

KEEP CLIMBING



# BUILDING A BETTER AIRLINE.

2011 CORPORATE RESPONSIBILITY REPORT





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### ABOUT THIS REPORT

This report describes Delta Air Lines Inc.'s corporate responsibility activities and performance since the last report, *2010 Delta Corporate Responsibility Report: Keep Climbing*. Data included in this report is from the year 2011, unless otherwise noted. Delta self-declares this report to meet application level B of the Global Reporting Initiative (GRI) G3.1 Sustainability Reporting Guidelines. This year's report covers Delta's mainline operations in the United States; regional carriers and international facilities are not included in this report unless otherwise noted. For more information about this report, please contact: Helen Howes, Managing Director - Safety, Health and Environment, Delta Air Lines Inc., 1020 Delta Boulevard, Atlanta, GA, 30354, email: helen.howes@delta.com

# BUILDING A BETTER AIRLINE



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## A MESSAGE FROM RICHARD

There are many ways Delta gives back to the communities it serves, but one way you might not think about is how we ensure our airline is around for the long haul no matter what challenges we might face. We're making strategic choices to that end. And in 2011, for the first time in my 24 years in the business, we covered a record high \$3 billion increase in our fuel costs on the way to reporting a \$1.2 billion profit.

By watching our costs and improving revenue, we earned a meaningful profit and shared that success through \$264 million in profit sharing to our employees. Sustainability practices guide our corporate responsibility efforts, but none would be possible without Delta being sustainable as a company.

Our fiscal discipline creates the foundation for Delta's commitment to being a good corporate citizen. We embrace the opportunity to give back to the places where we fly, and this report outlines our 2011 performance in the areas of environment, employee relations, community affairs and safety.

On the environmental front, we continue to focus on the amount of greenhouse gases that our company emits. We are replacing some older single-aisle airplanes with an order of 100 new lower-emission Boeing 737-900ER aircraft that begin arriving in 2013.

We continue to remove the least fuel-efficient aircraft in favor of newer jets, and we will soon announce our greenhouse gas emissions target for 2015, having lowered our emissions by 16 percent since 2005.

I was honored this year to accept the invitation to join the Business Environmental Leadership Council for the prestigious Center for Climate and Energy Solutions (formerly known as the Pew Center on Global Climate Change) in Washington, D.C. Delta will be the sole airline among many large companies discussing ways we can find affordable energy while being mindful of our impact on the planet.

The tragedy in Japan in 2011 brought out the very best in Delta people worldwide as we donated cash and goods worth well over \$1 million to assist the recovery from the earthquake and tsunami. Our Force For Global Good highlights the key charitable activities we support such as Habitat for Humanity and the Breast Cancer Research Foundation. I was also honored to lead the United Way of Atlanta's fundraising campaign and proud that our employees raised more than \$2 million for the organization.

Delta's unique culture remains strong through profit sharing, our continued funding of pension plans and our open, honest and direct communications with our 80,000 global employees. We were pleased to resolve labor integration issues in 2011 in a way that preserves Delta's long-held direct relationship with employees.

Our great people produce the industry's best customer service, and we were recognized for our hard work in 2011 with our win as top airline in the *Business Travel News* annual survey, *Travel Weekly's* readers' choice as airline of the year and *PCWorld's* naming of Delta as the "Top Tech-Friendly U.S. Airline."

Along with this report, you can find more information about our commitment to the places and communities we serve at [delta.com](http://delta.com).

*Richard Anderson*

Chief Executive Officer  
Delta Air Lines, Inc.

## ABOUT DELTA

Delta Air Lines serves more than 160 million customers each year. With an industry-leading global network, Delta and the Delta Connection carriers offer service to nearly 350 destinations in 61 countries on six continents. Headquartered in Atlanta, Delta employs 80,000 employees worldwide and operates a mainline fleet of more than 700 aircraft. A founding member of the SkyTeam global alliance, Delta participates in the industry's leading trans-Atlantic joint venture with Air France-KLM and Alitalia. Including its worldwide alliance partners, Delta offers customers more than 13,000 daily flights, with hubs in Amsterdam, Atlanta, Cincinnati, Detroit, Memphis, Minneapolis-St. Paul, New York-JFK, New York-LGA, Paris-Charles de Gaulle, Salt Lake City and Tokyo-Narita. The airline's service includes the SkyMiles frequent flier program, a world-class airline loyalty program; the award-winning BusinessElite service; and more than 50 Delta Sky Clubs in airports worldwide. Delta is investing more than \$2 billion through 2013 in airport facilities and global products, services and technology to enhance the customer experience in the air and on the ground.

### KEY FIGURES

**160 MILLION**

CUSTOMERS SERVED

**80,000**

EMPLOYEES WORLDWIDE

**700+**

AIRCRAFT IN OPERATION

**340**

DESTINATIONS

**62**

COUNTRIES

**82.1%**

LOAD FACTOR



## GOVERNANCE AND ETHICS

For more information about Delta's Rules of the Road, visit:

[www.delta.com/about\\_delta/index.jsp](http://www.delta.com/about_delta/index.jsp)

Delta is proud of its long history of strong, ethical corporate governance. The Delta Board of Directors is committed to governing a sustainable, profitable company guided by Delta's Rules of the Road, which are based on the company's long-standing business principles first established by Delta's founder, C.E. Woolman, in the 1940s.

Delta's Board consists of 13 members, each bringing a unique background in business and management. Board members have been chosen based on their experience, character, judgment, skills and international diversity. Delta relies on its directors' independence,<sup>1</sup> financial literacy and ability to devote significant time to Delta's issues when considering additions to the group.

### COMPOSITION OF DELTA'S BOARD OF DIRECTORS<sup>2</sup>

Director	Committee Service	Age	Independent
Richard H. Anderson	None	56	No
Ed Bastian	None	53	No
Roy J. Bostock	Governance; Safety and Security (Chairman)	70	Yes
John S. Brinzo	Audit (Chairman); Personnel & Compensation	69	Yes
Daniel A. Carp	Corporate Governance (Chairman); Safety and Security	62	Yes
David DeWalt	Finance; Safety and Security	47	Yes
John M. Engler	Audit; Corporate Governance	62	Yes
Mickey P. Foret	Corporate Governance; Finance	65	Yes
Shirley Franklin	Audit, Personnel & Compensation	66	Yes
David R. Goode	Personnel & Compensation (Chairman); Finance	70	Yes
Paula Rosput Reynolds	Audit; Corporate Governance	54	Yes
Kenneth C. Rogers	Finance; Safety and Security (Vice Chairman)	50	No
Kenneth B. Woodrow	Finance (Chairman); Personnel & Compensation	66	Yes

Directors are expected to adhere to the Board of Directors Code of Ethics and Business Conduct. It is Delta's policy that the directors must avoid any conflicts of interest as well as report any situations presenting a potential conflict of interest to the chairman of the Audit Committee. The role of the Chief Executive Officer and the non-executive Chairman are separate.

1. It is company policy and practice that a substantial majority of directors are independent directors who have no material relationship with Delta, as defined under the listing standards of the New York Stock Exchange and the Director Independence Standards adopted by the Board.

2. Board Composition as of February 2012.

Directors are expected to attend the annual meeting of stockholders to stay informed on issues and concerns. In addition, stockholders may communicate with Delta's non-management directors by sending an e-mail to [nonmgmt.directors@delta.com](mailto:nonmgmt.directors@delta.com). Complaints or concerns related to Delta accounting, auditing, internal control or financial reporting can be submitted anonymously and confidentially by calling the Delta Ethics and Compliance Helpline at 800-253-7879. The Audit Committee of the Board of Directors oversees consideration of these concerns.

The Board of Directors has ultimate authority for all aspects of sustainability, including Delta's economic, environmental and social performance. The Board can consider new opportunities for improved performance through its meeting agenda, which is set by the Board Chairman, the chief executive and other senior leadership team members. In addition, Delta's Executive Environmental Leadership Council, EELC, refers issues to the Board for consideration.



## EMPLOYEE ETHICS

Delta's Code of Ethics and Business Conduct applies to all employees. It sets the standards all Delta employees must follow in how they work with customers, other employees, shareholders, business partners and the public at large. Employee compensation is linked to compliance to this Code as well as adhering to company policies, procedures and regulatory requirements.

Delta takes integrity and good business practices very seriously and relies on many groups throughout the organization to develop and implement appropriate processes, procedures and automation to safeguard against corruption in the workplace. Three internal case of business misconduct (two middle managers and a scale employee in customer service) were investigated in 2011 and immediate action was taken against the individuals. Controls were also put in place to prevent future occurrences.

### DID YOU KNOW?

In 2011 Delta became the first U.S. carrier to sign the End Child Prostitution, Pornography and Trafficking code. ECPAT is part of an international network in more than 70 countries that has ties to The United Nations Children's Fund and the World Trade Organization. It is specially aimed at eliminating the commercial exploitation of children. As part of the partnership with ECPAT and implementation of the code, Delta is in the process of implementing a number of policies and procedures to:

- Raise employee awareness through training
- Implement a policy to condemn child trafficking
- Work with the Department of Homeland Security on an initiative that seeks voluntary participation by air carriers to raise awareness about child trafficking
- Work with Supply Chain Management regarding contracts repudiating commercial exploitation of children
- Provide information to passengers through various media (Sky Magazine, [delta.com](http://delta.com))
- Report annually about ongoing efforts



Delta requires its employees to complete a number of training courses that outline company standards related to the Code, compliance issues, corruption and bribery. These courses cover topics such as environmental responsibility, affirmative action, ethics and compliance, information security awareness and safety. In addition, these training modules make employees aware of where they can go for help should they be concerned about a potential violation of the Code of Ethics and Business Conduct or the company's compliance obligations. Ninety-four percent of Delta's salaried employees have completed Delta's Ethics and Compliance course since 2010.

Employees can anonymously report unsafe, illegal or unethical activity through Delta's Safety, Ethics & Compliance Hotline. The call is toll free and operates 24 hours per day, seven days per week. All claims are investigated, and Delta has taken action up to and including termination when claims were substantiated. At least twice per year the Audit Committee reviews a summary of the calls received.



The Board of Directors has ultimate responsibility to oversee Delta's enterprise risk management program. The Board discusses risks of all types, including sustainability risk, throughout the year, particularly when reviewing operating and strategic plans. Under Delta's ERM process, management is responsible for setting the company's risk tolerance and strategies. Delta's Board of Directors believes the company's leadership structure, under its oversight, provides effective management.

The Board and each of its standing committees perform a self-evaluation annually to assess the effectiveness of the overall Board, its committees and individual members.

Directors are competitively paid for their services, and their compensation structure remains transparent and aligned with the long-term interest of shareholders. Pay for performance is a key component of Delta's executive compensation philosophy.

The executive incentive plan closely aligns the interests of management with those of frontline employees by using many of the same financial and operational performance goals. Most of total executive compensation is at risk and is tied to Delta's financial, operational and share performance.



## ENVIRONMENTAL GOVERNANCE

### EXECUTIVE ENVIRONMENTAL LEADERSHIP COUNCIL (EELC)

The EELC establishes, develops and supports implementation of environmental sustainability policy and strategy. The Council meets quarterly and consists of key leaders from various departments that play a role in determining Delta's strategy and policy related to sustainability.

- In 2011, in addition to day-to-day governance of environmental policies and procedures, the EELC:
- Developed a comprehensive sustainability strategy
  - Coalesced a plan for Delta's engagement in the aviation biofuel arena
  - Approved a European Union Emissions Trading Scheme (EU ETS) compliance and carbon management strategy



## STAKEHOLDER ENGAGEMENT

GOVERNMENT	Delta regularly communicates with lawmakers and government officials in communities Delta serves. Delta is an active member of U.S.-based trade associations that include Airlines for America, Inc., A4A, and the U.S. Chamber of Commerce, as well as the International Air Transport Association, IATA. Delta's current CEO, Richard Anderson, serves as the Chairman of A4A Board of Directors and the IATA Board of Governors. Several of Delta's senior leaders work with A4A, the Chamber of Commerce and IATA in the area of government affairs.
ENVIRONMENTAL NON-GOVERNMENTAL ORGANIZATIONS	<p>The EELC provides strategic guidance for the company's environmental non-governmental organization partnerships. The CEO approves Delta's decisions to establish these NGO partnerships.</p> <p>Delta accepted an invitation to join the Center for Climate and Energy Solution's Business Environmental Leadership Council in 2011. Delta looks forward to a productive partnership with the Center for Climate and Energy Solutions and endorses the organization's belief that, "Companies taking early action on climate strategies and policy will gain sustained competitive advantage over their peers."</p>
INVESTORS	<p>Delta's investors are engaged on several fronts. Delta posts an interactive investor relations events calendar on delta.com and provides the opportunity for investors and other interested parties to receive notices of these events. These events include webcasts of quarterly earnings calls, annual stockholder meetings, participation in industry conferences, one-on-one meetings with investors and an annual Investor Day event held in New York.</p> <p>Delta's interaction with investors has recently led to a number of reporting changes. Changes include reporting monthly revenue per available seat mile starting January 2012, additional detail on Delta's fuel expense reported on the income statement's fuel line item and clearer income statement reporting on ancillary businesses.</p>
CUSTOMERS	Delta engages its customers through surveys, social media networks, e-mail communications and customer help-line offerings. Customer feedback drives Delta's multiple efforts to improve customer service and loyalty.
COMMUNITIES	The Delta Force for Global Good, Delta's own community outreach organization, is discussed in detail within the Community Partnerships section of this report. Delta's FFGG has established a number of partnerships that support communities where employees live and customers fly.

# WORK TOGETHER, WIN TOGETHER



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## ENVIRONMENT

Delta takes responsibility for minimizing its impact on the environment and conducting operations in an environmentally sustainable manner. Delta complies with all environmental laws and regulations. In the absence of government regulation, Delta operates in an environmentally responsible manner as defined by the best practices of the aviation industry. Delta upholds a commitment to using natural resources efficiently and preventing pollution, wherever possible. In the event of an incident, Delta establishes mitigation programs to minimize its environmental impact.

Delta develops and implements corporate policies, procedures and programs that support system-wide environmental compliance. Environmental performance goals are routinely updated to ensure continuous improvement, and performance is reported to employees, customers and external stakeholders on a regular basis.

### MAINTAINING AN ENVIRONMENTAL MANAGEMENT SYSTEM

Introduced in 2002, Delta's Environmental Management System assists airport and maintenance personnel in complying with national, state and local regulatory requirements at the station level. EMS includes routine reviews by station or facility management, in-depth assessments of current conditions and identification and correction of problems. Using the Environmental Management Information System, environmental performance can be monitored on a continuous basis. While all Delta stations have an EMS in place, 12 reinstallations of EMS were conducted in 2011 at priority stations. Reinstallations involve a complete on-site evaluation and update of environmental procedures, files and employee responsibilities.

### TRACKING GREENHOUSE GAS EMISSIONS

Aircraft emissions represent 98 percent of Delta's greenhouse gas emissions inventory, a percentage that has not changed since Delta's 2005 baseline.

### GREENHOUSE GAS EMISSIONS—MAINLINE AND SUBSIDIARY (METRIC TONS CO<sub>2</sub>e)

	2005	2006	2007	2008	2009	2010	2011
<b>Scope 1</b>							
Mainline aircraft <sup>1</sup>	38,158,943	34,752,728	34,587,237	33,410,293	30,856,830	30,478,076	30,867,317
Subsidiary aircraft <sup>2</sup>	4,162,583	1,726,598	1,769,296	2,363,913	2,481,395	1,017,067	894,304
Ground equipment <sup>3</sup>	109,672	100,134	106,150	105,146	97,325	92,447	92,250
Other	92,360	92,210	92,306	92,791	93,426	92,242	94,837
<b>Scope 2</b>							
Facility electricity <sup>4</sup>	480,475	464,993	445,446	445,446	435,724	413,315	421,004
<b>Scope 3</b>							
Subsidiary aircraft <sup>5</sup>	3,116,493	5,681,478	5,224,243	5,223,910	3,191,191	6,178,735	6,265,095
<b>TOTAL</b>	<b>46,120,526</b>	<b>42,818,141</b>	<b>42,224,678</b>	<b>41,641,498</b>	<b>37,155,890</b>	<b>38,271,881</b>	<b>38,637,807</b>

Total GHG emissions decreased by 7.5 million metric tons, or 16 percent, between 2005 and 2011. GHG emissions for 2011 increased 1 percent from 2010 levels due to a 0.8 percent increase in available seat miles flown by mainline and regional aircraft.

Delta joined The Climate Registry in 2011 to increase transparency and is actively working to meet The Climate Registry's third-party verification requirements of its greenhouse gas inventories. Delta is also working collaboratively with The Climate Registry to establish a 2015 greenhouse gas emissions goal and has updated GHG emissions numbers from 2005-2010 to be calculated based on guidelines provided by The Climate Registry.

### MAINLINE FLEET PERFORMANCE

	2009	2010	2011	Change (2011 vs 2010)
Gallons Fuel	3,132,110,229	3,093,665,000	3,133,175,000	1.3%
Total CO <sub>2</sub> e (metric tons)	30,856,830	30,478,076	30,867,317	1.3%
Revenue Passenger-Miles	163,705,536,000	168,180,267,000	168,282,394,000	0.1%
Available Seat-Miles	197,722,946,000	200,814,042,000	203,449,949,000	1.3%
Revenue Ton-Miles	20,869,900,000	22,589,973,000	22,603,691,000	0.1%
RPMs/Gallon	53.0	54.4	53.7	-1.2%
ASMs/Gallon	64.0	64.9	64.9	0.0%
RTMs/Gallon	6.6	7.3	7.2	-1.2%
kg CO <sub>2</sub> e/100 RPMs	18.9	17.6	17.8	1.2%
kg CO <sub>2</sub> e/100 ASMs	15.6	14.8	14.8	0.0%
kg CO <sub>2</sub> e/100 RTMs	148.2	131.2	132.8	1.2%

1. DOT Form 41 data, industry standard factors for fuel density (6.7 pounds/gallon) and CO<sub>2</sub> combustion (3.15 pounds of CO<sub>2</sub> for each pound of fuel consumed).  
 2. Includes wholly-owned subsidiary aircraft.  
 3. 2006 IPCC Guidelines for National Greenhouse Gas Inventories scaled upwards using data from Atlanta, Detroit, Minneapolis-St. Paul, New York-JFK and Salt Lake City, comprising over 40% of total GSE fuel expenses.  
 4. Scope 2 electricity totals use eGrid and Energy Information Agency table C1, kWh/ft<sup>2</sup> and BTU/ft<sup>2</sup>, consumption data scaled to airports using actual data from Atlanta.  
 5. Includes contract carriers.

Delta is a member of IATA, a group that has identified the goal of improving fuel efficiency by an average of 1.5 percent each year from 2009 to 2020. Delta's fuel efficiency for its mainline fleet, measured as liters burned for 100 revenue tonne kilometers, improved to 34.8 in 2011 from 36.0 in 2009. This is an 1.7 percent average annual improvement (3.4 percent overall), which exceeds the IATA goal.

Delta's mainline fleet fuel efficiency declined 0.7 percent from 2010 to 2011 due to a 1.2 percent decline in system load factor and various customer service and operational enhancements such as lie-flat seats, Economy Comfort seating and on-time initiatives (which resulted in faster flying).



## FLEET EFFICIENCY IMPROVEMENTS

Delta's ongoing sustainability efforts include a long history of implementing innovative strategies to reduce aircraft fuel burn as a response to rising prices.

The primary tactic to improve efficiency is to retire and replace older aircraft flown by Delta and its partners. In 2011, Delta placed an order for 100 new 737-900ER aircraft for delivery between 2013 and 2018. Delta also retired twenty 50-seat regional jets, 15 DC9 aircraft and 26 small turboprops, backfilling this capacity with larger and more fuel-efficient jets.

Delta's remaining fleets continued to improve fuel efficiency through a variety of technological and operational improvements such as adding the 777 Performance Improvement Package to improve cruise fuel burn by 1-2 percent; installing winglets on additional Boeing aircraft to deliver over 4 percent in cruise fuel savings; and using carbon brakes instead of steel brakes to reduce aircraft weight.

In addition to fleet modernization and improvements, Delta pursued a multitude of fuel savings opportunities:

- **Network Optimization** - Delta flies a mix of aircraft types and sizes to properly match aircraft capacity with market demand. This reduces unnecessary emissions from flying oversized aircraft by using the most efficient aircraft for a specific market.
- **Flight Planning** - Through efficient flight planning and aircraft dispatching along with improved flight operations procedures and Air Traffic Management initiatives, Delta saved approximately 70 million gallons of fuel in 2011, a reduction of more than 670,000 metric tons of CO<sub>2</sub> emissions.
- **Automated Child Weights** - Delta identified an opportunity to reduce boarded fuel by improving weight record data through capturing ticketed child records during the booking process. The project will begin in 2012, and projected fuel savings of this initiative total more than \$3 million annually.
- **Jet Tug Program** - Delta frequently tows aircraft between hangars and gates instead of taxiing under engine power. High-speed towbarless tractors are used at 10 airports, saving approximately 7 million gallons of fuel per year.
- **APU Usage** - Delta launched a cross-divisional project focused on operating auxiliary power units more efficiently to minimize fuel consumption. The effort is estimated to save \$1 million annually for every one-minute reduction of APU usage system-wide. In 2011, APU usage (average minutes per flight) was reduced by 9.6 percent.

Delta aggressively pursued more than a dozen fuel-saving initiatives during 2011, resulting in more than 12 million gallons in fuel savings for mainline operations. The 2012 goal is to reduce jet fuel usage by more than 30 million gallons through 17 operational initiatives including those mentioned above.



## CUSTOMER ENGAGEMENT

Over the past four years, Delta has offered carbon offsets to its customers in partnership with The Nature Conservancy. As the first U.S. airline to offer these offsets, Delta and its customers have supported a forest conservation, reforestation and wildlife habitat restoration project in Louisiana's Tensas River Basin. In 2011, Delta customers alone contributed nearly \$100,000 towards this project, offsetting more than 4,400 metric tons of carbon dioxide. In 2012 Delta will continue this partnership with TNC's Rio Bravo project site in northern Belize.

## AVIATION'S COMMITMENT TO EMISSIONS REDUCTION

In 2012, all airlines flying to, from or within the European Union have been required to pay carbon emission allowances for their flights, as required by the European Union's Emissions Trading Scheme. Aviation is the second-largest industry addressed by this regulation. While A4A and numerous carriers legally challenged the regulation, the European Union's highest court upheld the EU's plan to impose its cap-and-trade carbon trading policy on international airlines that use European airports.

Delta remains committed to a global sectoral approach to aviation's greenhouse gas emissions under the International Civil Aviation Organization. IATA and A4A have endorsed these reduction goals over the next 40 years:

- 1.5 percent annual fuel efficiency improvement through 2020
- No increase in net emissions starting in 2020
- A 50 percent reduction in CO<sub>2</sub> emissions by 2050, relative to 2005

The airline industry plans to achieve these targets through technology enhancements that include alternative fuel research, operational efficiencies, air traffic management and improved infrastructure, and positive economic measures.

## SUPPORTING INDUSTRY-WIDE FUEL INITIATIVES



Delta is committed to helping shape the future of commercial aviation by actively supporting innovative pursuits in:

NATIONAL AIRSPACE MODERNIZATION	Delta supports "NEXTGEN" and Required Navigational Performance to gain operating efficiency through more efficient aircraft routing.
AIRCRAFT COATINGS	Aerocoat and LogistiSeal have been evaluated for potential use.
ENGINE EFFICIENCY IMPROVEMENTS	Delta works with engine manufacturers to achieve performance improvements in the next generation of aircraft engines.
ALTERNATIVE FUEL DEVELOPMENT	Delta provides technical assistance and support in alternative fuel development.

## AIRCRAFT EMISSIONS (METRIC TONS)

Year	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	CO <sub>2</sub> e
2005	37,764,756	1,046	1,201	38,158,943
2006	34,393,728	952	1,094	34,752,728
2007	34,229,946	948	1,088	34,587,237
2008	33,065,159	916	1,051	33,410,292
2009	30,538,075	846	971	30,856,830
2010	30,163,234	835	959	30,478,076
2011	30,548,454	846	971	30,867,317

Nitrogen oxide (NO<sub>x</sub>) emissions are also regulated in the U.S. Delta has decreased its NO<sub>x</sub> emissions by 18.2 percent since 2005.

	Year						
	2005	2006	2007	2008	2009	2010	2011
NO <sub>x</sub> Emissions (metric tons)	149,140	137,064	136,984	133,112	124,884	122,224	121,981

Beyond its aircraft emissions, Delta works to mitigate the environmental impacts of its Ground Support Equipment. Around the world, Delta owns and operates more than 12,000 motorized pieces of GSE. Delta improves its efficiency through purchasing new engines for existing vehicles, using alternative fuel-powered vehicles as well as buying electric equipment. Currently 12 percent of the motorized fleet consists of electric equipment. Delta acquired more than three hundred electric or cleaner burning engines in 2011. These purchases helped retire more than 100 older GSE pieces with higher emissions.

In 2012, Atlanta's new international concourse will primarily use electric baggage tractors and belt loaders. Delta will also be converting 11 container loaders and 24 belt loaders from diesel to electric power.



## EXPLORING ALTERNATIVE FUELS

Delta understands the potential for bio-jet fuels to reduce its greenhouse gas emissions and to diversify its fuel supplies. Delta is encouraged by ongoing developments related to bio-jet fuels and will continue to monitor those developments, look for partnership opportunities and potentially pay a small premium to source non-petroleum-based bio-jet fuels for its fleet. Delta participated in the World Economic Forum's Sustainable Ecosystem Transport aviation biofuels project, which produced a database of global aviation biofuel initiatives and began conceptual work on the development of a commercial-scale aviation biofuels project.

Delta continues to track developments and will consider commercial and other opportunities for engagement in bio-fuels. Delta is actively reviewing technical and operational barriers to using bio-jet fuels on its aircraft and acting to remove those barriers. Delta has also established the following principles, approved by its EELC, to guide decisions in selecting commercial-scale, bio-jet fuel projects for engagement. These fuels must:

- Meet applicable technical and regulatory standards, including ASTM D1655
- Have lower environmental impacts (climate, water, air and biodiversity), and in particular lower lifecycle greenhouse gas emissions than conventional, petroleum-based jet fuel
- Be sourced from feedstocks that will not displace or compete with food crops
- Satisfy technical and functional criteria that allow them to be commingled within the existing national fuel transport, storage and logistics infrastructure, as well as within individual airport and airline systems, having no adverse impact to aircraft engines
- Be somewhat cost competitive with existing petroleum-based supply
- Be a meaningful project that advances the future availability of jet bio-fuels
- Be provided by sources that meet Delta's reputational and credit-worthiness standards.

## PROMOTING ENVIRONMENT-FRIENDLY COMMUTES FOR EMPLOYEES

Delta promotes alternative commuting options for its employees including carpools, van pools and telecommuting. Rideshare programs are supported by Delta in multiple cities across the U.S. including Atlanta, Los Angeles and Salt Lake City.

Delta's current flexible work options include the Work@Home program, teleworking, flextime and a compressed work week, where operationally feasible:

- The Work@Home Program permits eligible employees who work in a call center environment to set up a virtual office with the appropriate computer and telephonic equipment and work at home 100% of the time. The program started out on a trial basis, but it was quickly expanded to include nearly 900 reservation agents and allow for full-time work schedules as well. There are more employees participating in the Work@Home program than any of our brick and mortar call centers, and plans include a 33% expansion of the program by the end of the year.
- Delta's teleworking program allows eligible employees to work from home a certain number of days per week or month.
- Employees who work flextime have adjustable start and end times to their workday, with an established range of core hours when everyone must be at work. This type of schedule helps accommodate ridesharing for employees, while also reducing peak-hour traffic flow and improving air quality.
- At Delta, compressed workweeks give full-time employees the option to work longer days for part of the week or pay period in exchange for a day off during that week or pay period.

In metro Atlanta, where half of all smog-forming emissions come from tailpipes, Delta has developed a successful commuter program for employees through its partnership with The Clean Air Campaign. By choosing carpool and public transportation options in 2011, Delta commuters in Atlanta who logged their commute activity with the Clean Air Campaign drove more than 1.7 million fewer miles. This saved nearly \$900,000 in fuel and maintenance costs. Telecommuters alone logged more than 11,000 hours of work in 2011. Telecommuters reduced overall employee commutes by 616,270 miles.

To encourage commute alternatives in all U.S.-based locations, Delta implemented a pre-tax Commuter Benefits Program. The program is administered by WageWorks and allows employees to pay for eligible alternative commuting costs through automatic, pre-tax payroll deductions.

## MINIMIZING WASTE

Delta remains committed to waste reduction and recycling—both on the ground and in the air. Recent waste management efforts include continuing to reduce paper use through e-ticketing, recycling aircraft carpet, enhancing Delta’s In-Flight Recycling Program and providing a facility for employees to recycle household goods on its corporate campus in Atlanta.

In 2011, Delta generated 2.9 million pounds of non-hazardous waste, which is a reduction of 12 percent over 2010 levels. More than 58 percent of this non-hazardous waste was recycled in 2011. Further, Delta employees recycled 495 tons of paper material weight with Iron Mountain in 2011 through the Secure Shredding program. Delta saved 8,257 trees, 3.4 million gallons of water, 223,411 gallons of oil and 1.2 kWh of electricity from the program. Additionally, 29,146 pounds of air pollution were prevented and 1,457 cubic yards of landfill space were preserved.<sup>1</sup>

## EMPLOYEE PARTICIPATION: IN-FLIGHT RECYCLING

Delta’s In-Flight Recycling Program launched in 2007 as a result of voluntary efforts by flight attendants to collect recyclable passenger material on certain domestic flights. After learning of the strides that flight attendants were taking, Delta implemented a comprehensive nationwide program. Through this program, flight attendants collect aluminum cans, plastic beverage cups, plastic bottles, newspapers and magazines for recycling. The program operates in more than 25 US cities through a combined effort of flight attendants, catering staff and cabin services departments. Nearly 1 million pounds of passenger material were recycled in 2011, and close to 6 million pounds have been recycled since the start of the program. In addition, Delta is now recycling into Punta Cana International Airport in the Dominican Republic. This is the first international station to voluntarily join Delta’s comprehensive In-Flight Recycling Program.

Delta is dedicated to educating its passengers and employees on the benefits of recycling through in-flight boarding screens and entertainment videos, DeltaNet articles, flight attendant lounge visits and employee incentive programs.

## EMPLOYEE PARTICIPATION: ERC AND HOUSEHOLD WASTE RECYCLING

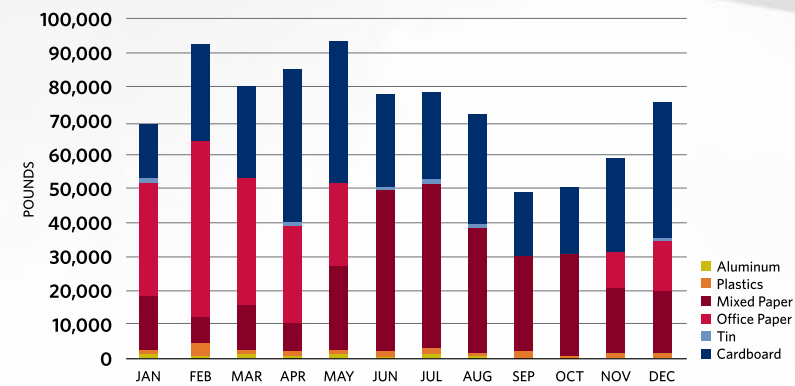
Delta also encourages employees to recycle by providing on-site facilities for recycling materials from home. In 2007, Delta opened its Employee Recycling Center at the headquarters in Atlanta. The ERC provides a facility for employees with limited access to recycling services at home. The ERC currently accepts aluminum and tin cans, plastic bottles and jugs of all types, newspapers, magazines, phone books, junk mail, paperboard boxes, cardboard boxes and glass for recycling. The proceeds from this program benefit Delta’s

<sup>1</sup> Data provided by Iron Mountain.

Employee and Retiree Care Fund, which is a non-profit organization designed to provide financial assistance to eligible Delta individuals and families who suffer hardship from an unforeseen crisis.

As part of the recycling efforts at the headquarters in Atlanta, office paper, plastic bottles and aluminum are collected from common work areas on a weekly basis. The recycled materials from home and from office spaces generated a total of 440 tons of material, including 7,250 pounds of aluminum cans, 20,030 pounds of plastics, 297,660 pounds of mixed paper, 349,083 pounds of cardboard, 201,841 pounds of office paper and 4,870 pounds of tin cans in 2011.

### 2011 ERC VOLUMES



### RECYCLING STATISTICS (IN POUNDS)<sup>1</sup>

	2009	2010	2011
<i>In-Flight Recycling</i>	2,156,537	1,107,883	955,145
<i>Employee Recycling Center</i>	1,039,440	1,197,600	880,734

<sup>1</sup> In-flight recycling decreased in 2010 and 2011 due to decreased employee and contractor participation in the program.

In 2011, Delta partnered with The Clean Air Campaign and Creative Recycling to host an electronics recycling day in Atlanta, GA. Employees were encouraged to bring in electronics for recycling. This event diverted 5,712 pounds of electronic waste from landfills.

The combined volumes of recyclables from the In-Flight Recycling Program and the Employee Recycling Center have generated hundreds of thousands of dollars in rebate money over the years. Delta proudly donated \$118,153 to Habitat for Humanity and \$22,162 to the Care Fund from recycling rebates generated in 2011.

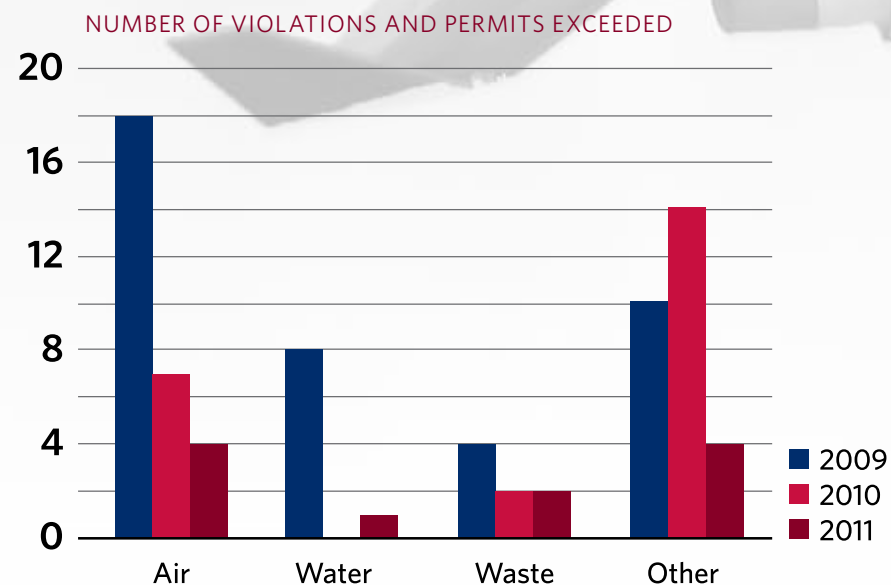
## RECYCLING SUPPORTS HABITAT FOR HUMANITY

In October 2011, a Habitat for Humanity home was constructed over a period of six weeks in Salt Lake City by Delta employees and business partners who have contributed to Delta’s award-winning In-Flight Recycling Program. The home is the third in a series of homes to be fully funded by the rebates generated from recyclable materials collected during flight, such as passenger aluminum cans, plastic bottles and cups, newspapers and magazines.



## MAINTAINING ENVIRONMENTAL COMPLIANCE

Delta has an internal environmental gap assessment program to ensure its ongoing compliance with applicable environmental laws and regulations. In 2011, the six major stations or hubs evaluated were Detroit, Los Angeles, Minneapolis-St. Paul, New York-JFK, San Francisco and Seattle. Delta works with local station management to identify corrective actions and close out all findings. In general, Delta's environmental compliance performance is improving. Nine notices of violation (NOV) were received in 2011. One NOV led to a monetary penalty of approximately \$600 to resolve a violation in Illinois for failure to perform leak detection and overfill monitoring of an underground storage tank. The remaining eight NOVs in 2011 were promptly resolved through working with the appropriate regulatory authority, and no monetary penalties were incurred. In 2011, Delta self-reported or received a total of two additional notices that specific permit conditions had been exceeded.



## MAINTAINING SAFE DRINKING WATER

In an effort to provide customers and crew with safe drinking water, Delta regularly monitors the quality of water available on aircraft and maintains a rigorous program of system disinfection and maintenance. In addition, Delta requires monthly disinfection of its mobile water servicing equipment and routine inspection and maintenance to ensure the safe transfer of water aboard aircraft.

The U.S. Environmental Protection Agency requires air carriers to routinely monitor aircraft water systems with a disinfection and sampling protocol. Delta maintains safe drinking water for customers and crew members by implementing procedures to comply with the Aircraft Drinking Water Rule. Aircraft and water supply equipment are disinfected and sampled as required by the ADWR, and watering points are monitored in accordance with the Food and Drug Administration watering point requirements. International locations must provide water analysis data before water may be uploaded on Delta aircraft to ensure boarded water is safe and free of bacteria.

## TRACKING ENVIRONMENTAL METRICS

The following table displays aspects of Delta's environmental performance during the years of 2009-2011. Non-hazardous waste levels decreased slightly from 2010 to 2011 while recycling of this waste remained nearly consistent (58 percent). Despite increasing its Maintenance, Repair and Overhaul business, Technical Operations has been able to maintain consistent waste water generation due to aggressive water management strategies, particularly in high-utilization shops such as the cleaning, plating and paint shops.

## RECYCLING IN STYLE



In May 2011, Hartsfield-Jackson Atlanta International Airport began hosting couture fashion pieces designed from recycled material, the work of nationally acclaimed environmental educator Nancy Judd.

One of the 18 pieces on display at the Recycle Runway exhibit was the Delta-commissioned "Environmental Steward-ess," piece located near gate E12. This fashionable flight attendant outfit, purse and cape were made exclusively from recycled materials used on Delta flights. The outfit was created from old seat covers, safety cards, Sky magazines, plane tickets, pretzel wrappers, a worn Delta blanket and used aluminum cans.

This artwork demonstrates Delta's participation in "upcycling," where cabin fixtures and in-flight items destined for the landfill are refashioned into stylish clothing and accessories.

## ENVIRONMENTAL PERFORMANCE STATISTICS

Performance Indicator	Unit of Measure	2009	2010	2011	Percent Change 2009-2011
<b>Waste<sup>1</sup></b>					
Hazardous waste generated <sup>2</sup>	Pounds	1,393,169.0	1,372,348.0	1,225,581.0	-12
Nonhazardous waste landfilled or incinerated	Pounds	1,095,506.4	1,346,084.6	1,228,901.0	12.2
Nonhazardous waste recycled	Pounds	1,561,928.0	1,886,378.0	1,698,796.0	8.8
Percent nonhazardous waste recycled		58.8%	58.4%	58.0%	
<b>Facility Air Emissions</b>					
CO emissions	tons/year	46.0	47.9	60.0	30.3
NO <sub>x</sub> emissions	tons/year	97.8	104.2	114.1	16.7
PM emissions	tons/year	7.4	8.2	12.9	74.3
SO <sub>2</sub> emissions	tons/year	13.0	13.5	13.9	6.9
VOC emissions	tons/year	233.9	229.2	194.0	-17.1
<b>Spills</b>					
Class I spills <sup>3</sup>	Number	43	25	30	-30.2
Class II spills <sup>4</sup>	Number	45	51	46	2.2
Regulatory reportable <sup>5</sup>	Number	51	15	16	-68.6
<b>Treated Industrial Waste Water<sup>6</sup></b>					
ATL TOC - Oily Waste	Gallons	88,399,146	89,803,207	88,887,550	1
ATL TOC - Plating Waste	Gallons	14,140,555	15,764,320	14,789,600	4.6
ATL GSE Main	Gallons	883,763	673,474	2,888,918 <sup>7</sup>	226.9
ATL GSE Line	Gallons	1,527,461	1,469,642	1,227,810	-19.6
MSP TOC <sup>8</sup>	Gallons	2,685,654	3,671,389	2,611,899	-2.7
TOTAL	Gallons	107,636,579	111,382,032	110,405,777	2.6
<b>Noise</b>					
	Delta aircraft are 100 percent compliant with Stage 3 criteria as required by the Federal Aviation Administration.				

1. Waste data refers to information provided by waste disposal contractors. Disposal methods beyond recycling, incineration or landfill dumping are at the discretion of the waste disposal contractor.  
2. All hazardous waste (612.9 tons in 2011) is treated by external sources/suppliers. None of this waste is transported internationally.  
3. Class I = emergency situation, reaches soil/water or greater than 25 gallons.  
4. Class II = non-emergency, greater than 5 gallons and less than 25 gallons and does not reach soil/water.  
5. 2009 numbers include spills that occurred in Minneapolis-St.Paul that were less than 1 gallon.  
6. Delta has permitted industrial wastewater operations in Atlanta and Minneapolis-St.Paul.  
7. This total is a suspected overstatement due to a monitoring equipment malfunction.  
8. MSP TOC totals for 2009 and 2010 have been corrected due to an error in reporting last year.

## EMPLOYEES

Delta fosters a safe, professional workplace that is free from discrimination and one that promotes teamwork and trust. Delta recruits, hires, trains and promotes employees without regard to a person's race, color, religion, sex, age, national origin, sexual orientation, veteran status, citizenship status, marital status, parental status, political affiliation or disability.

The guiding principles of Delta's employment policies are based on Delta's Rules of the Road, a foundational guide to Delta principles and values. Delta's annual Flight Plan establishes goals for the year that are consistent with Delta's business strategy, values and principles.

Delta respects the employees' right to join associations and engage in collective bargaining consistent with applicable laws, rules, regulations and customs. As of December 31, 2011, unions represented approximately 14 percent of U.S.-based Delta employees. Delta works with union-represented employees in thirteen countries including Brazil, Canada, France, Germany, Greece, Italy, Japan, South Korea, Mexico, the Philippines, Singapore, Taiwan and the U.S.

In the fourth quarter of 2011, representation issues arising from the merger between Delta Air Lines and Northwest Airlines were fully resolved. Delta immediately began aligning pre-merger Northwest with pre-merger Delta employees in In-Flight Service, Airport Customer Service, Cargo, Stores and Reservation Sales to a common package of pay, benefits and work rules.

Throughout the transition, Delta has continued to communicate openly, honestly and directly to all employees. Communication is as fundamental as Delta's commitment to offer competitive pay and benefits, profit sharing for all Delta people and career advancement opportunities. As part of the communication, transitioning employees received a personalized online statement and magazine that highlighted Delta benefits and programs. In addition, the magazine provided employees with detailed information about the pay and benefits transition.

The transition has been completed and some of the benefits are:

- The base pay rate increased for the majority of the employees.
- Employees are now eligible to apply for any open scale or merit position via the internal Delta e-Bid process.
- Employees are able to participate and contribute to Delta's 401(k) retirement plan.
- Employees are now able to receive Delta profit sharing payouts.

"From the frontline flight attendants whose service sets the industry standard to the information technology specialist who ensures our computers can help travelers rebook a flight seamlessly, everyone here plays a role in how our customers perceive the way we fly."

Ed Bastian, President

"Delta people pulled together in 2011 to produce a solid profit, strong cash generation and the best operational performance in the industry for our customers."

Richard Anderson,  
CEO

Each year, Delta undergoes a performance management process to ensure that salaried employees' activities and outputs are consistent with the organizational goals. This review process takes place in three key phases:

- 1. Performance Planning** - Delta encourages commitment and understanding by having employees create performance objectives aligned with the goals of their manager, division and the overall corporation. Performance plans address both performance objectives and Delta's High Performance Attributes (HPAs). Delta's HPAs are the behaviors demonstrated to achieve performance objectives.
- 2. Mid-Year Review** - Delta ensures that each employee has an opportunity to discuss progress on performance objectives and HPAs made over the past six months.
- 3. Year-End Review** - Delta evaluates individual performance against the results delivered for each objective and each employee's demonstration of Delta's HPAs. Each of these components accounts for 50 percent of an individual's overall rating. A final performance summary and rating is provided to reflect the entire year's performance.

For the 2011 year-end review process, there was an overall performance management completion rate of 99 percent among Delta's salaried employee population. Delta ensures that all other employees receive performance feedback and career development opportunities through their respective divisions.

## PROVIDING EMPLOYEE BENEFITS AND COMPENSATION

Delta is committed to providing industry standard pay at the top of the pay scale including competitive starting pay and appropriate pay growth within the scale. Delta employees are incentivized by overall company performance. Employees earn more when Delta performs well through our annual Profit Sharing Program and monthly Shared Rewards Program. Eligible employees receive a bonus through profit sharing—15 percent of Delta's annual pre-tax profit. In 2011, Delta employees earned \$264 million through Delta's Profit Sharing Program. For all employees that meant a payout equal to 4.85 percent of their annual pay. Delta's Profit Sharing Program, among the most generous in the industry, recognizes employee contributions to Delta's successful journey.

Our Shared Rewards Program puts the spotlight on our operational performance every month. Eligible employees can earn a monthly cash bonus when we meet or exceed established goals. Shared Rewards provides a payout of \$25 for meeting or exceeding one goal, \$75 for two and \$100 for three which can result in a maximum payout of \$1,200 per year. In 2011, employees received \$700 in Shared Rewards payouts totaling approximately \$60M in Shared Rewards payouts.

Because the achievement of operational and financial performance goals is essential to Delta's success, these goals are also incorporated into our management incentive plans. For example, goals that drive payouts to our employees under the Profit Sharing and Shared Rewards Programs are some of the goals included in our annual management incentive plan. Additionally, if no profit sharing is paid to Delta employees in a given year, payouts under our annual plan will be capped at target award levels and our executive officers would receive these capped payouts in restricted stock (rather than cash) that generally will not vest until there is a payout under the Profit Sharing Program. This structure provides management with incentives to deliver value to Delta shareholders, customers and employees, and aligns their interests with those of our employees.

Delta provides a comprehensive package of benefits for most employees within the U.S. These benefits range from health care coverage, travel privileges and retirement plans to Employee Assistance and WorkLife programs.

Employees at Delta receive comprehensive health care coverage that is both affordable and flexible. In addition to medical benefits, Delta offers dental, vision and flexible spending account benefits. To promote disease prevention, under Delta's account-based plan options, all tests recommended by the U.S. Preventive Services Task Force (USPSTF) including in-network physicals, mammograms, colonoscopies, immunizations and well baby/well child visits—among other preventive care services—are covered at 100 percent with no deductibles or copayments. Beyond these national guidelines, other services such as free 24/7 confidential access to registered nurses through Delta Health Direct, wellness coaching, tobacco cessation programs, and many other health improvement programs are available.

In January 2011, Delta opened two state-of-the-art fitness centers at the World Headquarters offices and at the Technical Operations Center in Atlanta for employees working in or visiting Atlanta. Combined, the facilities occupy 23,000 square feet and offer a variety of fitness and wellness activities and classes. In addition to fitness facilities, Delta has an onsite Take Care Clinic and pharmacy to provide employees with access to additional wellness services.

Disability and life insurance benefits are provided to all employees. Group accident insurance and long-term care insurance are also options for Delta employees. Business travel accident insurance coverage, up to a maximum \$1 million dollar benefit, is provided to all employees and funded by Delta.

Employees and their eligible family members have access to Delta's Employee Assistance Program which offers confidential counseling, assessment and referral service support. This service is available at no cost, 24 hours a day, 7 days a week. Delta's EAP also includes access to up to three free visits if additional face-to-face support is needed. Free financial counseling, free will preparation and concierge WorkLife services are also included in this program.





Travel privileges are a valued benefit provided to Delta employees. Through Delta's Pass Travel program, employees and family members are eligible for free or reduced fare travel to any destination that Delta serves. Travel privileges extend to same and opposite sex spouses and domestic partners, minor dependents, grown children, parents, extended family and close friends.

To support employees in meeting financial goals for retirement, Delta sponsors both defined benefit and defined contribution, 401(k), pension plans. Assets of these plans are held in trusts separate from Delta's general assets and are subject to the Employee Retirement Income Security Act of 1974. Like many other companies, Delta has frozen its defined benefit plans, which were completely employer-funded. Many employees participate in Delta's 401(k) plan, to which Delta provides generous matching and non-matching contributions. Each pay period, most Delta employees automatically receive a fixed contribution equal to 2 percent of eligible earnings. Additionally, for those employees Delta matches employee contributions up to a maximum of 5 percent of eligible earnings, for a total of 7 percent available.

Based on the most recent estimates, Delta's four defined benefit plans are funded between 50 percent and 70 percent, based on interest rates used for funding purposes. Within the time allowed to Delta under funding rules provided for certain airline defined benefit plans, Delta expects to fully meet its obligations under the defined benefit plans by a combination of employer contributions and investment return. In 2011, Delta contributed approximately \$600 million to its defined benefit plans.

In addition, on-line tools and resources are provided to employees so that they can better manage matters related to their personal and pay information, benefits elections, tax information, donation elections and travel. Employee resources for the management of career endings include financial planning resources, pension and 401(k) modeling and EAP retirement counseling.

Delta also supports flexible employee opportunities. 'Ready Reserve' employees are eligible to work fewer weekly hours, receive competitive pay, profit sharing, Shared Rewards and travel privileges, but are not eligible to join health and welfare or retirement income benefit plans.

## PROMOTING DIVERSITY

Delta celebrates diversity—among employees, ideas and styles. In this way, Delta engages the cultures and communities it serves. Delta's global diversity initiatives strategically position the company for long-term success in a dynamic and challenging environment. The key to this strategy is improving workforce development to meet the complex and accelerating demands of changing demographics at home and abroad.

Delta also supports forums for employees to meet and share common ideas and interests. These employee network groups have been established for a number of Delta's diverse employee groups.

In 2010, Delta established ABLE (Advocacy, Barrier Breaking Access, Leadership, Education), a network that advocates on behalf of issues that are important to customers, Delta's employees and their families living with disabilities. In 2011, ABLE held its first disability fair with more than 300 employees and community organizations in attendance.

### EMPLOYEE NETWORK GROUPS AT DELTA

Advocacy, Barrier Breaking Access, Leadership and Education Network on Disability
Asian Pacific Employee Network Group
Black Employee Network
Gay Lesbian Employee Network
Latin American Hispanic Employee Network
Veteran's Employee Network
Women's Employee Network

The newest employee group, VEN (Veteran's Employee Network), was established in 2011 and has more than 300 members. This group will work closely with approximately eleven other corporations to help transition more than 100,000 service members into jobs by 2020.

"Diversity is a part of our DNA. At Delta, we understand that fostering an inclusive work environment where all voices are heard makes us a better company."

—Chris Collette, Senior Vice President, Supply Chain Management

## FOCUSING ON SUPPLIER DIVERSITY



Delta also recognizes the critical role of small, minority and women-owned businesses in the overall strength of the U.S. economy and ultimately to Delta stakeholders. To maximize returns to Delta customers, shareholders, employees and communities, Delta seeks to use the products and services of qualified small, minority and women-owned businesses. In 2011, Delta's Supply Chain Management group was honored by the Greater Women's Business Council for Delta's efforts in strengthening the role of women business owners. Also in 2011, Delta was awarded the George Lottier Rising Star Award by the Georgia Minority Supplier Development Council for demonstrating the most significant advancement of its minority business development program during the year.

Chris Collette, Senior Vice President, Supply Chain Management & Karmetria Burton, General Manager, Supplier Diversity accept the award.

## VETERANS' EMPLOYEE NETWORK

The Veteran's Employee Network, or VEN, was the seventh organization formed to focus on and support unique segments of Delta's workforce. On December 7, 2011, VEN's first meeting was held on Pearl Harbor Remembrance Day.

"This is really a milestone event at Delta because we have such a tremendous group of veterans that work at Delta Air Lines. We wholeheartedly support all of our veterans," said Jim Graham, vice president of Flight Operations and chief pilot at the airline. Jim served seven years on active duty with the U.S. Navy and 20 years in the Naval Reserve and has been a member of Delta's Diversity Council. In addition to inviting speakers to address the group, Jim said one of the goals of VEN is to give members the chance to meet and talk about where they want to go in their careers at Delta by networking with other veterans.

"I don't think you'll find any better employee than a veteran, so I'm here to help the young people get into the company, move around and find out how the company works," said Joe Gooch, program manager-Maintenance Control Center, a nine-year U.S. Air Force veteran.

Membership in VEN and all of Delta's Employee Network Groups is open to all Delta employees, including veterans, those currently serving, their family members and supporters of the Armed Services.

## A VIEW OF DELTA EMPLOYEES (AS OF 12/28/2011)

Category	Number of Employees 2009	Number of Employees 2010	Number of Employees 2011	Percentage of Total Employees (2011)
<i>International Employees (By Region)</i>				
Asia-Pacific	2,332	2,245	2,160	2.8
Canada	407	276	279	0.4
Europe, Middle-East, Africa	679	482	449	0.6
Latin America and Caribbean	807	837	844	1.1
<b>Total</b>	<b>4,225</b>	<b>3,840</b>	<b>3,732</b>	<b>4.8</b>
<i>Female and Ethnic Minority Employees</i>				
	60.8%	61.3%	61.3%	
<i>Operational Divisions</i>				
Airport Customer Service	22,873	25,206	24,283	31
Cargo	1,562	1,872	1,719	2
Flight Operations	10,946	10,494	11,275	14
In-Flight Services	17,770	19,022	18,860	24
Reservations	4,944	5,539	4,839	6
Technical Operations	7,008	9,069	8,115	10
Management/Salaried	10,290	8,111	8,835	11
<b>Total</b>	<b>75,393</b>	<b>77,127</b>	<b>77,926</b>	

## TRAINING EMPLOYEES

Delta provides its employees with numerous training opportunities each year. Training requirements are specific to each operational division, and Delta's eLearning database allows employees access to a broad array of courses at any time. Whether it is mandatory compliance, new hire or annual recurrent training, employees have numerous opportunities to increase their knowledge, skills and abilities. Delta provides employee education and communication via magazines, mailings, emails and web-based documents about pay, benefits, compensation and corporate programs.



### AVERAGE ANNUAL TRAINING HOURS PER EMPLOYEE<sup>1</sup>

	Frontline	Salaried
Airport Customer Service	12	18
Cargo	6	6
Management/Salaried	3	4
Flight Operations <sup>2</sup>	110-120	5
In-Flight Service	11	5
Reservations	61	21
Technical Operations	53	21

## PROMOTING EMPLOYEE HEALTH

Delta has an extensive employee travel health program. Delta's medical plans provide unique travel vaccine coverage in recognition that employees and family members frequently enjoy global travel. Special programs target employees who travel internationally on company business, especially to developing countries. Disease risks in developing countries include malaria, yellow fever, dengue and food/waterborne illness. To address these health challenges, Delta targets education, travel health consultation, company paid vaccination and insect repellent to targeted populations. Travel illness referrals and RN case management are also important components to Delta's health strategy. Employee education focuses on promoting awareness, the use of personal protection measures, early symptom recognition and prompt medical treatment.

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

1. Training hours calculated for recurrent training only.

2. This training varies by fleet and includes Initial/ Continuing Qualification training.



Delta sponsors an influenza vaccination campaign across the U.S. every winter and sponsors on-site vaccinations in the airports of larger cities. Employees and families covered by Delta's medical options have no co-pay for their influenza vaccination. For several years, Delta has partnered with premier healthcare providers for a walk-in clinic and pharmacy at the headquarters in Atlanta. Nurse advocates are always a telephone call away to assist employees who participate in Delta's medical plan with new and chronic medical conditions.

Two state-of-the-art employee fitness centers are located in Atlanta. Combined, these facilities occupy more than 23,000 square feet and offer employees fitness and wellness activities and classes. A new fitness center will be opening in 2012 in Minneapolis-St. Paul.

Formal domestic union agreements also address safety and health at a broad level to ensure compliance with Federal regulations and standards. Health and safety topics include employee safety committees; participation of employees in health and safety inspections, audits, and accident investigations; and training and education.

## SAFE-GUARDING PASSENGER HEALTH

Ground employees, customers and passengers benefit from Delta's ground and aircraft automated external defibrillator programs. Flight attendants receive new hire and biennial CPR and automated external defibrillator training. In 2011, flight attendants used automated external defibrillators on more than 60 occasions. Ground employees have "AED User Guides" at each AED station to assist lay-person rescuers. Web-based training includes American Heart Association and American Red Cross courses.

Because passenger safety during flight is paramount, Delta partners with STAT-MD, a division of Emergency Services of the University of Pittsburgh Medical Center, to provide ground-based medical support at 30,000 feet. Services include passenger fitness-to-fly screenings and emergency medical treatment recommendations during flight. The STAT-MD physician assists the captain and onboard medical volunteers in evaluating the necessity of a medical diversion

## EMPLOYEES CARING FOR EMPLOYEES

Delta people specialize in caring for others. Through the Delta Employee & Retiree Care Fund and the Delta Scholarship Fund, employees offer financial assistance to Delta employees, retirees and their survivors. Since the October 2007 launch of the Delta Employee & Retiree Care Fund, more than 3,000 Delta family members have received assistance in response to a personal hardship, including many affected by natural disasters in Japan and Thailand in 2011.

The Care Fund, a 501(c)(3) nonprofit charitable organization, is directed by a dedicated volunteer board of employees and retirees who establish guidelines that direct the fund and evaluate grants to assist people in need.

The Delta Scholarship Fund, also a 501(c)(3) charitable organization, began in April 2008 and provides academic scholarships to employees, their spouse or domestic partner and eligible dependents pursuing an undergraduate or graduate degree.

Four hundred and sixty scholarships have been awarded to date, and an additional 308 new scholarships are being awarded for the 2012-2013 academic year.

### DELTA SCHOLARSHIP FUND RECIPIENT: TONETTE EAVES



Tonette Eaves, Technical Facilitator of In-Flight Service and a 14-year employee of Delta, received her first scholarship from the Delta Scholarship Fund in 2008. Tonette credits this scholarship with her success in achieving her degree in Business Management, with a focus in leadership.

"The thing that saved me," she notes, "is that the scholarship came at the right time." After her husband lost his job for a second time, Tonette's ability to attend school was made possible through receiving a Delta scholarship, renewable over several years.

Tonette says that the most meaningful part of the scholarship was not the money but the encouragement she received from co-workers and company leaders to chase after her educational dreams. Tonette's scholarship was entirely funded by Delta employees. "When you work with people who give [to the Fund] and you find out who they are, you are so appreciative."

### DELTA CARE FUND RECIPIENT: THERESA KUTSCHALL

Delta employees were able to reach out through the Care Fund and help a fellow employee who lost everything. While out to dinner for her birthday, Theresa Kutschall, an in-flight employee stationed in Detroit, learned that her home had caught on fire and burned to the ground. Thanks to the Care Fund, Theresa was given financial assistance to help her rebuild her life after the fire.

In Theresa's words, "The Delta family had a huge heart and really just opened up to what our family's needs were financially as well as just emotionally. It was very loving and caring."



"If you have motivated employees, as we do here in Buenos Aires, anything can be accomplished, even the highest goal."

-Pablo Terceiro,  
Station Manager of  
Buenos Aires

## AWARDING EMPLOYEES

Delta believes in the power of positive recognition and sponsors various award programs for individual employees and employee groups. Delta recognizes and rewards individuals with extraordinary achievements and dedication.

## CHAIRMAN'S CLUB

Now in its 15th year, the Chairman's Club is Delta's most prestigious corporate recognition program. This program honors employees who consistently demonstrate dedication and determination to the highest standards of service to Delta customers, coworkers and communities served. This year's honorees—nominated by their peers and selected after an extensive approval process—came from each operating division at Delta, representing 29 stations from four countries. After attending the award ceremony in 2011, Jonathan Garner, Manager, Communications, Reservations and Sales remarked, "This whole experience has made us all feel so really special, so honored."



## COMMUNITY PARTNERSHIPS: DELTA'S FORCE FOR GLOBAL GOOD

Delta is proud to be a giving company focused on becoming a force for global good and helping to build a wholesome worldwide community. Delta and the Delta Air Lines Foundation actively support Delta's Force for Global Good through corporate giving, in-kind gifts and employee volunteerism.

## FOUR PILLARS

There are four main pillars that make up the core values for Delta's Force for Global Good and the guiding principles for Delta's community involvement:

- Advancing Global Diversity
- Improving Global Wellness
- Improving the Environment
- Promoting Arts and Culture

### PILLAR ONE: ADVANCING GLOBAL DIVERSITY

Delta proudly embraces diverse people, thinking and styles. On a global scale, Delta maintains a culture of inclusion and represents people of many languages, ethnicities, cultures, gender identifications, races, ages, sexual orientations, educations, religions, work experiences, family statuses, capabilities, political views, geographical and regional identifications, values, skills, personalities, educations, citizenship statuses, socioeconomic backgrounds, community memberships and even communication styles. Delta believes that these differences among employees and customers strengthen the airline and represent global diversity as a core Delta value.



In support of this goal and core value, Delta is proud to provide corporate support to the initiatives of organizations such as the Latin American Association, the United Negro College Fund and the Gay and Lesbian Alliance Against Defamation. In October 2011, Delta participated in dedication events for the opening of the Martin Luther King National Memorial which included a donated VIP charter flight on a Boeing 757-200 aircraft dedicated to the Rev. Dr. Joseph Lowery with his signature and the words "Dean of the Civil Rights Movement" on the side of the aircraft. Delta donated \$1 Million to the Martin Luther King National Memorial Foundation for the construction of the King Memorial on the Mall in Washington, DC, to honor the dream of Dr. King. Delta is also the proud sponsor of the Joseph Lowery Scholarship at Morehouse University, the presenting sponsor of the Atlanta Pride Parade, as well as a sponsor of Pride festivals in Twin Cities and New York.

### PILLAR TWO: IMPROVING GLOBAL WELLNESS

To Delta, improving global wellness means addressing well-being at its core. Acknowledging the need for safe shelter, Delta is proud of its ongoing support of Habitat for Humanity and the work it does across the world. In 2011, more than 2,500 Delta employees took part in Delta-sponsored Habitat Builds in Atlanta, Cincinnati, Detroit, Minneapolis-St. Paul, New York City and Salt Lake City. More than 50 employees traveled to Pinghu, China, in May 2011 to build five homes for those who had been living in decades-old mud-brick homes without proper sanitation. Delta also sent 11 employees to participate in the Carter Center Work Project international build of 100 homes in Leogane, Haiti, a city 18 miles outside of Port-au-Prince, the epicenter of the 2009 earthquake.

We—our employees, customers, and community partners— together form a force for positive local and global change, dedicated to bettering standards of living and the environment where we and our customers live and work. We are Delta's Force for Global Good.

-Force for Global Good  
Mission

## SPIRIT AWARD



Delta's Buenos Aires station team won the Spirit Award for achieving exemplary occupational safety and performance for the second quarter of 2011. Delta presents the Spirit Award quarterly to a station in the Latin America/ Caribbean region and Canada that has no occupational injuries or illnesses, zero aircraft ground damages in specified categories, zero environmental spills, the highest number of near miss observation reports and is one of the top five stations in the region for on-time rates for the quarter. Similar awards exist for domestic, Atlantic and Pacific regions.

To learn more about the SkyWish program, please visit:

[delta.com/skywish](http://delta.com/skywish)

Delta also was active in 2011 in providing support for Japan following the devastating earthquake and tsunami in March. Delta worked with the American Red Cross to coordinate a disaster response with the Japanese Red Cross. Delta also engaged SkyWish Asia to provide online donation sites for Delta employees and customers to contribute more than \$1 million in cash and in-kind contributions to the relief efforts. This total includes \$250,000 from The Delta Air Lines Foundation given immediately after the disaster.

Delta helped customer generosity go farther by matching 5 million frequent flier miles donated to World Vision Japan, which received over 51 million air miles to help relief efforts.

Delta's maintenance team at Narita airport donated ¥429,546 (\$5,300) to World Vision Japan while U.S. and Japan-based flight attendants raised another ¥1 million (\$12,500) for relief efforts. Other employees visited the hard-hit Miyagi Prefecture to help remove debris. Delta's employees donated many tons of relief supplies and spent considerable time at the most-affected communities.

Delta's national partnership with the American Red Cross provides a variety of opportunities to help alleviate suffering. Delta maintains a standing offer of complimentary cargo and passenger space for the American Red Cross. Delta people participate in blood drives, make financial contributions and serve as disaster response volunteers. From July 2010 to June 2011, Delta employees donated over 3,900 pints of blood, making Delta the largest corporate donor of blood in the Southeastern United States. The Red Cross also transports volunteers to the scene of disasters using donated frequent flyer miles from the SkyWish program, where customers can donate frequent flyer miles to selected charities.

In 2011, Richard Anderson, CEO, served as the chairperson for the United Way of Metropolitan Atlanta's annual fundraising effort and encouraged Delta employees to help achieve the city-wide campaign goal of \$80.4 million. With an Atlanta area contribution of \$1.6 million and a national contribution of more than \$2.4 million, Delta was a corporate leader of sustainable change in education, income, health and ending homelessness through a partnership with the United Way.

To customers, perhaps Delta's most visible effort in the fight against cancer takes place each October during National Breast Cancer Awareness Month. At this time, flight attendants sell pink lemonade, wear pink uniforms and raise money for The Breast Cancer Research Foundation. In October 2011, Delta hosted a special charter flight on the Boeing 767-400 with the signature pink livery supporting BCRF. This annual "Breast Cancer One" departed Atlanta on October 3rd with 140 breast cancer survivors where they attended a dinner in Detroit with one of the BCRF researchers. Funded by Delta, the cancer survivors were accompanied by Richard Anderson, CEO; Joanne Smith, Senior Vice President of In Flight Services; and other Delta leaders. In 2011, Delta raised \$1.25 million for the cause, an increase of \$250,000 from 2010. To date, Delta has raised more than \$4.75 million for BCRF, enough to fund 13 research projects dedicated to the mission of preventing and finding a cure for breast cancer.

### PILLAR THREE: IMPROVING ENVIRONMENT

Delta engages employees in supporting an array of environmental initiatives.

Delta partners with The Nature Conservancy to support conservation work. In 2011, employees participated in TNC work days at the Great Salt Lake Shorelands Preserve in Utah, Sandy River Gorge in Oregon and Ives Road Fen Preserve in Michigan.

Delta is also the Official Airline of the New York Wildlife Conservation Society, which includes the Bronx Zoo, the New York Aquarium and other wildlife parks.

For more information, please see the Environment section of this report.

### PILLAR FOUR: PROMOTING ARTS & CULTURE

Delta is an active partner in supporting community organizations, museums and exhibits that enlighten and inspire people to better themselves and their world.

Among Delta's 2011 partnerships were the Atlanta Symphony Orchestra, the Fox Theatre, the Guthrie Theater, the High Museum of Art, the Minnesota Orchestra and many others.



## CIVIC PARTICIPATION

Business and efficiency can be directly influenced by government proposals and legislation. For this reason, Delta remains committed to participating in the political process. Delta engages in political participation by communicating with government officials and contributing to electoral campaigns through DeltaPAC, a nonpartisan political action committee. DeltaPAC is fully funded by employees.

In 2011, DeltaPAC contributed a total of \$172,000 to various candidates for federal election campaigns. In 2011, corporate political contributions totaled \$25,000 in Georgia and \$3,500 in Michigan.

## PRIORITIZING ORGAN DONATION CARGO

In partnership with the FAA's Lifeguard program, Delta operates the Live Human Organ program. Lifeguard flights occur when urgent medical deliveries are sent through Delta's system. During transport of LHO, a special call sign is used by air traffic control to effectively manage these flights. Delta provides LHO training for gate agents and cargo employees to safely and efficiently handle this precious cargo. Delta's Operations Control Center oversees all LHO shipments on Delta flights. In 2011, 5,972<sup>1</sup> LHO shipments were handled by Delta.

1. While there is a growth in the year-over-year number of shipments, the primary reason for the increase in shipments (435 in 2010) is due to the method of tracking shipments.



# BE SMART, RELIABLE & CUSTOMER-FOCUSED

KEEP CLIMBING

## SAFETY

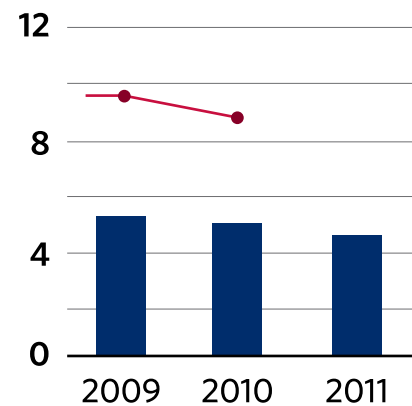
Safety is an essential part of the performance of every job at Delta. Consistent with this policy, the company maintains a safe and healthy environment for employees. Every employee has certain specific responsibilities to comply with existing safety and health policies, procedures and regulations. The responsibilities include, but are not limited to:

- Performing all duties in a safe, compliant manner
- Following all safety and environmental health policies and procedures
- Reporting all hazardous conditions or unsafe equipment
- Reporting any injuries, illnesses, ground damages or near misses
- Using the required safety equipment and protective clothing
- Refraining from the operation of any mechanical equipment without both proper instructions and authorization

## SAFETY METRICS

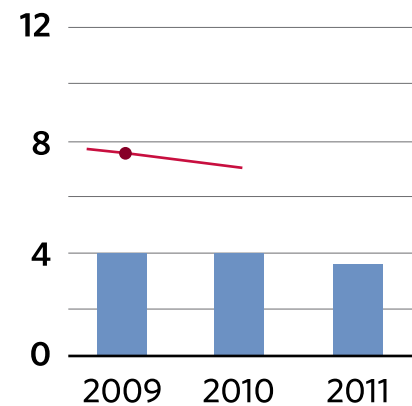
Delta's Occupation Safety and Health Administration Recordable Occupational Injury/Illness Rate for 2011 represents a 10.1 percent improvement over the previous year. Delta also improved the Days Away, Restricted or Transferred rate in 2011 by 14.2 percent from the previous year. Delta's safety performance was still significantly stronger than the industry average based on a comparison to a 2010 Bureau of Labor Statistics industry average (the most recent year for which averages are available). There were no work-related fatalities during 2011.

OSHA RECORDABLE RATE



■ OSHA Recordable Rate  
● Bureau of Labor Statistics most recent industry average 2010

OSHA DART RATE



■ OSHA DART Rate  
● Bureau of Labor Statistics most recent industry average 2010

## DEVELOPING SAFETY TEAMS

Delta supports nearly 650 safety representatives throughout the company. These individuals, along with management, provide guidance and enforcement of safety programs throughout Delta. Many of these safety representatives participate voluntarily in a safety committee at a local level.

Department	Safety Representatives	Number
Airport Customer Service	Divisional Safety Representatives	5
	Regional Specialists	19
Cargo	Divisional Safety Representatives	2
	Safety Representatives	51
Flight Operations	Divisional Safety Representatives	41
In-Flight Service	Divisional Safety Representatives	6
	Location Safety Representatives	16
	System Safety Committee Members	8
Management/Salaried	Corporate Safety, Security, and Compliance Staff	85
	Flight Safety	10
Reservations	Divisional Safety Representatives	1
	Location Safety Representatives	16
	System Safety Committee Members	105
Technical Operations	Divisional Safety Representatives	13
	Line Safety Representatives	
	Domestic	123
	International	22
	Shops	120
<b>Delta Headcount: 77,926</b>	<b>Total</b>	<b>643</b>

## OSHA'S VOLUNTARY PROTECTION PROGRAMS

OSHA created the Voluntary Protection Programs to recognize outstanding safety and health management programs among employers. Delta was the first airline in VPP and is one of only five companies in OSHA's VPP corporate program. The VPP corporate designation is for companies who have adopted VPP on a large scale with established corporate level safety and health management systems, policies and processes that have met a strict set of review criteria.



VPP principles validate and reinforce Delta's safety programs by helping facilities achieve and exceed regulatory compliance, minimize occupational injuries and illnesses and lower business costs. VPP is one way to take a location with strong safety performance and help it go beyond the minimum regulatory requirements. VPP encourages worksites to review programs and processes, empower employees and make continuous improvements. VPP locations also report annually to OSHA and are periodically re-evaluated for continuation in the program.

Delta currently has 14 facilities in OSHA's VPP. These VPP sites represent 9.2 percent of Delta's U.S. facilities and 8.6 percent of all U.S. personnel, or 6,633 employees. These Delta VPP facilities had a total OSHA recordable rate of 2.85 and a DART rate of 1.39 for the year. The OSHA recordable rate was 39.1 percent better at VPP sites

than non-VPP sites. Additionally, the DART rate at VPP sites was 63.7 percent better than non-VPP sites.

Dayton, Ohio was the newest facility to join Delta's VPP team, receiving their official approval from OSHA in August 2011.

*Dayton employees celebrate their achievement.*

## ASSESSING WORKPLACES THROUGH INDUSTRIAL HYGIENE

To protect employees from long-term health problems, Delta's industrial hygiene program identifies and addresses potential workplace hazards. Air sampling, indoor air quality surveys, noise monitoring, drinking water testing, chemical hazard assessments, industrial hygiene compliance reviews and health hazard awareness training are used to minimize workplace risks. In all cases, Delta goes beyond the minimum regulatory requirements, enforcing standards set by the American Conference of Governmental Industrial Hygienists; the American Society of Heating, Refrigerating, and Air-Conditioning; the American National Standards Institute; and the International Organization for Standardization.



### DELTA SITES IN VPP

- Hartsfield-Jackson Atlanta International Airport- Baggage Operational Call Center
- Hartsfield-Jackson Atlanta International Airport- Atlanta Engines & Components
- Hartsfield-Jackson Atlanta International Airport- Base Maintenance, Quality, Engineering & Training
- Hartsfield-Jackson Atlanta International Airport- Materials Management
- Hartsfield-Jackson Atlanta International Airport- Ground Support Equipment
- Port Columbus International Airport
- Colorado Springs Airport
- Dayton International Airport
- Reagan National Airport- ACS Line Maintenance
- Jacksonville International Airport
- Ontario International Airport
- Kansas City International Airport
- Melbourne International Airport
- Lambert-St. Louis International Airport

## MAINTAINING CABIN AIR QUALITY



Delta supports the FAA-funded Airliner Cabin Environment Research consortium by providing access to Delta aircraft and expertise. To protect passenger and crew health and protect biodiversity by curbing the introduction of invasive species or pathogens between airports, Delta works to keep aircraft free from potentially malaria-carrying mosquitoes. In 2011, Delta partnered with the United States Department of Agriculture and U.S. DOT on a trial of non-chemical disinsection in Accra, Ghana. The trial involved the use of air curtains on boarding stair platforms and self-closing nets across aircraft service doors.

## SAFETY MANAGEMENT SYSTEM

Implementation of regulator, air carrier and airport Safety Management Systems is the next step in the evolution of safety in the aviation industry's global arena. For over six years, Delta has partnered with the FAA to test the

SMS program as part of a pilot project initiative in advance of a formal rule, anticipated in mid-2012. As such, Delta is leading the way in use of SMS implementation strategies by utilizing the program as a tool to meet Delta's safety standards. In 2011, Delta became the first U.S. air carrier to complete the FAA's pilot project and enter the final stage of a mature SMS that consists of implementing continuous improvements to Delta's overall safety programs.

Delta's SMS relies on a series of divisional safety committees that monitor operational risks, known as the Safety Round Table. The SRTs are charged with the development of a unified strategy to address safety issues at the divisional and the corporate level. A multi-departmental committee, the Integrated Safety Round Table, is comprised of business leaders from each operating division who manage cross-divisional issues that require broad coordination. ISRT participants identify higher-level issues where impact cannot be addressed at a divisional SRT. The safety data sources are key inputs into the safety roundtable process.

Mandated by ICAO, SMS concepts are already regulatory standards in Canada, most of Europe and many other countries. The philosophy behind SMS is that only through a formal, top-down and systemic approach addressing organizational structures, accountabilities, policies and procedures can operational safety hazards be identified and risks mitigated to establish and promote a safety culture.

## TRANSPORTING HAZARDOUS MATERIALS

Delta transports hazardous materials, hazmat, such as flammable liquids, corrosives and consumer commodities as revenue cargo and as company materials to support Technical Operations. Delta transported more than 15.4 million pounds of dangerous goods in 2011, which is a 27 percent increase from 2010. These shipments are transported in full compliance with the regulations of the FAA, DOT and ICAO. Employees who accept, ship and handle hazmat are trained annually in an internally developed program approved by the FAA that encompasses all domestic and international regulations.

To promote continuous improvement, the Delta Dangerous Goods Council oversees initiatives to ensure hazmat shipments are accepted and handled in compliance with the regulations.



## RESPONDING TO EMPLOYEE AND PASSENGER SAFETY NEEDS IN JAPAN



In 2011, Delta employees based in Japan, Delta crew and passengers were impacted by the tsunami and subsequent Daiichi nuclear plant disaster in Fukushima, Japan. Delta leaders maintained regular contact with government and regulatory authorities in Japan and the U.S and immediately consulted with medical and nuclear physicist experts. With this guidance, Delta launched plans for ongoing evaluation of radiation in the air, water and food to ensure safety of people. Members of Delta's senior leadership immediately traveled to Japan to support the operations and provide reassurance to impacted employees. Delta continues to fly to four destinations in Japan. Delta's hub in Narita represents the only large-scale hub operated in Japan by a U.S. carrier.

*Richard Anderson, CEO, meets with airport employees during a visit to Tokyo-Narita.*

## ENSURING FLIGHT SAFETY

Delta remains committed to reducing risk and supporting safe flying operations by administering voluntary safety programs that prevent accidents and incidents. These programs include the Aviation Safety Action Program, Flight Operational Quality Assurance Program, Special Winter Operations Airport Program and Line Operations Safety Audit Program. These programs provide critical data streams that are incorporated into Delta's SMS.

Delta is committed to improving flight safety by partnering with employees and the FAA in industry-leading initiatives such as FOQA and ASAP. These programs provide identification of hazards and threats that may be precursors to incidents and accidents. Both ASAP and FOQA contribute to reduced accidents and incidents by gathering and studying flight data in a non-partisan environment to optimize flight operations. ASAP is a voluntary reporting system for employees to promptly identify safety hazards and errors in a non-disciplinary forum thereby increasing awareness and contributing to the elimination of such hazards and errors.

During 2011, Delta continued making program enhancements in an effort to strive for excellence in safety. In addition to safety programs for pilots, Delta provides ASAP programs for dispatchers, aviation maintenance technicians and load planners.



During the year, the SWOA program provides a proactive means to mitigate the risk of runway excursions during winter weather conditions, while encouraging airports to communicate accurate and timely field conditions by all applicable Delta Connection carriers, including 44 stations designated as SWOAs. Also this season, Delta and Delta Connection carriers facilitated 22 station visits to promote and enhance winter operations policies and procedures.

Delta completed numerous investigations, studies and recommendations in 2011 which have lead to training, technical and procedural enhancements. Goals include mitigating the risk of runway excursions during winter weather conditions, encouraging airports to use the

most up-to-date friction measuring devices and enhancing snow plans.

## ENSURING FLIGHT SECURITY

Delta continues its efforts to minimize security related risks to its passengers and employees worldwide. Working with a wide array of security-related organizations from local, state, federal and international agencies, Delta has developed procedures, processes, and international security business plans to help identify and manage security risks. Delta's hazard identification and risk mitigation program continues to evolve as an industry-leading program.

Delta uses the latest security technology to identify threats as well as monitor and trend data in an effort to predict arising threats. Additionally, Delta continues to work with governments and agencies in the expansion and creation of new security strategies such as Controlled Cognitive Engagement, a new process for identifying threatening people, and Transportation Security Administration Pre✓™, an expedited screening initiative. Delta is also the first airline to test a new technology for the controlled sharing of intelligence information. Delta advocates for better collection, utilization and sharing of intelligence information to assess passenger risk and mitigate security-related impacts to customers.

## REMAINING PREPARED THROUGH EMERGENCY RESPONSE

Through extensive planning and training, Delta ensures airport personnel are prepared to respond to and assist customers, their families and fellow Delta employees following a critical incident occurring anywhere in the world. Delta continuously monitors emergency plans available to its employees at the local level to make certain they are up-to-date and ready for activation at any given moment. Delta also maintains a state-of-the-art crisis command center at its headquarters that, when set in motion, provides a broad panel of experts to support any local station in need. Delta regularly tests these processes, technologies and facilities to ensure responses are timely and effective.

Delta's emergency response plan is complemented by employees referred to as the Care Team. The group is comprised of more than 2,000 Delta volunteers from all over the world — each specially trained to assist survivors and family members with compassion and professionalism at an accident site, their home location or over the phone. Also included in the plan is a Go Team consisting of more than 250 specialists that can be dispatched anywhere in the world within four hours of activating Delta's emergency response plan. The Go Team is trained to set up and administer a fully functional on-site crisis management team that uses the incident command structure developed by federal regulators for managing crisis events. This enables Delta to work more efficiently with other on-site agencies and communicate directly with Delta's command center at its headquarters.



In 2011, Delta's Emergency Response Team assisted Delta customers and employees in Japan after the devastating earthquake and tsunami struck the country. In 2012, Delta will continue to work with its worldwide airline partners to form mutual assistance agreements to improve Delta's overall response capabilities.

## IMPROVING CUSTOMER SATISFACTION

Delta's customer service goals are simple: to deliver customers and baggage to their final destinations safely and on time. Over the last year, Delta has made significant strides in meeting these goals, and customer satisfaction has subsequently improved.

In 2011, Delta experienced zero to three flight cancellations a day, down significantly from 25-30 cancellations a day in 2010. The improvement was the direct result of an increased focus on Delta's operations, including improved maintenance planning and execution, and enhanced performance management at Delta's top stations.

Delta has facilitated on-time departures through streamlining the boarding process and by engaging frontline employees.



By investing in baggage infrastructure at critical stations of operation and technology for baggage scanning and by improving the baggage transfer process, Delta's baggage success rate is above 99.98 percent, with fewer than 50 daily claims per 300,000 passengers.

To enhance customer support, Delta has developed a social media department with more than 300,000 followers on Facebook. This department receives more than 1,500 Tweets a day. Real-time communication allows passengers to have immediate responses to their travel needs.

Delta remains at the top of the industry with the best core operating performance among legacy network carriers. Delta's focus on an improved completion factor, departure performance and baggage delivery has greatly improved the customer travel experience over the last year.

## MEASURING CUSTOMER SATISFACTION

Delta operational performance improved measurably in 2011 across virtually all metrics. As The Wall Street Journal noted in its analysis of full-year Department of Transportation data, "Delta engineered a major operational turnaround last year." Renewed focus on operational processes to increase on-time efforts resulted in Delta ranking in the top three airlines in five of six categories for the Journal's Airline Scorecard for 2011. Among global network carriers in the Journal's 2011 Scorecard that averaged key operational metrics, Delta ranked first by investing in more maintenance stations, improving boarding processes and by adding personnel to key areas to help the airline recover from poor weather or other operational challenges.

Delta significantly improved completion factor and on-time percentage as well as lowered its rate of complaints for lost baggage and for overall service complaints. In 2011, there were 1,406 DOT complaints about Delta for a rate of 1.23 complaints/100,000 passengers. This rated a 5th place ranking among Delta's competitive set of 9, up from last place in the same category in 2010. The top complaint categories for Delta are flight problems and baggage.

Delta increased its J.D. Power Overall Satisfaction score by 10 points, moving from 640 to 650 on a 1,000 point scale in 2011, placing Delta 5th among traditional network carriers. Score improvements, to an average increase of 17 points, were made in nearly all of the seven individual areas measured by the study, with particularly strong improvements for Delta in In-Flight Services, Flight Crew, Check-in, and Reservations. While Delta did slip one spot from 4th in 2010 to 5th in 2011, the large improvements made across all attributes show that Delta's investments and strategy are leading to improved customer experience, and further gains in 2012 J.D. Power ratings are expected.

## INVESTING IN THE CUSTOMER EXPERIENCE

In January 2010, Delta announced an investment of \$2 billion over three years in products, services and airport facilities. In 2011, full flat-bed seats were added on more than 25 percent of international flights, including all 777 and 767-400 aircraft. Delta's new Economy Comfort class provides additional legroom and reclining seats on more than 160 Boeing 747, 757, 767, 777 and Airbus A330 aircraft.

Delta now offers more first class seats than any other airline. To help passengers stay connected, Delta has 2,200 Wi-Fi equipped flights a day on the airline's 100 percent Wi-Fi enabled domestic mainline fleet of more than 560 aircraft. Delta also offers Wi-Fi on its entire dual-class regional jet fleet of 228 aircraft.

Customers can also enjoy new Delta Sky Club lounges in Philadelphia, Seattle and Atlanta Concourse D as well as renovated Delta Sky Clubs in Minneapolis-St. Paul, New York-LaGuardia, and Atlanta's Concourse A and B.

Product investment continues and includes work underway on the new Maynard H. Jackson Jr. International Terminal in Atlanta, that opened May 2012, and Delta's new Terminal 4 at New York-JFK, opening in 2013.

"Delta is focused on building a better experience for customers from the time they book a flight to the time they arrive at their destination. We've made a lot of progress in the last year and we continue to make flying Delta more convenient and comfortable."

*Glen Hauenstein,  
Executive Vice President,  
Network Planning, Revenue  
Management  
and Marketing*

## COMPANY AWARDS

Delta is proud of its numerous accomplishments in 2011. Awards recognize the work Delta is doing and continues to do to provide the best service possible to customers while maintaining a healthy workplace. Below is a collection of recognition Delta received this past year:

<b>Customer Service</b>	Named most admired airline in <i>FORTUNE</i> magazine's "World's Most Admired Companies" list
	Named "Best Domestic Airline" by the readers of <i>Travel Weekly</i> magazine, the only U.S. airline to win an award
	The recipient of four "Best in Business Travel" awards voted on by readers of <i>Business Traveler</i> magazine. The awards include: "Best North American Airline for Business Class Service"; "Best North American Airline for First Class Service"; "Best Frequent Flyer Program"; and "Best Airline Web Site."
	Received awards from <i>Recommend Magazine</i> for "Best Airline-Business" and "Best Airline-Travel Agent"
	Received domestic "Airline of the Year" by <i>Jaunted</i>
<b>Support</b>	Received top honors in the prestigious Business Travel News Airline Survey, a poll of corporate travel managers surveying the ease of working with different carriers.
<b>Environmental Performance</b>	Received Emerald Award from Broward County Board of County Commissioners for GSE Recycling Program.
<b>Other</b>	Received four Gold Magellan Awards by <i>Travel Weekly</i> as "Best Business Class," BusinessElite; "Best Economy Class"; "Best Marketing Campaign" for the "Keep Climbing" campaign; and the "Most Eco-Friendly Green Airline"
	Received the 2011 Alferd P. Sloan Award for Business Excellence in Workplace Flexibility, ranking Delta in the top 20 percent of employers nationally for its programs, policies and culture of creating an effective and flexible workplace
	Received Corporate Achievement Award from the American Cancer Society for Delta's partnership of over 10 years and donations totaling over \$2 million
	Recognized by the American Heart Association as a Gold-Level Start! Fit-Friendly Company for programs put in place to help maintain a healthy workforce
	Software application, Fly Delta, voted a "shining star" among navigation and travel-related mobile apps by MobileVillage
	Five Delta facilities, Atlanta Reservations, Cincinnati Reservations, Dallas-Fort Worth Reservations, Atlanta Information Technologies, and Minneapolis Information Technologies recognized by the National Safety Council for completing over a million work hours without a lost workday
	Received Corporate Equality Index score of 100 from the Human Rights Campaign.
	Received 2011 Best Places to Work by Lesbian, Gay, Bisexual and Transgender Equality

BUILD A DIVERSIFIED,  
PROFITABLE WORLDWIDE  
NETWORK AND  
GLOBAL ALLIANCE

KEEP CLIMBING

## ECONOMIC PERFORMANCE

In 2011, Delta generated a net profit of \$1.2 billion<sup>1</sup>. While this is slightly lower than 2010, this strong performance occurred despite more than \$3 billion in higher fuel costs and a volatile economy. In recognition of their hard work and achievement, Delta employees earned \$264 million in profit sharing and \$60 million in Shared Rewards, paid for superior operations performance in 2011.

(In millions, except per share data)	2009	2010	2011
<b>Direct Economic Value Generated</b>			
Revenue	\$28,063	\$31,755	\$35,115
<b>Economic Value Distributed</b>			
Non-Labor Operating Costs <sup>1</sup>	21,142	22,024	25,714
Employee Wages and Benefits	6,838	7,064	7,158
Payments to Providers of Capital	1,278	1,220	1,122
Payments to Government			
Income, federal, state	-	-	
Property	47	76	76
Payroll	612	1,369	1,541
Other	153	294	300
<b>Community Investments</b>			
Contributions	4.8	7.0	5.6
<b>Shareholder Value</b>			
Share price at Dec. 31	11.38	12.60	8.09
Share price range	3.51-12.65	9.96-14.93	6.62-13.00
<b>Supplier Spend</b>			
MWBE spend	203.3	255.0	490.0
<b>Economic Value Retained</b>			
Net Profit <sup>1</sup>	\$(1,068)	\$1,444	\$1,190
Operating Profit <sup>1</sup>	\$83	\$2,667	\$2,243
<b>Fuel Hedge Impact<sup>1</sup></b>	\$(1,359)	\$(89)	\$446

Airlines also have a significant indirect economic impact on national and global economies. The Air Transport Action Group reports that over 56 million people are employed worldwide in aviation and related tourism. Over eight million of these individuals work directly in aviation. In 2008, air travelers spent over \$249.2 billion on goods and services. Meanwhile over \$562.1 billion dollars worth of freight were transported by air (nationally or internationally) during this same time period. As of December 2011, Delta held a 16.3 percent domestic market share.<sup>2</sup>

1. These items are non-GAAP financial measures as defined in the Appendix  
 2. In 2011, Delta received no significant financial assistance from the government.

## PERFORMANCE GOALS

KEEP CLIMBING

## 2011 PERFORMANCE GOALS

Goals	Performance against Goals
<b>REPORTING</b>	
Use Global Reporting Initiative 3.1 Indicators	Accomplished.
Address 5 additional indicators	Accomplished.
<b>ENVIRONMENT</b>	
Establish a carbon emissions goal	Delta will soon be announcing a 2015 greenhouse gas emissions goal.
Improve the tracking of water usage throughout all operations at Delta	Ongoing. Additional stations are using a unified online tracking system.
Improve the data entry and tracking for transport of hazardous materials through the Delta system	Accomplished. Modifications were made to the dangerous goods tracking system to notify captains during flight planning of shipments on the aircraft.
<b>EMPLOYEES</b>	
Increase the diversity of leadership	Ongoing goal. Continued progress has been made in increasing ethnic diversity across all levels of leadership.
Enhance the feedback tools for measuring employee satisfaction	Accomplished. The annual employee survey, launched Q1 2012, following various divisional surveys in 2011, enabled the company to collect feedback on variety of topics including company communications; employee engagement, diversity and inclusion; and employee satisfaction.
Pay profit sharing at or above target.	Accomplished. In 2011, Delta employees earned \$264 million through Delta's Profit Sharing program.
<b>COMMUNITY PARTNERSHIPS</b>	
Establish a system to electronically track employee volunteer hours	Accomplished.
<b>EMPLOYEE AND PASSENGER SAFETY</b>	
Pursue two additional VPP sites in 2011	Accomplished. Applications for two additional VPP sites were submitted (Savannah Airport Customer Service and Savannah Technical Operations).
Pursue a common database for customer injuries and corrective actions.	Accomplished. A total of three reporting systems were merged into one database.
<b>CUSTOMER SATISFACTION</b>	
Continue to improve product through investments in aircraft and facilities.	Ongoing. (See Customer Satisfaction section.)
Earn J.D. Power award for customer service among network carriers.	Ongoing goal.
<b>FINANCE</b>	
Manage exposure to fuel price volatility, including the ability to recoup higher costs through revenue.	Ongoing goal.

## 2012 PERFORMANCE GOALS

Goals
<b>REPORTING</b>
Address 3 additional indicators.
<b>ENVIRONMENT</b>
Establish a 2015 carbon emissions goal.
<b>EMPLOYEES</b>
Focus on building strength in middle management.
Pay profit sharing at or above target.
Continue building a great place to work, including an environment that promotes employee engagement.
Embrace diverse people, thinking and styles; increase the diversity of leadership.
<b>EMPLOYEE AND PASSENGER SAFETY</b>
Pursue two additional VPP sites in 2012.
Complete VPP recertification requirements for 5 sites in 2012
Reduce serious injuries arising from driving on the ramp through improved training programs, use of personal protection equipment and increased observation.
<b>CUSTOMER SATISFACTION</b>
Improve customer preference measured "net promoter" score for both domestic and international service.
Earn J.D. Power award for customer service among network carriers.
<b>FINANCE</b>
Deliver projected return from \$1 billion ancillary and seat related revenue initiatives of regional partner airlines.

### 3-5 Year Performance Goals

- Achieve 2015 greenhouse gas emissions goal.
- Incorporate sustainability into Doing Business with Delta supply chain document.

# APPENDIX

KEEP CLIMBING

## GRI 3.1 INDICATORS

Code	Indicator	Page
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	52
EC3	Coverage of the organization's defined benefit plan obligations.	27-28
EC4	Significant financial assistance received from government.	52
EC9	Understanding and describing significant indirect economics impacts, including the extent of impacts.	52
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	13-19
EN16	Total direct and indirect greenhouse gas emissions by weight.	13
EN17	Other relevant indirect greenhouse gas emissions by weight.	13, 17
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	13-19
EN20	NOx, SOx, and other significant air emissions	17
EN22	Total weight of waste by type and disposal method.	24
EN23	Total number and volume of significant spills.	24
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	24
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	12-24
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	22
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	28
LA4	Percentage of employees covered by collective bargaining agreements.	25
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	41
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	40
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	31-32
LA9	Health and safety topics covered in formal agreements with trade unions.	32
LA10	Average hours of training per year per employee by employee category.	31
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	28
LA12	Percentage of employees receiving regular performance and career development reviews.	26
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	7
SO4	Actions taken in response to incidents of corruption.	7
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	38
PR5	Statistics related to customer satisfaction, including results of surveys measuring customer satisfaction	49
	<b>Total Number of Indicators</b>	<b>27</b>

## LIST OF ACRONYMS

A4A	Airlines for America, Inc.
ACS	Airport Customer Service
ASM	Available Seat-Mile
ASTM	American Society for Testing and Materials
CO	Carbon Monoxide
CO <sub>2</sub> e	Carbon Dioxide Equivalent
DeltaPAC	Delta Political Action Committee
EAP	Employee Assistance Program
EELC	Executive Environmental Leadership Council
EMS	Environmental Management System
ERC	Employee Recycling Center
EU ETS	European Union Emissions Trading Scheme
FAA	Federal Aviation Administration
GHG	Greenhouse Gas
GSE	Ground Support Equipment
IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
IFS	In-flight Services
IPCC	Intergovernmental Panel on Climate Change
MWBE	Minority and Women Business Enterprise
NOV	Notice of Violation
NO <sub>x</sub>	Nitrous Oxides
OSHA	U.S. Occupational Safety and Health Administration
PM	Particulate Matter
RPM	Revenue Passenger-Mile
RTM	Revenue Ton-Mile
SMS	Safety Management System
SO <sub>2</sub>	Sulfur Dioxide
TOC	Technical Operations Center
USDA	U.S. Department of Agriculture
VEN	Veteran's Employee Network
VOC	Volatile Organic Compounds
VPP	Voluntary Protection Programs
Wi-Fi	Wireless Fidelity

## RECONCILIATION OF GAAP FINANCIAL MEASURES TO NON-GAAP FINANCIAL MEASURES

Note: The following tables show reconciliations of non-GAAP financial measures. The reasons Delta uses these measures are described below.

Delta sometimes uses information that is derived from its Consolidated Financial Statements, but that is not presented in accordance with accounting principles generally accepted in the U.S. ("GAAP"). Certain of this information are considered "non-GAAP financial measures" under the U.S. Securities and Exchange Commission rules. The non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results.

- Delta excludes special items because management believes the exclusion of these items is helpful to investors to evaluate the company's recurring operational performance.

- Delta adjusts for mark-to-market ("MTM") adjustments for fuel hedges recorded in periods other than the settlement period in order to evaluate the company's financial results in the period shown.

	Year Ended December 31,		
(in millions)	2011	2010	2009
<b>Net income</b>	\$854	\$593	\$ (1,237)
<i>Items excluded:</i>			
<i>MTM adjustments for fuel hedges recorded in periods other than the settlement period</i>	26	-	-
<i>Loss on extinguishment of debt</i>	68	391	83
<i>Restructuring and other items</i>	242	450	407
<i>Income tax benefit related to other comprehensive income</i>	-	-	(321)
<i>Other</i>		10	
<b>Net income excluding special items</b>	\$1,190	1,444	\$ (1,068)

	Year Ended December 31,		
(in millions)	2011	2010	2009
<b>Operating expenses</b>	\$33,140	\$29,538	\$28,387
<i>Items excluded:</i>			
<i>MTM adjustments for fuel hedges recorded in periods other than the settlement period</i>	26	-	-
<i>Restructuring and other items</i>	242	450	407
<b>Operating expenses excluding special items</b>	\$32,872	\$29,088	\$27,980
<i>Less:</i>			
<i>Salaries and related costs</i>	6,894	6,751	6,838
<i>Profit sharing</i>	264	313	-
<b>Operating expenses excluding special items and employee wages and benefits</b>	\$25,714	\$22,024	\$21,142

	Year Ended December 31,		
(in millions)	2011	2010	2009
<b>Operating income</b>	\$1,975	\$2,217	\$ (324)
<i>Items excluded:</i>			
<i>MTM adjustments for fuel hedges recorded in periods other than the settlement period</i>	26	-	-
<i>Restructuring and other items</i>	242	450	407
<b>Operating income excluding special items</b>	\$2,243	\$2,667	\$83

	Year Ended December 31,		
(in millions)	2011	2010	2009
<b>Fuel hedge gains (losses)</b>	\$420	\$(89)	\$(1,359)
<i>MTM adjustments for fuel hedges recorded in periods other than the settlement period</i>	26	-	-
<b>Operating income excluding special items</b>	\$446	\$(89)	\$(1,359)

