement channels for employees and leaders.

## 2018 **EMPLOYEE AWARDS**

- American Heart Association Workplace Health Achievement Index—Gold Recognition
- Business Insider—Top 25 companies with happiest employees in America
- Companies That Care Honor Roll 2018
- Disability Equality Index Best Places to Work 2018
- Forbes—America's Best Employers for New Graduates (Rank 44)
- Fortune 100 Best Companies to Work For 2018
- Fortune and Great Place to Work: Best Workplaces for Diversity 2018
- Fortune and Great Place to Work: Best Workplaces for Women 2018
- Glassdoor Best Places to Work in 2018
- Great Place to Work Certified Company 2018-2019
- Human Rights Campaign Foundation:
   Best Places to Work for LGBTQ Equality 2018
- Indeed.com Top Rated Workplaces: 50 Best
- Indeed.com Top Rated Workplaces: Best by Millennials
- Indeed.com Top Rated Workplaces: Best by Veterans
- National Business Group on Health—Best Employers for Healthy Lifestyles—Platinum Award
- Victory Media—Military Friendly Employer 2018
- Workforce 100 List for HR Excellence 2018



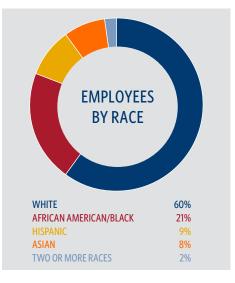


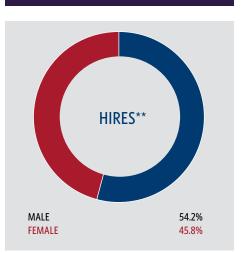
39.8% U.S. ETHNIC MINORITIES

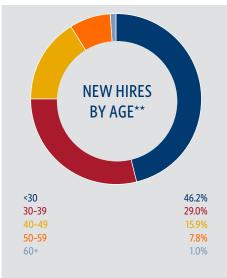
## WORKFORCE PROFILE A Closer Look at Delta People

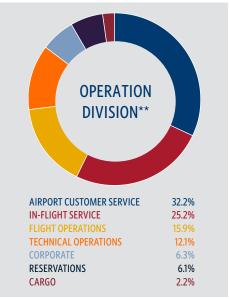




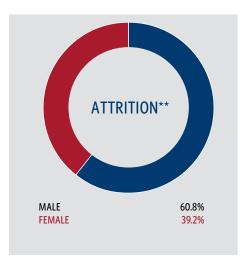






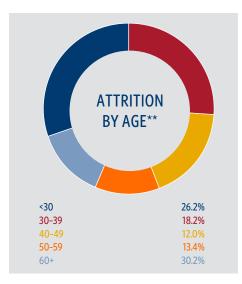








<sup>\*\*</sup>Between January and December 2018; excludes intern/co-op and no show; diversity calculation includes domestic (station country code USA, excluding SJU) and expat employees only.





### UPHOLDING OUR VALUES

Our culture is our most important competitive advantage. Each and every Delta employee has a responsibility to protect and preserve it. They play a key role in maintaining Delta's reputation as a safe, reliable airline built on a foundation of honesty, integrity, respect, perseverance and servant leadership. Delta's Code of Ethics and Business Conduct helps employees better understand their role in protecting Delta's values, culture and reputation.

Delta conducts all business ethically and in compliance with the law. This nonnegotiable policy is critical to maintaining Delta's high level of performance, as well as our well-earned reputation for excellence and integrity. We run our business using the following three documents as our primary guide:

Rules of the Road, which is our foundation and outlines core values, principles and expectations of modeling leadership at every level of the company.

The Way We Fly, which outlines our basic expectations of each other as employees.

The Delta Code of Ethics and Business Conduct which defines how we conduct business around the world.

These documents describe and reinforce the fundamental values and basic behaviors required of all employees and what we promise as a company in return—including a commitment to our long-standing Open Door policy. In addition to helping Delta employees conduct business ethically, the Delta Code of Ethics and Business Conduct also helps our business partners understand how we conduct business, and it provides key compliance policies that apply to interactions around the world.

While Delta's Code of Ethics and Business Conduct is an important reference, understandably it cannot describe every law and Delta standard that applies to our business. That is why we expect employees and partners to let their actions be guided by all three documents.

All Delta employees must read, understand and follow Delta's Code of Ethics and Business Conduct, as well as reporting violations or suspected violations. Speaking up about behavior that may be a violation of the Delta Code of Ethics and Business Conduct or our values allows Delta to address issues as they arise. Employees are encouraged to report suspicions to their supervisor or other manager; their HR representative or the Law Department. If an employee is uncomfortable reporting through one of these channels, they can always report through DeltaHelpLine.com.

#### SAFETY, ETHICS AND COMPLIANCE HELPLINE

If an employee, partner or customer wants to report an incident or raise a safety, ethics or compliance concern, they can contact the Delta Safety, Ethics and Compliance Helpline. The Helpline is available toll-free, 24 hours a day, 7 days a week by calling 1-800-253-7879 within the U.S. and Canada. Concerns also maybe be reported online at DeltaHelpLine.com.

Reports to the Helpline are answered discreetly and confidentially by an independent company that helps us respond to concerns. If an investigation is necessary, it happens promptly and, if appropriate, corrective actions are taken. Delta does not tolerate retaliation of any kind for raising concerns or making a report in good faith about a safety, ethics or compliance issue. Delta will take appropriate disciplinary action, up to and including termination, against individuals who retaliate.

#### TALENT & CULTURE

#### **ETHICS IN ACTION**

In 2018, we delivered 19 live training sessions to more than 3,000 of our colleagues globally on topics including anti-trust, conflicts of interest, anti-bribery and anti-corruption, insider trading, and trade sanctions and restrictions. We provide the Delta Code of Ethics and Business Conduct online course to all Delta merit employees and contractors annually and update content so that materials remain fresh. During 2018, 14,176 employees and contractors completed the course, a 97 percent completion rate for the relevant population. Starting in 2019, we will conduct a focused effort to achieve 100 percent completion of online mandatory training.

We also continued to expand the variety and reach of Ethics and Compliance program communications by:

- Publishing featured articles on our internal, employee-focused intranet;
- Distributing printed materials throughout the company;
- Building a central, online home for employees to access policies and compliance information;
- Creating videos by Delta officers who discuss what compliance means to their business units for use in live and online trainings.

Delta also provides anti-bribery and anti-corruption training to all Delta personnel and agents who may interact with foreign officials on Delta matters. We have significantly increased the frequency of in-person training on Delta's Code of Ethics and Business Conduct, in particular anti-bribery and anti-trust topics. We now also have online anti-trust training available to employees.

#### **HUMAN RIGHTS**

Delta condemns all forms of human rights abuses, including human trafficking and sexual exploitation of children. We fully support and respect the principles set forth in various international and domestic modern slavery and anti-human trafficking laws, which is consistent with our core values and commitment to be a force for global good. Through our support of human rights, we actively take our responsibility as a global citizen seriously and proudly continue to evolve and take actions to be the leading force against human trafficking in the airline industry. Throughout 2018, Delta rolled out new signs in airports across the U.S. to raise awareness of human trafficking. The signs serve multiple goals, including helping to teach the public about indicators of trafficking and to highlight the National Human Trafficking Hotline number. The signs also create additional opportunities for educating the extended Delta global family to learn and recognize the signs of trafficking, while providing a means to report anything suspicious.

During the year, our In-Flight Service training department released new mandatory quarterly training for all flight attendants. Also released was an optional computerbased training module that is now available to our 80,000 employees worldwide. To build even more momentum around human trafficking education and awareness, we held events in April 2018 and in January 2019 for more than 500 employees in collaboration with our longstanding partners Polaris, Street Grace, Freedom United and End Child Prostitution and Trafficking (ECPAT).

In addition to training, we continue to be a force for global good by building human rights volunteer opportunities through nonprofit organizations that include Freedom Rings, Freedom United and WellSpring Living. These volunteer efforts allow Delta people to directly engage the communities where we live and work in support of women's shelters and other organizations that serve human trafficking survivors.

#### A BETTER CONNECTION

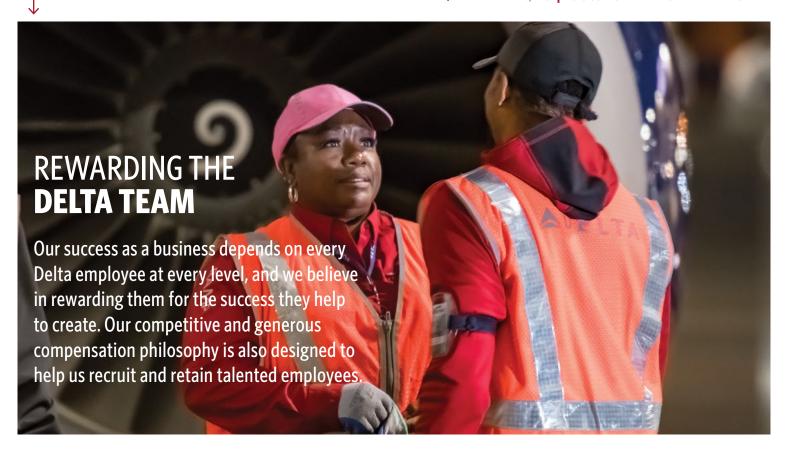
#### **THROUGH EMPATHY**

In a business focused on service and hospitality, there is no such thing as demonstrating too much empathy when dealing with both customers and fellow employees. That was the thought behind gathering Delta people, from frontline employees to directors, at "Destination Tomorrow: Together with TED" to learn from TED fellows, hear from leaders and participate in discussions on how empathy contributes to unmatched customer service. Colleagues shared best practices and brainstormed ideas in support of the concept during the day-long event.

Tim Moye, manager of the Delta Care and Scholarship Funds, shared a powerful story on his work as founder of Wrenched Hearts, an employee group for grieving parents. Wrapping up the day, Jeanie Brady, a flight attendant, left participants with a lot to think about from her talk, "Practicing Kindness at 35,000 Feet."

"From Jeanie's reminder that everyone has a story to Customer Experience Vice President Charisse Evans' talk on experimentation and continuous improvement—the event was a compelling learning experience. It also reaffirmed what we do every day at Delta," said attendee Lori Spellman, In-Flight Service base manager.





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 their compensation 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, Airport Customer Service agents, 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 health care coverage. On Oct. 1, 2018, eligible scale and merit employees received up to a 3 percent increase in base pay.

For all employees, competitive base pay is one piece of a larger compensation pie that includes added rewards and benefits. Our profit sharing program leads the industry and recognizes our employees' contributions in meeting Delta's financial targets.

For the fourth year in a row we have paid out more than \$1 billion annually 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.

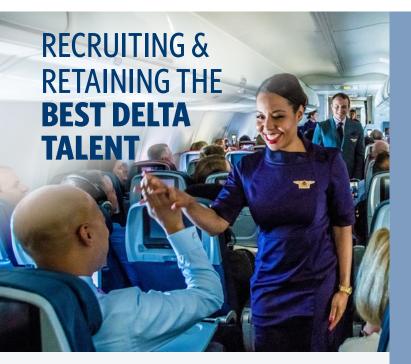
Executive compensation is aligned with compensation for all Delta employees but is also dependent on the airline's performance, which includes environmental, social and governance factors. The Personnel & Compensation Committee of the Board of Directors sets evaluation criteria and compensation for the 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.

Delta supports flexible employment arrangements. Ready Reserve employees are eligible to work fewer weekly hours; are paid on the same pay scale as full-time customer service agents; and receive profit sharing, Shared Rewards, 401(k)

savings and travel privileges. In most locations, Ready Reserve employees are not eligible to participate in health and welfare plans. The Reservation Sales Work @ Home program allows employees to receive the same benefits as full-time employees without the time and expense of traveling between home and the engagement call 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 Delta 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 \$3.6 million in grants to employees and \$1.5 million in disaster relief in 2018. The Delta Scholarship Fund helps employees and eligible family members achieve their dreams of furthering their education. The Fund has awarded more than \$5 million in scholarships since it launched in 2008, and 550 employees and dependents received scholarships worth \$1.35 million for the 2018-2019 school year.



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

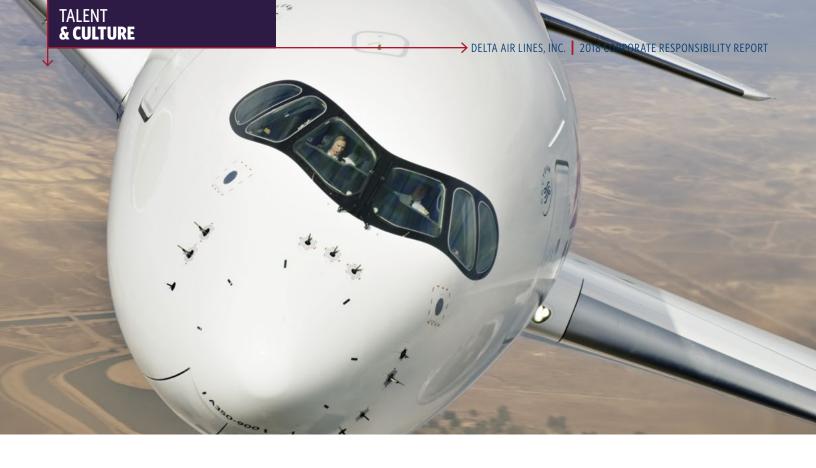
#### A BETTER CONNECTION

#### **THROUGH PROFIT SHARING**

Delta employees working together as one made Delta the Most Awarded Airline in 2017. To commemorate this milestone and honor their performance and hard work, we created a puzzle from the hull of a retired Delta 747, which was unveiled on our 2018 Profit Sharing Day at the Delta Flight Museum. Delta employees earned a \$1.1 billion payout for their role in delivering record-breaking operational and customer satisfaction performance as well as strong financial performance.

Following the ceremony, each of Delta's more than 80,000 employees received a puzzle piece engraved with their name, serving as a constant reminder of the importance and impact of their efforts working together for the company's success.





to replace those retiring from key technical roles—especially pilots and mechanics—is also a major focus. In the coming five years, we plan to hire approximately 25,000 employees, including more than 8,000 pilots to staff flights around the world as other pilots reach mandatory retirement age.

In 2018, we completed the build-out of our hiring team within Delta, allowing us to use our own expertise to recruit from within and reduce our reliance on third-party agency partners. With unemployment at a 10-year low, however, competition for talent has increased. This means we must develop even more creative ways to attract talent.

Preparing aspiring aviation professionals to take the helm from retiring employees is a priority. We have partnerships with more than 47 maintenance training programs across the U.S. to help identify, mentor and source the next generation of aviation maintenance technicians. Through these partnerships, we offer tours, job shadows and career guidance for the schools, as well as training opportunities for instructors. Where possible, we donate serviceable parts, engines and airframes to give students even more real-world maintenance experience working with jet aircraft components. In 2018, The Delta Air Lines Foundation issued \$350,000 of grants to nine Aviation Maintenance training programs nationwide. The grants will allow the programs to enhance their curriculum development, projects and material support, increasing students' awareness, knowledge and skills of avionics, electrical and composite structures.

Delta and The Delta Air Lines Foundation invest strategically in education to develop future talent. In 2018, Delta, The Delta Air Lines Foundation and the Jacobson Family Foundation contributed a combined \$6.2 million to support aviation programs at Auburn University. The funding provided will allow Auburn students to learn to fly and pursue aviation careers at Auburn University Regional Airport. The Delta Air Lines Foundation also provided a \$2 million grant to Georgia State University's J. Mack Robinson College of Business to open the new Delta Student Success Center.

We have partnered with and created many successful experiential educational programs to get school students excited about STEM and aviation careers. Delta provided scholarships to over 600 students, grades seven through 12, to participate in a week-long immersive learning adventure camp aboard the world's largest simulated aircraft carrier at the National Flight Academy in Pensacola, Florida. Delta hires 400 new interns or co-ops each year to experience programs in almost every division throughout our organization.

Delta has long been committed to hiring veterans and reservists, employing over 10,000 veterans. This year, job-seeker site indeed.com recognized Delta as a top workplace for veterans. Delta was an early adopter of the Veterans Job Mission's goal to hire 1 million veterans and takes a multipronged approach of community outreach and strategic partnerships to hire veterans.







#### A BETTER CONNECTION

#### TO THE NEXT GENERATION OF PILOTS

Our efforts to identify, select and develop the next generation of pilots expanded significantly in 2018 with the launch of the Delta Propel Pilot Career Path Program.

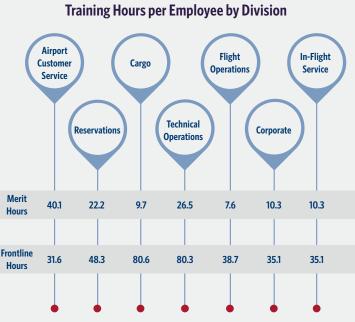
This innovative program has three main areas of focus college, company and community. This three-pronged approach will help Delta support future aviators as well as current Delta employees who have a passion for aviation and strong interest in becoming a Delta pilot. The Propel Program supplements our current recruiting structure, which includes recruiting and hiring pilots currently flying in the airline, military and corporate sectors.

Delta conducted several years of research to create the pilot outreach and pathway program, including listening to feedback from students, parents, faculty, administrators and Delta employees to help overcome barriers for potential pilot Flight Instructor shortage.

The program takes a holistic approach to expanding the opportunities available to aspiring pilots. The College path focuses on partnerships with universities and accredited aviation programs for the student interview and selection process and an advanced engagement opportunity to immerse students in the Delta culture on and off campus with the support of a Delta pilot mentor. The Company path provides current Delta employees a career transition opportunity to pursue a pilot career. A limited number of candidates will be chosen each year and will be provided with a Qualified Job Offer detailing a defined path and timeline to become a Delta pilot.

The Community component of the program involves leveraging current relationships with aviation organizations and establishing new ones to identify and support aspiring pilots, including engagement with kindergarten through high school students. Delta also will provide scholarships, engagement and mentoring to increase the diversity of its candidate pool through the Propel Community Outreach path.





An important way we 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. Our online learning database allows employees to view all resources that Delta offers in one place, from webinars to in-person workshops. In 2018 Delta also launched a customer experience training for frontline employees following the success of a 2017 pilot program.

#### **PERFORMANCE & REVIEWS**

Every year, merit employees, who make up 11 percent of our workforce, participate in a performance management process which helps support their career development goals. In 2018, 87.89 percent of merit employees completed these reviews. Career development and growth for merit employees is focused around four key activities:

- Performance Planning through which employees create performance objectives aligned to the goals of their manager, division and the overall corporation.
- Individual Development Plans are utilized by employees and managers to plan and track focused developmental activities in identified skills or behaviors.
- Ongoing Check-In Conversations occur throughout the year between employees and their managers on the progress being made toward goals and an employee's development.
- Year-End Conversations are a final check-in to review an employee's progress over the last year toward goals achievement and to ensure individual performance is aligned 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 they need to continuously grow.

#### **HEALTH BENEFITS**

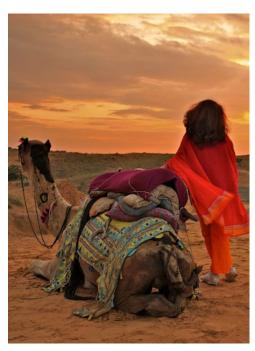
In addition to comprehensive health care coverage, Delta offers dental, vision and flexible spending account benefits to eligible employees. To promote disease prevention, employees enrolled in a Delta Account-Based Healthcare Plan are covered at 100 percent for preventive care services based on the 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 health care 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 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 are 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, we provide our employees on Delta business travel with travel health consultation and company-paid vaccine coverage, anti-malaria 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 traveling internationally on company business. Through telephone conversations available 24/7, employees can be referred for a hotel physician visit, a doctor's office appointment or an emergency room visit. 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 health care professionals.



With a goal to strengthen our connections from the inside out, Delta's diversity and inclusion strategy focuses on three strategic imperatives: seeking diversity, promoting inclusion and driving accountability. The strategy is supported and measured by Delta Vision 2020, a three-year plan to increase diversity, particularly in leadership roles. Delta Vision 2020 is supported by Delta's Diversity Council, which is composed of senior leaders across the company to ensure greater accountability.

In late 2018, Delta Air Lines joined hundreds of companies across the U.S. in the first-ever National Day of Understanding for diversity and inclusion. Companies that participated, including Delta, are members of the CEO Action for Diversity & Inclusion, a coalition committed to creating a safe workplace environment for dialogue, addressing and mitigating unconscious biases, and sharing best practices.

#### **BUSINESS RESOURCE GROUPS**

Delta's employee-led groups continue to contribute to a more inclusive and engaged climate across the organization's global footprint. Our Business Resource Groups (BRGs) and four employee involvement groups provide professional development, drive employee and community engagement, and serve as a source for new and innovative business solutions.

In addition, two employee peer support groups provide a support system for Delta employees affected by cancer or for parents who have lost children. These groups ensure that a diverse and inclusive voice remains an intrinsic component of the decision-making process. They also demonstrate Delta's shared values of treating one another with dignity and respect. The growth and influence of BRGs has been impressive and impactful in creating a more inclusive and engaged culture. In 2018, BRG membership grew by 35 percent.

To strengthen diversity, we have shifted our external recruiting strategy to build stronger partnerships with local and regional diverse professional organizations. We also are developing strategies to leverage BRGs as talent ambassadors, as well as increasing the number of diverse candidates in final interview slates. It is equally important to increase internal mobility for existing diverse employees. To do so we are working with leaders and divisional functions to strengthen the pipeline of employees considered for promotions, lateral moves and professional development.



#### A MORE INCLUSIVE WORKPLACE

Promoting inclusion through training is a priority for us. In 2017, approximately 80 percent of leaders participated in Infinite Differences, a half-day diversity education experience focused on unconscious bias and how to lead with inclusion. In 2019, Delta will launch the next phase of diversity education to expand the inclusion skills and competencies of leaders.

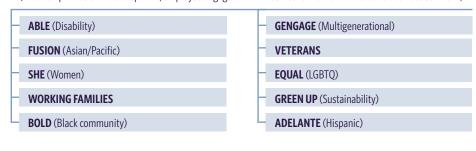
Creating an inclusive environment in a predominantly male-dominated industry means advocating for, and championing, women. Delta works to dismantle barriers to career entry and advancement, with 19 female leaders in officer positions. Conversations about women in the workplace are encouraged through the BRG SHE, and women are invited to offer input on decisions that could predominantly affect women, such as maternity leave. Delta achieved pay parity in both administrative and front-line roles this year, but we recognize that there is more work to be done. Delta is also committed to serving women in the wider community through its fight against human trafficking, a crime which largely exploits women and children.

To support career advancement, Delta hosts professional development summits in partnership with its BRGs and external professional organizations led by women and people of color. In 2018, we hosted the Hispanic Corporate Council of Atlanta's annual forum in partnership with the company's Latin American BRG, providing a unique opportunity for over 100 of our employees to network with Delta executives and many other Fortune 500 companies.

We reach a broad range of diverse groups through sponsorships, professional development and early career programs. Our early outreach to minority groups aims to break down barriers to the industry and expose students to relatable and inspiring role models. For example, Delta's partnership with the Organization of Black Aviation Professionals' (OBAP) ACE Academy and Solo Flight programs introduce high school students of color to careers in aviation. Delta's all-female "WING" Flight, standing for "Women Inspiring our Next Generation," exposes over 100 girls ages 12 to 18 to airline careers. Delta also sponsored and participated in several PRIDE events in U.S. cities and in London to promote our

#### **Business Resource Groups**

(Focus on professional development, employee engagement and source for new and innovative business solutions)



#### **Employee Involvement Groups**

Airport Customer Service /Cargo
In-Flight Service
Reservations & Customer Care
Technical Operations

#### **Employee Support Groups**

(Employees supporting one another through shared experiences)

WRENCHED HEARTS (Grieving parents)

**HOPE THRIVES** (Cancer support)

core values of diversity, acceptance and inclusion. In 2018, more than 1,150 employees walked in local PRIDE parades in support of LGBTQ communities.

Delta extends its values of diversity and inclusion to our supply chain. The diversity clause in our supplier code requires contractors to acknowledge Delta's commitment to enhancing business opportunities for small business, including minority, veteran, disabled, LGBTQ and women-owned small businesses as first- and second-tier suppliers, so long as they are competitive on price, quality and service. In 2018, we spent \$832 million on these diverse small business contracts, an 8 percent increase over 2017. We also honored our top diverse suppliers and supplier diversity advocates at our 19th Annual Star Awards recognition event.

#### A BETTER CONNECTION THROUGH LISTENING

Our BRGs are often a powerful voice for improvements in the workplace and the source of innovative ideas. In 2018, ABLE provided guidance that led Delta to start encouraging employees and customers with disabilities to self-identify for their own personal safety while flying.

"Many Delta employees are not aware of the powerful role BRGs play within the company," said Ryan Di Giovanni, Delta Senior Analyst—Revenue Management and Vice President of ABLE. "Delta's leadership team not only listens but often turns suggestions into action. This is one of the reasons that Delta culture is unique and helps to make the Delta difference for employees."

In addition to ABLE, Delta regularly receives input from its Advisory Board on Disability (ABD), a group of 13 influencers and decision-makers from various groups within the disability community who are also Delta frequent flyers. This year, Delta hosted its 10th annual Advisory Board on Disability meeting where Delta employees and board members met to discuss and share recommendations on compliance, training, policies, procedures and anything impacting the travel experience of people with disabilities. Recently, the board offered recommendations for Delta's assistive device damage reduction strategy, service animal policies and inclusive marketing tactics, resulting in new policies and solutions to improve the travel experiences of customers with disabilities.









## INTEGRATING SAFETY IN **EVERY ACTION**

Delta's unwavering commitment to improving safety performance across all aspects of the business mirrors our commitment to sustaining industry-leading operational performance and reliability. Our brand is tightly tied to customer satisfaction, and safety is a foundational expectation that also supports and enables improvements in performance and reliability.

Safety is a fundamental value at Delta and woven into everything we do. This means we are never satisfied with our safety performance, even in areas where we lead the industry. As a shared value, safety connects us as a company globally—whether taking care of a sick passenger on a flight from Tokyo to Los Angeles, replacing a worn tire in Atlanta, completing a pre-flight checklist in London or inspecting ramp vehicles for safety in New York.

We apply the same rigor and systematic approach to monitoring and enhancing our flight safety and reporting programs, maintenance reliability systems and personal safety programs as we do to our other operational processes. The outputs of these processes are regularly reviewed by Delta leaders in monthly and quarterly performance and analysis reviews, up to and including our Board-level committee on safety and security.

#### SAFETY MANAGEMENT SYSTEM

At the heart of all Delta's safety programs is our Safety Management System (SMS) that establishes the expectations for safety performance and defines the tools and methodologies to guide, assess and improve safety every day. Whether we are protecting our employees, customers, business partners or airplanes, Delta believes in a structured approach to safety management.

The Delta SMS includes four key elements: Safety Policy, Safety Risk Management, Safety Assurance and Safety Promotion. These four pillars establish the framework to ensure we manage risk, supported by strong safety leadership commitment at every level. The SMS is an integrated approach that is applied to safety management across our business and involves everyone in the organization with a role to identify concerns.



Delta's SMS has matured into a strong, successful and healthy foundation for managing risk across our daily operational processes. The keys to its success are employee engagement, leadership accountability and communication. Our frontline employees are the eyes and ears of our operation and are best positioned to identify hazards and offer solutions. Constant analysis of systems, processes and procedures provides ongoing opportunities to proactively identify hazards before an incident occurs. In 2018 our SMS is well deployed with broad scope to the point where it is acknowledged to be the "way we do things around here."

#### **BUILDING A SAFER WORKPLACE**

We recognize that reducing injuries at work is achieved by:

- Advancing our safety culture to support open reporting, greater focus and awareness of hazards and demonstrating that we care about all employees and business partners
- Changing the way work is done in order to mitigate injury, whether through training, modifying processes or investing in new equipment

We believe that safety starts with great safety leaders. The Delta CARE model that was introduced in 2017 has been integrated into our human resources and leadership programs to clearly define and reinforce the desired safety competencies and behaviors:





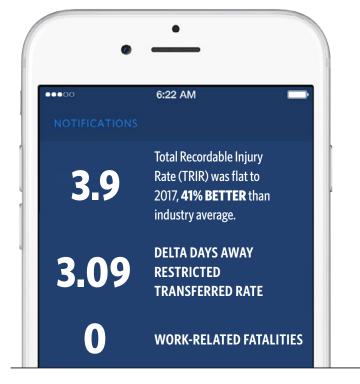
Reinforce Safety Behaviors



The CARE model is a foundational component of our new manager training and leadership development courses in which we describe "what great safety leadership looks like."

Delta is focused on a new training approach to embed safety into employees' daily routines. In 2018 we completed over 20 Reflective Learning sessions with leadership groups. In these sessions, participants reflected on their safety behaviors and actions —both successes and disappointments. Leaders reviewed recent incidents by asking "How did we as leaders contribute to these events?" and "What is our role in

preventing future incidents?" Each team took away rich learnings and a realistic set of actions within their control they could take to make a difference. These Reflective Learning events are just one example of how we are promoting conversations about safety to be reflective, humble and lead to proactive changes.



#### **NEW INITIATIVES IN 2018**

In the air, our In-Flight Service team has leveraged the CARE model to develop an engagement program for frontline leaders to engage positively with flight attendants during a flight. Leaders identify any at-risk behaviors or concerns, but are focused on recognizing and thanking flight attendants for doing the right thing. This is simply called the CARE Program.

Another In-Flight Service Safety Program that has proven extremely powerful is "Moments of Truth." Five specific scenarios were identified where flight attendants might be conflicted: "Do I do the right thing for customer experience, or do I do the right thing for safety?" Leaders very clearly and consistently communicated that they would support flight attendants for doing the right thing for safety.

In 2018 we hired over 2,000 new flight attendants. To ensure they understood the importance of safety in their new role, In-Flight Service developed Safety Learning Maps to address common safety scenarios both on-board and during layovers. In their second month of flying, our new-hire flight attendants participated in highly interactive sessions with their peers to select the right safety response for each scenario and discuss why they made their choice.

All of these In-Flight Service programs complemented the employee-owned safety program "I've Got Your Back—#IGYB" that was initiated in 2017.

On the ground, our Technical Operations team designed and rolled out the SEAT program for proactive safety observations and conversations in the operation across the organization. SEAT safety observations adopt a simple model for at-risk observations:



To further boost safety awareness this year, we continued to promote and reinforce The Lifesavers, which are lifesaving rules established across all divisions in late 2017. This initiative included testimonial training videos featuring lessons learned from employees who sustained an injury. Our own "Havoc" character, who promotes safety by naughtily encouraging unsafe behaviors around the workplace, also starred in a number of Lifesaver training videos in 2018. This innovative and engaging awareness training continues to be both well-received and remembered.

In addition to preventing employee injuries, Delta also implements programs to prevent work-related health issues. In 2018, as an example, we provided employees traveling internationally on company business with global medical assistance through SOS-MedAire. This global medical assistance ensured that approximately 1,000 flight attendant trainees had the opportunity to be vaccinated against yellow fever in 2018, following several outbreaks in South America.

Delta held its second annual companywide Safety Day in 2018. This year's theme asked employees "How Do You Stay Safe?" and encouraged them to share stories about their experiences and how they keep themselves and others safe. The 2018 event engaged a far broader cross-section of the Delta population, and we expect to evolve and build on the Safety Day design going forward.

Finally, we continue to emphasize that safety extends beyond the workplace though our mission: "LIVESAFE—At Work, At Home, At Play." This message reflects our understanding that the best way to support our employees and realize lasting change is by incorporating safe behaviors into all aspects of our daily lives.

#### A BETTER CONNECTION

#### LIVING SAFE AT WORK, HOME AND PLAY

Delta line maintenance employees Adam Momeyer, based in Honolulu, and E.J. Esposito, based in Charlotte, North Carolina, recently demonstrated the Delta LIVESAFE mindset when saving lives after witnessing a helicopter crash. While kayaking in Hawaii on their days off, Adam, E.J. and his girlfriend, Carly, spotted a helicopter plummeting into the water yards ahead of them. They reacted instantly. Adam called 911 and E.J. and Carly swam to the helicopter where they found the pilot drifting in and out of consciousness and two other passengers alert but injured. E.J. rendered first aid to the passengers, while Carly held the pilot's head above water until emergency response teams arrived to transport the crash victims to a local hospital.

Some may say it is impossible to prepare for situations like this, but for Delta employees, anticipating all possible outcomes is crucial for job safety and accuracy. "I try to expect the unexpected and always be alert in life," E.J. said. "At work, we don't skimp on safety, and we pay close attention to detail—both of which are qualities that were essential when responding to the crash."



Delta people are always there for each other—in and out of work. Delta's culture of caring for other people is so ingrained in us that I think our instincts for helping others took over in the moment. Delta's safety-oriented nature also prompted me to check for dangerous situations like fuel leaks, explosion hazards and dangerous broken parts as we carefully entered the crash site to help.

—Adam Momeyer

An exceptional example of what it means to serve others while maintaining safety-first core values, Adam, E.J. and Carly embody what it means to LIVESAFE at work, at home and at play. Delta recognized both employees with "Saved the Day" awards to acknowledge their outstanding presence of mind while responding to the crash.

#### **USING TECHNOLOGY TO STAY SAFE**

A number of dedicated efforts were made in 2018 to improve both the working environment and the equipment our employees and partners utilize daily.

Our Airport Customer Service (ACS) team continues to look at ways to minimize the exposures inherent in working on the ramp and handling bags. We introduced 39 power stow belt loaders in 2018 with plans for another 55 in 2019. These belt loaders reduce the exposure of baggage handlers to motion-related injuries while manually stacking bags in the aircraft hold. We continue to look at a number of potential solutions and technologies that would reduce the number of touch points our ACS teams make with bags. Another technology-driven solution introduced by ACS in 2018 was a new safety app that allows employees and leaders to report hazards, conduct safety audits and complete safety observations—all on their mobile device.



Following the introduction of IOS system devices for flight attendants and pilots in 2018, we continue to add to our existing range of apps to make reporting easier for our employees. One example is turbulence surveys to support simpler reporting by flight attendants of the critical facts following a turbulence event. Another highly successful In-Flight Service initiative is a robust tagging and



tracking system to ensure broken carts are systematically removed from the system and repaired. Cart injuries are among the most common injuries among flight attendants. In TechOps our maintenance team identified a systemic problem with ladders and stands being used incorrectly across the system and posing a risk. Following a rigorous review and an inventory of stock, additional ladders and stands were introduced across the system, and new guidance issued for which specific ladder/stand to use for specific tasks.

#### **RECOGNIZING SAFE FACILITIES**

Delta's Quality Assurance (QA) team conducts audits at our airports to review required documentation and interview employees to confirm that safety expectations are met. In 2018, this team completed over 1,000 detailed safety audits across our domestic and international airports. These reports go along with leadership's local self-audits to identify areas that need attention. Data from these evaluations also are used when investigating incidents to correlate causal factors and identify topics that may need systemwide attention.



Delta is proud to have 21 OSHA Voluntary Protection Program (VPP) Star locations in the United States and is still the only major airline with OSHA Corporate VPP status. In 2018 we added the Iron Range Minnesota Customer Engagement Center to our existing list of VPP locations. There are just over 2.000 VPP sites across the United States.

At Delta's VPP sites, the rate of on-the-job injury and illness is far lower than the industry average: 1.38 injuries per 100 employees, compared to the air transportation industry average of 6.6. In addition, the OSHA recordable injury rate at our VPP facilities is 61.5 percent better than non-VPP Delta sites and 79 percent better than the industry average.



#### SAFETY 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. Delta Flight Safety employs a data modeling and analysis team that continuously monitors system performance to identify risk and implement effective operational solutions proactively. 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 conditions. Several years ago, Delta 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. Delta's proprietary turbulence tool—Delta's Flight Weather Viewer—is unique in the industry. As we make enhancements to in-flight WiFi connectivity, the weather viewer availability is increased.

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.

The Aviation Safety Action Program (ASAP) is a voluntary reporting best practice for front-line operational employees that encourages proactive and confidential hazard and near-miss reporting. ASAP emboldens a healthy safety culture through its collaborative approach to risk identification and mitigation—offering Delta pilots, mechanics, flight attendants, ACS agents, dispatchers and load planners a human factor-focused safety program that allows for group learning and continuous improvement.

#### ENSURING SECURE FLIGHTS AND 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.

In 2018, our security team implemented a range of initiatives to help ensure the safety of our people and campuses. These initiatives included equipment upgrades for traffic controls; access control and video monitoring at corporate offices and airport facilities; approval of an employee-at-risk framework with a focus on foreign travel and executive protection; and enhancement of identification badge processes. In response to employee concerns, we also introduced new enterprise-wide training about how to respond to an armed attack, as well as several initiatives aimed at keeping employees more aware of crime patterns and risks.

Delta's "All Hazards" approach guides our Business Continuity and Emergency Response teams in facilitating a companywide framework that proactively identifies threats that have the potential to disrupt our business. Some threats are outside of Delta's control; thus our Corporate Crisis Center response protocol places less emphasis on the actual event type, and more on the training and experience of our divisional responders. Their understanding of our response process, along with being closely attuned with how their area of responsibility fits into the response process as a whole, allows us to quickly develop an incident action plan that guides the strategy for response efforts. This ability to manage the business disruption reduces recovery time while providing for the safety and security of our customers and employees. Frequent drills and simulations keep our responders familiar with response processes and equipped to respond at a moment's notice.

In 2018, Delta initiated an Airport Hub Risk Assessment. The project aims to improve our understanding of resiliency associated with our largest hub airports. The initial focus on hub airports is due to the magnitude of customer impact and the coordination required in the event of a major disruption at a large international airport. While the underlying causes of disruptions can vary, the end result can mean the cancellation of hundreds of flights, and possibly include a full or partial evacuation of the airport. Participating agencies include the airport authority, airlines and a multitude of state and federal agencies who must all react in a unified manner to ensure the safety and security of our traveling public and employees.



An important part of Delta's Emergency Response program is the Delta Care Team. This all-volunteer group of employees—more than 2,600 team members strong—is highly trained to work with survivors and families impacted by an aircraft accident involving a Delta or partner aircraft. This highly diverse team is on standby 24/7, ready to deploy anywhere in the world. Their goal is to establish immediate and continual communications between Delta and the survivors/families affected by an accident or incident, and to respond to their needs both over the phone and in person.

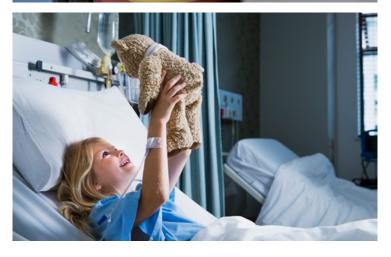


#### PROTECTING CUSTOMER HEALTH

Delta's commitment to customers' safety clearly includes taking care of them 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 through the University of Pittsburgh Medical Center. Delta also accommodates passenger-specific, 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 the closest airport 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.







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 transportation of dangerous goods, our 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 on-board and accepts and transports hazardous materials through our Cargo/Airport Customer Service division, as well as transporting company-required materials to TechOps 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 hazardous materials are trained annually through an FAA-approved training program.

Due to the continued risks posed by potential lithium ion battery fires from personal electronic devices (PED), we continue to focus on addressing this safety issue with thermal runaway bags on all flights. While the initiative itself was completed in 2017 a focus on PEDs allows Delta to address hundreds of batteries on any given flight.

We continue to work with our Sky Team alliance partners to better communicate our prohibited items policies to customers. Our aim is to reduce confusion for customers across the alliance, making the process for handling dangerous goods more effective and efficient.

#### SAFETY ACROSS OUR NETWORK

Delta is committed to safety collaboration with airline partners beyond what regulations require. This oversight includes codeshare partners and members of our Sky Team 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 purely a foundation. The Corporate Safety team engages with partners to ensure we are operating at consistent levels across our network. Delta and its alliance partners are committed to safety and security across all partnerships through:

- Monthly sessions with our Delta Connection partners; each partner reports
  on safety and security metrics, shares corrective actions and mitigation
  plans on safety hazards.
- Routine sessions with heads of safety for each of the 19 SkyTeam partners.
   This organization 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.

Delta also participates in and leads multiple industrywide 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 openly exchanging of de-identified safety information to continuously raise awareness and standards in the industry. 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.



Delta completed installation of PED overheat containment kits on its entire fleet.



# DELIVERING SUPERIOR CUSTOMER SERVICE

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

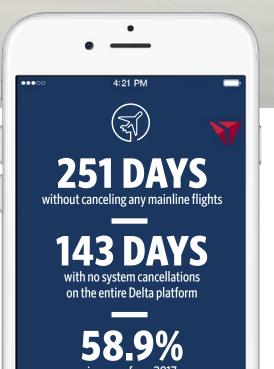
This includes calls to our Customer Engagement Centers and customer inquiries through social media. Delta Air Lines Elite Contact Center was recognized in 2018 by J.D. Power for providing "An Outstanding Customer Service Experience" for phone support. Delta continues to enhance the travel experience through innovation, streamlined security procedures and an unrelenting focus on safety. We also continue to invest in customer-facing employees, providing training to more than 9,000 of them during 2018 to further enhance customer interactions.

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 the 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 2018, we achieved a record 251 days without canceling any mainline flights, including 143 days with no system cancellations on the entire Delta platform—a 58.9 percent increase from our record achieved in 2017. In addition, 85.7 percent of our flights were on time across the network. Recognizing Delta's strong performance, FlightGlobal awarded Delta "Most On-time North American Mainline," "Most On-ti

In 2018, the Delta Connection group, which is our five-carrier regional network, achieved 164 days of zero flight cancellations. The group achieved this level of performance through an intense focus on delivering reliable customer experience. When an individual Delta Connection carrier is unable to complete a flight due to a mechanical or other issue, often another carrier will step in and substitute that flight to ensure customers get to their destination with little or no disruption.



Last year, Endeavor Air, Delta's wholly owned regional subsidiary, jumped in to substitute 197 flights operated by another regional carrier that would have otherwise been canceled. Combined, the Delta Connection operation posted a 98.4 percent completion factor and nearly 72 percent on-time departures for the first six months of the year. In addition, 81.3 percent of Delta Connection flights were on time across the network for the year.

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 2018, we sustained our strong record of customer satisfaction levels, with higher Net Promoter Scores in every region and a four-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 over the next decade. Our performance on our customers' behalf in 2018 also included \$2 billion of investment in partnerships with global airlines in order to give our customers even more choice.

# EXTRAORDINARY CIRCUMSTANCES

Our investments and operating discipline are especially important when we are faced with events that are beyond our control, such as extreme weather events or security incidents. 2018 saw an active storm season, with Delta weathering storms across Hawaii, the U.S. Gulf Coast, Japan and the Korean peninsula, all of which resulted in disruptions to regular operations. Through it all, Delta people provided our customers the very best service in the industry, and customer satisfaction during such events has improved 5.5 points year over year, based on data collected on every flight.

Recovery from major events like these is crucial to maintaining customer trust. We have reinforced our readiness for these unforeseen challenges through our 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 missioncritical 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 satisfaction scores.

#### A BETTER CONNECTION

#### **THROUGH LEARNING**

Delta customers now have a new way to make the most of their time in flight—learning. LinkedIn Learning courses are available free of charge through Delta's in-flight entertainment platform, Delta Studio. Expert instructors teach the courses, which cover a variety of topics like managing stress, productivity, communication and career development.





Delta is in a unique position to support customers and communities in a world in which severe weather and natural disasters seemingly increase with every year. Over the years, we have honed our preparations and response processes for communities affected by hurricanes and other natural disasters. Our response before and after such events is comprehensive.

First and foremost, to aid evacuations, Delta's revenue management team has formalized a process to cap fares to and from impacted areas so that people trying to evacuate have a cost-effective way to leave and return home safely. Delta also identifies the need for additional aircraft and crew in impacted areas and deploys extra flights to add seat and cargo capacity. An extra flight, for example, was added from Honolulu to Los Angeles in August 2018 ahead of Hurricane Lane. As was the case last year, Delta also operates humanitarian flights, sometimes at the request of government officials, to move Federal Emergency Management Agency, Red Cross and other aid workers into communities to help them recover following a storm.

Delta Cargo further supports humanitarian efforts by shipping relief supplies free of charge. This year we formalized the Employee Relief Shipment Program, developed in the midst of 2017 Hurricane Maria's aftermath. Through the program, Delta employees donated 200,000 pounds of supplies in addition to the 600,000 pounds of relief supplies that Delta carried following the summer and fall hurricanes.

Over the last two years, Delta has continued to enhance its Peach Corps, a network of hundreds of employee-volunteers with varying levels of customer service experience, who are called upon to support when the operation is in need. Whether that's during a significant weather event or the terminal move in LAX, for example, the Peach Corps is a key component of the airline's broader significant irregular operations plan and can be activated quickly to assist with customer meet and greet, wayfinding, line control, customer comfort and other service recovery functions.

Remaining committed to supporting larger relief efforts, The Delta Air Lines Foundation contributes \$1 million annually to the American Red Cross as an Annual Disaster Giving Program member to help the organization prepare for disaster recovery before an event occurs. In addition, in 2018, The Delta Air Lines Foundation contributed \$500,000 to the American Red Cross to aid relief efforts in the Carolinas and surrounding areas as a result of Hurricane Florence.

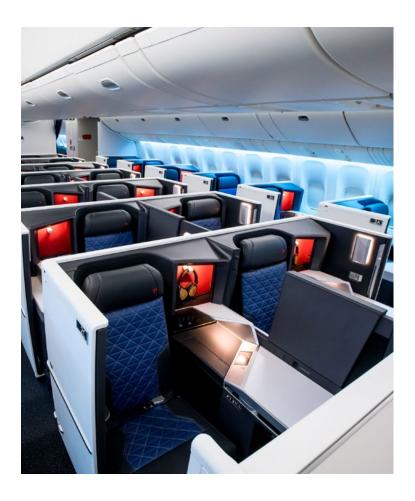
# WELCOMING EVERYONE ONBOARD

Delta is proud to serve all customers and committed to providing the same high level of service to all. We have an uncompromising policy to never discriminate against any customer. This not only complies with legal requirements applicable in the varied jurisdictions to which we fly, but also aligns with our core values and mission to provide the best possible travel experience and customer service for all.

Delta maintains a Disability Program office in our Corporate Safety, Security and Compliance division. This team is responsible for providing input for Delta's nondiscrimination policy with regard to reasonable accommodations for our customers with disabilities. The team also partners with service and operational organizations throughout the company to ensure that our people understand policies and procedures, as well as applicable government regulations.

A key resource supporting these efforts is the work of our Advisory Board on Disability (ABD), a volunteer organization comprised of 13 customer-members representing a spectrum of persons with disabilities. These members represent academic, business and health care backgrounds and consult with Delta on issues of concern and help to craft policies and procedures aimed at removing barriers to travel. Current projects include service and support animal policies, reducing damage to wheelchairs and other assistive devices, and designs for Delta's airport terminals of the future.

As part of our commitment to customers, we carry approximately 700 service and support animals daily, adding up to nearly 250,000 per year. Lack of regulation in health and training screening for service and support animals, however, 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. Our ABD has provided guidance on defining policies and procedures related to support and service animals that establish how we can best accommodate the legitimate needs of customers with disabilities, while preventing service and support animal incidents.



In March 2018, a new policy went into effect with the following requirements: Customers Traveling With Trained Service Animals

 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 Must Provide

- 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

The policy was updated in July to include introducing a limit of one emotional support animal per customer per flight and no longer accepting pit bull-type dogs as service or support animals. These updates were implemented in light of incidents in which several employees and a customer were bitten and injured.

Delta's Service Animal Support Desk aims to simplify the travel experience for customers traveling with service and support animals. The desk verifies receipt of all required documentation and confirms the customer's reservation to travel with an emotional support or psychiatric service animal before arrival at the airport.

### TRANSFORMING TRAVEL THROUGH TECHNOLOGY

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. Biometric verification provides a higher level of accuracy, and thus a higher level of security, than paper boarding passes and frees up agents to better assist customers with needs, such as seat changes, prior to flight. The technology also gives customers less to keep track of as they move through the airport, allowing them to travel faster and more seamlessly than ever.

Delta has been partnering with the U.S. Customs and Border Protection (US CBP) and CLEAR for over three years on pilot programs to test biometric screening. In 2018, Delta, in partnership with US CBP, launched the first biometric terminal in Atlanta's Maynard H Jackson International Terminal. This optional, end-to-end Delta biometrics experience enables all international passengers flying on Delta, Aeromexico, Air France-KLM and Virgin Atlantic to use facial recognition technology to:

- Check in at self-service kiosks in the lobby
- Drop checked baggage at lobby counters
- Serve as identification at the TSA checkpoint
- Board a flight at any gate in Terminal F
- Go through CBP processing for international travelers entering the U.S.

Based on initial testing, facial recognition not only saves up to nine minutes per flight, but also frees employees to have more meaningful interactions with customers throughout the journey.

Delta continues to make significant improvements to customers' in-flight technology experience, further closing the gap of what customers can expect on the ground and in the air. Some of the most notable improvements include expanding our high-speed, gate-to-gate Wi-Fi to over 60 percent of mainline aircraft; implementing Wi-Fi connection enhancements; providing a streamlined and responsive Wi-Fi portal design; and introducing Gogo day pass transferability on Aeroméxico's Gogo-equipped aircraft.

Delta is also expanding and enhancing its onboard entertainment options by equipping more planes with live TV, allowing customers to stay connected





to real-time news, content and sporting events. In early 2019, we introduced a new wireless in-flight entertainment system on the A220 across all cabins. The wireless seatback entertainment system will allow for easier updates and repairs over the lifetime of the aircraft. This system will transfer content to the screen wirelessly, allowing for fewer wires and less weight on the aircraft.

We continue to generate new ideas through investments such as The Hangar, a global innovation center that taps into top university talent; Engage, an Atlanta-based accelerator that supports technology startups and 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 to deliver a digital transformation of Delta that makes the travel experience a smoother one for our customers.

### **DELTA'S BIOMETRIC TERMINAL**

THE FIRST BIOMETRIC TERMINAL IN THE U.S. AND HOW IT WORKS

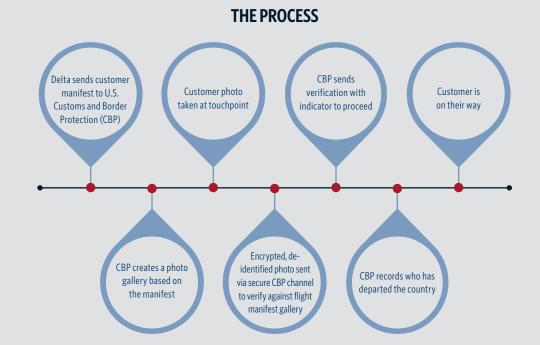
# OPTIONAL FACIAL RECOGNITION TECHNOLOGY SPOTS FROM CURB TO GATE

Check-In Kiosks

Check-In Counters

TSA Security Checkpoints

**Boarding Gates** 











#### **CUSTOMER BENEFITS**



**More Options** 



**Seamless Technology** 



**Saves Time** 



**Safe and Secure** 



# 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. Delta defines information security as the protection of information assets and the management of risks to those assets. Delta's management strongly supports a robust and active information security program for its business worldwide. The Information Security and Privacy program ensures the confidentiality, integrity and availability of the information necessary to achieve long-term business success. It also maintains the privacy of all Delta employees and customers. To carry out our mission, Delta focuses on five layers of protection: identify, protect, detect, respond and recover. 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.

In 2018 we continued to improve our information security and privacy to improve reliability and enhance capabilities. In 2017 Delta Information Technology opened a disaster recovery data center, following the August 8, 2016, outage that hit the airline's operations, employees and customers. What would normally take two years to implement took just 11 months for Delta IT, upholding Delta's promise to have a backup data center in place to streamline disaster recovery efforts. While the data center has been operational since 2017, this enhancement allows for Delta IT to recover operations and allows the center to play an ongoing role in providing more resilient business operations.

We also reduced the risk of technology system failures to our operations through additional disaster recovery processes and heightened emphasis on our Information Security and Privacy program.

- Cyber Monitoring and Assurance whose mission is to protect Delta Air
  Lines through technical expertise in the Cyber Monitoring and Assurance
  arena, strengthening Delta's front line of defense against a rapidly shifting
  threat environment.
- Enterprise Identity Services is a multi-phased, multi-year implementation that
  aims to establish core Identity and Access Management services for employees,
  contractors and business partners through new capabilities, maturation of
  existing solutions and sunsetting legacy systems.
- Information Risk and Compliance programs establish policies and standards, conduct assessments and promote security-related training and awareness programs, as well as ensuring compliance with legislation and regulatory requirements.

Delta also seeks the opinions of industry experts to ensure that our Information Security program remains effective. In 2018, a third-party assessment found Delta's ability to defend against security threats to be above the industry standard.

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. Training regarding data protection-related privacy policies and processes is available for all personnel. All employees with access to Delta systems must complete information security awareness training upon hire and on an annual basis.

We have extended our mandatory Information Security Awareness Training for new hires to include 78 percent more employees and contractors than in previous years.

Our Information Security Awareness program includes an expert speaker series, and awareness and engagement events in conjunction with large corporate events such as Relay for Life and LEAD, our twice-yearly leadership meeting. 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.

Delta's membership in information security-related organizations allows Delta to remain engaged with the broader aviation community, sharing best practices in security and benefiting from shared intelligence information.

#### A BETTER CONNECTION

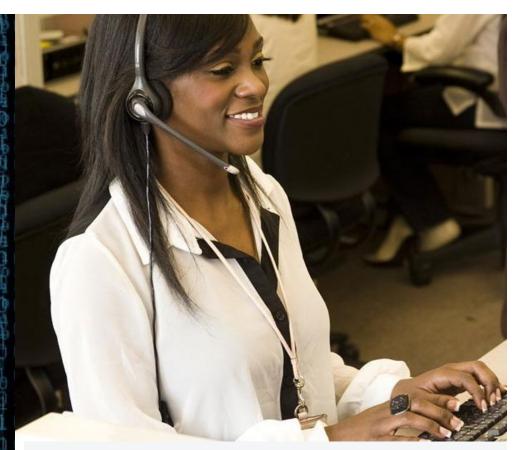
#### **THROUGH NEXT-GEN TALENT**

Delta seeks the brightest talent possible to keep our systems and customer data secure. Through our partnership with Cristo Rey Atlanta Jesuit High School, we are honing the skills of the next generation of cybersecurity professionals. Four students from the high school work with Delta over the academic year to gain real-world skills, contacts and experience as part of our Information Security team. This partnership helps us to create a more diverse information systems team, capable of building stronger cybersecurity defenses.



### 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 Privacy Policy.



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.

In 2018, a third-party vendor providing online chat services notified Delta about an incident in which customer payment information may have been accessed during a 16-day period in 2017. The incident was contained, and, in response, Delta discontinued business with this vendor. We also partnered with AllClear ID, a leading customer security and fraud protection firm, to offer two free years of their suite of credit monitoring services to customers who may have been impacted.

Delta's privacy practices are explained to our customers on our website. Topics include our 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 2018 the European Union's General Data Protection Regulation (GDPR) went into effect standardizing privacy laws across Europe and requiring Delta and any organization that processes EU citizens' personal data (customers and employees) to comply. New processes include controls for data minimization, stricter adherence to data retention policies, updates to employee and customer-facing applications, establishing "opt-in" features, and changes to access permissions for systems and applications processing personal data.



# ENVIRONMENTAL IMPACTS

As a responsible business, we remain mindful of the impact of our global decisions. Nowhere is this clearer than in our view and approach to reducing carbon emissions and managing our environmental impacts. Environmental responsibility at Delta includes not only quantifying and reducing our emissions that result primarily from the burning of jet fuel, but also minimizing the impact of activities throughout our global business.

While air travel accounts for only about 2 percent of total global carbon emissions, we recognize the contribution of emissions to climate change and our role in helping to mitigate the carbon footprint of air travel. As a leading sustainability-focused airline, we are committed to working with partners across our industry to find meaningful business solutions that decrease our impact.

The greatest contributor to Delta's environmental footprint—and therefore our biggest opportunity—is our use of jet fuel. With the goal of making progress on reduction, we approach climate efforts in a variety of ways, including:

- Committing to meet international targets for emissions reduction;
- Replacing older aircraft with more fuel-efficient aircraft;
- Continuing to make improvements to existing aircraft;
- Purchasing carbon offsets annually to mitigate the emissions from flights; and
- Continuing to seek impactful and innovative energy efficiency projects in the facilities we own or operate.

As global climate change issues continue to influence the airline industry, Delta is firmly committed to our industry-aligned, three-part approach to climate change that includes short-term, medium-term and long-term climate goals. The opportunity to address climate change risks has driven us to proactively track metrics and model future impacts related to both physical and regulatory risk. Physical risks include passenger safety issues due to increased turbulence events and more irregular operation days due to weather events. Regulatory risks include meeting the European Union's Emissions Trading System (EU ETS) requirements, 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 climate-related risks, Delta has integrated expected carbon costs into fleet planning and purchasing strategies, as well as fuel-efficiency approaches.

Due to the scope of Delta's emerging risks, including environmental sustainability and climate change, our strategic approach to addressing risk is part of a company-wide risk management process. This process works at both the divisional and board level through various Board of Directors committees. Ultimate oversight of environmental sustainability and climate change programs falls to the Board of Directors' Corporate Governance Committee. In addition, a cross-divisional council—the Delta Risk, Privacy and Compliance Council—develops risk mitigation strategies and updates its assessment of risks as operational conditions change.

While corporate oversight falls to the Governance Committee of the Board of Directors, day-to-day management of climate change and environmental sustainability 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 (CSSC). The Senior Vice President of CSSC is responsible for setting the direction and standards for environmental performance at Delta and chairs the Executive Environment Leadership Council (EELC). The EELC, a senior-level executive council responsible for the approval of our environmental sustainability and emissions strategies, programs and annual goals, also provides advice and recommendations to the CEO and Corporate Leadership Team on issues related to environmental sustainability, resilience planning and climate change issues and efforts.

In 2018, the Board of Directors Governance Committee received climate and environmental briefings in April and October, while the EELC met in August to discuss ongoing strategic efforts.

#### **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 flights under the EU ETS obligation are typically intra-EU diversions and charters.

As the regulatory landscape changes and evolves 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 ICAO adopted CORSIA, a global, market-based emissions offset program, which begins a baseline period for monitoring, reporting and verification in 2019.

### Aligning With Industry Climate Change Goals

Delta has a Carbon Emissions Policy that supports achieving the industry's short-, medium- and long-term emission reduction goals. The responsibility for review of our progress falls to our EELC. In addition, Delta leadership compensation is tied to performance, which includes Environmental, Social and Governance (ESG) sustainability efforts that include operations, financial, customer service, employee and social responsibility goals. 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.

#### **CLIMATE CHANGE GOALS**

<b>⊚</b> « GOAL	Improve fuel efficiency by an average of 1.5 percent per year	Achieve carbon-neutral growth on international aircraft emissions	Reduce net aviation $CO_2$ emissions by 50 percent, relative to 2005 emissions levels
HORIZON	Short-term	Medium-term	Long-term
TIME-FRAME	2009-2020	2021-2035	By 2050
HOW IT IS MEASURED	Fuel needed to carry a set amount of weight a certain distance (expressed as gallons per 100 revenue ton miles)	CO2 emissions for international flights from 2021 onward	Net aircraft emissions in 2050 compared to 2005
WHAT DELTA IS DOING	Fleet upgrades, rightsizing onboard provisions to decrease weight, reducing auxiliary power unit use (see page 50)	Carbon offsets (see pages 52-53)	Annual fuel savings initiatives (see page 50)
OUR PROGRESS	9.16% improvement since 2009; 1.02% average per year	Carbon-neutral growth on international, domestic and ground emissions since 2012	11% reduction since 2005

#### **Short-Term Goal: Improve Fuel Efficiency**

The industry's short-term goal is to improve fuel efficiency by an average of 1.5 percent annually from 2009 to 2020. The IATA goal is measured by gallons per revenue ton miles (RTM), or the amount of fuel needed to carry one revenue ton a distance of one mile. RTM is measured by multiplying the estimated weight of passengers plus actual cargo carried by the distance it was flown. This efficiency goal accommodates business growth.

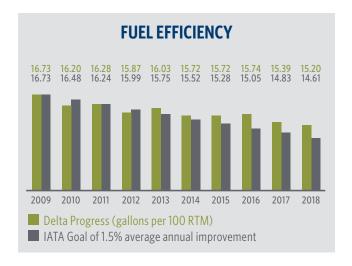
In 2018, Delta's fuel efficiency improved 1.23 percent compared to 2017, when a 2.21 percent year-over-year improvement was recorded. In 2018, our RTM grew by 3.24 percent, while total fuel use increased only 1.95 percent. Since 2009, Delta's fuel efficiency has improved by 9.16 percent, an average of 1.02 percent annually.

#### INNOVATIONS TO IMPROVE FUEL EFFICIENCY

We view Delta aircraft as long-term investments. While the body of a plane may stay in our fleet for up to 30 years, we are continually working to improve the efficiency of all aircraft both inside and out. Fuel-efficiency improvements must also be balanced with increasing demands on customer comfort and connectivity that often result in increased weight. Accordingly, we continuously seek innovative ways to increase the efficiency of our existing fleet.

Ongoing efforts include upgrading winglets on some aircraft types and reducing onboard weight by avoiding over-fueling and over-provisioning. In 2018, In-Flight Service began rightsizing provisions to reduce operational weight, waste and costs on all flights. With thousands of global flights flown daily, this rightsizing effort reduced fuel burn by over 330,000 gallons and fleet emissions by 3,200 metric tons.

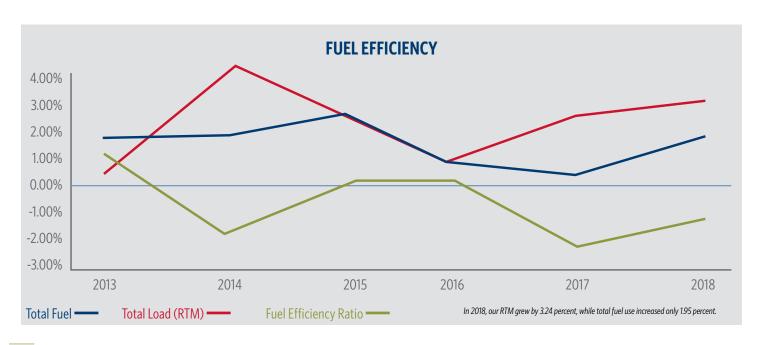
Also in 2018, we reinvigorated a project to save fuel by cutting the running time of Delta's onboard auxiliary power units (APUs), which provide additional energy to power onboard lighting, gallery appliances and cockpit avionics, usually while the aircraft is parked at the gate. With airport congestion increasing, Delta APU usage between arrival and departure doubled from 56 minutes in 2012 to 90 minutes in 2018, resulting in a cost of \$3 million



a year for each minute of use across the fleet. A cross-divisional team engaged all frontline employees to implement a systemwide fuel savings initiative to reduce APU usage by 16 minutes for each aircraft's turn. The project goal was to cut fuel usage by \$50 million, which would also result in decreased fleet emissions.

Cockpit technology also is helping to increase fuel efficiency. Initially introduced in 2016, the 2018 version of Delta's flight deck weather app reduces the impact of turbulence, making flights more comfortable and fuel efficient through real-time information. While the proprietary app increases Delta's fuel efficiency, a similar app currently deployed by a vast majority of competing global airlines is also helping to increase industry efficiency globally.

While innovative and proactive efficiency improvements like this help to offset many operational factors, some efficiency factors are beyond our control. For example, at busier airports, planes ultimately spend additional time taxiing and may even be required to circle in the



air before being cleared for landing. Consequently, even our most efficient planes can burn hundreds of additional gallons of fuel per hour while on the ground or in the air. As congestion increases at airports globally, the industry will need to address this issue collectively.

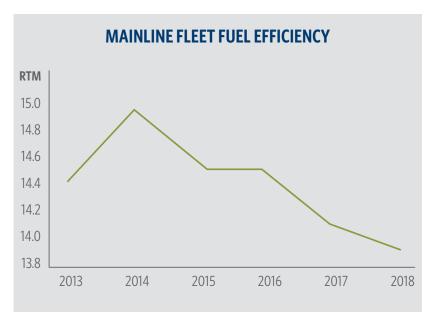
#### **BUILDING A MORE FUEL-EFFICIENT FLEET**

Our commitment to addressing climate change informs the way we manage our fleet. We focus strategically on ways to balance the promise of technological improvement in new aircraft with the desire to build a fleet with the longest and most sustainable aircraft life possible. In 2018, ongoing fleet modernization upgrades and replacements of aircraft, along with operational improvements and other measures, saved Delta an incremental 1.87 million gallons of fuel.

To improve short haul and regional efficiency, Delta has retired 280 50-seat regional jets and more than 130 older, narrow-body aircraft since 2009, while refreshing the fleet with over 300 more fuel-efficient aircraft. In 2018, we replaced about 7 percent of narrowbody aircraft with quieter, more fuel-efficient models—about twice as many replacements as in a normal year. Over the next five years, Delta will continue upgrading our domestic fleet to replace less-efficient aircraft with highly efficient and state-of-the-art aircraft. We anticipate retiring approximately 40 narrowbody aircraft annually and replacing them with 50 more fuel-efficient narrowbody models.

Building on our modernization efforts, in 2018 Delta became the first U.S. airline to take delivery of the Airbus 220—our newest state-of-the-art aircraft featuring best-in-class fuel efficiency.

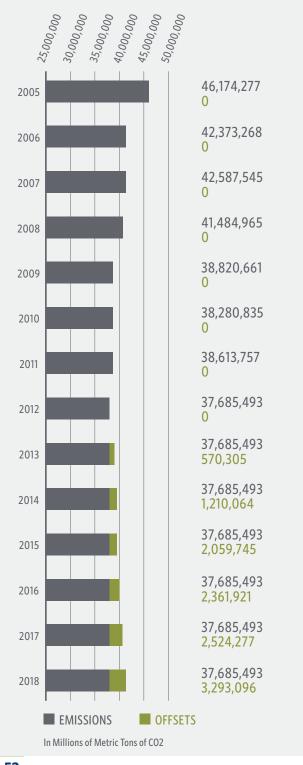
As a result, Delta's mainline fleet fuel efficiency improved 1.3 percent in 2018 over 2017 and finally dropped below the 14 gallon per 100 RTM barrier. Mainline fleet fuel-efficiency improved 6.7 percent over its recent high in 2014.





#### Medium-Term Goal: Carbon Neutral Growth

ICAO's CORSIA goal to cap international emissions at 2019/2020 levels will begin in 2021, but Delta has been purchasing offsets to maintain our total 2012 emissions since 2013. Since then, we have purchased and retired nearly 9 million carbon offsets, in addition to a commitment to retire more than 3 million offsets for our 2018 growth compared to 2012 levels. These offsets will be purchased and retired in the first half of 2019.



#### **CARBON NEUTRAL GROWTH THROUGH OFFSETS**

For our carbon offset portfolio, we ensure that these offsets not only have verified emissions reduction, but also advance the United Nations Sustainable Development Goals in areas that Delta serves.

For example, one of the offset projects we invest in is Peru's Cordillera Azul National Park, which spans approximately 1.4 million hectares, more than 5,000 square miles, making it one of the largest protected areas in the country. Stretching across four regions, the park extends from mountainous cloud forests to lush Amazonian lowlands. While there are no formal human settlements within the park, Cordillera Azul lies at the center of a highly productive region with 520 rural villages and indigenous communities, all of which rely heavily on local natural resources for their livelihoods. Cacao, coffee and palm oil production drive economic activity and migration into the area, causing deforestation and forest degradation.

Illegal logging, cattle ranching, 'slash and burn' agriculture, illicit agriculture and infrastructure development are also contributing to forest loss in the region. The Cordillera Azul project addresses the region's causes of deforestation by funding conservation while supporting local communities in their transition to sustainable livelihoods. By properly valuing and paying for the carbonstoring service the forests provide, carbon credits change the economic



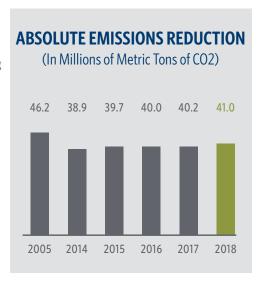
incentives by rewarding forest protection and providing education to local farmers to ensure a secure, commercially viable income stream through low-carbon land use. The project will reduce global emissions by 22.1 million tonnes of CO2 by 2021—equivalent to taking 4.7 million cars off the road for a year.

Carbon credits generated by the Cordillera Azul Reducing Emissions from Deforestation and Forest Degradation (REDD+) project are formally acknowledged by the Peruvian Ministry of Environment and are accounted for in the country's national registry through a "nested" approach. Nesting this project within Peru's REDD+ program means that the retired carbon credits, even internationally transacted ones, are not double-counted. Avoiding double-counting is essential to achieving a 1.5°C warming scenario and ensures the credibility of corporate climate action claims.

#### **Long-Term Goal: Absolute Emissions Reduction**

Delta recognizes that fuel efficiency and carbon-neutral growth alone are not sufficient to address the risks of global climate change. In line with IATA's long-term emissions-reduction goal, we have committed to reducing the absolute emissions that result from Delta's mainline operation of more than 5,000 daily flights.

To continuously track progress against our short-, medium- and long-term goal commitments, we have calculated and verified our full emissions inventory since 2005. Jet fuel from mainline (Scope 1) and regional aircraft (Scope 3) accounts for 98.9 percent of Delta's total emissions. Currently, Scope 3 emissions only include jet fuel from our regional carrier partners. All emissions (Scope 1, 2 and 3), including any offsets purchased and retired, are calculated in accordance with The Climate Registry's reporting protocols. All verified emissions data dating back to 2005 are publicly available on The Climate Registry website at www.cris4.org. Since 2005, we have reduced our absolute emissions by 11 percent (Scope 1, Scope 2 and Scope 3 combined) through aircraft fuel efficiency efforts and efforts that go beyond our aircraft. Additional efforts beyond the aircraft include the use of more than 13.5 percent electric motors in our ground support equipment.



#### **EMISSIONS SOURCES**

EMISSIONS SOURCES	2005	2016	2017*	2018				
			2017	2016				
SCOPE 1—Direct Emissions From Owned or Controlled Sources								
Jet fuel from mainline operations and wholly owned subsidiaries such as Delta Private Jets and Endeavor	41,741,619	35,257,525	35,591,053	36,821,496				
Fuel used in ground support equipment	133,194	98,505	106,294	99,951				
Natural gas (stationary combustion)	55,593	75,505	78,632	68,306				
Chemicals	3,469	1,386	1,326	1,222				
Refrigerants	10,513	3,800	4,343	3,244				
Emergency generators, fire pumps	834	135	217	236				
SCOPE 2—Indirect Emis	SCOPE 2—Indirect Emissions From Purchased Electricity							
Electricity from directly billed owned facilities	227,169	175,024	156,553	165,872				
Electricity from leased facilities	193,249	111,824	107,057	107,588				
SCOPE 3—Indirec	ct Emissions in Value	Chain						
Natural gas from leased facilities	_	31,778	32,664	33,267				
Jet fuel from regional partners	3,808,637	4,291,817	4,129,530	3,677,438				
Summary								
Total emissions	41,174,277	40,047,301	40,207,669	40,978,593				
Offsets	_	2,361,921	2,524,277	3,293,096				
OUR NET EMISSIONS	46,174,277	37,685,493	37,685,493	37,685,493				

<sup>\*</sup>Emissions numbers updated post 2017 CRR publication after emissions verification had been completed.



#### A BETTER CONNECTION

#### **CLEANER TRAVEL ON EARTH DAY**

In April 2018, Delta helped customers travel a little cleaner. On Earth Day we offset the carbon emissions of all domestic travel into and out of seven major airports with high corporate travel demand. More than 170,000 corporate and leisure customers traveling through Boston, Los Angeles, Seattle, Raleigh and all three New York-area airports were

accounted for by calculating the emissions per customer, then purchasing 30,000 carbon offsets for customer travel, as well as 15,000 carbon offsets to account for Delta employee travel throughout April. The carbon offsets were invested in projects in Brazil, Kenya, Uganda and Zimbabwe that help to reduce emissions while focusing on social responsibility.



#### **DEVELOPING SUSTAINABLE JET FUELS**

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, petroleumbased 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 reasonably cost-competitive with existing petroleum-based supply
- Advance the future availability of jet biofuels
- Meet Delta's reputational and creditworthiness standards

Delta engages with a range of producers and stakeholders to assess the technical, financial and regulatory challenges associated with bio-jet opportunities. A partnership with the University of Georgia, for example, helps to manage ongoing life-cycle analyses of biofuels.

#### A BETTER CONNECTION

### ALTERNATIVE FUEL COLLABORATION AT SEA-TAC

Delta is currently working with 12 other airlines to collaborate on a work plan to reduce emissions at Seattle-Tacoma International Airport, including exploring access to a low-carbon and sustainably produced biofuel alternative to jet fuel. The work plan will explore the use of sustainable aviation fuels as well as a variety of other mechanisms that could contribute to carbon and air emission reductions, including technology, operations, infrastructure and future aircraft technology.











# ENVIRONMENTAL **COMPLIANCE**

Think of an airline, and you might picture airplanes and check-in counters. But Delta's operations, and our environmental impact, go well beyond what most people see or realize.

For example, our mechanics use chemicals and other materials in maintenance facilities to clean, upgrade, maintain and repair Delta aircraft and contract 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, our actions have environmental impacts.

Compliance with environmental laws and regulations is a starting point for addressing nearly every action we take. We view regulations as our minimum requirement. 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 across our system by ensuring that we follow the best practices of the aviation industry. Building on best practices, we also seek to innovate based on our own operational knowledge and experience of what's necessary for our people, customers and the environment.

As a responsible leader, we manage and measure environmental performance in the following areas:

- Number and volume of spills
- Number of Notices of Violation/Noncompliance
- Number of core tasks completed on time in our Environmental Management Information System (EMIS)
- Compliance with air quality regulations
- Compliance with hazardous waste and materials regulations
- Year-over-year performance for nonhazardous waste
- Compliance with drinking water and wastewater regulations

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

#### **ENVIRONMENTAL COORDINATORS (ECs)**

As our daily hands-on compliance leads, ECs are located at all mainline airport stations and maintenance locations where Delta operates. They coordinate environmental compliance efforts, including conducting inspections, keeping records, liaising between airport environmental staff and regulatory authorities and overseeing airport service contractors. ECs also communicate with operating divisions and leadership at their respective airports. In addition, members of our corporate environmental compliance management team routinely work with ECs at airports to provide training and ensure that all compliance work is monitored and audited using the same metrics and protocols across the system. New airport customer service ECs are also required to attend in-person training sessions with an environmental compliance manager from their division and can enroll in additional and follow-up training to gain more hands-on experience. ECs who are required to use specialized equipment or have oversight in specific compliance areas such as stormwater, hazardous waste or drinking water receive additional standardized compliance training in their areas of responsibility. In 2018, we enhanced around 80 stormwater on-the-job training resources for ECs in our learning management system and plan to complete the remaining resources in 2019.

#### **SPILL DRILLS**

Though we first seek to avoid all spills, in the event of a spill, Delta airport personnel are trained to follow regulatory compliant and internally approved protocols for environmental mitigation and corrective action. To learn what to do in the event of a spill, we provide both computer-based and hands-on training for spill response and cleanup. During a spill event, Delta personnel are trained to first ensure the safety of all employees, passengers and the public. Then, they should stop the spill at its source and contain it. After the spill has been contained, notifications should be sent to the appropriate internal divisions and, if required, to external regulators with information about the material and quantity of the spill, its location, how it occurred, containment status and clean up methodology.

Once spills are contained, if necessary, a corrective action plan is developed and carried out to prevent future spills from occurring.

#### **SCHEDULED COMPLIANCE VISITS**

These routine informal, nonregulatory visits provide additional and important opportunities for corporate environmental compliance managers to reinforce training while also providing additional guidance and feedback to station environmental personnel and divisional leaders. Responsibility for station visits falls to the corporate environmental compliance team that conducts visits to provide greater hands on oversight and opportunities to monitor and offer feedback at stations. This also allows us to conduct more comprehensive visits on an annual basis and more quickly identify areas for operational and process improvements, while also providing proactive opportunities for corrective action plans.

#### **ENVIRONMENTAL PROGRAMS MANUAL (EPM)**

Our comprehensive compliance management protocol document, the EPM helps us ensure compliance by explaining exactly how to follow environmental regulations. The EPM is managed at a corporate level and is continually

updated to ensure that it addresses all applicable local, state and federal environmental regulations. Key to our compliance activities, the EPM provides a consistent set of environmental guidelines and best practices for all of Delta's U.S.-based operations.

#### **ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)**

Complementary to our EPM, the EMS is another internal management tool used to proactively manage and track station-specific environmental roles, responsibilities, records and documents. This system is also used to communicate and help airport stations individually understand station-specific requirements and provides stations with a proactive tool outlining all of their environmental requirements and methods for monitoring, documenting and complying with regulations. In 2018, we completed the review and installation of an EMS at all our mainline domestic stations, a process that took several years to accomplish. For a highly coordinated approach, we established common core task completion metrics across the network, using the airport customer service performance dashboard.

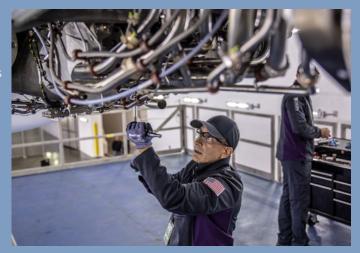
### ENVIRONMENTAL MANAGEMENT INFORMATION SYSTEM (EMIS)

As a final part of compliance, Delta's EMIS is a web-based tracking tool that works in conjunction with a station's EMS to ensure timely compliance of scheduled environmental tasks. The system is designed to send automated notifications and task descriptions while also tracking completion of the notified tasks. In addition to task notification and completion, supplemental compliance information and data can be entered online, allowing it to be monitored by corporate, divisional and operational leaders. Delta started using a customized new online commercial software platform to boost compliance reporting and change management starting in the first quarter of 2019.

#### A BETTER CONNECTION

#### **MAINTAINING ENGINES**

Our new 127,000-square-foot, state-of-the-art engine repair shop in Atlanta is enabling us to perform maintenance on engines with the most sophisticated and advanced technologies—in particular, the next-generation power plants featured on Delta's Airbus A350s and forthcoming A330-900neo aircraft. The new facility also benefits the airline's maintenance repair and overhaul (MRO) business, as Delta will work on engines from other airlines and aircraft operators. Delta TechOps serves more than 150 aviation and airline customers from around the world through its MRO business, specializing in high-skilled work such as engines, components, avionics, airframe and line maintenance.





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

When a spill happens, we manage it 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. 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 2018, Delta experienced a decrease in the number of reportable spills overall. Our total number of recordable Class I and Class II spills was 86, a 7.5 percent decrease from 2017. This number includes a total of 20 regulatory reportable spills, which is close to a 5 percent decrease from 2017. 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, de-icing events and other maintenance activities. Annual variability will continue to affect our reported spills on a year-over-year basis. While Delta takes precautions to prevent spills and especially spills to the environment, some perspective is required when reviewing Delta's material handling spills relative to the total amount of that particular fluid handled during the year. For instance, Delta transfers roughly 2 million gallons of jet fuel daily in Atlanta alone, and when compared to the total amount of jet fuel spilled systemwide in 2018 (1,023 gallons), the fraction is very small.

#### **NOTICES OF VIOLATIONS**

Delta received four notices of violation (NOVs) from an environmental regulatory agency in 2018. One NOV was for failure to pay industrial wastewater permit fees on time; two were for exceeding permit conditions in stormwater discharges; and one was for exceeding the time limit for hazardous waste accumulation. No NOV resulted in a monetary penalty to the company.

#### TOTAL NUMBER AND VOLUME OF SIGNIFICANT SPILLS

**2018 SPILLS BY DIVISION** 

SPILL MATERIAL	AIRPORT CUSTOMER SERVICE (ACS)		CUSTOMER CONNECT SERVICE CARRIE		ENVIRO SUSTAIN & COMI	BAL NMENT, IABILITY PLIANCE (SC)	OPER/	NICAL ATIONS DC)	TO	TAL
	COUNT	VOLUME (GALS)	COUNT	VOLUME (GALS)	COUNT	VOLUME (GALS)	COUNT	VOLUME (GALS)	COUNT	VOLUME (GALS)
Diesel/Gasoline	5	59	0	0	0	0	0	0	5	59
Glycol	1	23	12	1,920	0	0	0	0	13	1,943
Hydraulic Fluid	7	134	0	0	0	0	1	10	8	144
Jet A Fuel	18	327	14	172	0	0	12	524	44	1,023
Lav Fluid/Waste	8	356	3	55	0	0	0	0	11	411
Other*	0	0	0	0	1	30	4	3,159**	5	3,189
Total	39	899	29	2,147	1	30	17	3,693	86	6,769

 $<sup>{}^*\!</sup>Aqueous\,Film\,Forming\,Foam,\,Engine\,Oil,\,Industrial\,Waste\,Water,\,Varsol,\,Perchloroethylene$ 

#### **RECORDED SPILLS AND SPILL GOALS**

	2014	2015	2016	2017	2018
Class I Recorded Spills	38	41	40	38	39
Class II Recorded Spills	43	54	51	55	47
Total Recorded Spills (Class I + Class II)	81	95	91	93	86
Regulatory Reportable Spills	22	28	16	21	20
Annual Spill Goal (Class I + Class II)	69	100	90	87	90

#### NOTICES OF VIOLATION/NONCOMPLIANCE

	2014	2015	2016	2017	2018		
Notice of Violation Goal	2	2	5	3	3		
Noncompliance/Permit Exceedances	1	*	*	*	*		
	PERFORMANCE (BY YEAR)						
Notice of Violation	5	7	2	3	4		
Noncompliance/Permit Exceedances	1	*	*	*	*		
Monetary Value (\$) of Significant Fines	0	0	0	0	0		

<sup>\*</sup>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 our efforts has also allowed us to establish best practices for the avoidance of reportable regulatory violations.

<sup>\*\*</sup>Aqueous Film Forming Foam Release Includes 3,000 gallons

# 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 reduce 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 the 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)



#### AIR OUALITY IN CALIFORNIA

Delta's goal in California is to meet the air emissions requirements set by the state, which are more stringent than those imposed on our other domestic operations. 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 of 1.1 grams per brake horsepower-hour (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.

Having met the 2017 compliance targets for the diesel airborne toxic control measures, Delta now qualifies for certain advantages in the new rule promulgated in 2018. To qualify we achieved the previous 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. Under the revised rule the combined fleet target is 0.1 g/bhp-hr. We see no issue with achieving this standard by the 2020 target.

### MANDATED REPORTING EMISSIONS PROGRESS EMISSIONS

(tons/year)

	CRITERIA POLLUTANT EMISSIONS								
	2014	2015	2016	2017	2018				
CO	308.7	53.8	42.7	159.9	43.7				
NOX	154.2	103.5	98.4	133.4	102.3				
PM	15.7	10.9	23.3	24.2	23.1				
S02	20.4	12.1	11.7	12.2	13.2				
VOC	199.6	128.4	159.2	179.5	155.3				



# AIRCRAFT **DRINKING WATER**

The quality of 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 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 public water systems. 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 850 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.

Potable water on flights from international locations 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.

#### A BETTER CONNECTION

### CHANGING THE COURSE OF WATER CONSERVATION

Delta continues to take steps to better understand the scope of our global water footprint. This is a complex undertaking, given that we do not own, operate or manage the majority of the locations in which we operate, and therefore are not billed directly for water. In the absence of a full picture of our water use, we seek incremental efforts to positively impact water quality and promote restoration in the communities we serve.

One such effort is a partnership with Hartsfield-Jackson Atlanta International Airport 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 matches every bottle of water refilled. In the first two years of the program, more than 16.5 million gallons of water were restored—enough to fill 25 Olympic-size swimming pools. In 2019, Delta is expanding the program to Detroit Metropolitan Wayne County Airport as well as to Delta Sky Clubs.

Delta and the Atlanta airport's support of Change the Course benefits 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.





#### WASTE **MANAGEMENT**

Reducing the waste 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, nonhazardous waste and recyclable or reusable materials.

#### **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. This includes

EPA Hazardous Waste Electronic Manifest requirements, which will ensure tracking of hazardous waste. 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. We aim to reduce our hazardous waste generation year over year and set goals accordingly, monitoring our progress monthly. In 2018, we generated 444 tons of hazardous waste, achieving our 2018 goal of less than 477 tons of hazardous waste from Delta operations. We generated an additional 187 tons of hazardous waste soils, in addition to the waste made by our normal operations. These soils were removed during an airport redevelopment project. Although Delta did not contaminate these soils, we are responsible for ensuring that when the soils are removed for a redevelopment project, they are handled in full compliance with applicable federal, state and local environmental regulations. Removing and disposing of these soils in a safe, proper and compliant manner reduces the overall impact on the environment and demonstrates Delta's commitment to environmental stewardship.

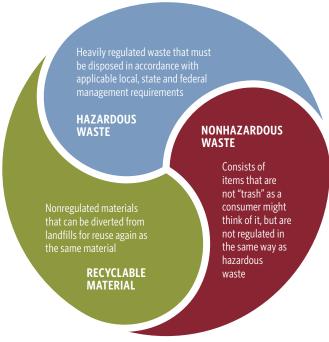
Delta was able to meet the goal of reducing our operationally generated hazardous waste through various means and methods. Some of this reduction is attributed to the replacement of older aircraft and some due to normal maintenance cycles that operate on a cyclical basis. Delta is continuing to work with our chemical providers and OEM manufacturers to try to understand and reduce our waste footprint and lower our overall chemical intensity.

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 generated can be recycled or diverted from a landfill. Working toward the highest possible diversion rate, we seek to identify both materials and opportunities to increase our landfill diversion efforts. Much like our approach to hazardous waste, in 2018 we targeted year-over-year improvements for reducing the nonhazardous waste volume generated in our operations. In 2018, we produced 1,015 total tons of nonhazardous waste from Delta operatons alone, which includes reusable and recyclable materials. This number is down from 1,135 tons in 2017. Delta did undertake a large number of redevelopment and construction projects in 2018, which resulted in a significant amount of nonhazardous waste.\* Delta also built the world's largest engine test cell at our maintenance base in Atlanta, Georgia. These redevelopment projects alone resulted in a significant amount of nonhazardous material being placed into landfills in 2018. Delta, in removing this material from the areas that were developed, not only met our regulatory obligations but also helped to lower the overall impact of Delta's operation (and the grounds upon which they sit).



\*Higher nonhazardous waste number reflected in table below.

The past year saw the removal of a variety of single-use plastic items, including stir sticks, wrappers, utensils and straws from Delta aircraft and Delta Sky Clubs. This effort comes on the heels of removing plastic wrap from international main cabin cutlery and is expected to eliminate nearly 300,000 pounds in plastic waste annually—the weight equivalent of around 2 Boeing 757 aircraft. We have also eliminated unnecessary plastic wrapping from Delta One amenity kits and continue to review all of the plastics used in our onboard service. We have achieved zero-waste operations—which we define as 90 percent waste diverted from landfill—at multiple Delta Sky Club locations, including Seattle, Minneapolis-St Paul and San Francisco. These Delta Sky Clubs recycle packaging, compost leftover food and provide eco-conscious food service items.

#### NONHAZARDOUS WASTE GENERATION

(in tons)

MATERIAL STREAMS	2014	2015	2016	2017	2018
Landfilled or Incinerated Materials	1,405	1,465	1,426	1,135	1,015
Landfilled Construction Debris	361	_	220	_	178,567*
Recycled Material	1,085	1,310	1,124	1,529	1,345
Reused/Upcycled Materials	43	17	23	19	175

 $<sup>{}^*\!</sup>Higher\,2018\,tonnage\,due\,to\,airport\,redevelopment\,contaminated\,soils\,mitigation.$ 



#### **REUSABLE MATERIAL**

Delta has embraced the concept of "upcycling," or giving materials a 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.

#### **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.

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 into 41 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 picked up by recycling haulers.

There are 38 domestic recycling locations and three international recycling locations 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 aluminum can recycling volume, the program set a record for collection and revenue in 2017 and had its second-best year in 2018. Over this two-year span, the program brought in more than \$440,000. We continue to donate rebates earned from Delta's in-flight recycling program to Habitat for Humanity through Delta's Force for Global Good. From the proceeds raised in 2018, Delta will be able to continue building Habitat homes in the communities we serve. Total rebates from 2007 to 2018 have totaled more than \$1.3 million dollars. These funds have been used, along with Delta employee volunteer hours, to fund and build 12 Habitat for Humanity homes in five Delta cities through 2017 and will be put toward more homes in coming years.

It is worth noting, however, that at the end of 2018, Delta noticed a significant drop in recycling revenue. This loss of revenue is attributed to a significant drop in the price for recycling commodities on the open markets, primarily brought

about by the lack of demand for our recycled commodity products. Delta is working to minimize the impact on the existing revenue stream from recycling. However, if current trends continue, it is likely that continuing rebates will be less than in previous years.

#### IN-FLIGHT RECYCLING CHALLENGES

Materials handling and infrastructure issues pose a challenge for 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. We have also seen recycling markets start to collapse as the demand for recycled items drops significantly.



#### A BETTER CONNECTION

### SUSTAINABLE PRACTICES FROM THE SHOP FLOOR UP

Delta's Technical Operations group (TechOps) does a lot for the airline, maintaining the Delta fleet in accordance with all requirements and standards, as well as performing maintenance for other airlines and organizations. The group supports on-time performance through the operation of line maintenance stations that work at various stations on aircraft, both on an as-needed basis during the day, as well as overnight when aircraft need to have engine oil changed or other required maintenance to make sure they are ready to fly on time the next morning.

Chemicals used at our TechOps maintenance operations have stringent "use by" dates. When unused product has passed this date, it is sometimes classified as hazardous waste if it cannot be used in another application. This results in wasted product and the added expense required to treat and dispose of the now hazardous waste. Tony Rodriquez, who runs the Fort Lauderdale International Airport line maintenance station, worked with his team to calculate the correct amount of chemicals to be allocated to the station to avoid generating waste and still meet the station's repair obligations. This effort resulted in reducing the team's hazardous waste by almost half, and Tony is now working with a cross-functional group to duplicate this success where possible and practical within the TechOps Line Maintenance Organization.

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.

#### **RECYCLING AT DELTA HEADQUARTERS**

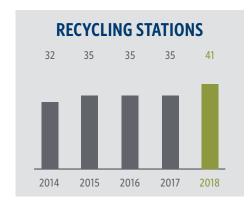
In support of the largest concentration of Delta employees and Delta office space domestically, the employee recycling center (ERC) in Atlanta provides a place for all employees to recycle materials generated at home and process recyclables from our Atlanta headquarters.

Employees can bring materials that include aluminum cans, plastic bottles, 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.

In late 2018, Delta launched composting as an option for waste diversion at the cafeterias in our corporate headquarters, Technical Operations Center, Atlanta Customer Engagement Center, and Atlanta Training Center by replacing most of our food service items with compostable containers. Composting allows us to divert food waste from the landfill, avoid methane emissions and generate valuable nutrient-dense compost. Delta feels this is a game changer for our hometown environmental footprint, in a state where composting only recently became available. In coming years we look forward to measuring the benefits of this project.

Delta also launched a new office recycling trial in a few locations at our corporate headquarters using "Recycle Across America" standardized labels. The trial aimed to streamline recycling containers and labels and was implemented in conjunction with a focused training campaign. The trial achieved significant improvement in the volume of recyclables, as well as in the quality of recyclable material.







#### A BETTER CONNECTION

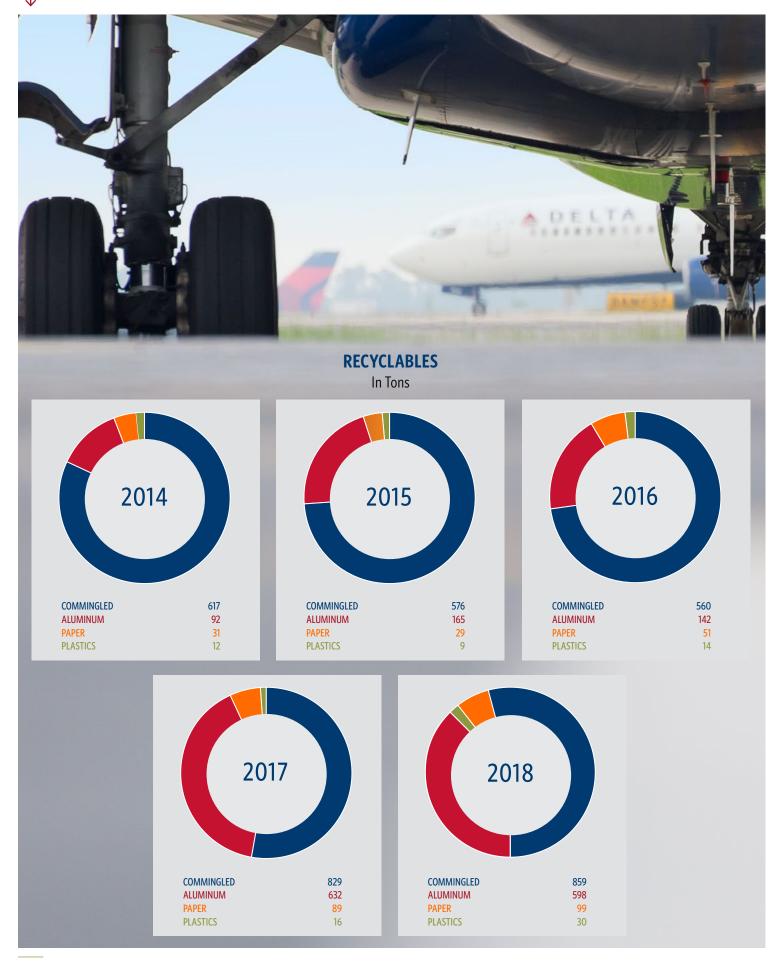
#### **KITCHEN RECYCLING GAINS TRACTION**

Flight kitchens throughout Delta's network are busy places where chefs prepare amazing culinary delights for our passengers as sustainably as possible. In all Delta domestic owned/leased kitchen operations, we recycle aluminum cans, which results in a high-quality aluminum stream to produce recycling revenues. This practice currently generates much of the revenue in Delta recycling programs.

In 2017 and 2018, we have focused heavily on operations in Atlanta, where we installed a can compactor to try to match recycling successes in Minneapolis and Detroit. The can compactor improved sorting, and a new used beverage container recycling partner

contributed to significant year-over-year revenue and volume gains in aluminum can recycling. Delta doesn't stop at aluminum cans, however. At our Minneapolis flight kitchen, plastic film wrap and plastic bottles were eliminated, and composting was introduced, all in an effort to reduce our environmental impact.







# COMMUNITY ENGAGEMENT



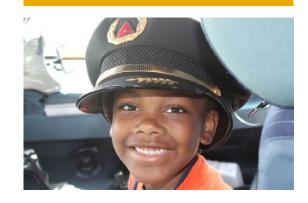


Through thoughtful and consistent community partnerships, and guided by our three pillars of focus—Advancing Education, Improving Health and Wellness and Supporting Armed Service Members and Veterans—Delta continues to make strides toward our long-term commitment to action and outreach that makes communities better places to live.

Each year, Delta is committed to investing 1 percent of the previous year's net income into communities across the globe. Delta and The Delta Air Lines Foundation gave more than \$50 million to nonprofit partners in 2018. This commitment raises the bar for Delta's Community Engagement program, formalizing communities as one of our key stakeholders.

Through corporate giving, Foundation grants and employee volunteerism, we aim to enhance educational opportunities, improve health and wellness accessibility across the globe and support U.S. armed service members, veterans and their families.

# \$50M+ donated in 2018 by Delta and The Delta Air Lines Foundation to community partners









### A BETTER CONNECTION SUPPORTING HOMETOWN NEIGHBORHOODS



The Westside of Atlanta is known for its rich black history narrative, once home to Dr. Martin Luther King, Jr. and other civil rights movement luminaries, along with the world's largest consortium of historically black colleges and universities. In 2018, Delta and The Delta Air Lines Foundation made a \$25 million commitment to invest in the transformation of this area to the Westside Future Fund, an organization established by the Atlanta Committee for Progress, to address areas of need, including safety and security, cradle-to-career education, health and wellness and mixed-income communities. Delta's support of the Westside is multifaceted and includes a Delta-sponsored playground build in Rodney Cook, Sr.

Park, where 75 employees took part in the revitalization efforts in the historic Vine City neighborhood. As the City of Atlanta's newest recreational public green space, Cook Park is set to open in 2019 and is a joint venture between the City of Atlanta, the Westside Future Fund, The Trust for Public Land and the National Monuments Foundation. The Delta Air Lines Foundation contributed \$1 million toward the park's creation with \$500,000 allocated to the Trust for Public Land for the specific development of a playground and \$500,000 allocated to the National Monuments Foundation to install monuments honoring historic Atlanta leaders.

### **DELTA'S COMMUNITY IMPACT**

#### **EDUCATION**

#### 31 JA CHAPTERS

Delta partners with Junior Achievement chapters across four continents to teach students financial literacy, work readiness and entrepreneurship

#### **26 PLAYGROUNDS**

Delta employees have built KaBOOM! playgrounds across 13 markets to give kids a safe place to play

#### **22 YMCA CHAPTERS**

Delta supports YMCA chapters on two continents through programming that includes swim lessons, tutoring and job shadows

### 250 READING BUDDIES AND TUTORS

Delta employees read to and tutor students at two Atlanta Public Schools in the South Atlanta Cluster and also provide basics like books, coats, food and glasses

#### WELLNESS

#### **264 HABITAT HOMES**

2,500 Delta employees build homes annually—spanning 12 countries since 1995—with Habitat for Humanity

#### **11,085 PINTS OF BLOOD**

Delta employees donated blood at more than 200 drives, making Delta No. 1 among American Red Cross corporate donors in FY18

### 8 RED CROSS ORGANIZATIONS

Delta's Red Cross support covers disaster relief efforts across the globe

#### **24 CHILDREN'S HOSPITALS**

Delta's global hospital support includes 18 Children's Miracle Network hospitals, plus other leading hospitals like St. Jude Children's Research Hospital and Great Ormand Street Hospital in London

#### 21 FOOD BANKS

Delta employees help repack more than 2 million pounds of food annually across the globe, including support of 18 Feeding America food banks

#### **MILITARY**

#### **162M MILES**

As part of a Veterans Month promotion each November, Delta and its customers have donated miles to Fisher House Foundation's Hero Miles Program and Luke's Wings through the SkyWish Program, which helps transport family members of injured service members and veterans

#### **4 FISHER HOUSES**

Delta has funded Fisher House facilities in New York City, Los Angeles and Seattle, which provide lodging for family members of injured loved ones receiving treatment at military and VA facilities

#### 71 HEROES

Delta supports the Congressional Medal of Honor Foundation by providing living medal recipients with Diamond Medallion status and also funds educationa programs, including Direct to Kids, centered around promoting Medal of Honor values

#### **\$735K DONATION**

Delta contributes to Toys for Tots annually, and Delta employees build 1,000 bikes for kids every holiday season

#### **14 USO CHAPTERS**

Delta supports USO, as well as the MI Freedom Center in Detroit Metropolitan Airport and the Armed Forces Service Centers in Miami International Airport and Minneapolis-St. Paul International Airport

**\$6.5M RAISED IN 2018** 

Delta employees and customers set record fundraising amounts in 2018 for the American Cancer Society, American Heart Association, Breast Cancer Research Foundation and United Way

2018 fundraisers were self-organized







#### **EDUCATION**

It is our responsibility to help guide tomorrow's global leaders. Delta's education efforts aim to inspire the next generation of Delta employees, customers and shareholders, positioning 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 31 Junior Achievement (JA) 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 serves as a National Signature Partner of 3DE, a JA program for high school students, and committed \$2 million upon its creation. The program focuses on developing public-private partnerships to systemically re-engineer education to better reflect the real world and prepare students for life beyond the classroom.
- Technical Operations and Flight Operations employees share the science of aviation with more than 20,000 students each March at the Atlanta Science Festival's Exploration Expo, which celebrates and promotes STEM education.
- Through our partnership with the National Flight Academy, more than 600 students from our
  community partners, military dependents and children of Delta employees spend six days aboard
  the world's only virtual land-locked aircraft carrier in Pensacola, Fla. 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.
- More than 15,000 students from around the world travel to Detroit each May to put their
  innovation skills to the test at the annual FIRST® (For Inspiration and Recognition of Science
  and Technology) Championship sponsored by Delta. Local Technical Operations and Flight
  Operations employees host participating students through interactive experiences involving
  model engines, wind tunnels, aircraft parts and more.



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

- Delta has contributed to 26 total KaBOOM!
   playground builds across 13 markets since
   2013—giving students and local kids safe
   places to play. In 2018, our employees built
   KaBOOM! playgrounds in Atlanta, Los Angeles,
   Miami, New York, Salt Lake City and
   Washington, D.C.
- Delta teamed up with The Trust for Public Land to build a playground in historic Rodney Cook, Sr. Park as part of the revitalization efforts of Atlanta's Westside community.
- 2018 marked our second year in partnership
  with Atlanta Public Schools, as part of our
  \$500,000 contribution over five years to
  improve the quality of education and literacy
  rates at two elementary schools in the South
  Atlanta cluster, each located near HartsfieldJackson Atlanta International Airport. The
  partnership includes ongoing reading and
  tutoring support with Delta employees and
  helps cover essential student needs like books,
  clothing and meals.
- Delta partners with 22 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.

#### A BETTER CONNECTION

#### **BUILDING A PIPELINE OF FUTURE LEADERS**

Across four continents and 31 chapters, Delta's support of Junior Achievement deepened in 2018 with a shared mission: to spark students' interest in aviation careers through financial literacy, work readiness and entrepreneurship education.

Through JA job shadows and outreach programs, Delta has inspired more than 800,000 students each year since 2013—the next generation of Delta employees and customers. In Atlanta, Detroit, Los Angeles, Minneapolis, New York and Salt Lake City, students work alongside Delta employees, shadowing leaders on the job at key Delta hubs for a behind-the-scenes look at airport operations. Students also learn financial literacy and budgeting skills through interactive Delta storefronts at JA Finance Park and BizTown facilities.

Delta 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 JA Americas through various event support. And since 2015, Delta has supported the JA Company of the Year competition, which expanded to JA Africa and JA Europe in 2018, 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, in 2018, Delta CEO Ed Bastian announced a surprise \$2 million commitment over five years toward 3DE, the new national extension of JA Academy, which launched in Atlanta in 2015. Delta was the first corporate national sponsor of the revamped program, which re-engineers high school curriculum to be more relevant and connected to the experiences that exist beyond the classroom. Its school-within-a-school model has proven to significantly elevate students' social, academic and career readiness outcomes.



#### **HEALTH AND WELLNESS**

In an effort to create a healthier global community, Delta helps meet employees' and customers' basic needs through health and wellness initiatives.

Delta's commitment to action and outreach is exemplified through corporate support and employee engagement opportunities. Highlights from 2018 include:

- Throughout 2018, Delta employees constructed six homes in Guangzhou,
   China, in addition to homes in Atlanta, Los Angeles, New York and Seattle.
   Delta people have helped build or rehab 264 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.
- In 2018, Delta supported 24 children's hospital organizations in the U.S. and the U.K., 18 of which were Children's Miracle Network Hospitals, and served as the presenting sponsor of Children's Hospital Week in Orlando. Other children's hospital support included Great Ormond Street Hospital in the U.K. and St. Jude Children's Research Hospital.
- In 2018, employees sorted and packed more than 64,500 pounds of food during Hunger Action Month in September, which equated to nearly 30,240 meals. Employees volunteered at 21 food banks across the globe, 18 of which are Feeding America food banks.

Delta employees and customers raise millions of dollars for organizations actively working to promote wellness, combat disease and fight hunger.

 Since 2005, Delta employees and customers have raised an unprecedented more than \$16.7 million for Breast Cancer Research Foundation (BCRF).



We celebrated the 14th 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 Boston to celebrate their victories, share inspiring stories of courage and raise funds for breast cancer research.

- Employees raised a record \$2.2 million in 2018 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 \$13 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 long-standing partner of more than 30 years. In addition, we have a 100 percent giving participation rate from officers and directors across the company.

#### A BETTER CONNECTION

#### **GIVING PEOPLE A PLACE TO CALL HOME**

Each year, Delta employees work with Habitat for Humanity to provide safe and affordable housing for people across the globe. Since the partnership began in 1995, employees have helped build or rehab 264 homes both domestically and internationally.

In 2018, Delta Air Lines completed its 15th Global Build with Habitat for Humanity in Sancun, a small village 85 miles north of Guangzhou, China. Here, 52 Delta employees and retirees, representing 18 stations and seven countries, along with 16 China Eastern employees and four SkyMiles customers, worked together to help with the construction of six new homes for local families.

In addition to the six homes in China, employees got to work in Atlanta, Los Angeles, New York and Seattle, adding five more Habitat homes to the 2018 roster. Homes in Atlanta were funded by Delta's Onboard Recycling Program, while the Seattle build was the third in a housing development for military veterans built by Delta employees who are also veterans.



# ARMED SERVICE MEMBERS AND VETERANS

Supporting armed service members and veterans is important to Delta, as nearly 12,000 active and retired military personnel 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 U.S.

- 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 addition to employee-led toy drives across the system in 2018, Delta contributed \$735,000 to U.S. Marine Corps Reserve Toys for Tots in 20 markets, including \$100,000 for the national literacy program. In Atlanta, employees also participated in bike builds where 1,012 bikes were constructed by TechOps employees and 15,000 toys were collected for local youth.
- Delta supports 14 USO chapters systemwide, as well as the Michigan Freedom
  Center in the Detroit Metropolitan Airport and the Armed Forces Service Centers
  in Miami International Airport and Minneapolis-Saint Paul International Airport.
  In 2018, employees helped put together more than 8,000 care packages for
  deployed military personnel in partnership with USO of Metropolitan New York
  and USO Northwest.
- 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 serves as a "friend of the fold" in support of the Folds of Honor Foundation across 19 markets, helping the organization provide educational scholarships to the children and spouses of fallen and disabled service members.

Delta customers also support our commitment to military personnel through SkyWish, the charitable arm of the SkyMiles program. In 2018, Delta and our customers donated a combined 14 million miles to the Fisher House Foundation's Hero Miles Program and Luke's Wings as part of the annual Veterans Month promotion in November, helping to reconnect hundreds of service members with their loved ones during hospitalization. Over the past five years, Delta and our customers have donated more than 162 million miles to these organizations.







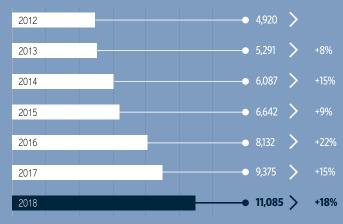
#### A BETTER CONNECTION

#### **PROVIDING LIFE-SAVING RESOURCES**

Delta employees, retirees and customers donated a record 11,085 pints of blood at Delta-hosted American Red Cross blood drives across the system for the 2018 fiscal year (YE 6/30), which equates to up to 33,000 lives saved.

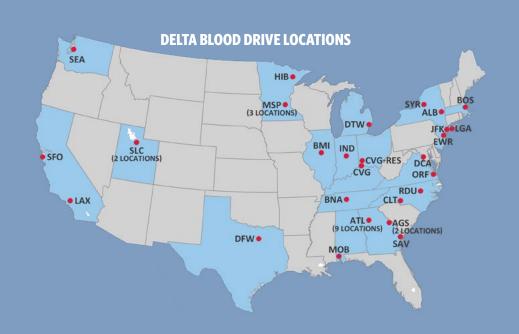
This donation record—an 18 percent increase from the previous donation year—moved Delta to the No. 1 spot for corporate blood donations in the U.S., marking the most successful year since the airline's partnership with the humanitarian organization began in 1941 during World War II. Delta was No. 11 on the corporate sponsor list just six years ago.

This fiscal year, Delta hosted 214 blood drives in 36 locations, including one of the largest Red Cross blood drives in the country hosted at Delta's Technical Operations Center in Atlanta, which consistently generates more than 500 pints of



blood each drive. Delta also added inaugural drives in Augusta, Georgia; Charlotte, North Carolina; Mobile, Alabama; Norfolk, Virginia; San Francisco, California; and Washington, D.C.

Additionally, Delta provides ongoing contributions to the American Red Cross as an Annual Disaster Giving Program member at the \$1 million level and served as the title sponsor of the "Sound the Alarm. Save a Life." program in 2018 to reduce fire-related deaths and injuries in the U.S. by installing smoke alarms in homes across the nation.





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## **ABOUT** DELTA **THIS REPORT**

Delta's 2018 Corporate Responsibility Report (CRR) is our second report aligned with Global Reporting Initiative (GRI) Standards framework. The 2018 CRR utilizes our most recent (2017) biannual GRI Materiality Assessment priority topics. More information on our Materiality Assessment process and material topics can be found on pages 76-78. The 2018 CRR is a snapshot of our ESG efforts covering the period of January 1, 2018, to December 31, 2018, and is an update to our previous report published in 2017. For all ESG information defined as material in our 2017 Materiality Assessment, ESG information and metrics are presented for the current year and for a minimum of three previous years. The report has been prepared in accordance with GRI Standards: Comprehensive application level. This report also provides additional information and data, not specified by GRI, that Delta and its stakeholders deem relevant to business operations. A complete GRI Standards Content Index can be found beginning on page 85.

#### **2018 CRR EXTERNAL ASSURANCE**

We conduct assurance to verify our primary environmental impact—carbon emissions. An external assurance statement for emissions can be found on page 84.

Ruby Canyon Engineering, Inc. conducts our carbon emissions verification and provides a reasonable level of assurance on our Statement of Greenhouse Gas (GHG) Emissions for reporting. Verified emissions data back to 2005 is publicly available on The Climate Registry website at www.cris4.org.

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 data trails our CRR GRI report by one year. As a result, annual emissions for the 2018 CRR reporting year will be verified after the 2018 CRR has been published. Further, 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.

#### **ESG SUSTAINABILITY CONTACT**

Please send comments or questions about the 2018 CRR to sustainability@delta.com or in writing to:

Delta Air Lines, Inc.

Attn: John Laughter, Senior Vice President Corporate Safety, Security & Compliance Department 725 1020 Delta Blvd. Atlanta, GA 30354

#### **MATERIALITY**

Materiality is a key component of Delta's annual corporate environmental, social and governance (ESG) reporting strategy because it allows us to strategically address and provide information on our most relevant ESG topics as defined by our six stakeholder groups:

- Investors
- Customers
- Employees
- Suppliers
- Communities
- Governments & Nongovernmental Organizations

At Delta, we use our annual Corporate Responsibility Report (CRR) to transparently communicate how we view, prioritize and approach the identified ESG sustainability topics. We conduct materiality assessments on a biannual basis. In 2017 we revisited our 2015 assessment, in line with reporting best practices, to both re-examine our ESG approach and to prepare us to transition to the GRI Standards framework.

Our 2017 assessment initially evaluated and examined more than 68 different topics that were then narrowed to 10 priority reporting topic areas. These 10 priority topic areas helped to further define the information which we report on in 2018.

#### MATERIALITY ASSESSMENT PROCESS

In an effort to continuously evaluate and determine which priority topics are key to operating a world class airline, we directly engaged our six stakeholder groups through a questionnaire process. This type of direct engagement allows us to both better understand the topics that are important to our stakeholders, as well as to provide exceptional service in an evolving business environment. While our stakeholder engagement activities prior to 2017 had historically focused on customer service, satisfaction and support, the 2015 and 2017 materiality engagement processes allowed us to build on past efforts and further define our priority topics.

#### **METHODOLOGY**

Drawing on GRI guidance we utilized a four-step approach. The process first sought to IDENTIFY possible topics, then PRIORITIZE topics, VALIDATE results and finally APPLY & ALIGN the list to our CRR reporting strategy and to the United Nations Sustainable Development Goals (UNSDGs).



#### Identification

Following cross-industry and industry research, a coverage universe of 68 potential material topics was established. From this universal list, topics were then narrowed to 30 of the most relevant airline specific topics.



#### **Prioritization**

Based on the narrowed list of 30 topics, a survey was developed that asked stakeholders to rank the importance of each topic relative to the others. We disseminated two versions of survey—one to internal stakeholders and another to external stakeholders. Both internal and external survey results were then aggregated and analyzed to create an initial topic ranking and matrix.



#### Validation

Delta's CRR reporting committee reviewed and discussed the matrix and prioritization of the 30 material issues. Based on this discussion, a final ranking and matrix were created.



#### **Application & Alignment**

The material topic list was mapped and applied to GRI comprehensive disclosures and aligned with the UNSDGs (see 2018 CRR page 14).

Translating and prioritizing matrix results into reporting topics produced a list of the top 10 material topics for reporting. While the top 10 topics list receives the highest degree of coverage in our CRR, the final list of 30 topics also helped to inform the full extent of information found in the 2018 report.

#### **MATERIAL ISSUES**

	ISSUE		
1	Customer Safety and Security	16 Recycling, Reuse and Upcycling of Materials	
2	Customer Satisfaction	17 Risk Managment	
3	Customer Data Privacy	18 Human Trafficking	
4	Occupational Health and Safety	19 Anti-Corruption and Anti-Competitive Behavior	
5	Employee Satisfaction	20 Supply Chain Human Rights	
6	Fleet Strategy	21 Climate Change Strategy	
7	Environmental Compliance and Regulation	22 Corporate Philanthropy	
8	Ethics Management	23 Diversity and Inclusion	
9	Customer Nondiscrimination	24 Aircraft Component Sourcing and End-of-Life	
10	Training and Development	25 Community Economic Impact	
11	Financial Performance and Growth	26 Board Oversight of Sustainability	
12	Travelers with Disabilities and Medical Conditions	27 Supplier Environmental Impact	
13	Equal Opportunity and Gender Pay Equality	28 Employee Volunteerism	
14	Corporate Transparency	29 Suppllier Diversity	
15	Workforce Talent and Turnover	30 Political Contributions and Lobbying Transparency	

#### STAKEHOLDER ENGAGEMENT

Continuous engagement and regular dialogue with our six defined stakeholder groups, through both formal and informal processes, allows us to innovate and proactively address emerging ESG 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 them. One way we do this is by responding to inquiries and requests for information related to our ESG sustainability practices.

In addition to understanding that direct and indirect stakeholder engagements allow us to innovate and evolve our ESG efforts, we understand that increased transparency also helps us effectively improve our business over the long term. A list of external charters and associations Delta is actively engaged with includes:

- 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)

Our long-standing commitment to engagement also allows us the opportunity to continue to refine corporate governance and corporate strategy over the long term. The following table summarizes our 2018 ESG stakeholder engagement efforts:

#### STAKEHOLDER ENGAGEMENT AT-A-GLANCE

STAKEHOLDER GROUP	PRIMARY COMMUNICATION CHANNELS/FREQUENCY	KEY ISSUES	EXAMPLES OF 2018 ACTIONS
Investors	<ul> <li>Annual shareholder meetings</li> <li>Annual report, quarterly earnings reports and proxy statement</li> <li>External recognition, ratings and rankings</li> <li>Investor Day</li> </ul>	<ul> <li>Financial performance and governance matters</li> <li>Return on investment</li> <li>Transparent reporting of ESG practices and disclosures</li> </ul>	<ul> <li>Held Investor Day</li> <li>Initiated contact with 95 percent of top 20 actively managed investors and 65 percent of our outstanding shares</li> <li>Attended more than 10 industry conferences with senior management</li> <li>Participated in calls with key investors</li> </ul>
Customers	<ul> <li>19 different customer group satisfaction surveys</li> <li>Social media</li> </ul>	<ul> <li>Superior customer service</li> <li>Reliable and on-time flights</li> <li>Technology enhancements and in-flight comfort</li> <li>Efficient cargo and baggage delivery</li> <li>Disability Program and nondiscrimination policy</li> <li>Service animal support</li> <li>Human trafficking</li> </ul>	<ul> <li>Improved our overall Net Promoter Score by 4 points</li> <li>Ranked first among North American airlines in on-time performance</li> <li>Working with US CBP, launched the first biometric terminal in Atlanta</li> <li>Provided diversity training to 23,000 flight attendants</li> <li>Maintain an Advisory Board on Disability</li> <li>Revised service animal policy</li> <li>Expanded anti-human trafficking signage in airports</li> </ul>
Employees	Employee Satisfaction Survey     (4) In-Flight Employee Involvement Groups     (2) Employee Support Groups     (10) Business Resource Groups     Reservations Liaison for Information     Networking and Communication (ResLINC)     Frontline Involvement Team (FIT)     Velvet 360 Tour     Town Hall Program     Delta Board Council	<ul> <li>Competitive pay and benefits</li> <li>Workplace safety</li> <li>Clear communication</li> <li>Work/life balance</li> <li>Career and growth opportunities</li> <li>Support of a diverse workforce</li> </ul>	<ul> <li>Achieved an 85 percent employee satisfaction survey score</li> <li>Shared \$1.1 billion in profits with employees</li> <li>Invested \$50 million to modernize human resources, including career development, and technology</li> <li>Signed the CEO Action for Diversity &amp; Inclusion</li> <li>Maintain a 24/7 Safety, Ethics and Compliance Helpline</li> <li>New human trafficking training available for all employees</li> </ul>
Suppliers	<ul> <li>Supplier ESG Assessment</li> <li>Supplier Diversity (MBE, WBE and SBE) engagement</li> </ul>	Assess the technical, financial and regulatory challenges associated with bio-jet opportunities	Utilized our Supplier Performance Management Program with operationally critical suppliers to facilitate the use of monthly performance scorecards, periodic business reviews and discussions of sustainable business procedures     Increased spend with minority, veteran, LGBT and womenowned businesses by 14.3 percent to reach \$1.379 million.
Government & Nongovernmental Organizations	Collaborative partnerships with governments and NGOs around the world Industry associations External recognition, ratings and rankings	<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>Assurance of competitive marketplaces</li> <li>Private-sector expertise and resources</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 that resulted in a 1.23 percent increase in fuel efficiency Upheld our commitment to carbon-neutral growth for the sixth consecutive year Purchased more than 2.5 million carbon offsets Realized a year-over-year reduction in the amount of nonhazardous waste volume generated in our operations
Communities	<ul> <li>The Delta Air Lines Foundation</li> <li>Delta Air Lines corporate contributions</li> <li>Contributions to nonprofit organizations</li> <li>Social media</li> </ul>	<ul> <li>Employee volunteerism and local support</li> <li>Flight and travel safety programs</li> <li>Support for Three Pillars of Focus: <ol> <li>Advancing Education</li> <li>Improving Health</li> <li>Supporting Armed Service Members and Veterans</li> </ol> </li> </ul>	<ul> <li>Gave 1 percent of previous year's net income, or more than \$50 million, back to communities</li> <li>52 employees from 18 stations and seven countries completed our 15th Global Habitat for Humanity Build in China</li> <li>Employees and customers together raised a record \$5.9 million in 2018 for the American Cancer Society, American Heart Association, Breast Cancer Research Foundation and the United Way</li> </ul>

## 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, 2018, 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, 2018 10K page 10.

- Delta Pilots = 13,203
- Delta Flight Superintendents (Dispatchers)\* = 432
- Endeavor Air Pilots = 1,976
- Endeavor Air Flight Attendants\* = 1,307
- Endeavor Air Dispatchers\* = 60

\*We are in discussions with representatives of these employee groups regarding terms of amendable collective bargaining agreements.

## **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 governance website page at <a href="http://ir.delta.com/governance">http://ir.delta.com/governance</a>.

Online governance documents include:

- Bylaws
- Certificate of Incorporation
- 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.

The highest governance body for ESG oversight is the Delta Board of Directors Corporate Governance Committee, the charter of which was amended to include responsibility for the oversight of Delta's sustainability efforts and progress. This committee received two sustainability briefings in 2018.

At the operations level, ESG oversight is the responsibility of our Executive Environmental Leadership Council (EELC), which 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.

Seeking continuous improvement, including self-evaluation and risk mitigation related to ESG, the EELC met in 2018 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 and Customer Center
- Senior Vice President and Chief Communications Officer
- Executive Vice President and Chief Operating Officer

In 2018, day-to-day environmental events were addressed by the affected operational division. While the EELC serves as the primary governance body responsible for addressing ESG policy risks, the Board of Directors' Corporate Governance Committee and the Delta Risk, Privacy and Compliance Council also maintain oversight. In 2018, the EELC received no 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 industry 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 1,2

In 2018, DeltaPAC gave \$1,192,500 to federal-level candidates, committees and party committees. In 2018, corporate spending for federal lobbying expenses totaled \$3,287,092 and state level corporate political contributions totaled \$476,217.

#### RISK MANAGEMENT

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

- High fuel costs or cost increases, including in the cost of crude oil, could have a material adverse effect on our operating results.
- Significant extended disruptions in the supply of aircraft fuel could have a material adverse effect on our operations and operating results.
- The effects of rebalancing our fuel hedge portfolio and mark-to-market adjustments may have a negative effect on our financial results.
- Our significant investments in airlines in other parts of the world and the commercial relationships that we have with those carriers may not produce the returns or results we expect.
- We are at risk of losses and adverse publicity stemming from a serious accident involving our aircraft or aircraft of our airline partners.
- Breaches or lapses in the security of our technology systems and the data we store could compromise passenger or employee information and expose us to liability, possibly having a material adverse effect on our business.
- Disruptions of our information technology infrastructure could interfere with our operations, possibly having a material adverse effect on our business.
- Failure of our technology to perform effectively could have an adverse effect on our business.
- Agreements governing our debt, including credit agreements, include financial and other covenants. Failure to comply with these covenants could result in events of default.
- Employee strikes and other labor-related disruptions may adversely affect our operations.

<sup>&</sup>lt;sup>1</sup>Lobbying Expenses: http://disclosures.house.gov/ld/ldsearch.aspx (Search Registrant Name: Delta Air Lines)

<sup>&</sup>lt;sup>2</sup> Political Contributions:

DeltaPAC federal contributions: https://www.fec.gov/data/committee/C00104802/?tab=filings&cycle=2018
Georgia state contributions: http://media.ethics.ga.gov/Search/Campaign/Campaign\_Name.aspx?NameID=230&FilerID=NC2006000059&Type=committee
California state contributions: http://cal-access.sos.ca.gov/Campaign/Committees/Detail.aspx?id=1392393&session=2017&view=contributions

- Our results can fluctuate due to the effects of weather, natural disasters and seasonality.
- An extended disruption in services provided by third parties, including third-party regional carriers, could have a material adverse effect on our results of operations.
- The failure or inability of insurance to cover a significant liability related to an
  environmental or other incident associated with the operation of our refinery
  could have a material adverse effect on our consolidated financial results.
- The operation of Monroe Energy is subject to significant environmental regulation. Failure to comply with environmental regulations or the enactment of additional regulation could have a negative impact on our consolidated financial results.
- If we lose senior management 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.
- Terrorist attacks, geopolitical conflict or security events may adversely affect our business, financial condition and operating results.
- 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.
- Extended interruptions or disruptions in service at major airports in which
  we operate could have a material adverse impact on our operations.
- The airline industry is subject to extensive government regulation, and new regulations may increase our operating costs.
- Because of the global nature of our business, unfavorable global economic conditions or volatility in currency exchange rates could have a material adverse effect on our business, financial condition and operating results.
- Economic conditions following the United Kingdom's exit from the European Union could adversely affect our business.
- The rapid spread of contagious illnesses can have a material adverse effect on our business and results of operations.

## SUBSIDIARIES REPORTING

Delta Air Lines subsidiaries are not subject to Delta Air Lines environmental policy, procedures or reporting requirements. As such, details of listed subsidiary environmental performance, governance and regulatory compliance, including carbon emissions, are not included in this report.

## **DELTA SUBSIDIARIES**

PARENT COMPANY: DELTA AIR LINES, INC.

Subsidiaries:

- 1. Aero Assurance Ltd.
- 2. Air4 Passenger Service Systems, LLC
- 3. Comair Holdings, LLC *Subsidiaries:* 
  - 1. Comair Services, Inc. Subsidiaries:
  - 1. Delta Private Jets, Inc.
- 4. DAL Global Services, LLC\*
- 5. Delta Air Lines Dublin Limited
- 6. Delta Air Lines, Inc. and Pan American World Airways UNTERSTUTZUNGSKASSE GMBH
- 7. Delta Air Lines Private Limited
- 8. Delta Flight Products, LLC
- 9. Delta Material Services, LLC
- 10. Delta Professional Services, LLC
- 11. Delta Receivables, LLC
- 12. Delta Sky Club, Inc.
- 13. Delta Vacations, LLC Subsidiaries:1. Delta Gift Cards, Inc.
- 14. Endeavor Air, Inc.
- 15. Epsilon Trading, LLC
- Monroe Energy, LLC\*\*
   Subsidiaries:
   1. MIPC, LLC
- 17. Montana Enterprises, Inc.
- 18. New Sky, Ltd.
- 19. Northwest Airlines, LLC
- 20. NW Red Baron LLC
- 21. TATL Services B.V. (100% owned by Delta Air Lines, Inc.)
- 22. DL International Enterprises, LLC (100% owned by Delta Air Lines, Inc.)
- 23. 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)
- 24. 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)
- 25. 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)
- 26. DAL Leasing Limited (DAL Europe C.V. is the sole Member)
- 27. Delta TATL UK Limited (DAL Europe C.V. is the sole Member)

<sup>\*</sup>Sold in December 2018.

<sup>\*\*</sup>Monroe Energy, a wholly owned subsidiary of Delta Air Lines, operates an oil refinery outside of Philadelphia. The refinery has more than 490 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 Air Lines with its own operational and environmental policies and its own management for oversight of its policies.

## **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. SCM is a component of the long-term sustainable support we provide to our customers. This is why 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 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
- Anti-corruption 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 and periodic business reviews that may include discussions of developing and maintaining sustainable business processes. In 2018 most operationally critical suppliers participated in business reviews and scorecarding activities. 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.

In 2018, we spent \$1.379 million with minority, veteran, LGBTQ and women-owned businesses, a 14.3 percent increase over 2017. 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.

## **VERIFICATION**



743 Horizon Ct. Suite 385 · Grand Junction, CO 81506 (970) 241-9298 · (970) 256-1761 fax www.rubycanyoneng.com

May 16, 2019

Delta Air Lines 1030 Delta Blvd. Atlanta, GA 30320

To whom it may concern:

In 2019, Ruby Canyon Engineering, Inc. (RCE) completed a verification of Delta Air Lines' (Delta) 2017 greenhouse gas (GHG) inventory under The Climate Registry (TCR) program. RCE conducted this verification to the ISO 14064-3 standard and concluded that Delta's GHG inventory can be considered:

- In conformance with The Climate Registry's General Reporting Protocol Version 2.1 and ISO 14064-1 requirements;
- Without material discrepancy in Scope 1, Scope 2 location-based, Scope 2 market-based, or Scope 3 emissions;
- · A fair and truthful representation of the GHG data and information; and
- Scope 1 and 2 emissions verified to a reasonable level of assurance and Scope 3 emissions verified to a limited level of assurance.

#### **Total Worldwide Entity Emissions by Emission Type Under Operational Control**

Emissions Verified	CO₂e (metric tons)
Stationary Combustion	78,850.67
Mobile Combustion	35,697,348.52
Fugitive	5,647.41
Scope 1 Total	35,781,846.60
Purchased Electricity – Location-based	263,610.71
Purchased Heating – Location-based	32,663.00
Scope 2 Location-Based Total	296,273.71
Purchased Electricity – Market-based	263,610.71
Purchased Heating – Market-based	32,663.00
Scope 2 Market-Based Total	296,273.71
Fuel and Energy Related Activities	4,129,530.91
Scope 3 Total	4,129,530.91

<sup>\*</sup>Individual categories may not sum to total due to rounding. Please note that Delta applied 2,524,277 retired offsets to Scope 1 emissions total resulting in a net total of 33,257,569.60 tCO2e for combined North American and Worldwide Scope 1 emissions.

Best Regards,

Zach Eyler

Vice President, Greenhouse Gas Programs

Ruby Canyon Engineering, Inc.

DISCLOSURE	DISCLOSURE	2018	
NUMBER	TITLE	RESPONSE	
iRI 102: Genera			
Organizational		Dalla Ataliana Inc	
102-1	Name of the organization	Delta Air Lines, Inc.	
102-2	Activities, brands, products, and services	Delta By-the-Numbers Delta 2018 10-K pages 2-6	
02-3	Location of headquarters	Delta By-the-Numbers Delta 2018 10-K page 2	
02-4	Location of operations	Delta By-the-Numbers Delta 2018 10-K pages 2-3	
02-5	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.	
02-6	Markets served	Delta By-the-Numbers Delta 2018 10-K pages 2-6	
02-7	Scale of the organization	Delta By-the-Numbers	
102-8	Information on employees and other workers	Workforce Profile	
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	
02-13	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—Governance—Risk Management	
Ethics and Integ	grity		
02-16	Values, principles, standards, and norms of behavior	Talent & Culture—Upholding Our Values	
02-17	Mechanisms for advice and concerns about ethics	Talent & Culture—Upholding Our Values	
Governance			
02-18	Governance structure	Corporate Governance Principles	
02-19	Delegating authority	Appendix—Governance	
02-20	Executive-level responsibility for economic, environmental, and social topics	Appendix—Governance	
02-21	Consulting stakeholders on economic, environmental, and social topics	Appendix—Governance Delta 2019 Proxy, pages 10-11	
02-22	Composition of the highest governance body and its committees	Board of Directors	
02-23	Chair of the highest governance body	Delta 2019 Proxy, page 19	
02-24	Nominating and selecting the highest governance body	Corporate Governance Principles	
02-25	Conflicts of interest	Delta Code of Ethics and Business Conduct	
02-26	Role of highest governance body in setting purpose, values, and strategy	Appendix—Governance	
02-27	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.	
	Identifying and managing economic, environmental, and social impacts	Appendix—Governance	

DISCLOSURE	DISCLOSURE	2018	
NUMBER	TITLE	RESPONSE	
102-30	Effectiveness of risk management processes	Appendix—Governance Delta 2019 Proxy, page 21	
102-31	Review of economic, environmental, and social topics	Appendix—Governance Delta 2019 Proxy, pages 10-11	
102-32	Highest governance body's role in sustainability reporting	Appendix—Governance	
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 2019 Proxy, pages 25-53	
102-36	Process for determining remuneration	Delta 2019 Proxy, pages 25-53 Talent & Culture—Rewarding the Delta Team	
102-37	Stakeholders' involvement in remuneration	Delta 2019 Proxy, page 25	
102-38	Annual total compensation ratio	Delta 2019 Proxy, page 51	
102-39	Percentage increase in annual total compensation ratio	Delta 2019 Proxy, page 51	
Stakeholder En	ngagement		
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 Prac	tices		
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-Specific	Standards		
GRI 205: Anti-0	Corruption		
103-1	Explanation of the material topic and its Boundary	Delta Code of Ethics & Business Conduct Talent & Culture—Upholding Our Values	
103-2	The management approach and its components	Delta Code of Ethics & Business Conduct Talent & Culture—Upholding Our Values	
103-3	Evaluation of the management approach	Delta Code of Ethics & Business Conduct	
205-1	Operations assessed for risks related to corruption	Enterprisewide assessment for corruption-related risks.	
205-2	Communication and training about anti-corruption policies and procedures	Talent & Culture—Upholding Our Values	
205-3	Confirmed incidents of corruption and actions taken	There were no incidents of corruption during 2018.	

DISCLOSURE NUMBER	DISCLOSURE TITLE	2018 RESPONSE
	Competitive Behavior	
103-1	Explanation of the material topic and its Boundary	Delta Code of Ethics & Business Conduct Talent & Culture—Upholding Our Values
103-2	The management approach and its components	Delta Code of Ethics & Business Conduct Talent & Culture—Upholding Our Values
103-3	Evaluation of the management approach	Delta Code of Ethics & Business Conduct Talent & Culture—Upholding Our Values
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Delta 2018 10-K pages 22, 55
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 Delta's Carbon Emissions Policy
103-2	The management approach and its components	Environmental Stewardship—Climate Change Delta's Carbon Emissions Policy
103-3	Evaluation of the management approach	Environmental Stewardship—Climate Change Delta's Carbon Emissions Policy.
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: Efflue	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—Waste Management
306-2	Waste by type and disposal method	Environmental Stewardship—Environmental Compliance—Waste Management
306-3	Significant spills	Environmental Stewardship—Environmental Compliance—Managing and Mitigating Spills
306-4	Transport of hazardous waste	Environmental Stewardship—Environmental Compliance—Waste Management
306-5	Water bodies affected by water discharges and/or runoff	Delta does not significantly discharge into water bodies.
GRI 307: Envir	onmental Compliance	
103-1	Explanation of the material topic and its Boundary	Environmental Stewardship—Environmental Compliance  Delta's Environmental Policy.
103-2	The management approach and its components	Environmental Stewardship—Environmental Compliance Delta's Environmental Policy
103-3	Evaluation of the management approach	Environmental Stewardship—Environmental Compliance Delta's Environmental Policy
307-1	Non-compliance with environmental laws and regulations	Environmental Stewardship—Environmental Compliance  Delta's Environmental Policy.

DISCLOSURE NUMBER	DISCLOSURE   TITLE	2018 RESPONSE		
GRI 401: Employment				
103-1	Explanation of the material topic and its Boundary	Safety—Integrating Safety in Every Action Talent & Culture—Health Benefits Delta's Rules of the Road		
103-2	The management approach and its components	Safety—Integrating Safety in Every Action Talent & Culture—Health Benefits Delta's Rules of the Road		
103-3	Evaluation of the management approach	Safety—Integrating Safety in Every Action Talent & Culture—Health Benefits Delta's Rules of the Road		
401-1	New employee hires and employee turnover	Talent & Culture—Workforce Profile		
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: Occup	pational Health and Safety			
103-1	Explanation of the material topic and its Boundary	Safety The Way We Fly		
103-2	The management approach and its components	Safety The Way We Fly		
103-3	Evaluation of the management approach	Safety The Way We Fly		
403-1	Workers representation in formal joint management-worker health and safety committees	Safety—Integrating Safety in Every Action		
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Safety—Integrating Safety in Every Action		
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—Integrating Safety in Every Action		
GRI 404: Train	ing and Education			
103-1	Explanation of the material topic and its Boundary	Talent & Culture—Recruiting and Retaining the Best Delta Talent  The Way We Fly		
103-2	The management approach and its components	Talent & Culture—Recruiting and Retaining the Best Delta Talent  The Way We Fly.		
103-3	Evaluation of the management approach	Talent & Culture—Recruiting and Retaining the Best Delta Talent  The Way We Fly		
404-1	Average hours of training per year per employee	Talent & Culture—Recruiting and Retaining the Best Delta Talent		
404-2	Programs for upgrading employee skills and transition assistance programs	Talent & Culture—Recruiting and Retaining the Best Delta Talent		
404-3	Percentage of employees receiving regular performance and career development reviews	Talent & Culture—Recruiting and Retaining the Best Delta Talent		
GRI 405: Diver	sity and Equal Opportunity			
103-1	Explanation of the material topic and its Boundary	Talent & Culture—Diversity, Inclusion & Equity		
103-2	The management approach and its components	Talent & Culture—Diversity, Inclusion & Equity		
103-3	Evaluation of the management approach	Talent & Culture—Diversity, Inclusion & Equity		
405-1	Diversity of governance bodies and employees	Talent & Culture—Workforce Profile Delta 2019 Proxy, page 8		
405-2	Ratio of basic salary and remuneration of women to men	Talent & Culture—Diversity, Inclusion & Equality		

DISCLOSURE	DISCLOSURE	2018		
NUMBER	TITLE	RESPONSE		
GRI 416: Custor	ner 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 2018.		
GRI 418: Custor	ner Privacy			
103-1	Explanation of the material topic and its Boundary	Customer Satisfaction—Protecting Our Digital Assets Customer Satisfaction—Transforming Travel Through Technology Delta Air Lines, Inc. Privacy Policy		
103-2	The management approach and its components	Customer Satisfaction—Protecting Our Digital Assets Customer Satisfaction—Transforming Travel Through Technology Delta Air Lines, Inc. Privacy Policy		
103-3	Evaluation of the management approach	Customer Satisfaction—Protecting Our Digital Assets Customer Satisfaction—Transforming Travel Through Technology 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—Culture and Engagement		
103-2	The management approach and its components	Talent & Culture—Culture and Engagement		
103-3	Evaluation of the management approach	Talent & Culture—Culture and Engagement		
419-1	Non-compliance with laws and regulations in the social and economic area	Delta 2018 10-K page 22		

## **SUSTAINABILITY ACCOUNTING STANDARDS BOARD INDEX**

Topic	Metric	Code	Response
	Available seat kilometers (ASK)	TR-AL-000.A	263,365 million (Available Seat Miles)
	Passenger load factor	TR-AL-000.B	85.5%
	Revenue passenger kilometers (RPK)	TR-AL-000.C	225,243 million (Revenue Passenger Miles)
Activity Metrics	Revenue ton kilometers (RTK)	TR-AL-000.D	This data is currently not publicly disclosed.
	Number of departures	TR-AL-000.E	Over 15,000 flights per day (see page 6)
	Average age of fleet	TR-AL-000.F	14.4 years (see page 51)
Topic	Metric	Code	Response
	Gross global Scope 1 emissions	TR-AL-110a.1	36,994,455 MT CO2e (see page 53)
Greenhouse	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	TR-AL-110a.2	Pages 48-54
Gas Emissions	(1) Total fuel consumed	TR-AL-110a.3	36,821,496 MT CO2e (see page 53)
	(2) Percentage alternative fuel	TR-AL-110a.3	0%
	(3) Percentage sustainable fuel	TR-AL-110a.3	0%
	Percentage of active workforce covered under collective bargaining agreements	TR-AL-310a.1	19%
<b>Labor Practices</b>	(1) Number of work stoppages	TR-AL-310a.2	0
	(2) Total days idle	TR-AL-310a.2	0
Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TR-AL-520a.1	N/A
	Description of implementation and outcomes of a Safety Management System	TR-AL-540a.1	Pages 29-36
Accident	Number of aviation accidents	TR-AL-540a.2	5.48 per 1,094,558 flights
& Safety Management	Number of governmental enforcement actions of aviation safety regulations	TR-AL-540a.3	Two non-safety governmental enforcement actions were resolved in 2018 with the events that precipitated the civil penalties occurring prior to 2018.

# TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Disclosure Focus Area	Recommended Disclosure	Source
Governance		
Disclose the organization's governance around	a) Describe the board's oversight of climate-related risks and opportunities.	Page 48 See also 2018 CDP Climate Change survey response, Question C1.1a*, 1.1b
climate-related risks and opportunities.	b) Describe management's role in assessing and managing climate-related risks and opportunities.	Pages 48-54 See also 2018 CDP Climate Change survey response, Question C1.2a*
Strategy		
	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Pages 48-54 See also 2018 CDP Climate Change survey response, Question C2.1 and C2.2a*
Disclose the actual and potential impacts of climate- related risks and opportunities on the organization's businesses, strategy and financial planning.	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Pages 48-54 See also 2018 CDP Climate Change survey response, Section C2 2018 Form 10-K page 15
	c) Describe the potential impact of different scenarios, including a $2^\circ\text{C}$ scenario, on the organization's businesses, strategy, and financial planning.	2018 CDP Climate Change survey response, Question C3.1a*
Risk Management		
Disclose how the organization identifies, assesses	a) Describe the organization's processes for identifying and assessing climate-related risks.	Pages 48-54 See also 2018 CDP Climate Change survey response, Section C2
and manages climate-related risks.	b) Describe the organization's processes for managing climate-related risks.	2018 CDP Climate Change survey response, Section C2
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Pages 48-54 2018 CDP Climate Change survey response, Section C2
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Pages 48-54 See also 2018 CDP Climate Change survey response, Question C11.3a*
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Page 53
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Pages 48-54 2018 CDP Climate Change survey response, Section C4

<sup>\*</sup>Due to current reporting year (2018) verification of emissions data trailing the publication of Delta's annual GRI report, verified emissions data is for 2017. 2018 emissions data will be verified by the end of 2019 and publicly available at <u>cris4.org</u>.



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**DELTA AIR LINES, INC.** 

**2018** CORPORATE RESPONSIBILITY REPORT