



DELTA

RULES OF THE ROAD



STRONG CORE VALUES and a clear set of unifying behaviors provide a solid foundation for Delta's culture. Our values are the basis for everything we do. When Delta people encounter situations, they use their values and professionalism, along with training and experience to guide their actions and decisions.

Each of us has the opportunity every day to be a leader in how we represent Delta, how we handle difficult and unpredictable situations, how we use Delta's resources and how we take care of our customers, our shareholders and each other. So clearly, being a leader is not confined to those who hold a certain title.

Rules of the Road outlines our expectations of what it means to live out our values and leadership behaviors every day. While some of what is written here was originally intended for those who formally lead teams, in today's business environment we all have a responsibility to protect and preserve Delta's culture. *Rules of the Road* reflects what we expect of you and those who are privileged to lead you.

Our "rules of the road" are timeless.

TABLE OF CONTENTS

Our Core Values

Our Most Important Behaviors

Our Rules of the Road

- I Apply Our Basic Business Principles
- II Know Our Business and Improve It Constantly
- III Demonstrate Honesty, Integrity and Respect
- IV Drive for Results
- V Build Great Teams

This copy of **RULES OF THE ROAD**
belongs to

OUR CORE VALUES

Always tell the truth HONESTY

Always keep your deals INTEGRITY

Don't hurt anyone RESPECT

Try harder than all our competitors—never give up PERSEVERANCE

Care for our customers, our community and each other SERVANT LEADERSHIP

OUR MOST IMPORTANT BEHAVIORS

Listen closely and communicate openly, honestly and directly

Encourage change and innovation

Promote broad employee involvement

Embrace diverse people, thinking and styles

Treat each other with dignity and respect

Debate constructively, decide definitively and support actively

Set clear roles, responsibilities and expectations

Demand and accept responsibility

Follow through with clear, consistent consequences

Develop and leverage deep customer insights

Be courageous and optimistic

OUR RULES OF THE ROAD

APPLY OUR BASIC BUSINESS PRINCIPLES

A Put safety first—always.

B Create value through:

- great customer service
- excellent operations
- a great brand
- the best employee relations
- innovation in all aspects of our business

C Commit to being a great place to work.

- Provide a safe work environment for all employees
- Be responsible to your colleagues and treat them with dignity and respect
- Expect the best and most ethical leadership team
- Have employees who are motivated every day to serve our customers and exceed their expectations
- Provide a highly competitive package of compensation, benefits and career growth and development
- Create an open door environment and expectation where employees actively participate, make suggestions and are free to tell leaders when they are mistaken

D Run a financially sound business.

- Have internal, organic growth in revenue of at least 7%, and get at least 5% more Revenue per Available Seat Mile (RASM) than our competitors across the system.
- Exercise vigilant cost controls to maintain industry-leading Cost per Available Seat Mile (CASM) below all major carriers.
- Maintain a 40/60 debt to equity ratio which produces, consistently, 8-10% pre-tax returns.

E Be good corporate citizens.

- Embrace the opportunity to give back to the places and communities where we live, work and serve.
- Carry out our responsibility to minimize our impact on the environment and to conduct our operations in an environmentally sustainable manner.



KNOW OUR BUSINESS AND IMPROVE IT CONSTANTLY

A Know our customers and care for them.

- Connect with our customers. Superior customer service and relationships can be a strategic advantage that allows us to beat our competitors.
- Delta founder C. E. Woolman said it best: “Now, Delta is growing and growing fast. Yet we will never have any monopoly. We will always compete with planes of similar speed and comfort and identical fares. If we continue to grow, it will be because we can expand without losing the ‘difference’ that made Delta’s reputation...” *circa 1946*

B Know our people and care for them.

- Understand their strengths, challenges and needs—individually and collectively.
- Value their differences—embrace diverse people, thinking and styles.
- Take employee surveys seriously and respond with action plans to always improve employee satisfaction and engagement.
- Hold people accountable, recognize successes and invest in their development.

- C** Know the business inside and out to provide a superior return to our shareholders.

 - Pour over the numbers, spend time thinking about your problems, read everything you can get your hands on that is relevant to our business and ask your colleagues for their views.
 - Identify the numbers and metrics that are the true barometers of the business. What gets measured gets done. If it is not measured it will not get managed. Manage by exception by focusing on problem areas.
- D** Know the strengths and weaknesses in your business.

 - Do not shy away from recognizing strengths and great performance or openly discussing business challenges and reaching specific plans for remediation.
 - Attack the biggest issues first and never give up.
- E** Know the competition, respect the competition and be humble.

 - All of our competitors are superior to us in some aspect of the business. Do not be dismissive of them or we will let down our guard and get beat.
 - As C. E. Woolman said, "...no good comes from running down any type of competition. When you sell Delta, sell on facts and not comparisons."



DEMONSTRATE HONESTY, INTEGRITY AND RESPECT:

LISTEN ATTENTIVELY, SPEAK OPENLY,
DEBATE CONSTRUCTIVELY, SUPPORT ACTIVELY

- A** Truth is our currency. Always be honest. Live with integrity and reflect honesty in all we do and say.
- B** Rigorous, regular and constructive debate is required because formal presentations and e-mail strings without rigorous debate do not produce results. Do not confine the debate to senior executives because we learn from the people closest to the work. Intellectual conflict is constructive—that's how we get to the correct answer.
- C** Be open minded and listen. Always look forward. As Mr. Woolman said, "Delta sells only the future...Delta has had to keep looking ahead."
- D** Constantly probe and be persistent. Support "a reasoned investigation of the truth." Ask questions to draw out participants and learn. Always have passion in the pursuit of knowledge.
- E** Avoid long, flashy presentations—if we cannot be concise and reach a substantial conclusion in 10 pages of well-written and organized thinking, then rethink the problem and solution.
- F** No politics. Period. Be inclusive. Do not keep issues, weaknesses or problems to yourself. Put all the cards on the table. Be flexible—change your mind when persuaded by meritorious argument.

- G** Be positive and direct in all conversations. We do not seek blame, only answers. Engage colleagues with the idea that we all have a shared purpose—that no one wants to let the company, our shareholders, our employees or our customers down.
- H** Do not interrupt your colleagues.
- I** Reach conclusions, assign specific responsibilities and leave the room unified. Follow through with your to-do list from decision-making sessions. Always remember the need to document and follow up on the “who, what, when and where” responsibilities. Be a bird dog—stay on the trail until tasks or assignments are complete.
- J** No “pocket vetoes”—do not undermine, ignore or simply override final decisions or the will of a much larger group just because you can.
- K** Be decisive and do not delay. Speed Wins. Speed in execution is the difference between success and failure—whether within our organization or against the competition. Remember, there are few 100% solutions.
- L** Rely on your colleagues and be reliable for them. Encourage teamwork and discourage gossip. We only win as a team and to do that, we must have each other’s back.

IV

DRIVE FOR RESULTS:

SET CLEAR GOALS AND FOLLOW THROUGH

- A** Every employee must have about five clear, measurable objectives to accomplish in order to be successful in their job. Most business processes can be measured by cost, quality and turn time.
- B** Typically, your performance objectives should be set to support our Flight Plan pillars of customer service, operations, people, network and finance. In setting your objectives, be wary of over-promising or projecting unrealistic returns as these plans seldom materialize.
- C** Employee satisfaction and engagement are driven by people understanding what is expected of them. We must regularly and consistently communicate. Measure constantly and tell people where they stand in terms of performance against commitments.
- D** When driving for results—it is not just “what” you accomplish, but also “how” you accomplish it.
- E** Regularly monitor and coach—understand where the organization is short of goal and coach people to assist in reaching goals. It is a constant process—leadership requires removing obstacles and clarifying the path to reach the business goals.
- F** Regularly commend and reward superior performance. This may be as simple as thank you notes or verbal commendations.

V

BUILD GREAT TEAMS:

ENCOURAGE EMPLOYEE INVOLVEMENT AND DEMAND
AND ACCEPT RESPONSIBILITY

- A** Run a meritocracy—we rely on, reward and recognize performance. Build the team based on this model, where the high performers are advanced based on their achievement and leadership.
 - People who meet goals get advancement and rewards.
 - Failure to perform must be addressed with honest talk and direct collegiality that is respectful and never personal.
 - Avoid finding “new jobs” for non-performers.
- B** Take talent reviews seriously.
 - Constantly assess and coach - remember, be honest and respectful.
 - Develop high-performing and high-potential employees. These are our RSPs—or “rock-solid” performers.
 - Don’t allow blockers —those who stand in the way of success.
 - Do not be afraid to withdraw rewards for failure to perform or address poor performers—do it fairly, objectively and respectfully.
- C** Hunt for and develop the doers—your life improves.
 - There’s no real formula for finding these people—you know it when you see it.
 - When you find them, nurture, grow and find ways to develop others like them.
 - Hire or surround yourself with people who are smarter and more capable than you. Give them the opportunity to shine—this is hard to do, but is the easiest path to success.
 - We all have a responsibility to build tomorrow’s leaders.
- D** Value diversity—embrace diverse people, thinking and styles.
 - Our employees must reflect the diversity of the customers we serve.
 - Our leaders must reflect the diversity of our people.
- E** Lead by example—if you work until the job is done correctly, so will your colleagues.

Delta people of today stand on the shoulders of those who came before us. The successes we have achieved in the past, and whatever we may enjoy in the future, depend upon the strong desire and motivation of our people to protect and preserve the culture of this great company.



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

C.E. WOOLMAN
Delta Founder