



Capt. Steve Dickson
Senior Vice President –
Flight Operations

MEMO

To: All Delta Pilots
Date: January 8, 2015
Re: **2015 - A Look Ahead**

Thank you for your continued outstanding leadership, professionalism and service to our customers in 2014. We made tremendous progress during the past year and our performance was record-setting on many levels thanks in large part to the strong foundation you have helped to build. Together, we accomplished 38 out of 51 very challenging corporate Flight Plan goals in 2014 and made significant progress on almost all the others. Delta and its employees continue to be recognized by global industry observers and analysts as the industry's leaders. We now have the opportunity and responsibility before us to widen our lead in the coming year by working even more diligently together.

2014 Accomplishments

Investments in you, our operation and our technology—as well as your leadership and commitment to excellence—have continued to produce industry-leading results. In 2014 we:

- Achieved record-setting safety and operational performance, including the #1 position in all key DOT performance metrics among network carriers and a record 95 days with zero cancellations
- Recorded \$4.5 billion in pre-tax income, a 70% increase year-over-year with four points of margin expansion and over \$3 billion of free cash flow
- Delivered compensation well above our global competitors through a combination of fixed and variable compensation
- Ordered 50 new international widebody aircraft to better align our long-haul fleet with evolving opportunities in the marketplace
- Hired 960 pilots and upgraded 565 first-time captains to support Delta's growing network
- Deployed electronic tablet devices to enable you to begin the transformation to paperless flight deck operations
- Developed the Flight Operations "Inside Our Business" series to provide you, as Delta owners and significant stakeholders, with better insight into how and why decisions that affect us are made and how we as pilots contribute to Delta's success in achieving the goals in the annual Flight Plan
- Led the industry in the implementation of ATC system improvements, such as the development of more efficient departure and arrival procedures, as well as new wake turbulence separation criteria with a focus on our major hubs

Widening Our Lead in 2015

Please review Richard's January 1st letter to all employees for his review of 2014 as well as an overview of the corporate goals in the 2015 Flight Plan.

As the boss says in his note to us, we can't stop now—in fact, we have to redouble our efforts in order to widen our lead. As we know all too well, our industry is littered with failed and struggling companies who rested on their laurels after experiencing some success. Now that we have had some success, we have a big target on our backs. Our competitors are trying to replicate what you have been doing so they can catch up to Delta, and we must continue to elevate our game. Here's how we will widen our lead in 2015:

- Work with our colleagues to engage Delta customers whenever possible while always keeping safety first
- Continue to embody the core elements of Delta's brand – being thoughtful, innovative and reliable – in everything we do as frontline leaders of the operation
 - Our customers respect your authority, leadership and professionalism; please leverage these positive attributes every time you get the chance—we want you in front of our customers
- Continue to pursue operational efficiency gains without compromising safety
- Improving our operational recovery processes and communication during irregular operations
- Hire, upgrade and train pilots to support operational reliability as well as network and fleet growth—including the delivery of four A330-300 IGW aircraft and accelerated narrowbody deliveries
 - The January Advance Entitlement bid began this process in a big way, with the opening of the SEA 73N and NYC 330 bases, as well as the posting of 191 new captain positions
- Enhance the current Pilot Activity Statement (PAS) available on DeltaNet to a more comprehensive, user-friendly version that makes it easier for you to track all components of your pay, hours and productivity in an individual performance dashboard format
- Prepare for the operational induction of the A350
- Develop the usability and operational functionality of the electronic tablet devices
- Enhance our communications with you by better understanding your preferences in how and when you want to receive information from Flight Operations
- **Complete negotiations on a new Pilot Working Agreement prior to the amendable date**

No doubt these are aggressive goals, but I know we are up to the task. It is an honor to work with the finest group of pilots in the world, and it is my privilege to serve you. Thank you for everything you are doing, and I look forward to the next leg of our journey together.

Fly safe and Happy New Year.

Sincerely,
Steve