NO ONE BETTER CONNECTS THE WORLD.
Overview

• Investments in Employees, Customers, and Communities

• Delta’s Domestic Network

• Delta’s International Network and the Importance of Joint Ventures
Investing in Our People

"The way our people care for each other and our customers, along with the spirit of servant leadership, defines our unique culture."

- JOANNE SMITH, EXECUTIVE VICE PRESIDENT AND CHIEF PEOPLE OFFICER
The average Delta employee’s base pay has increased **46%** since 2013, a **$1.5 billion** investment. Delta’s October 2019 pay raise is the **7th increase in 7 years.**

**Base Pay Increases Outpace Cost of Living Increases**

*Delta provided two base increases in 2015 – April (4.0%) and December (14.5%)*
Investing in Our Customers
We are ranked the world’s most reliable airline by The Wall Street Journal, FlightGlobal and others.

- 85.7% on-time performance
- 99.6% completion factor
- 1.8x fewer lost bags than the industry
Investing in Our Customers

Leveraging technology to transform the travel experience.
Investing in Airports

Together with our airport partners, we are undertaking over $12 billion in airport projects across the country.

**SEA:** International arrivals facility to unlock the city’s strong growth potential

**LAX:** Plan to modernize, upgrade and securely connect Terminals 2, 3 and TBIT

**SLC:** Redevelopment to create an amenity-rich, connection-friendly terminal

**ATL:** Project to modernize gates and other areas within concourses T, A, B and C

**LGA:** State-of-the-art facility to serve the world’s business capital
Delta’s Domestic Network
Delta’s Joint Ventures and Equity Investments

- **~$3B Joint Venture**
  - 10% equity stake in Hanjin-KAL

- **~$1B Joint Venture**
  - 9% Equity stake

- **~$11B Joint Venture**
  - 49% Equity stake

- **Pending ~$1B Joint Venture**
  - 49% Voting Interest

- **Expanded JV of ~$13B**
  - (Launching January 1, 2020)
  - Virgin Atlantic
  - ~$3B Joint Venture
  - 49% Equity stake
  - ~$11B Joint Venture
  - 9% Equity stake

- **~$3B Joint Venture**
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- **~$1B Joint Venture**
  - 3% Equity stake

- **Planned Future ~$2B Joint Venture**
  - Tender Underway for 20% Equity Stake

Note: WestJet JV subject to government approvals; LATAM JV and equity stake are subject to tender completion and government approvals; Aeromexico is non-controlling 51% equity interest (voting by foreign shareholders limited under Mexican law).
Why Joint Ventures?

• No carrier can operate to every destination in the world
  – Aviation laws prevent carriers from operating domestic flights within other countries
  – Foreign ownership rules prohibit U.S. carrier acquisition of foreign carriers

• As a result, U.S. carriers partner with foreign airlines to offer a global network

• Carriers that would like to form a joint venture must apply to the U.S. Department of Transportation (DOT) and be granted antitrust immunity ("ATI") from the DOT
Consumer and Community Benefits of Joint Ventures

Two decades of published research has shown that joint ventures with DOT granted antitrust immunity:

- Increase international and domestic service to U.S. cities;
- Increase international competition among alliances;
- Reduce fares; and
- Increase customer convenience
By Connecting Networks, Joint Ventures Increase Service to U.S. Cities

Notes: Destinations in North and South America served by Delta from Atlanta; destinations in Europe, Africa, Middle East and Asia served by Air France from Paris. Transatlantic region includes Europe, Africa, Middle East and the Indian Subcontinent (Bangladesh, Nepal, Maldives, India, Pakistan and Sri Lanka).
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Joint Ventures and the DOT’s ATI Policy are Under Attack