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CLIMATE LOBBYING REPORT



Francis S. Blake
Non-Executive Chairman
of the Board

Delta Air Lines is committed to being a positive voice on important public policy issues, including climate change, that impact the airline industry, our customers, our people and the communities we serve.

The Board of Directors appreciates our investors' interest in our climate goals and how our lobbying activities further them. In response to shareholder approval of the proposal requesting a climate lobbying report at our 2021 annual meeting, we directed the preparation of the enclosed report, which provides an overview of Delta's climate goals, our climate policy principles and recent direct and indirect climate lobbying activities.

A central component of advancing Delta's climate goals is effective engagement across the policy and regulatory landscape in the US and abroad. Delta actively lobbies, directly and indirectly, to influence the development of international, federal, state and local public policies. Delta is focused on driving coalitions and policies that will accelerate new markets for cost-competitive, low- to no-carbon technologies and fuels. These technologies and fuels are key to advancing our climate goals, including our intention to set a medium-term science-based target for our global airline operations and a net zero emissions target for 2050, in line with the Paris Agreement.

Establishing the nascent sustainable aviation fuel (SAF) market with government incentives and third-party investment holds the most near-term promise for reducing lifecycle greenhouse gas (GHG) emissions and unlocking decarbonization solutions for our hard-to-abate sector. Recognizing these essential needs, Delta is constructively engaging industry peers, thought leaders, policy makers, regulators and diverse stakeholders across the entire SAF supply chain.

Delta remains committed to being a voice of leadership on climate policy issues now and in the future. Where misalignments exist between our climate goals and climate lobbying activities, we intend to evaluate those activities and look for opportunities to drive constructive change that advances our goals. We look forward to continued engagement with investors, policy makers, NGOs and other stakeholders as we work to advance our ambitious climate goals.

Sincerely,



Francis S. Blake
Non-Executive Chairman of the Board

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About This Report

This report provides an overview of the climate goals and climate policy principles that inform the climate lobbying activities in which Delta Air Lines, Inc. (Delta, we or our) has engaged both directly and indirectly through trade associations since January 1, 2021. The report also captures lobbying activities implicating climate change during that time by or on behalf of our wholly owned subsidiary Monroe Energy, LLC (Monroe), which operates the Trainer Refinery and related pipelines and terminal

assets that supply jet fuel to our airline operations throughout the Northeastern US. It does not address the activities of our suppliers, contractors, and partners.

This report contains information from third parties, including trade associations and coalitions, and Delta makes no representation or warranty as to the accuracy of any such third-party information.

Important Information Regarding Forward-Looking Statements

The statements in this report that are not historical facts, including statements regarding our estimates, expectations, beliefs, intentions, projections, goals, aspirations, commitments or strategies for the future, should be considered “forward-looking statements” under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Such statements are not guarantees or promised outcomes and should not be construed as such.

All forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from the estimates, expectations, beliefs, intentions, projections, goals, aspirations, commitments and strategies reflected in or suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, those set forth in our Annual Report on Form 10-K for the year ended December 31, 2021, including under the heading “Risk Factors.” Caution should be taken not to place undue reliance on forward-looking statements in this report, which represent our views only as of March 1, 2022, and which we undertake no obligation to update except to the extent required by law.

I. GOVERNANCE

Delta's Board of Directors understands and appreciates the importance of climate matters as well as their significance to our various stakeholders, including our investors.

Delta's environmental sustainability program is subject to regular board-level oversight, through the Corporate Governance Committee of our Board of Directors, which evaluates environmental sustainability opportunities and risks as well as efforts and progress. The committee regularly reviews Delta's climate goals and strategy and is engaged in general oversight of Delta's response to climate change issues. At the management level, oversight is provided through Delta's ESG Council, Carbon Council and Risk Council, each of which reports to the Delta Leadership Committee and is composed of senior executives from across the organization who help to guide our cross-functional working groups on climate strategy and execution as well as related risk mitigation efforts. Our Executive Vice President and Chief Legal Officer serves on the ESG and Risk Councils, and our Senior Vice President, Government Affairs is a member of the ESG Council. Delta recently hired a new Senior Vice President and Chief Sustainability Officer – an industry first - who has joined the Delta Leadership Committee and serves on each of the ESG, Risk and Carbon Councils.

In addition to robust board and management oversight over Delta's environmental sustainability efforts generally, Delta has significant management-level oversight over political activities. Management of our overarching advocacy and regulatory compliance activities are the responsibility of our Executive Vice President and Chief Legal Officer in conjunction with our Senior Vice President, Government Affairs, and our Vice President, State and Local Government Affairs. Delta's Leadership Committee is regularly briefed on our policy priorities and activities, and our Corporate Governance Committee also receives formal reports on our political activities.

To proactively develop and advance climate change policy positions and related strategy, consistent with the climate policy principles identified in Section III of this report, we leverage the experience of a broad cross-functional team of experts, inclusive of representatives from our Global Sustainability, Legal, Government Affairs, Corporate Environment, Operations, Fuel and Tax groups as well as

advice received in consultation with outside specialists, including governance advisors and strategic third-party groups. We leveraged this cross-functional team in the preparation of this report, which was supervised by our Executive Vice President and Chief Legal Officer and Senior Vice President, Government Affairs, and reviewed and approved by the Corporate Governance Committee of our Board of Directors.



II. CLIMATE GOALS

During 2021, Delta built on our previously announced plan to invest \$1 billion through the end of 2030 toward airline carbon neutrality by announcing our intention to set medium- and long-term climate goals that are aligned with the applicable framework of the Science Based Targets initiative (SBTi) and setting a SAF consumption goal:



Reducing emissions intensity by 2035 as compared to 2019, as measured by jet fuel emissions of GHGs in accordance with SBTi guidance for the aviation industry and in line with the Paris Agreement’s goal of limiting global warming to well below two degrees Celsius.

NET ZERO EMISSIONS in 2050

Achieving net zero GHG emissions across the airline operation and its value chain by no later than 2050, in alignment with the United Nations Race to Zero campaign and the recently announced goals of Airlines for America (A4A) and the International Air Transport Association (IATA).



We have also established a goal of replacing 10% of jet fuel consumption with SAF by the end of 2030, with half of that amount from SAF that achieves at least an 85% reduction in lifecycle emissions relative to conventional jet fuel, subject to availability and feasibility, which will support our science-based targets.

The global aviation industry is a hard-to-abate sector, meaning it is innately difficult to decarbonize. We expect our path toward achievement of these ambitious climate goals to include the following levers, with the fleet and fuel levers expected to play the most significant roles.



Fleet

Currently, fleet renewal provides the largest impact on reducing emissions and emissions intensity. In 2020, we retired more than 200 of our less efficient aircraft ahead of schedule, improving emissions intensity and fuel efficiency on an available seat mile basis in 2020 and 2021, as compared to 2019. We expect our fleet renewal plans to continue to improve fuel efficiency in future periods.



Fuel

SAF is central to reducing the lifecycle carbon emissions from aviation fuel; however, it is not currently available at the scale or cost necessary to meet the industry’s needs. To replace 10% of our jet fuel consumption by the end of 2030, Delta will require at least 400 million gallons of SAF annually. At the end of 2021, Delta had agreements in place with multiple suppliers for an aggregate of 81 million gallons of SAF annually by the middle of the decade, subject to third-party investment and timely facility development.



Operational Initiatives

Delta is relaunching our Fuel Council and rebranding it as the Carbon Council, with the aim of executing and tracking operational initiatives to reduce jet fuel consumption and improve our emissions intensity. This work supplements industry-wide efforts to modernize the air traffic control (ATC) system, which would allow for more fuel efficient and therefore less carbon intensive flying.



Technological Innovation

We plan to evaluate emerging technologies, such as synthetic hydrocarbon fuels, direct air capture (DAC) and carbon capture and sequestration (CCS) to support our efforts to achieve our long-term climate goals.



Carbon Offsets

While we remain focused on the levers that can help decarbonize aviation and take us to net zero by 2050, in the near-term and subject to market dynamics, Delta plans to continue the purchase and retirement of verified carbon offsets in support of our \$1 billion airline carbon neutrality goal.

These ambitious goals will require significant capital investment, government policies and incentives, dedicated research and development and transformation of some of the world’s largest industries.

II. CLIMATE GOALS (cont.)

To move the needle effectively on these levers and meet these ambitious goals, Delta is committed to engaging our stakeholders and building coalitions to help drive down cost and increase production and consumption of alternative fuels and new technologies. For example, Delta is working in partnership with corporate customers to increase demand for SAF and help address the significant price premiums that result from short supply. Since the beginning of 2021, over 30 corporate customers and travel agency partners have joined Delta to support development of the SAF market.

In addition, Delta has joined sector-specific and multi-sectoral efforts to accelerate our climate goals and to influence climate and sustainability policy development, including, for example:

- Delta serves on the steering committee for **Clean Skies for Tomorrow**, which is focused on bringing SAF to scale faster by putting in place key processes and sending strong demand signals to the market.
- Delta is a member of the **Aviation Climate Taskforce (ACT)**, a nonprofit founded to tackle carbon emissions in the aviation industry, with the goal of accelerating breakthroughs in emerging technologies by 10 years or more.
- Delta is a founding member of the **First Movers Coalition (FMC)**, a public-private partnership and purchasing platform, facilitated by the Special Presidential Envoy for Climate John Kerry and the World Economic Forum, to accelerate and scale the development of breakthrough technologies and fuels through market forcing strategies, helping hard-to-abate sectors, like aviation, reduce GHG emissions.
- Delta is the first airline and first organization from a hard-to-abate sector to join the **LEAF Coalition**, a group with a goal of halting deforestation by 2030 through large scale tropical forest protection projects.

Although these coalitions are not involved in lobbying activity, they demonstrate additional ways in which Delta is actively engaging stakeholders at a global level to achieve our climate goals.

Delta is also evaluating operational pathways for integrating Monroe into a net zero future. Monroe's sustainability ambitions currently include being one of the most energy efficient refineries in the country with the lowest energy intensity and GHGs on an absolute and per barrel basis. For example, Monroe is implementing a plan to replace steam driven turbines that currently power pumps at the facility with more efficient and reliable electric motors, which will reduce the amount of steam required from the facility's natural-gas-fired boilers. Monroe is also recovering and utilizing methane, a potent GHG, instead of flaring it to the atmosphere. Finally, to support Delta's 10% SAF goal, Monroe is evaluating the possibility of producing SAF and other renewable fuels at the Trainer refinery, although additional analyses must be conducted to determine the economic and operational viability of various SAF production pathways.



III. CLIMATE POLICY PRINCIPLES

As part of the highly regulated, global aviation industry, we advocate for climate change policies that will help decarbonize air transport and help us achieve our climate goals, which are in line with the science underpinning the Paris Agreement.

Among our most foundational principles, we advocate for climate change policies that are reflective of the globalized nature of the industry. Commercial aircraft routinely cross state and national borders. Therefore, international and harmonized national climate policies are necessary to establish broad-based, meaningful change, particularly in an industry that is inherently difficult to decarbonize. Inconsistent state and local requirements create uncertainty, result in competitive market distortions and send conflicting market signals. US law recognizes the need for national consistency in aircraft regulation, and for that reason, federal law preempts state and local government regulation. We support coordinated national and international efforts, such as those of the International Civil Aviation Organization (ICAO), to set standards and ensure international harmonization of efforts to regulate aviation carbon emissions.

In addition to supporting international and harmonized national policies, Delta believes climate policy for the aviation industry should be:

- ✓ Primarily sector-specific with some adjacencies to advance various elements of our sustainability strategy (e.g., electrification of ground vehicle equipment);
- ✓ Preventative of revenue diversion for non-aviation climate mitigation purposes, ensuring any revenue generated is reinvested into this hard-to-abate sector and the diverse workforce it supports;
- ✓ Grounded in science to ensure GHG emissions reductions are maximized and realized in a manner designed to minimize increased costs for travelers;
- ✓ Performance-based and technology-neutral to promote a suite of technological solutions and fuel options from a diverse array of feedstocks as well as complementary nature-based solutions, recognizing the innovations needed to decarbonize our sector are not yet commercially available;

- ✓ Supportive of the long-term capital investment necessary to sustain aviation infrastructure and equipment, which is used over decades;
- ✓ Rooted in the need for operational safety, technological feasibility, and economic reasonableness;
- ✓ Designed to drive fleet efficiency, efficient air traffic operations and minimize fuel burn; and
- ✓ Designed to incentivize rather than mandate a zero-carbon trajectory at the lowest-cost (e.g., tax incentives, grants, and R&D investment) in order to commercialize the nascent SAF industry and support the breakthrough technologies needed to decarbonize our sector until a scalable market is achieved that can compete on a level playing field with traditional fossil fuels and the biodiesel and renewable diesel markets.



IV. CLIMATE LOBBYING ACTIVITIES

We appreciate the need for ambitious commitments and transparent policy actions to address climate change, and climate advocacy is an important and growing priority for us. We strive for our lobbying activities and those of trade associations in which we are members to align with our climate goals, which are in line with the Paris Agreement. We are also engaging with thought leaders, such as various environmental NGOs, to help inform our internal and external climate engagement strategies. This section addresses our direct and indirect climate lobbying activities, as well as certain lobbying activities of Monroe, since the beginning of 2021, and evaluates areas of actual or perceived misalignment with our climate goals.

Direct Climate Lobbying

During 2021, through the federal legislative process, we directly advocated for increased funding and resources for the Federal Aviation Administration's (FAA) Continuous Lower Energy Emissions and Noise (CLEEN) program and its Center for Excellence for Alternative Jet Fuels and Environment (ASCENT) to support development of SAF at commercial scale. We also actively advocated in support of legislation to promote development of the SAF market via tax incentives and grants. Specifically, we supported the SAF provisions in the Build Back Better package as well as standalone policy measures such as the Sustainable Skies Act and the Aviation Emissions Reduction Opportunities (AERO) Act. We also advocated at the federal level for NextGen equipage funding for regional jets in order to accelerate the implementation of a modernized ATC system, central to reducing fuel consumption and GHG emissions in the near-term. A modernized ATC system would allow aircraft to fly more direct routes, reduce delays, and leverage procedures that enable planes to descend with engines at idle.

Due to a decline in air travel from the COVID-19 pandemic, we advocated for, and secured waivers from, slot requirements at slot-controlled airports that would have otherwise forced Delta to operate low demand flights with few passengers. The waiver relief granted by governments in the US and internationally, from the FAA and corresponding regulators outside the US, helped substantially reduce Delta's fuel burn and GHG emissions.

At the state level, we helped develop and supported a voluntary opt-in provision for SAF under the Washington Low Carbon Fuel Standard legislation (HB 1091). At the same time, we opposed the application of the Washington cap and invest legislation (SB 5126) to aircraft emissions on federal preemption grounds, consistent with our principle of supporting national and international approaches to reducing aircraft emissions.

At the federal, as well as state and local level, we also engaged in certain lobbying activities designed to reduce costs and enhance options for compliance flexibility associated with Monroe's operation of the Trainer refinery. We own Monroe as part of our strategy to mitigate the cost and supply risks associated with jet fuel. However, Monroe has experienced significant economic hardship under the federal Renewable Fuel Standard (RFS) because of a lack of transparency and other flaws in the renewable identification number (RIN) credit scheme under that program, which make compliance costs prohibitive due to arbitrarily high RINs prices. This market failure undermines the larger goals and objectives of the RFS program and is inconsistent with the original policy intentions of the program. As such, we have supported Monroe's efforts to seek policy reform measures to reduce the significant financial impact to the operation by advocating for transparent policies, such as lower volume requirements that better align with market supply and demand as well as a RINs' price cap to provide greater pricing stability and eliminate the opaque nature of the RINs market. We and Monroe are not opposed to the RFS as a policy mechanism for reducing GHG emissions; rather we believe the market mechanisms underpinning the compliance trading scheme need structural reform, and our advocacy reflects that position. While these advocacy efforts may be perceived as misaligned with Delta's overarching climate goals by some, they are consistent with our climate principles and intended to provide Monroe with greater financial certainty and economic flexibility to invest in the business, including investment toward advancement of its sustainability and climate objectives.

IV. CLIMATE LOBBYING ACTIVITIES (cont.)

Indirect Climate Lobbying

In addition to direct lobbying activities, we are members of sector-specific and multi-sectoral industry trade associations that engage in lobbying on a variety of matters, including from time-to-time climate change. Below is a table of those trade associations and a description of Delta's influence and potential alignment, where applicable, with the associations' stated climate

policy priorities. We have included all of the trade association memberships disclosed in our annual political contributions and activity report, which comprise the trade associations in which we are members that, to our knowledge, engage in lobbying activities with respect to climate matters. Additionally, we have included the primary trade association membership of Monroe in the table below.

Airlines for America (A4A)		
About	Climate Change Position	Areas of Influence & Alignment
A4A is the primary trade association advocating for the leading US airlines, both passenger and cargo carriers, on federal, state, local and international policies. A4A works collaboratively with industry stakeholders, federal agencies, the Administration, Congress, labor and other groups to improve aviation for the traveling and shipping public.	<p>A4A is committed to advancing policy solutions to address climate change. During 2021, A4A committed to work with government leaders and other stakeholders on the following three goals:</p> <ol style="list-style-type: none"> (1) Achievement of net zero carbon emissions by 2050; (2) Partnering with key stakeholders to advance production and deployment of 3 billion gallons of cost competitive SAF by 2030; and (3) Reaffirming the global aviation industry goals under ICAO, including: <ol style="list-style-type: none"> a) the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), which limits net carbon emissions to 2019 levels (i.e., carbon-neutral growth relative to the 2019 baseline), b) aircraft CO₂ certification standards applied to new aircraft and support for greater stringency, c) a long-term aspirational goal, subject to critical aviation infrastructure and technology advances achieved by the industry and government. 	<p>Delta strongly supports A4A's net zero goal. We have played a leading role in raising A4A's climate ambitions and have a shared interest in advancing climate change policies that will help reduce GHG emissions on both a company and sector-specific basis. Our CEO sits on the A4A Board of Directors and at a staff level we actively engage in key legislative and regulatory committees to influence policy development. Of note, we advocate for policies with A4A in several focus areas:</p> <ol style="list-style-type: none"> (1) SAF development, production and distribution; (2) Low/no emission technologies development; (3) Aviation environmental research and development; (4) Air traffic management and modernization; (5) Expanding electric infrastructure and electric ground support equipment at airports; (6) Implementation of international aviation climate agreements governing CORSIA and CO₂ aircraft certification standards; and (7) Synergistic climate innovations across other sectors that can support aviation emission reductions. <p>Through A4A we support ICAO's CO₂ certification standard for new aircraft (2020 and 2023 implementation dates) and intend to work with A4A to support development of a new more stringent standard through ICAO.</p>

IV. CLIMATE LOBBYING ACTIVITIES (cont.)

International Air Transport Association (IATA)		
About	Climate Change Position	Areas of Influence & Alignment
<p>IATA is the trade association for the world's airlines with a mission to represent, lead, and serve the airline industry. Its 290 members comprise 83% of total air traffic and it works with over 400 strategic partners to deliver solutions that shape aviation.</p>	<p>IATA recognizes the need to address the global challenge of climate change and in October 2021, IATA adopted an ambitious goal of net zero carbon emissions by 2050, in alignment with the Paris Agreement goal for global warming not to exceed 1.5°C.</p> <p>IATA also reaffirmed its support of global aviation industry goals under ICAO by:</p> <ol style="list-style-type: none"> (1) Reaffirming CORSIA as an effective measure to stabilize net emissions from international aviation in the short- to medium-term; (2) Calling for governments to support CORSIA, coordinate policy measures and avoid a patchwork of regional, national, or local measures; and (3) Calling for governments to agree to a long-term goal equivalent in ambition to the industry's net zero by 2050 goal. 	<p>Delta strongly supports IATA's net zero goal. We also support IATA's active involvement in ICAO to promote global standards and international agreement on aviation emissions. IATA's net zero goal is an important signal to governments of the industry's ambition, which we believe will help create an environment conducive to adoption of an ambitious long-term goal at the 2022 ICAO Assembly.</p> <p>We also support IATA's efforts to promote global harmonization of policies and regulations to avoid a patchwork of national, regional and local measures, which can be problematic for an international industry.</p>
US Chamber of Commerce		
About	Climate Change Position	Areas of Influence & Alignment
<p>The US Chamber of Commerce is the world's largest business organization representing the interests of more than three million businesses of all sizes, sectors, and regions.</p>	<p>The Chamber recognizes that humans are contributing to our changing climate and that practical, flexible, predictable and durable policies to address climate change are needed. The Chamber believes an effective climate policy should support a market-based approach to accelerate GHG emissions reductions across the US economy; leverage the power of business; maintain US leadership in climate science; embrace technology and innovation; aggressively pursue energy efficiency; promote climate resilient infrastructure; support trade in US technologies and products; and encourage international cooperation. The Chamber actively supported US participation in the Paris Agreement and served in observer status during COP26.</p>	<p>Delta recently joined the US Chamber's Task Force on Climate Actions, which was established by member companies seeking to influence the climate policy positioning of the Chamber from within and provides a platform for direct business engagement with diverse stakeholders influencing climate policy development. Through the Task Force and in other forums, Delta advocates for climate policies that support our sectoral interests, such as incentives for SAF and related research and development to support advanced propulsion systems and next generation fuels. Additionally, given our international regulatory regime, Delta elevates the importance of international cooperation through ICAO.</p>

IV. CLIMATE LOBBYING ACTIVITIES (cont.)

Business Roundtable (BRT)		
About	Climate Change Position	Areas of Influence & Alignment
<p>BRT is an association of chief executive officers of America's leading companies working to promote a thriving US economy and expanded opportunity for all Americans through public policy. For more than 45 years, the membership of BRT has applied CEO expertise to the major issues facing the nation.</p>	<p>The BRT believes that to avoid the worst impacts of climate change, the world must work together to limit global temperature rise this century to well below 2 degrees Celsius above preindustrial levels, consistent with the Paris Agreement. The BRT also acknowledges the Intergovernmental Panel on Climate Change's 2018 report limiting warming to no more than 1.5 degrees Celsius compared to preindustrial levels will be necessary to avoid some of the most severe risks associated with climate change. The BRT supports a goal of reducing net U.S. GHG emissions by at least 80 percent from 2005 levels by 2050.</p> <p>The BRT has called on the United States to adopt a more comprehensive, coordinated and market-based approach to reduce emissions, in a manner that ensures environmental effectiveness while fostering innovation, maintaining US competitiveness, maximizing compliance flexibility and minimizing costs to business and society. The BRT has also developed a suite of principles by which US climate policy should be guided, including but not limited to the following: align policy goals and GHG emissions reductions targets with science; increase global engagement, cooperation and accountability; provide for adequate transition time and long-term regulatory certainty; and ensure that US policies account for international emissions reduction programs.</p> <p>In the run up to COP26, the BRT released a global call to action statement urging governments to advance a suite of carbon mitigation tools inclusive of carbon pricing through robust international cooperation.</p>	<p>Delta's CEO is a member of the BRT. In addition, Delta participates in the BRT's climate, environmental and governance committees at a staff level and leverages the organization for direct engagement opportunities with diverse stakeholders influencing climate change policy. We are appreciative of the BRT's recognition that while a market-based climate strategy should apply broadly across the economy, no one policy or approach can fully address climate change across such a diverse economy and such diverse sources of GHG emissions.</p> <p>The BRT's formal policy also notes that in unique circumstances, non-duplicative, tailored policies may be more effective or administratively feasible. For example, some emissions sources may face unique technological challenges or are subject to separate international agreements to limit emissions, such as CORSIA. Additionally, verifiable offsets complement a market-based approach and can be an effective tool for taking advantage of the full range of GHG emissions reduction opportunities across the global economy. Such opportunities could include cost-effective nature-based solutions with the potential to sequester carbon and improve soil health while also improving farmers' livelihoods.</p>

IV. CLIMATE LOBBYING ACTIVITIES (cont.)

American Fuel & Petrochemical Manufacturers (AFPM)		
About	Climate Change Position	Areas of Influence & Alignment
AFPM is the leading trade association representing the fuel and petrochemical manufacturing and refining industry.	<p>AFPM is committed to engaging in the discussion and development of sound climate change policies. The association acknowledges climate change is real and is committed to the development of sound policies that enable its members to supply the fuel and petrochemicals that growing global populations and economies need to thrive, and to do so in an environmentally sustainable way. Policies addressing climate change must be:</p> <ul style="list-style-type: none">• Balanced and measured to improve quality of life, ensuring the long-term economic, energy, and environmental needs of humanity are met;• Protective of US competitiveness and prevent the shifting of production, jobs, and emissions from the United States to other countries;• Harmonized, preemptive, and economy-wide;• Simple and transparent; and• Achievable and flexible to adjust as necessary.	<p>Monroe is a dues-paying member of AFPM, and it has a representative on AFPM's board of directors (as do all other members) and on AFPM's Executive Committee. Monroe also has representatives on issue-specific committees, including environmental, fuels, and government relations.</p> <p>Monroe works alongside AFPM to advance policies that mitigate the economic hardship of RFS compliance as well as a diverse array of matters impacting the overall industry.</p> <p>From a climate change lens, Monroe is working with AFPM to increase its thought leadership and engagement on the role the refining industry can play in the decarbonization of hard-to-abate sectors like aviation and heavy-duty trucking, including with respect to the role of SAF. As the fuel and petrochemical industries transition toward more sustainable fuels and feedstocks, Monroe's engagement in AFPM provides opportunities for Delta to send further demand signals for SAF production and to build relationships with prospective SAF producers as well as a platform for Monroe to explore potential SAF production pathways.</p>

IV. CLIMATE LOBBYING ACTIVITIES (cont.)

Analysis of Misalignment

We have evaluated the lobbying activities of the trade associations above for misalignment with our Paris Agreement-aligned climate goals. We analyzed misalignment based on (i) whether the trade association has a climate position that supports the achievement of net zero emissions by 2050 and/or temperature goals of the Paris Agreement and (ii) whether specific trade association climate lobbying activities were consistent with our climate goals. The aviation-specific associations in which we are members have expressed strong support for achieving GHG emissions reductions in line with the Paris Agreement, with both A4A and IATA adopting ambitious goals for reduction/elimination of carbon emissions. The advocacy efforts of A4A and IATA are geared toward advancing government policies and regulations that will support achieving these goals and opposing potential measures that would be harmful or counterproductive to achieving these ambitions. Areas of perceived misalignment most likely relate to differences in approach, rather than misalignment on goals and outcomes. Below are some illustrative examples, which we believe are consistent with our climate goals.

- ✓ We believe CORSIA is an important early step in advancing the aviation industry's path toward net zero emissions, although we acknowledge it will be insufficient to achieve that goal. However, this multilateral, global approach, like the Paris Agreement, is preferred to a patchwork of regional and jurisdictional approaches that may result in duplicative measures covering the same emissions. A4A and IATA have advocated for the continued use of 2019 as a baseline for calculating the offset obligations beyond the pilot phase of CORSIA, rather than the originally agreed average of 2019 and 2020 in order to ensure the viability of and continued global support for CORSIA. Given the unprecedented collapse of global aviation demand in 2020, many international airlines could not support offset obligations based on a 2019-2020 baseline.
- ✓ A4A and IATA have generally opposed SAF mandates because they have not been well-designed to ensure a sufficient supply of SAF at competitive market prices and avoid competitive distortions. This opposition reflects the aviation industry's concern that mandates, rather than incentives designed to encourage supply and reasonable pricing, will not support the industry's ambitious decarbonization goals.

- ✓ A4A and IATA have opposed "environmental" taxes and fees where the revenue collected goes to national treasuries rather than aviation climate mitigation efforts, resulting in increased costs for travelers and the industry without corresponding benefits for the climate. Increased costs to industry also reduce the ability of airlines to invest in new and more fuel-efficient aircraft and technologies.
- ✓ A4A and IATA advocate for globally aligned and coordinated measures to ensure that applicable measures are most effective and efficient and that airlines do not "pay" multiple times for the same tonne of emissions. Without global harmonization, a patchwork of regional or national measures would only serve to increase the administrative burden and cost for airlines that often operate across multiple jurisdictions and distract from the sustained investments required to achieve long-term decarbonization.
- ✓ IATA has opposed per flight emissions disclosures at the national level and urged that any such requirements use a standard international methodology, which IATA is currently developing, due to variance in emissions methodologies by state that could lead to inconsistent and non-comparable disclosures.

With respect to Delta's non-aviation specific trade associations, the US Chamber has not specifically taken a public position on the stated temperature goals of the Paris Agreement, which is misaligned with Delta's climate goals; however, the Chamber has developed a clear climate change policy position and actively supported US participation in the Paris Agreement, while facilitating direct business engagement during COP26. The BRT also facilitated business engagement during COP26 and its climate change position indicates alignment with the stated temperature goals of the Paris Agreement, but its current 2050 ambition is not a net zero goal.

There are some areas of misalignment from the lobbying activities of these two organizations. For example, both the Chamber and BRT recently opposed, on tax policy grounds, the Build Back Better legislative package, which contains a variety of climate change related provisions, including incentives to support SAF development, which Delta actively supports.

IV. CLIMATE LOBBYING ACTIVITIES & V. CONCLUSION

Notably, both organizations were criticized by NGOs and other groups for this opposition. Delta took independent action and actively advocated in favor of the SAF provisions within the Build Back Better package, consistent with our climate policy principles. As noted in the table above, we are working from within the Chamber through its Climate Actions Task Force, for example, and we are actively engaging the BRT to constructively influence climate change policy solutions through multi-sectoral engagement.

With respect to Monroe's trade association engagement, AFPM has not specifically taken a public position on the stated temperature goals of the Paris Agreement nor actively engaged in the COP process; however, AFPM has developed a climate change policy position, reflected in the table above. This lack of clarity and engagement regarding the Paris Agreement's temperature goals has resulted in criticism from NGOs and certain other organizations and is misaligned with Delta's climate goals. As with the Chamber and BRT, there are also specific areas of misalignment with respect to recent lobbying activities, including AFPM's opposition to certain climate provisions of the Build Back Better package. Delta actively advocated in favor of the SAF provisions within that package, as noted above. While there are areas of misalignment, Monroe believes that its engagement with AFPM has helped facilitate increased thought leadership and engagement within the association around the role of SAF and other clean fuel solutions for hard-to-abate sectors like aviation, which is supportive of Delta's SAF goal. Additionally, as the operator of an independent refinery, Monroe has utilized its membership in AFPM as part of its RFS compliance and risk mitigation strategy to seek permanent reform to the RFS program for the reasons explained in the prior section.

We believe our participation in diverse sectoral as well as multi-sectoral industry organizations, given our ambitious climate goals, helps positively influence the development and execution of climate policy positions and advocacy efforts. Participation in industry trade associations facilitates identification, assessment and mitigation of risks and maximization of opportunities associated with emerging policy issues through constructive internal engagement and external advocacy, as appropriate. With the publication of our climate policy principles, we are sharing our expectations for climate advocacy with our trade associations and other stakeholders.

While we do not always agree with the views or tactics of these trade associations, we believe they provide a valuable opportunity to understand the perspectives of various industry participants as we develop and evolve our advocacy strategy. We are committed to engaging in the collaborative problem-solving process and to working with our industry peers and other organizations in these political frameworks. Where we disagree with one or more of these trade associations on a matter tied to our strategy, we have in the past taken, and may in the future take, independent actions to mitigate any risks an association's actions may present to our strategy. As the aviation and fossil fuel industries transition toward more sustainable climate solutions, Delta is evaluating operational pathways for integrating Monroe into a net zero future and plans to continue to evaluate trade association climate policy positions and look for opportunities to drive constructive change to facilitate advancement of our climate goals.

V. CONCLUSION

Delta appreciates that many factors surrounding our ambitious climate goals are outside our control and will require significant capital investment, government policies and incentives, dedicated research and development and the transformation of some of the world's largest industries. As highlighted in this report, one critical component of the advancement and ultimate achievement of our climate goals is effective public policy engagement, including direct and indirect lobbying activities. Delta remains committed to being a voice of leadership on climate policy issues, including through trade associations.



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