



Corporate Responsibility

With tens of thousands of employees worldwide, we understand that our responsibility as a global citizen begins with our own people and extends to communities around the world. Our sustained investment in responsible business practices takes many forms—from ethical governance to our commitment to diversity and inclusion, to our focus on safety, the environment and giving back to our communities. We continuously strive to make a positive impact in the lives of our customers, employees and shareholders, and in the communities and environments where we live, work and play.

About American Airlines

As a global airline, we promote commerce, trade and economic prosperity, as well as a sense of global community and citizenship. Our business affects the environment around us, and we are committed to being good stewards by minimizing our environmental footprint.

• Message from the CEO

For 87 years, American Airlines has served both the flying public and the communities we call home. We've adapted to changes in the marketplace, developed new technologies to improve air travel, responded to adversity and perhaps, above all, served as a bridge between cultures and people from every corner of the globe.

But in our long history we've never quite experienced a period of change like the past year and a half.

We entered 2012 with the unique opportunity to restructure and renew our business; to restore profitability; and to put American on the path to future success. Over the year, we have executed that restructuring plan. We revived our fleet as we took delivery of 30 brand new aircraft, including Boeing 737-800s and Boeing 777-300ERs - the first of hundreds more to come that will help American to meet its long-term greenhouse gas reduction goals. These new planes are packed with the latest technologies, like Wi-Fi on every plane and the finest amenities, such as lie-flat seats and extra legroom, that will keep our customers connected and comfortable, anywhere they fly. We revived our terminals and our lounges and devoted greater attention to a truly premium experience for our highest value customers. We expanded our network both in the United States and overseas with the addition of 20 new flight routes and the introduction of new alliances with 13 airlines. And we renewed the iconic American brand with a new livery for our planes.

We also successfully completed new agreements and contracts with our labor unions, restructured debt and negotiated more favorable lease and supplier contracts. These improvements contributed to a record-breaking revenue performance of \$24.9 billion in 2012.

The path to a new American was, however, not always a smooth one. We made workforce reductions and re-optimized our fleet and facilities, renegotiated leases, supplier contracts and achieved more competitive labor contracts. Taken together, these efforts put American's house in order and positioned us well for the future. We thank all of our employees and our other stakeholders for their dedication to the difficult task of restructuring, but also for their confidence in the future of the New American Airlines.

The final piece of the puzzle came in February, 2013. After months of reviewing a range of options we concluded that a merger with US Airways was the best next step for our company.

This new American Airlines will combine the best of US Airways and American to create value for our owners but also a better flight experience for our customers and new opportunities for our partners and our people. We expect the merger to close in the third quarter of this year, subject to regulatory approvals, approval by US Airways shareholders, other customary closing conditions and confirmation and consummation of the Plan of Reorganization.

With the largest, best connected global network, strong hubs, the top alliance partners, one of the most modern and efficient fleets in the industry, a solid financial foundation and the finest team of people in the industry, we will be the leading global airline, worthy of the name American Airlines.

With a sound cost structure and balance sheet, unmatched network scale, and important flexibility in our network and fleet, this new merger will give us the opportunity to leapfrog the competition and return to a position of industry leadership.

We have no illusions that this will be easy or painless. Both the U.S. domestic airline industry and international marketplace will remain extremely competitive. There will be significant challenges in merging the operations and people of both our airlines. This transition will be long and at times difficult. However, working alongside colleagues from US Airways I believe we will be able to put the pieces in place to create a more successful and effective new American.

Even during this period of extraordinary and unprecedented change, our devotion to the values that have always defined American Airlines will remain constant.

This means a continued dedication to guaranteeing that safety remains our number one priority; to further reducing greenhouse gas emissions; to ensuring that our commitment to diversity and inclusion is manifested in all of American's workplaces; and to giving back to the communities in which our 80,000 employees work and live.

We will be building off a strong foundation. In 2012, we met or exceeded many of our key company-wide goals. On the issue of safety, our company-wide safety management system (SMS) achieved Level 4 Certification from the FAA—the highest level of achievement with respect to completeness and integration into operations and one that far surpassed our goal of advancing beyond Level 2 certification.

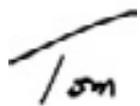
We also updated our standard safety training for all employees and piloted a job hazard analysis program at our Tulsa maintenance facility in order to minimize health and safety risks for our people.

Our focus on environmental protection resulted in decreased greenhouse gas emissions and improved energy efficiency in 2012. This year we set a goal of achieving a 146 million gallon annual rate of fuel savings through our Fuel Smart program – a total that we were able to outdo. These achievements come at a time when the price of fuel continues to rise and the challenge of climate change is becoming even more urgent. In recognition of these efforts, American received — for the third consecutive year — the best rating among U.S. airlines in the annual Newsweek Green Rankings. While we have still not fully reached our emission targets, ongoing efficiency measures as well as American's new energy-efficient fleet have put us on the right track to achieving them.

Finally, through our Global Giving priorities we have maintained our commitment to the communities we serve. In 2012 our customers donated nearly \$7 million and our employees contributed an additional \$750,000 and logged more than 38,000 hours of service to a series of charitable efforts, including Kids In NeedSM initiatives; military and veterans programs like our annual Sky Ball fundraiser and Snowball Express, which assists the children and spouses of fallen military heroes; breast cancer awareness and research; and disaster aid and relief.

No matter what the future holds, American Airlines will continue to uphold the highest standards of corporate responsibility. It is, and has been, core to our company since American was founded.

For nearly 90 years, American has sought to be the most successful airline in the world; but also one that marries its business goals to a basic set of values and corporate responsibilities. Indeed, as we've learned over the years no company can have one without the other. By remaining true to our values we have put American in a position to enjoy many more years of success – and I can assure you that things will remain that way as the new American prepares to take flight.



Tom Horton, Chairman, President and CEO of AMR Corporation and American Airlines

[For additional information, view this disclaimer.](#)

• Profile and fast facts

Company profile

AMR Corporation is the parent company of American Airlines and American Eagle Airlines. Headquartered in Fort Worth, Texas, we are one of the largest airlines in the world. American Airlines is also one of the largest scheduled air freight carriers in the world, providing a wide range of freight and mail services onboard American's passenger fleet.

AMR fast facts

In 2012, American Airlines and American Eagle:

- Welcomed more than 100 million customers onboard our aircraft
- Safely flew our customers to 273 domestic and international locations in 51 countries and territories
- Coordinated more than 3,500 departures every day
- Took delivery of 30 new aircraft (28 737-800s and two 777-300ERs)
- Announced 22 network agreements, including American's expanded international service to Latin American, Mexico, Europe and Asia

Announcing a new look



American Airlines logo featuring the text "American Airlines" in a dark blue font, followed by a stylized eagle head icon in blue, white, and red.

• Performance and goals

Corporate responsibility performance

Corporate responsibility is a term that is often used to cover a broad range of issues—from safety performance to customer service, from community engagement to governance

and ethics. Over the past few years, we have worked to refine our understanding of the key issues that are of the highest importance to our stakeholders and our company. These issues include our short- and long-term financial viability; customer safety, service and satisfaction; employee and labor relations, including diversity; our climate impacts as related to energy use and greenhouse gas emissions; and our impact on the communities where we live, work and play. We focus on these issues in setting goals and targets and in determining what topics to include in our reports.

Goals and progress

We are pleased to present the progress we've made toward meeting our 2012 goals for customer service and safety, environmental performance, and employee and community engagement.

2012 goals

Goals	Progress
Customers - We seek to earn customer loyalty by consistently exceeding our customers' expectations.	
Advance beyond level 2 in 2012 for all departments associated with our Safety Management System (SMS)	All departments associated with SMS have advanced to Level 4
Focus investments in maintenance, airport resources and technology to improve on-time arrival and baggage handling	We improved baggage handling rates at American by 18 percent and by 21 percent at American Eagle We increased American Eagle dependability by 5.2 percentage points, while dependability at American decreased by 0.9 percentage points.
Continue to develop and deploy customer travel innovations	We launched new pricing options that package popular services into three simple packages We began rollout of Self-Tag baggage options at select domestic airports We launched new mobile apps
Provide additional options to allow for customization of the travel experience for our Main Cabin customers	We continued to use "Choice Bundles" to offer customers clearly priced travel options
Focus investments to target Premium Customers	We introduced inflight amenities such as fully lie-flat seats and a walk-up bar in First and Business Class cabins on the new Boeing 777-300ER aircraft We refreshed menu selection and updated amenities for First and Business Class customers on international flights
Continue to strengthen our global network to serve customers' travel and connectivity needs	We announced new or expanded alliances with 13 airlines We maintained our joint businesses with British Airways, Iberia, JAL and Qantas We coordinated more than 20 network announcements including American's expanded international service to Latin American, Mexico, Europe and Asia
Add airberlin to the oneworld® alliance in 2012	airberlin joined the oneworld alliance
Improve the Customer Experience as demonstrated by key metrics resulting in greater financial rewards for employees	Although the Customer Experience Rewards program was discontinued as part of the restructuring process, we have continued our Customer Cup and quarterly recognition events, and we will continue to explore other creative ways to recognize and reward our employees for improving the travel experience of our customers
Environment - We act as good environmental stewards and implement innovative ideas and wise investments to minimize our environmental footprint.	

Enhance our reputation as an industry leader in environmental performance	AMR was the top ranked airline in Newsweek's 2012 ranking of top 500 companies for third year in a row. We ranked second in the Transportation & Logistics sector and 88th overall We partnered with Boeing to successfully pilot the 737-800 eco-Demonstrator program for reduced fuel consumption and noise
Achieve a 146 million gallon annual rate of fuel savings through our Fuel Smart program	Fuel Smart ended the year with an annual run-rate of 147 million gallons for fuel savings
Increase Utility Management Council energy savings to \$13 million annually	We increased energy savings to \$13 million annually by continuing to implement energy efficiency projects and programs including upgrading the chiller at our headquarters
Implement data collection systems to better track waste minimization efforts	We captured the results from recycling efforts at our international stations, which totaled more than 2 million pounds
Achieve an Annualized Waste Minimization Rate of two million pounds	We achieved an Annualized Waste Minimization Rate of 2,036,965 pounds by the end of 2012
Continue improving CO2 efficiency of aircraft by 30 percent between 2005 and 2025	Our progress lags 2.6 points behind our long-term goal; however, as we introduce new aircraft and replace older, less efficient aircraft, our performance should improve. Lower cargo traffic also hurt 2012 performance (see full explanation in environmental section) We took delivery of 30 new aircraft in 2012 (28 737-800s and two 777-300ERs), putting American on track to have the youngest, most fuel-efficient fleet among U.S. network carriers by 2017
Reduce water consumption by 30 million gallons	We reduced water consumption by 21.8 million gallons, but a five percent increase in consumption at the Tulsa base offset gains in conservation at other facilities
Our People - <i>We strive to make our company a good place for good people to work and build a career by creating and maintaining a safe, collaborative, inclusive and respectful work environment.</i>	
Continue investing in enhancing workforce diversity	We held our fourth annual Business of Diversity conference with the theme "My American - Creating Our Future through Inclusion." We rolled out the Value of Respect Training (Version 3) to most domestic employees. We maintained our strong diverse representation among all levels of management despite a difficult restructuring process
Reach 40 percent employee participation rate in wellness programs, including health assessment and screenings	Our overall participation was below 40 percent, although participation by some workgroups exceeded this level
Implement an integrated safety refresher training for all management employees	We extended the safety refresher to 100 percent of front-line managers, with Web-based training for all people.
Reduce Lost Work Case injuries by five percent year-over-year	Although the vast majority of our workgroups met this goal, two did not. We expect to meet this goal moving forward
Receive no OSHA repeat citations in 2012	We received no OSHA repeat citations in 2012
Redouble efforts toward goal of zero fatalities	American and American Eagle experienced no fatalities in 2012
Maintain quality leadership training that is valued by employees. Achieve at least 75 percent of students rating leadership learning experience as excellent or very good	We provided "Making the transition" four-part training course for newly promoted managers Over 90 percent of students rated the leadership learning experience as excellent or very good
Progress on our business plan to restore American to industry leadership, profitability and growth and create the best outcome for the greatest possible number of people	We successfully renegotiated labor contracts We retained a workforce of nearly 81,000 people, while positioning our company more competitively in the airline industry We realized improved revenues and efficiencies
Communities - <i>We are a part of the communities we serve and are deeply committed to supporting important causes and local economic development.</i>	
Continue investing in new infrastructure projects and upgrades to existing facilities	We invested nearly \$70 million in 48 locations in the U.S. and abroad

Expand and strengthen the Diversified Supplier Program in cornerstone markets	<p>We expanded our presence in hub market by joining local Minority/Women Business Enterprise groups</p> <p>We strengthened our presence in hub markets by attending local business expos to encourage suppliers to connect with American via our Supplier Diversity program</p>
Reach \$1 million in donations through American Giving	We received \$733,000 in donations through the American Giving workplace portal
Increase reported volunteer hours to 50,000	Our employees logged 38,000 volunteer hours
Increase by 10 percent overall participation in both employee giving and volunteering	We did not achieve this goal
Continue support for American's four primary giving focus areas	We continue to organize our engagements into four key categories
Expand Kids in Need SM program to include all children's charities under the Kids in Need umbrella	We consolidated our children's initiatives, both corporate- and employee-led, under the Kids In Need SM program to maximize efficiency and impact
Continue customer messaging, promotions and general awareness campaigns	<p>Our JoinUs website on AA.com received half a million pages page views</p> <p>Approximately 60,000 customers participated in one of our donation programs</p>
Promote customer giving through social media channels	Select campaigns were featured in social media channels, including a USO fundraising campaign that reached 117,000 followers via Facebook and 2.2 million impressions on Twitter
Engage communities to help them better prepare for disaster relief efforts	We trained 69 employees as first responders through the Mass Care Task Force, a joint venture of the Volunteer Center of North Texas, United Way, the American Red Cross and the Salvation Army

2013 goals

<p>Customers - <i>We seek to earn customer loyalty by consistently exceeding our customers' expectations.</i></p> <p>Safety Continue to improve our Safety Management System to meet any updates to federal requirements</p> <p>Customer Service Maintain progress in renewing our fleet with modern aircraft that offer customers an enhanced inflight experience</p> <p>Improve on-time arrivals and baggage delivery so that dependability rates are the best in 10 years</p> <p>Refresh and harmonize the training of front-line people that interact with customers, such as flight attendants and agents</p> <p>Equip flight attendants with technology to enable them to provide real-time customer-specific information</p> <p>Incorporate flexibility in our procedures so that employees have more latitude to resolve customer issues</p> <p>Offer customers greater access to international destinations around the globe by expanding our network and our oneworld partnerships</p> <p>Environment - <i>We act as good environmental stewards and implement innovative ideas and wise investments to minimize our environmental footprint.</i></p>
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Climate and Energy

Continue progress in our goal to improve CO2 efficiency of aircraft by 30 percent between 2005 and 2025

Increase the Fuel Smart run rate to 154 million gallons annually

Waste Minimization

Increase our Waste Minimization run-rate to 2.5 million pounds—an increase of almost 500,000 pounds

Expand onboard recycling of paper and plastic to all domestic stations with recycling programs

Transition the Wheel and Brake Shop at our Tulsa maintenance base to zero waste

Utilities Management

Increase annual savings of Utility Management Council projects to \$13.5 million

Complete Tulsa lighting replacement project

Continue to evaluate new energy efficient and environmentally preferable technology as it becomes available

Reduce annual water consumption at our major facilities to under 500 million gallons

Our People - *We strive to make our company a good place for good people to work and build a career by creating and maintaining a safe, collaborative, inclusive and respectful work environment.*

Training and Development

Improve the training and development of our people through better coordination and sharing of best practices among training departments

Update our company-wide learning management system and integrate the Maintenance and Engineering group into the new system

Health and Safety:

Reduce Lost Work Case injuries by five percent year-over-year

Wellness

Increase the Healthmatters Rewards earned by employees for participating in program options, such as health assessments and screenings

Diversity and Inclusion

Create a positive, inclusive work environment where our employees can thrive and develop — both professionally and personally – in the new American

Communities - *We are a part of the communities we serve and are deeply committed to supporting important causes and local economic development.*

Continue support for American’s primary giving focus areas

Engage customers and build loyalty through affinity messaging, promotions, social media and general awareness campaigns

Develop cross-focus area campaigns to build awareness of multiple corporate citizenship goals

Increase engagement, reporting and visibility of our community efforts at international locations for a true global perspective on our community relations efforts outside the United States

Enhance the workplace giving and corporate volunteering technology user experience to increase reporting of community engagement activities

Our Performance

Financial performance

AMR corporation revenue (in \$MMs)*	2012	2011	2010
Passenger (total)	21,657	20,671	19,087
- American Airlines	18,743	17,947	16,760
- Regional Affiliates	2,914	2,724	2,327
Cargo	669	703	672
Other**	2,499	2,605	2,411
Total operating revenue	24,825	23,979	22,170
Net loss***	(1,926)	(1,979)	(471)

*For additional financial information, please see our [Form 8-K](#).

**"Other" includes revenue derived from Admirals Club lounges, sale of miles to partners in the AAdvantage® program, service charges, sales of food and other items on our planes and American Way magazine advertising, among other revenue streams.

***Excluding reorganization and special items, the full-year net loss was \$130 million, a \$932 million improvement over 2011.

Environmental performance

	2012	2011	2010
Jet fuel consumption (millions of gallons)	2,723	2,756	2,764
Fuel savings through Fuel Smart (millions of gallons)	147	141	123
Direct energy from Jet Fuel (millions of gigajoules)	387	392	393
Indirect energy from electricity (millions of gigajoules)	2.7	2.7	2.7
Greenhouse gas emissions (thousands of metric tons CO ₂ e)			
- Scope 1 (direct)*			
- Scope 2 (indirect)	462	463	486
- Scope 3 (employee commuting & aircraft delivery)	175	123	-
Nitrous oxide (metric tons from landing/take-off cycle)	6,427	6,484	6,627
Sulfur oxide (metric tons)	4,467	4,525	4,557
Ozone-Depleting Substances (metric tons)	29.3	22.0	29.3
Recycled materials (tons)**	6,654	5,030	4,280
Waste			
- Regulated waste, including hazardous waste and universal waste (tons)	1,226	1,185	1,338
- Non-regulated waste for hubs, maintenance and HDQ facilities only (tons)***		-	-
Water consumption for AA major facilities excluding airports (millions of gallons; from municipal water supplies)	511.4	533.2	546.2
Noise (cumulative margin below Chapter 3 noise limit)	-3.92	-3.97	-3.93
Environmental fines and penalties (amount in thousands of dollars)	\$4.5	0	0

*Scope 1 GHG emissions have been restated for 2011 and 2010 to reflect updated jet fuel factors, as published on the EPA Climate Leaders website. 2012 emissions figures incorporate the new jet fuel factors.

**Increase in recycling reported can be partially attributed to better tracking of data

**Non-regulated waste from hubs was reported in 2012 for the first time as part of the total non-regulated waste figure. The majority of non-hazardous waste is land-filled.

Our people and community service

	2012	2011	2010
Global workforce (as of December 31 of each year)	80,987		
Attrition rate (percent)			
AMR total exits	15.5	7.5	-
- Voluntary	9.0	5.1	-
- Involuntary	6.5	2.4	-
American Airlines total exits	14.3	5.1	-
- Voluntary	8.1	3.6	-
- Involuntary	6.2	1.5	-
American Eagle total exits	18.3	15.3	-
- Voluntary	11.4	9.7	-
- Involuntary	6.9	5.6	-
Safety data			
- AA Injury Rate (Total recordable cases per 200,000 man hours)	7.5	7.1	7.9
- Eagle Injury Rate (Total recordable cases per 200,000 man hours)	7.8	6.3*	5.6
- AA Lost Day Rate	4.8	4.5	5.2
- Eagle Lost Day Rate	3.2	3.2*	2.2
- Fatalities	0	1	0
Global Giving			
- Giving by Our People and Our Customers	\$10.6 million	-	-
- Volunteer Hours	38,097	-	-

*Some safety figures for American Eagle are restated from the previous year to correct a calculation error

• Progress on restructuring

During the last year, AMR completed the majority of its financial restructuring, including reducing debt, renegotiating aircraft leases and facilities agreements, grounding older airplanes, rationalizing the regional fleet and renegotiating supplier relationships. After much work and compromise, we also have Court approval to move forward with implementation plans for all of our employee groups. We have completed restructuring plans for our independent employees guided by their input, and redesigned our management team to significantly reduce costs. We expect all of these actions to continue to improve our cost structure in 2013.

2012 restructuring highlights

- Achieved labor cost reductions across all workgroups, including management, independent employees and unionized workgroups, all of which ratified agreements for six-year terms. Progress was also made at American Eagle, which achieved costs savings and reached agreements with its unionized workgroups.
- Made changes to organizational structure to reduce management positions, making the management workgroup the leanest among U.S. network carriers.
- Renegotiated the financing terms for more than 400 mainline and regional aircraft. At the same time, we improved terms on these aircraft to significantly lower our aircraft ownership-related costs, while also harmonizing our aircraft retirement and new aircraft delivery schedules.
- Negotiated more than 95 percent of American's 725 facility leases.
- Evaluated and/or renegotiated over 9,000 vendor/supplier agreements.

We've seen strong evidence that our restructuring approach is working, as demonstrated by real improvements in our revenues and performance. Our focus now is to provide customers the industry's best fleet, strongest network and superior service—ambitious goals the people of American Airlines are prepared to meet.

For more information, please visit the [AMR restructuring website](#).

• Connecting the world

We have established five hubs to provide customers with easy access to hundreds of domestic and international destinations. We continue to expand our extensive system of routes and networks via participation in the **oneworld**[®] Alliance and through joint business agreements with partner airlines.

Hubs

- Chicago O'Hare International Airport (ORD)
- Dallas/Fort Worth International Airport (DFW)
- John F. Kennedy International Airport (JFK)
- Los Angeles International Airport (LAX)
- Miami International Airport (MIA)

[oneworld alliance](#)

The **oneworld**® alliance includes 13 of the world's highest quality and most respected airlines and offers customers one of the most attractive alliance networks. The **oneworld** alliance provides access to nearly 900 destinations in over 155 countries. The addition of airberlin in 2012 and of new member Qatar Airways in 2013 will further bolster American's global reach.

Learn more on the [oneworld](#) website.



[Joint business agreements](#)

Joint business agreements between American and our airline partners allow us to operate as a single carrier in specific markets. By coordinating schedules and pricing, and aligning policies and procedures, customers benefit by having more travel choices, access to discounted fares and enhanced frequent flyer benefits. American has joint business agreements with:

- British Airways
- Iberia
- Japan Airlines
- Qantas Airways

[Codeshare partners](#)

American continues to add and expand codeshare agreements with select quality carriers. Codesharing provides passengers access to additional travel options on American to destinations beyond our current network. For more information on our codeshare partners, please visit our [Codeshare Partners webpage](#).

[Our fleet](#)

As we evolve into a more modern airline, we continue to take significant steps to transform and enhance our fleet. Our goal is to have the youngest and most fuel-efficient fleet in the U.S. airline industry. Our fleet investment is the latest in a series of strategic investments that will enhance overall customer experience, as well as maintain and grow our market share.

For more information, please visit our [Fleet Renewal webpage](#).

Our Fleet

Mainline Fleet Facts*

Total operating mainline fleet **608**

Narrow-body

MD-80	190
Boeing 737-800	195
Boeing 757-200	102

Wide-body

Boeing 767-200ER	14
Boeing 767-300ER	58
Boeing-777-200ER	47
Boeing 777-300ER	2

Fleet order book

Boeing 737 Family	111
Boeing 737 Max Family	100
Boeing-777 Family	18
Boeing 787 Family	42
Airbus 320 Family	130
Airbus 320 NEO Family	130
Options for additional aircraft	523

*As of 12/31/12

Regional Fleet Facts*

Total operating regional fleet **281**

Owned regional carriers

American Eagle

Non-owned regional partners

Republic

Chautauque

SkyWest

ExpressJet

Regional Jets

Bombardier CRJ (200/700)	59
Embraer (135/140/145)	213

Turbo Props

Super ATR	9
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• About this report and feedback

We're pleased to share with you information on our environmental, social and economic performance. This 2012 Corporate Responsibility Report reflects the operations of AMR Corporation, the parent company of American Airlines and its regional affiliate, American Eagle Airlines, for the 2012 calendar year. As in previous years, we have used the Global Reporting Initiative (GRI) G3 Guidelines and continue to report at the GRI B Application Level.

In an effort to make our reporting as accessible as possible, we have developed this publication for a more general audience, including our customers, employees and the communities where we live and work. Specialist readers, such as sustainability professionals and socially responsible investors, can find in-depth responses to GRI indicators as well as additional data in the comprehensive GRI Index located on our corporate responsibility website.

We also encourage readers to refer to our [past reports](#) and American's [corporate website](#) for additional information on corporate governance and ethics, our process of identifying material issues, and the many ways that we engage with stakeholders.

Tell us what you think!

We welcome your feedback on our corporate responsibility efforts. Please contact Mr. Tom Opderbeck at tom.opderbeck@aa.com with your questions or comments. If you would like to comment on our service, you can find contact information on aa.com/customerrelations.

Archives

Here you can find archived reports from AMR.

[2011 Corporate Responsibility Report \(1.2MB, pdf\)](#)

[2010 Corporate Responsibility Report \(2.4MB, pdf\)](#)

[2009 Corporate Responsibility Report \(1.3MB, pdf\)](#)

[2008 Corporate Responsibility Report \(3.9MB, pdf\)](#)

[2007 Corporate Citizenship Report \(1.2MB, pdf\)](#)

[2007 Environmental Responsibility Report \(3.2MB, pdf\)](#)

Our customers

Our business has evolved in many ways throughout American's long history. We've increased the size of our company, adapted to new and complex operating environments, innovated powerful new technologies and positioned ourselves to manage the ever-changing risks and opportunities in our industry. Yet despite these changes, we remain true to our core mission: to provide a safe, enjoyable and memorable travel experience that consistently exceeds our customers' expectations.

We are confident that focusing our efforts in these areas while modernizing our fleet and continuing to increase our global network and **oneworld** alliance will help take our business to new heights.

• Safety and security

Safety Management System

We continuously advance our safety and security practices to provide our customers with a travel experience that is safe, efficient and worry-free. Our safety management approach combines robust employee training with cutting-edge safety technologies and key partnerships in the public and private sectors.

Ensuring the safety of our operations begins with our Safety Management System (SMS), which encompasses processes for the identification, analysis and mitigation of risks, hazards and incidents. Developed in cooperation with the Federal Aviation Administration (FAA), American's SMS is a combination of industry best practices implemented in all of our departments and operating units. In 2012, American's SMS achieved the FAA's highest level of implementation—Level IV or Continuous Improvement.

The foundation of our SMS is our Safety Culture, which strongly influences the way we work every day. We are committed to learning from our mistakes, reporting and addressing hazards before they cause harm, and maintaining a work atmosphere where our people are treated in a just and equitable way to encourage openness and accountability.

Immediate response procedures

The safety and well-being of our customers and employees is paramount. American's security department is developing an "Immediate Response" procedure, given high-profile and public incidents of gun violence in the past few years. Although the probability of actual incidents is small, this protocol will ensure that we are prepared to proactively assess and address the actions and statements of those people who might represent a threat.

TSA PreCheck for frequent travelers

American has continued its collaboration with the Transportation Security Administration (TSA) to expand the availability of expedited security screening for a select group of frequent travelers and crewmembers who opt-in to the PreCheck™ pre-screening program. First piloted at Dallas/Fort Worth and Miami International Airports, the PreCheck program continued to grow in 2012 and is now available in 38 of American's domestic airports.

• Customer service

It is our mission to enhance our customer's entire travel experience from start to finish through ongoing enhancements to our products and services. Based on our past successes and customer feedback, we are working to enhance our product and service offerings in key areas, including:

- **Fleet modernization** – Updating our fleet to provide customers with the most modern aircraft available
- **Customization** – Continually expanding our customers' ability to tailor travel experiences to their specific needs and preferences
- **Connected** – Engaging our customers in meaningful interactions with American's people while providing seamless connectivity to the digital world
- **Consistency** – Providing a positive, reliable travel experience for all of our customers

Fleet modernization

Most fundamental to the service we provide is the quality and scale of our fleet. In 2012, American took delivery of 30 new aircraft (28 Boeing 737-800s and two Boeing 777-300ERs), with nearly 60 additional aircraft scheduled for delivery in 2013. We are particularly excited to expand our international fleet with the introduction of the new 777-300ER, featuring exceptional inflight amenities such as fully lie-flat seats with all-aisle access and a walk-up bar for First and Business Class customers. In our domestic fleet, all new aircraft delivered later in 2013 will feature leather seats, Wi-Fi access, 110v power outlets, USB jacks and personal entertainment systems at every seat, as well as Main Cabin Extra seating with an additional four to six inches of legroom.

American's fleet modernization



Boeing 777-300ER Business Class cabin



Airbus A321 Main cabin

These latest fleet additions represent a major step toward our goal of operating the youngest fleet in the sky among the five largest U.S. airlines.

- Read more about the [Boeing 777-300ER](#).
- Learn about our [fleet renewal efforts](#).

- Find out how **oneworld** is [connecting the world](#).

Your Choice travel bundles

In recent years American has responded to increasing customer demand for customized travel options and pricing. In 2012, we continued to expand Your ChoiceSM travel options, which offer clearly-priced, á-la-carte service options, including “bundled” packages. Your Choice options give our customers confidence that their needs will be met, while allowing for greater control of travel costs. Options include:

- Priority Boarding
- Inflight Wi-Fi connection
- Main Cabin Extra seating with additional legroom
- Admirals Club[®] access
- AAdvantage[®] Mileage MultiplierSM
- Same-day flight change options

AAdvantage travel awards program

Since 1981, American has rewarded customer loyalty through the AAdvantage program. In 2012, AAdvantage members redeemed more than 175 billion miles to claim more than 7.4 million awards for flights, upgrades and other rewards.



Your Choice includes an Admirals Club one-day pass option

Admirals Club lounges provide unique atmospheres for travelers to work or relax at the airport

Connectivity during travel

An important theme in the evolution of our service offerings has been our customers' ability to feel connected—personally and electronically—throughout their travel experiences. We have placed increasing emphasis on a service model that provides our people with greater latitude in accommodating our customers' needs. The result has been a higher degree of customer satisfaction, especially in difficult situations such as flight delays or cancellations.

Leaders in innovation

With its prowess in creating new solutions to business and customer needs, American leads the airline industry in innovation. American has been issued more than 40 U.S. patents since 1994, for inventions that are helping to provide higher quality and more consistent levels of customer service.

Solutions include:

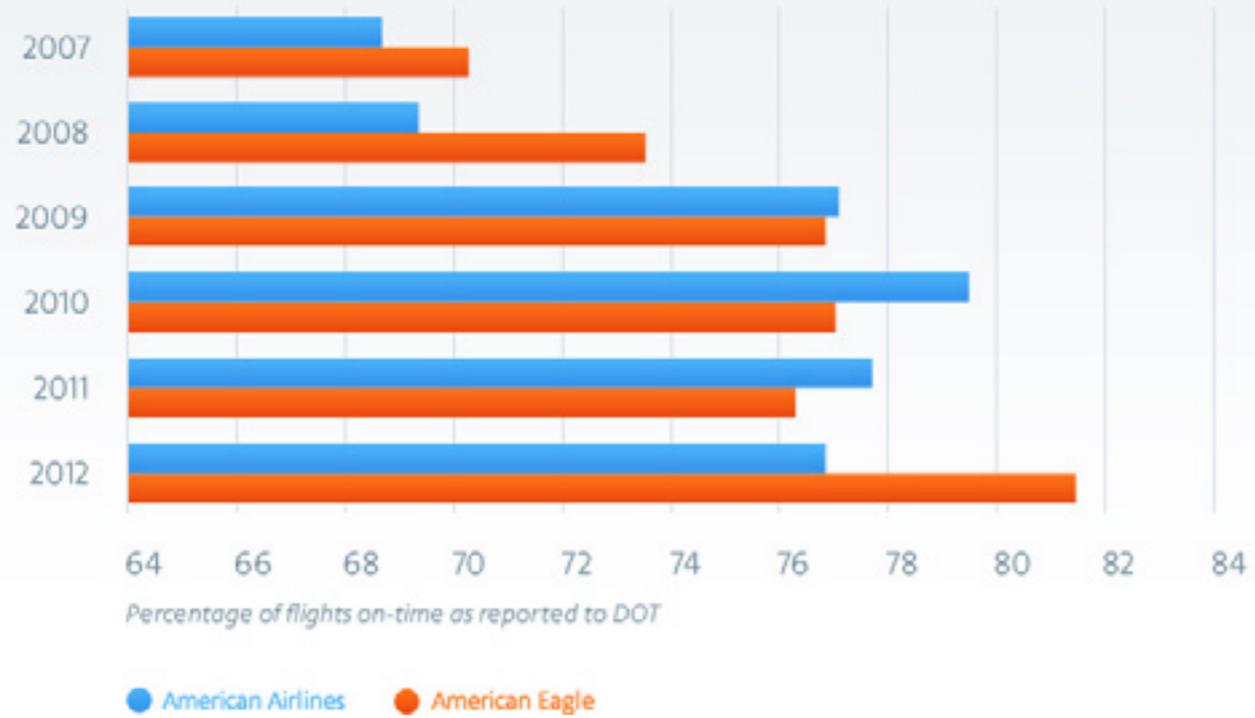
- a proprietary visual touch-screen application called **Vantage Point** that puts critical information on arrivals, departures, connections and customer data at the fingertips of tower control employees so they can make better decisions;
- a **Crew Recovery** application that automatically realigns crew flight schedules to ensure flights are appropriately staffed in case of weather delays or other disruptions, while observing FAA and contractual work rules; and
- the customer menu system, **Remember Me**, which instantly pulls up registered customers' reservations and anticipates information needed, such as gate assignments or changes to upcoming flights.

We have seen a positive response to the release of the American Airlines mobile app—allowing customers to keep boarding passes, flight information and AAdvantage account information at their fingertips. We've also increased inflight Wi-Fi access on domestic and select international routes, and have expanded our real-time customer engagement through social media platforms such as Twitter ([@AmericanAir](#)), [Facebook](#) and [YouTube](#).

Service consistency and dependability

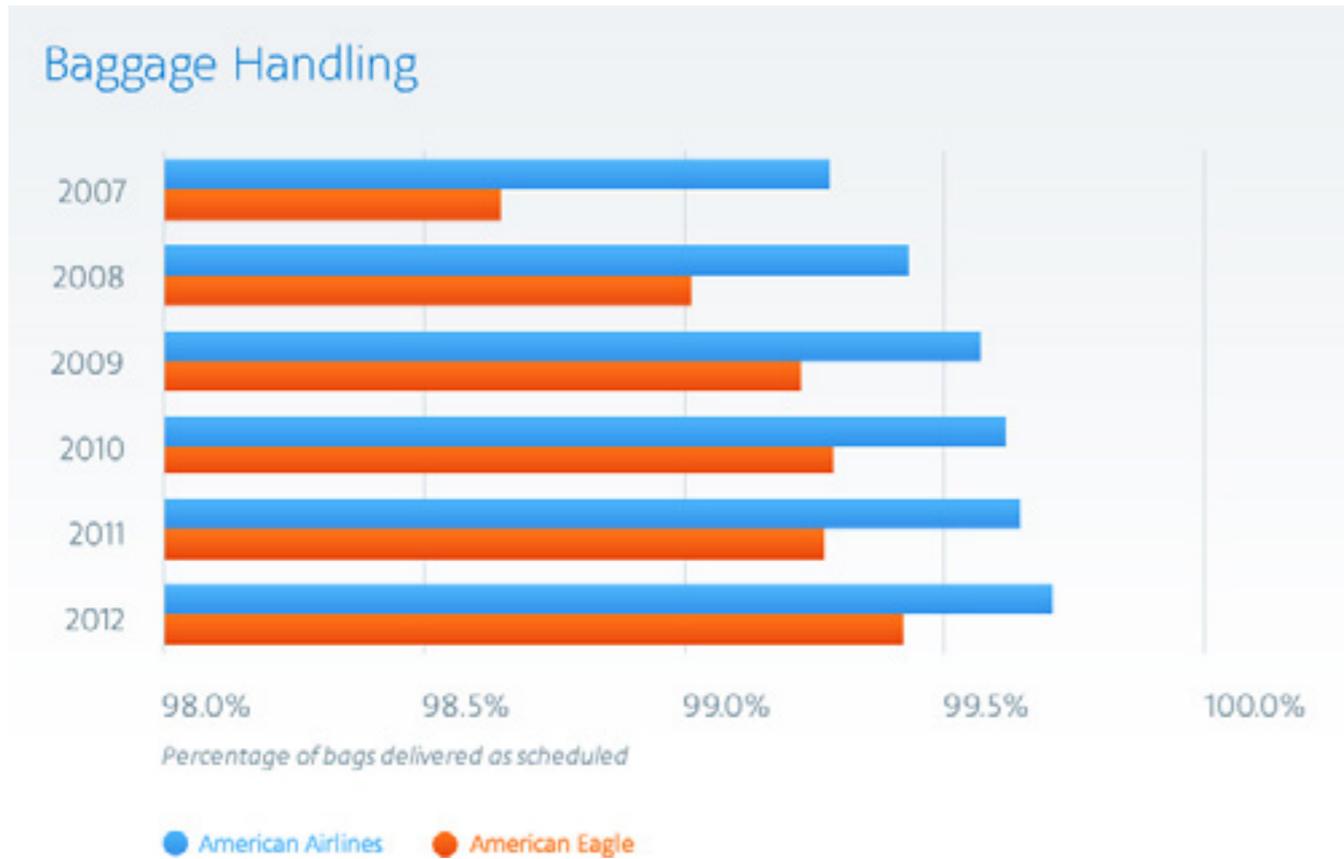
Among other travel priorities, our customers want to know that we will get them—and their bags—to their destination on time. We focus on ensuring that our flight scheduling, boarding and deplaning procedures are as efficient as possible so that we maintain high levels of flight dependability. We have also instituted multiple processes and technologies to facilitate proper and timely baggage delivery.

On-time arrivals



In 2012, we saw a slight decrease in overall on-time service at American Airlines while American Eagle saw a significant increase in dependability. Eagle's performance improved because of aircraft modifications and reliability improvements, along with favorable weather that enhanced operational performance.

Both carriers achieved record baggage handling performance as we continue to roll out automation to better track and manage bags from acceptance to final delivery. Over the past five years, the rate of mishandled bags dropped 40 percent at American and more than 50 percent at American Eagle.



In the coming year, we plan to revise the metrics we use to assess our dependability performance, placing stronger emphasis on our pre-departure process flow. We will focus on reviewing some of our travel and rescheduling policies, which, in the cases of storm delays or flight cancellations, would allow our customers greater flexibility to change their travel plans without incurring extra fees.

New Self-Tag option available

Self-Tag helps customers save time by letting them print their own bag tags from several self-service kiosks and place them directly on their luggage. Self-Tag is now available at several domestic stations including Austin-Bergstrom International Airport (AUS), Orlando International Airport (MCO), Reagan National Airport (DCA), Chicago O’Hare International Airport (ORD) and in the newly-renovated portion of Dallas Fort Worth International (DFW) Terminal A. Agents will continue to be available during the baggage check-in process should customers need assistance.

Protecting the environment

We are committed to identifying and implementing programs to reduce our environmental impact. We recognize that acting as responsible environmental stewards is not only good for the planet, it is good for our business. As such, we continuously look for new ideas and opportunities to further improve our environmental performance.

• Our approach

We are committed to protecting the environment by implementing sustainable business practices across our operations. Through our investment in fleet renewal and our continuing attention to initiatives such as Fuel Smart and other conservation and waste minimization efforts, we are reducing our environmental footprint while saving millions of dollars—which is good for the earth and good for our business, too.

We have also established an environmental steering committee, composed of vice-presidents from across different functional areas, to help define our environmental agenda, review progress and ensure that we stay on track. As always, we consider full compliance with all applicable environmental laws and regulations as the minimum acceptable level of performance. In 2012, we provided 38,425 hours of environmental training to nearly 29,000 employees.

Environmental focus areas

- **Climate and energy** - Our largest potential impact comes from burning jet fuel. We have established programs and initiatives and made significant investments to maximize fuel efficiency and reduce greenhouse gas (GHG) emissions.
- **Waste minimization** - Our air and ground operations generate significant amounts of waste. Through source minimization, reuse, recycling and reclamation, we are dramatically cutting the amount of materials that end up as waste in landfills.
- **Utilities management** - Our ground facilities, offices and airport infrastructure contribute to our environmental footprint by using energy, materials and water along with the related emissions and waste. We share best practices and implement initiatives to minimize resource use and realize cost savings throughout our system.

American named “Greenest Airline” by Newsweek

Our attention to environmental excellence was recognized in Newsweek’s 2012 Green Rankings, an evaluation of the largest 500 publicly traded companies in the United States. For the third year in a row, American achieved the top spot among airlines. We were ranked second in the Transportation & Logistics sector, and ranked 88th overall.

• Reducing jet fuel impact

The most significant environmental impact associated with the aviation industry is burning jet fuel during flight, which generates carbon dioxide, a greenhouse gas. We recognize the importance of this issue and understand that it is a high priority concern for many of our stakeholders.

American has a strong economic incentive to mobilize resources to minimize its use of jet fuel. We are making significant investments in new aircraft and aviation technology, which will allow us to carry more passengers and cargo while using less fuel. We are engaging employees across our many facilities in identifying and implementing fuel conservation and efficiency measures through our Fuel Smart program—now in its eighth year. We also support the development of new, alternative fuels as well as enhancements to air traffic control that can maximize flight efficiency through better coordination and flight planning.

As part of our collective commitment to reducing our industry’s environmental impacts, we have set a goal to improve the carbon efficiency of our aircraft by 30 percent between 2005 and 2025. We measure carbon efficiency using an intensity ratio, or amount of work we do—including carrying passengers and cargo—for each ton of carbon dioxide equivalent (CO₂e) we emit.

The GHG Intensity Ratio chart shows our progress, splitting out performance attributable to American Airlines, American Eagle and AMR as a whole. We continue to implement measures to meet our 20-year goal, and with new, more fuel-efficient aircraft coming online, we are confident that progress towards our goal should accelerate.



This chart shows American’s progress towards its goal of reducing overall GHG intensity by 30 percent by 2025. Our intensity ratio compares the amount of CO₂e we emitted with the work we performed as measured by revenue ton miles (RTMs), which is the weight of passengers and cargo we are paid to transport.

Fuel Smart conservation initiative

Fuel Smart is our cornerstone fuel conservation initiative. Established in 2005, this program identifies and implements new fuel-saving ideas. To date, we’ve saved more than 800 million gallons of fuel and reduced emissions by 7.8 million tons of carbon dioxide.

Fuel Smart	2009	2010	2011	2012	2013 GOAL
Annual Savings Rate Improvement (<i>million gallons</i>)	108	123	141	147	154

Every year, we set a new goal for improvement in the Fuel Smart Annual Savings Rate. Our success in reaching these goals directly translates to cost savings for the company, especially as fuel prices continue to rise.

AMR fuel consumption and pricing	2012	2011
Fuel consumption (<i>gallons, in millions</i>)	2,723	2,756
Fuel price per gallon (<i>USD</i>)	\$3.20	\$3.01

As part of our ongoing partnership with Air Compassion for Veterans (ACV), a portion of Fuel Smart savings generated by employees is used by ACV to provide transportation for wounded warriors and their families.

In 2012, total contributions to this program totaled \$754,000, with program to date donations surpassing \$3.5 million. Through these donations, American has helped more than 5,000 veterans and their families.

In 2013, we'll continue our Fuel Smart focus on initiatives such as reducing usage of aircraft auxiliary power units, installing winglets on our 767 aircraft, encouraging single-engine taxiing, maximizing the use of high-speed tractors, reducing aircraft weight and expanding our engine wash program to new fleet types.

Please visit the [Fuel Smart webpage](#) for complete information.

• Updating the fleet

We are transforming American on a fundamental level by investing in new aircraft. By retiring older, inefficient aircraft and replacing them with more fuel-efficient aircraft in a variety of sizes, we are reducing emissions and fuel costs while at the same time better serving our customers and meeting individual market demand.

Did you know?

In the fourth quarter of 2012, the size of American's fleet of Boeing 737-800s surpassed that of its McDonnell Douglas MD-80s. 737-800s can carry more passengers while using less fuel than MD-80 aircraft, resulting in a 35 percent improvement in fuel efficiency per seat.

Fleet facts

We're changing the way we fly as we build toward the youngest fleet in five years among the five largest U.S. airlines.

- We are updating our fleet with cutting-edge aviation technology and design. Since May 2011, we've been adding up to three Boeing Next Generation 737-800 planes each month. In 2012, we took delivery of 28 737s and expect to take delivery of another 31 in 2013.
- We plan to introduce 130 Airbus A319 and Airbus A321 aircraft beginning in July of 2013, with continued deliveries through 2017.
- Beginning in 2018, we also plan to add new Boeing 737-800 MAX planes, which will offer a fresh, modern inflight experience as well as more environmentally friendly engines.
- We will continue phasing out our least efficient aircraft fleet (the MD-80), and begin phasing out our second and third least efficient aircraft fleets, the 757 and 767-200.

For complete information, please visit our [New Planes webpage](#).



Boeing conducting a briefing of ecoDemonstrator technologies

Boeing-American's ecoDemonstrator project showcases new technologies for fuel efficiency and noise reduction

In July 2011, we committed one of our brand new 737-800s to our partners at Boeing to serve as a flying testbed to reduce fuel consumption and limit aircraft noise using environmentally progressive technologies. In 2012, the ecoDemonstrator plane underwent extensive flight-testing focused on evaluating specialized innovations such as:

- **Adaptive wing trailing edges** that make the wing more aerodynamically efficient and reduce takeoff noise by improving the aircraft's climb performance.
- **A variable area fan nozzle** that reduces fuel consumption by optimizing fan airflow during different phases of flight and reduces takeoff noise by quieting the engine.
- **Active engine vibration control** to cancel vibrations and reduce noise for a more comfortable, quieter ride.
- **A regenerative hydrogen fuel cell** to provide electricity for airplane systems as well as providing energy storage during periods of low electrical demand.
- **Flight trajectory optimization and information management** for more fuel-efficient in-flight rerouting around weather and other constraints.

In support of the ecoDemonstrator environmental objectives, a biofuel made from recycled cooking oil was used during the ecoDemonstrator flights. This type of fuel generally results in a 60 - 80 percent reduction in life-cycle GHG emissions and, when economically viable, could contribute greatly to American's goal of reducing its carbon footprint.

For complete information, please visit the [ecoDemonstrator webpage](#).

• Managing our resources

Part of being a good environmental steward is ensuring that we maximize our use of natural resources while generating the least waste possible in our facilities, offices and onboard our flights. Over the years, we have implemented many initiatives to prevent waste at its source; reuse and repurpose materials; and recycle aluminum cans, paper and plastic.

Onboard recycling

American's flight attendants began the industry's first onboard recycling program in 1989 and have since recycled more than 12 million aluminum cans each year, approximately the weight of four new Boeing 737 aircraft. In 2012, we expanded our onboard recycling with new efforts to collect paper and plastic at major stations. For example, through an

alliance between American’s Corporate Environmental Department and DFW Airport, we now support collection of paper, plastic cups and bottles. We also phased out glass mini-wine bottles in domestic coach, which will reduce the amount of waste we send to landfills by more than 500,000 pounds and help reduce fuel consumption.

American and DFW airport announce sustainability alliance

A new sustainability alliance between American and Dallas/Fort Worth International Airport was announced in December 2012. The alliance will target opportunities for innovation in airport operations, resulting in economic and environmental benefits for American, DFW Airport and our respective customers. Initial activities included the expansion of American’s in-flight recycling program to accept paper, plastic cups and bottles.

Electronic alternatives

For example, we recently replaced the heavy paper manuals carried by pilots with Electronic Flight Bags as part of our “Paperless Cockpit Initiative.” We secured FAA approval in August 2012 to become the first commercial carrier to use the Apple iPad as an Electronic Flight Bag in the cockpit during all phases of flight. We expect to reduce fuel consumption by 400,000 gallons through this initiative, which will generate more than \$1.2 million in annual savings.

American Eagle also received approval from the FAA to test a new Electronic Inflight Procedures Manual (eIPM) program for Eagle flight attendants. The eIPM program will allow flight attendants to carry their required manual in digital format.

Annual targets for reduction

We track our success in reducing waste by setting annual targets for waste reduction and refining our ability to collect accurate data. For the first time, we were able to measure the annual results of recycling efforts at all of American’s domestic and international stations, as well as all stations serviced by our regional affiliate, American Eagle.

We exceeded our 2012 goal of an annualized waste minimization rate of two million pounds, and we have upped the ante by 500,000 additional pounds as American’s goal for 2013. Our 2013 goal for American Eagle will be to focus on consistent onboard recycling of aluminum cans.

Waste minimization	2011	2012	2013 GOAL
Annualized Waste Minimization Rate (<i>pounds</i>)	1,300,000	2,036,965	2,500,000

The Annualized Waste Minimization Rate encompasses various recycled and reduced waste streams. Recycling rates are calculated based on total recycling statistics for given airports, pro-rated for passenger traffic attributable to American.

Managing utilities

American proactively manages energy, water and waste at our offices, facilities and other locations. We look for opportunities to enhance our environmental performance while reducing costs and risks.

In 2012, we replaced the heating and cooling system from the 1960s at our company headquarters in Fort Worth, Texas, which helped to contribute to a five percent reduction in electricity consumption at the headquarters offices.

We met our 2012 goal of increasing annualized utilities energy savings by \$13 million, and we set a new goal for 2013 to achieve an additional \$500,000 in utility energy savings.

Utilities – Electricity use	2010	2011	2012	2013 GOAL
Energy savings rate (<i>millions of dollars</i>)	12.0	12.5	13.0	13.5

American monitors its water use at its major facilities, which includes its maintenance facilities and offices. All of the water used at these facilities comes from municipal sources. In 2012, the Alliance Maintenance Base in Fort Worth, Texas, recycled over 26 million gallons of water, which contributed to an 18 percent water decrease at the base. Despite this effort, American missed its goal to decrease overall water consumption by 30 million gallons.

Utilities – Water use	2010	2011	2012	2013 GOAL
Water use at major facilities rate (<i>millions of gallons</i>)	543.2	533.2	511.4	499.0

Environmental efforts world-wide

Our efforts to minimize the environmental footprint of our operations extend across all borders. While environmental regulations differ in each country, one common thread is the oversight of disposal of waste generated in flight. To prevent the entry and dissemination of plant pests and animal diseases, many countries require the incineration of waste from international flights, including recyclable items.

But that doesn't mean that items are not recycled. Several international stations have local sorting operations that sort out all recyclable items before incineration. For example, at Tokyo Narita Airport (NRT), paper, plastic and aluminum—representing about 30 percent of all incoming waste—are removed before incineration. At London Heathrow (LHR), all trash is incinerated at a location that is able to capture the energy content of the materials by generating electricity for the local community. In addition, the aluminum left after incineration is collected and recycled.

Our employees' interest in helping the environment and helping those in their local communities also knows no boundaries. Several airport stations participate in local environmental efforts that help their communities. For example, in Buenos Aires, paper and plastic bottles are donated to a children's hospital for recycling. Employees in Mexico collect pull rings from aluminum cans to donate to a local charity. The pull rings are recycled to help hospitals and are sent to rural communities where they are re-purposed into hand crafts. And in Shanghai, employees partnered with the Roots & Shoots organization to promote environmental awareness in the community.



American Airline partners with Root & Shoots to sponsor an eco-friendly bag design competition at a primary school in Shanghai.

Our people

At American, our people represent both the proud heritage and the promising future of our company. Through our 86 years of operation, we have built a world-class team of aviation, business and service professionals whose dedication and expertise have made American a leader in the airline industry.

- **Our current workforce**

Our approach to work and wellbeing is centered around ongoing professional development, celebration of diversity and an unwavering focus on the health and safety of our people. We feel that continuously improving our performance in these areas is integral to our long-term success.

Although 2012 was a challenging, transitional year, we took great care to ensure that the outcomes of our restructuring process would create the most value in the long term for our people. While job loss is unfortunately a typical part of the restructuring process, we were able to reduce the number of involuntary reductions from 14,000 to 2,570 by offering voluntary separation packages for some workgroups, combined with additional mitigating factors such as natural attrition. At year-end, we were able to retain a workforce for American Airlines and American Eagle of nearly 81,000 people, while positioning our company more competitively in the airline industry.

Workforce statistics

Total workforce: domestic and international for American Airlines and American Eagle	80,987 (87% full-time) (13% part-time)
Management level employees	7,510 (9%)
Non-management employees	73,477 (91%)

Employees by region

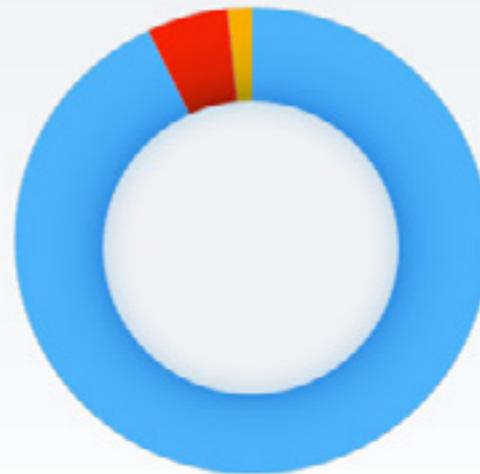
United States and Canada	75,180
Mexico, the Caribbean, Central and South America	4,478
Europe and Asia Pacific	1,329

Employees by work area

Mechanics, fleet service, and other technical functions	24,946
Flight attendants	18,279
Pilots	11,205
Agents/planners	11,188
Management	7,510
Reservation representatives	5,166
Staff support/other	2,693

AMR Corporation global workforce as of December 31, 2012

Employees by region



- United States and Canada
- Mexico, the Caribbean, Central and South America
- Europe and Asia Pacific

Labor representation

American—and the broader industry—has historically employed a high percentage of unionized professionals in its workforce. In 2012, 73 percent of American’s domestic people were represented by one of three primary labor unions:

- Allied Pilots Association (APA)

- Association of Professional Flight Attendants (APFA)
- Transport Workers Union (TWU)

Concurrently, 60 percent of American Eagle's domestic people were represented by:

- Air Line Pilots Association (ALPA)
- Association of Flight Attendants (AFA)
- Transport Workers Union (TWU)

Supporting independent employees

American's Agents, Representatives and Planners, as well as American Eagle's Agents are not represented by a union. In January 2013, American's Agents and Representatives voted to remain independent. To protect the interests of our independent employee groups, we hold periodic Advisory Board and Committee meetings to provide forums where they can voice their issues and concerns. Advisory Board meetings bring together elected representatives from the Agent, Representative and Planner groups and management representatives at the local, regional and system level. The meetings offer an established system for independent employees to share information with their peers and provide input to management.

• Our future workforce

Working through the restructuring process

We entered 2012 with a clear commitment to succeed in our restructuring, armed with a thorough evaluation of our competitive space and industry trends. We knew that as part of our overall targeted financial improvements of more than \$3 billion, a third of those savings would need to come from employee-related cost reductions. At the same time, we were determined to make changes in a fair and equitable way, with as much transparency as possible in process and outcomes.

Accordingly, we determined that 20 percent of those cuts would be made across the board, including in management, with savings achieved by slightly different means in various workgroups. Ultimately, the savings target for each group was lowered to 17 percent through negotiations and our desire to reach consensual agreements. We applied the same savings target adjustment to independent employees to be fair and equitable.

In all of our restructuring efforts, for both our unionized and our independent employees, we worked to preserve employee compensation as much as possible by focusing on opportunities to improve operating efficiencies. We also revised many restrictive provisions that threatened to limit our competitiveness.

In addition to changes that affected individual workgroups, the company moved to a universal program for health and retirement benefit plans for all of our people. We created a universal health program that standardizes and simplifies our benefits program for active employees; aligned the medical benefits available to active employees when they retire with those offered by other airlines and large corporations; froze our defined benefit pension plans; and terminated the pilot B Plan. By freezing the plans, our people will retain the full value of benefits accrued in the plans through October 31, 2012. The defined benefit pension plans were replaced from a company-matching benefit to a defined contribution benefit plan for all eligible Agent, Representative, Planner, Flight Attendant, TWU-represented, Management and Support Staff employees on November 1, 2012. The company will match, dollar-for-dollar, an employee's pre-tax and/or Roth 401(k) contributions to the Super Saver 401(k) plan, up to 5.5 percent of eligible earnings. Pilots will receive a 14 percent

contribution to the Super Saver Plan which was effective for pay earned starting November 1, 2012.

Redesigning our management team

As part of management's cost savings, we mapped out a redesign for Management and Support Staff employees to position the company for the future. The goal of the redesign was to create a customer-focused culture of accountability and high performance, while meeting three main objectives:

- Have the right people in the right positions
- Foster accountability, high performance, agility and decision-making
- Achieve an efficient cost structure

Through hard work and difficult decision-making, we are well-positioned to emerge from internal restructuring a stronger, more focused enterprise.

Supporting our people during the transition

We recognized early in our restructuring process that many newly-promoted managers would face an evolving set of roles, responsibilities and challenges. To help maximize the success of team members in these new positions, we expanded our offerings of "Making the Transition," A course specifically designed to help managers navigate the complexities of their new roles and exchange successful management strategies. All managers received training to prepare them for difficult conversations they would have with employees that exited and to discuss career transition services. We also continued to offer leadership development training to potential managers in each of our business units.

For departing employees, we focused development efforts on career transition planning through the offering of career symposia, intranet job boards and training in interview skills, resume development and networking. Through the collaborative efforts of our human resource officers, Diversity Advisory Council and members of American's extensive Employee Resource Group (ERG) network, we were able to deliver in-person career transition assistance tailored to the specific needs of people at many of our locations to help departing employees identify and promote their transferrable skill sets.

Looking ahead, we are investing in training and operational enhancements that empower our people to deliver exceptional service to customers while supporting the goals of our business and brand. Key focus areas include:

- Further developing a culture of leadership and competence among our people
- Building the cultural and language skills needed to grow our key international markets
- Empowering people with greater decision-making authority to provide a positive and consistent customer experience
- Standardizing many forms of training across our operations to achieve greater unity and efficiency

• Safety, health and wellness

It is essential that everyone at American is able to work in a safe environment and lead a healthy lifestyle. We provide robust safety training and comprehensive health resources, and maintain a culture that promotes conscientious work practices.

Employee safety systems and performance

Our employee safety initiatives in 2012 included an effort to unify safety systems and personnel. Prior to 2012, several employee safety teams operated independently throughout our organization. As part of our restructuring process, we coordinated these teams under our Safety, Security and Environmental department. Additionally, we consolidated five of our safety investigation tools into a single platform using a common software system. The result, once the system is fully operational, will be a one-stop shop for safety analytics, Occupational Safety and Health Administration (OSHA) audit data, and investigations into injuries, near misses, ground damages and other incidents.

Record employee safety performance at American Eagle

On March 7, 2012, the American Eagle Flight Attendants at LAX broke their injury-free record of 257 days set in 2004, and moved into second place on American Eagle's all-time injury-free list as they reached 300 days on April 19th. The accomplishment was recognized at a gala celebration held on April 26, 2012. The current all-time Eagle injury-free record is held by the Executive Airlines base at DFW with 539 days.

In 2012, we saw a slight uptick in U.S. OSHA defined Injury Rates at American and American Eagle as well as a minor increase in the Lost Day Rate at American. We are confident that our investigations of related incidents, as well as the greater equilibrium of our company in 2013 once our people are past the restructuring process, will yield improved safety performance over the next reporting cycle.

Engaged leadership

In 2012, we made safety refresh training available to all of our people and a requirement for all of our front-line managers. Additional safety training is being delivered in 2013 to ensure that managers who are new to their positions are well-informed and actively engaged in promoting safe and responsible work practices. We are also training people to work safely in and around the new planes being added to our fleet.

Recognizing that prevention is the easiest, most efficient and least disruptive way to maintain wellness, American has partnered with the Transport Workers Union to pilot an "Industrial Athlete" injury reduction initiative at airport facilities in Tulsa and Chicago. The voluntary initiative pairs front-line workers with strength trainers to identify exercises that help reduce work-related strain and injuries and shorten recovery periods if an injury does occur.

Assessing job hazards at Tulsa

In 2012, American launched the first stage of a Job Hazard Analysis (JHA) study at its Tulsa maintenance facility (TULE). The objectives of the JHA project are to:

- Provide a baseline risk assessment and evaluation of actual personal workplace exposure to chemical, physical and biological agents at our TULE shops;
- Incorporate engineering, administrative and personal protective equipment controls into our occupational safety and health system

- Ensure we reduce physical and health risks to an acceptable level or eliminate risks to ensure OSHA standards are met

Health and wellbeing

At American we encourage our people to make positive, proactive decisions concerning their health and lifestyle. To ensure that they are making the best use of available health resources, our comprehensive Healthmatters program provides a complete suite of online tools and educational materials allowing employees to manage their health insurance and benefits options; schedule routine health screenings and assessments; and consult with nurses, dieticians and lifestyle coaches from American's Health Advocate team about issues including preventative health, chronic diseases, mental health and onsite ergonomics. Under American's Healthmatters Rewards system, employees may qualify for insurance premium reductions by completing screenings for common health indicators such as high/low blood pressure, cholesterol levels and diabetes.

American has also built a network of over 150 volunteer Wellness Champs whose goal is to inform, educate and inspire the American Airlines family to initiate and sustain better living through healthy choices. The Wellness Champs strive to make wellness an everyday activity through worksite wellness programs, system-wide campaigns and by promoting Healthmatters programs and resources.



American was among 66 U.S. employers that received the 2012 Best Employers for Healthy Lifestyles Gold award. The award honored American Airlines for its commitment and dedication to promoting a healthy workplace and encouraging their workers and families to support and maintain healthy lifestyles.

• Celebrating diversity and inclusion

As a leading international airline, American plays an important role in connecting the people and places of the world. We feel it is equally important for our own people to reflect the diversity of our global operations and the customers and communities we serve.

American recognized by Human Rights Campaign

American Airlines received a 100 percent Corporate Equality Index (CEI) rating from the Human Rights Campaign (HRC) Foundation, marking its 11th consecutive year of achieving a perfect score. American is honored to be one of only nine companies to achieve a perfect score on the CEI since the inception of the index in 2002. Employers with a rating of 100 percent are further recognized as "Best Places to Work for LGBT Equality."

Managing our diversity and inclusion priorities

American’s inclusive work environment begins with board- and executive-level commitments to continually enhance the diversity of our workforce. We were especially cognizant of maintaining strong diversity representation at all levels of the company during our organizational redesign.

Specific diversity and inclusion initiatives are managed within our Diversity Advisory Council, a body composed of representatives from 17 ERGs that draw upon diverse perspectives to help inform business decisions, policies and education initiatives at American. ERGs are employee-led, grassroots organizations that foster interaction and engagement on a number of social and cultural issues.

In 2012, American’s Diversity Advisory Council was recognized as one of the Top 25 Diversity Councils in the nation for the fourth consecutive year. The Diversity Council Honors Award recognizes the outstanding contributions and achievements of employee Diversity Advisory Councils that actively promote diversity and inclusion within their companies.

Highlighting the business value of diversity

A major focus of American’s 2012 diversity and inclusion efforts was identification of the business value derived from diversity. We are pleased to have held our fourth annual Business of Diversity conference with the theme “Creating Our Future through Inclusion.” The conference drew 125 attendees and explored strategies for leveraging diversity, both at the individual and company-wide level, to support business objectives and performance.

Diversity training was also expanded in 2012 with the rollout of Value Respect (Version 3) to most domestic employees (the balance of our domestic and international team is receiving Value Respect training in 2013). Value Respect offers interactive, collaborative training modules designed to illustrate the ways in which American’s business success can be influenced by the many forms of diversity that exist among our people and customers.

Diversity statistics

Gender composition within our global workforce (80,987 total employees)	2012
Male	59 percent
Female	41 percent

Employee age groups within our global workforce (80,987 total employees)	2012
Less than 30 years old	7 percent
From 30 to 50 years old	46 percent
More than 50 years old	47 percent

Ethnic composition of our domestic workforce* (74,583 total domestic employees)	2012
Ethnic minority	34 percent
African-American/Black	12 percent
Hispanic/Latino	15 percent
Asian	5 percent
American Indian/Alaskan Native	1 percent
All other (two or more races, Native Hawaiian/Pacific Islander)	1 percent

*Ethnicity is tracked in the United States only because the collection of diversity information is often prohibited by law in other countries.

Supporting our communities

In many communities throughout the United States and abroad, American's positive presence has been felt for decades. As a major employer, an economic catalyst and an iconic brand, we play an important role in the development and wellbeing of the communities where we operate. Nurturing these relationships—both old and new—is an important priority for all of us at American.

It is our mission to bring value to all of the places and all of the lives we touch, and to engender a spirit of good citizenship in our employees and customers. In 2012, despite the challenges of our corporate restructuring, we made powerful contributions to our host communities and to the causes we believe in.

• A positive economic force

Each year, American Airlines and American Eagle operations account for billions of dollars in direct commerce and stimulate a cascade of smaller business and economic activities supported by the air travel and tourism industries. In 2012, our operations helped generate \$124 billion in economic activity and directly and indirectly helped support 965,000 jobs. We also supported the communities in which we operate by paying \$4.7 billion in taxes in 2012 and by investing almost \$1.8 billion in the development of transportation infrastructure over the past 10 years.

American's impacts in South Florida

For nearly a quarter century, American's presence in Miami-Dade County has played an important role in turning Miami International Airport into a hub of international trade and tourism. From just 300 employees in South Florida in 1989, we've grown to more than 9,700 today, and have spurred the creation of more than 150,000 additional jobs through businesses associated with our operations. In 2012, over 28 million passengers passed through our MIA hub to reach over 150 destinations throughout the United States and around the world.

For more information on American's local economic impacts and infrastructure investments, please visit: [2012 Economic Impact Report](#).

• Charitable giving

American's Global Giving strategy

With global business comes global responsibility. At American, we use our scale and connectedness to influence widespread charitable action through direct philanthropic contributions and through the generosity of our customers and people.

We refer to our charitable efforts, collectively, as *Global Giving*, and organize our engagements into five categories:

- **American Airlines Kids In NeedSM** – Supporting children, their families and organizations dedicated to improving their quality of life
- **Breast Cancer Awareness and Research** – Contributing to breast cancer awareness and funding research
- **Military and Veterans** – Giving back to those who serve
- **Disaster Aid and Response** – Providing emergency relief to those in need
- **Employee Volunteerism and Giving** – Encouraging employees to volunteer their time and money to causes that are important to them

To achieve the most powerful impacts in each of our key giving areas, we integrate our corporate charitable initiatives with the efforts of our employees and customers. The result is a collaborative Global Giving model that combines financial pledges and sponsored events with volunteer action and the donation of AAdvantage miles to charitable causes.

Honoring American volunteers

American employees collectively volunteered nearly 38,000 hours in support of 270 organizations in 2012, and donated \$733,000. We have established two awards programs—our Spirit of Giving and Champions of the Year—to recognize efforts of employees and management that go above and beyond in volunteerism and leadership in community service. Each year, a handful of dedicated employees are nominated for and receive these prestigious internal awards.

American Airlines Kids In Need

The American Airlines Kids In NeedSM program provides worldwide support for children and their families, and for organizations dedicated to improving the quality of life for children. Support includes assistance for children in need of medical, educational and social services, as well as organizations that heighten public awareness of children’s issues. In 2012, we consolidated our children’s initiatives, both corporate- and employee-led, under the Kids In NeedSM program to maximize efficiency and impact. Overall, we helped 287 critically ill children and 235 parents/guardians, and supported 147 children’s non-profit organizations globally.

Among the charities benefitting was the Something mAAgic Foundation[®]—an employee-led organization that grants the wishes of children with life-threatening diseases. Each year, American volunteers from Something mAAgic help create life-long memories by providing children and their families with a vacation experience at Give Kids The World Village[®] in Orlando, Florida—a resort where kids with special needs can explore whimsically themed rides and attractions with their families, all at no cost. American provides travel directly through the Kids In NeedSM program. In 2012, 39 families (from 25 U.S. cities and 7 countries) took part in Something mAAgic’s mAAgic flight, with 550 employee volunteers donating approximately 3,800 hours of their time.

Fighting cystic fibrosis at American’s Celebrity Ski Weekend

In 2012, we celebrated our 27th annual Celebrity Ski Weekend—a fundraising event in Vail, Colorado, where participants enjoy three days and nights of skiing, dining and celebrity music events, culminating in an auction to raise money for the Cystic Fibrosis Foundation. Since 1986 Celebrity Ski has raised more than \$32 million to support children and adults with Cystic Fibrosis through the funding of gene and drug therapy research.



To learn more about the many children’s organizations we support through our American Airlines Kids In NeedSM program, please visit aa.com/kids.

Breast cancer awareness and research

Since 1983, American has championed the fight against breast cancer, raising awareness and garnering support from thousands of customers, employees and community members.

Second only to our American Airlines Celebrity Golf & Tennis event, our most successful fundraiser for breast cancer awareness and research efforts has been Miles for the Cure, a customer fundraising campaign. First launched in 2008, Miles for the Cure awards customers AAdvantage bonus miles for every dollar they contribute to Susan G. Komen for the Cure. Collected funds support a study of inflammatory breast cancer (the most lethal form of the disease) through a research grant at the MD Anderson Cancer Center in Houston, Texas.

Military and veterans

At American, more than 60 percent of our pilots and approximately 10 percent of all employees are active military service members or veterans. We take military and veterans’ issues personally and are proud to see numerous customers and employees engaged in related causes each year.

Through our military programs and events, we promote the physical, mental and emotional well-being—and often, recovery—of wounded soldiers, their families and communities. The support we provide comes from three primary sources:

- **Customer donations** – Through our Miles In Support of All Who Serve campaign, American rewards customers with AAdvantage miles for each dollar they donate to the USO, serving military members and their families. Customers can also support the USO’s mission by purchasing a co-branded USO gift card. For each \$50 gift card purchased, American donates 10 percent to the USO.
- **Corporate sponsorship** – In many instances, American Airlines and American Eagle sponsor military and veterans initiatives through the donation of airfare for soldiers and

their families.

- **Employee volunteering** – American employees generously donate their time and creativity to military fundraising programs and events.



American volunteers go the extra mile at the 10th Annual Sky Ball

Each year, hundreds of American employees volunteer to help coordinate Sky Ball – an annual black tie gala supporting military charities throughout the country. In 2012, Sky Ball raised more than \$850,000 for soldiers and their families.

One program that has been particularly successful in combining our corporate, customer and employee contributions is Snowball Express. In the wake of September 11, 2001, Snowball Express was formed to support families of soldiers who died while serving on active duty. Each year, Snowball volunteers provide the children and spouses of fallen soldiers with an all-expenses-paid trip to the Dallas/Fort Worth Metroplex (with most flights provided through our Kids in Need Program) for five days of uplifting entertainment, music and the chance to make new friends. In 2012, the event was attended by nearly 1,800 children and family members, and was supported by more than 1,000 American Airlines/American Eagle volunteers in 36 cities.

Additional airfare donations came from American's employee-led Fuel Smart program, which helps implement fuel efficiency measures at American and translates the savings into charitable donations.

Disaster aid and response

Each year at American, we connect with millions of people and travel to hundreds of destinations around the world. We're able to use all of these interactions to raise awareness, draw support and provide direct aid to people in disaster-impacted areas. As long-time partners of the American Red Cross, we help raise funds for disaster relief efforts by providing an AAdvantage bonus mile incentive to members who donate. In 2012, members raised more than \$500,000 to support the victims of tropical storm Isaac and hurricane Sandy.

Since not all disasters are related to natural events, many American employees are trained as first responders for major aviation-related accidents and emergencies. Volunteers in the Customer Assistance Relief Effort (CARE) team help passengers, crewmembers and families with logistical and emotional support in the aftermath of accidents. In 2012, American's CARE team collaborated with the Volunteer Center of North Texas, United Way, American Red Cross and Salvation Army to train 69 new employees as accident responders.

2012 Community Programs - Customer Giving

Engaged nearly 60,000 AAdvantage members in American's cause related partnerships, resulting in donations of \$6.9 million.

Cause initiative	Causes	Donors	\$ Raised
	Isaac	119	\$11,230
	Sandy	5,452	\$502,636
	Miles for the Cure	3,158	\$328,555
	Komen Gift Card	2,787	\$53,291
	Celebrity Golf/Tennis	499	\$500,000
	Miles in Support	2,812	\$305,924
	USO Gift Card	1,401	\$28,105
	127,065,088 miles donated <i>(value if purchased)</i>	42,158	\$3,176,627
	UNCF Gift Card <i>(launched July 2012)</i>	200	\$3,490
	Celebrity Ski	554	\$2,000,000
Totals		59,140	\$6,909,860

More than 59,000 American customers generously donated nearly \$7 million to the charitable causes supported by our Global Giving program.