

AMR 2010
Corporate Responsibility Report
Executive Summary





MESSAGE FROM THE CEO



We know that our success depends on enriching the lives of our customers, employees, and communities; protecting the environment; and bringing about positive social change.

Because ours is a service business, everything we do begins and ends with our customers. We enhance their travel experience through innovation and service and the expansion of our routes and networks to new locations around the world. In 2010, after years of dedicated effort, we secured antitrust immunity from the U.S. Department of Transportation and established Joint Business Agreements with British Airways and Iberia, and with Japan Airlines.

Our employees are the front line of customer service, working to improve flight dependability, gate interactions, boarding, in-flight experience, and baggage handling. Due to their efforts, we significantly improved our year-over-year on-time departure and arrival performance in 2010.

As responsible stewards of the environment, we constantly seek out opportunities—through our Fuel Smart program, fleet renewal initiative, and other efforts—to reduce and conserve our use of natural resources. We reduced our greenhouse gas intensity ratio related to jet fuel by five percent from 2009 to 2010, and our Fuel Smart annual rate of fuel savings stood at 123 million gallons by the end of the year. At the same time, we continued to minimize energy and water use and to reduce, reuse, and recycle waste across our operations.

We are proud, also, of our ongoing commitment to engage with, support, and improve the communities where we operate, work, and live. Our customers contribute to the commercial life of every place we take them, and our operations provide local economic benefits in the form of jobs, taxes and fees paid, and goods and services purchased. But the contributions of our employees, in volunteerism, time, and money, make us most proud. In 2010, American employee direct donations to charitable causes topped \$1 million for the first time.

I welcome your interest in American's corporate responsibility initiatives and encourage you to learn more about our efforts, [here](#), and through our web-based 2010 Corporate Responsibility Report.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gerard Arpey'. The signature is stylized and fluid, with a long horizontal stroke at the end.

Gerard Arpey
Chairman & CEO



CUSTOMERS

We seek to earn customer loyalty by consistently meeting and exceeding our customers' expectations.

Operating safely and securely

Safety is the single most important priority for American and American Eagle. Everyone, from senior management to front line employees, plays a critical role in creating a safe environment and helping to ensure that customers feel secure at all times. We work in close collaboration with government agencies to implement policies that enhance security levels without impeding travel.

The core of our safety focus is our Safety Management System (SMS), a set of flight standards developed in conjunction with the FAA that puts in place strategies and oversight to enhance passenger safety.

Global network

As an airline, we transport millions of people from where they are in the world to



We strive to deliver exceptional customer service at every point at which we interact with customers—from initial trip selection and booking, to arrival at the airport and pre-boarding, to the onboard and post-flight experience.

where they want to be. We accomplish this mission by having in place a robust, global network of routes and alliances.

- Cornerstone cities: Dallas-Fort Worth, Chicago, Miami, New York, and Los Angeles
- Joint Business Agreements secured with British Airways, Iberia, and Japan Airlines
- New international routes in 2010: Manchester, Madrid, Beijing, Calgary, San Jose, Mexico City, Brasilia, and Rio de Janeiro

Delivering an exceptional customer experience

We strive to deliver exceptional customer service at every point at which we interact with customers—from initial trip selection and booking, to arrival at the airport and pre-boarding, to the onboard and post-flight experience. Every day, more than 250 Customer Experience Teams use their ingenuity to improve:

- flight dependability
- gate interactions
- onboard interaction and boarding experience
- cabin interior condition

- baggage handling
- baggage resolution

In 2010, American paid out approximately \$36 million in Customer Experience Rewards to employees based on their teams' contributions to customer satisfaction and flight dependability.

Tools for travel

American has introduced many tools to make customers' travel experience easier to manage.

- American's website, AA.com, as well as iPhone, iPad and Android applications, offer customers the ability to view flight status, check in for a flight, change reservations, and perform many other important tasks
- Inflight internet access is now available on many of our aircraft
- PriorityAAccess was introduced to make the airport process and overall travel experience more convenient

CUSTOMIZE YOUR TRAVEL EXPERIENCE.

It's Your Choice™ From American Airlines®



Introducing Your ChoiceSM

In 2010, American introduced a new array of travel enhancements that customers can access when purchasing an American Airlines flight. The Your ChoiceSM menu of products and services is designed to make customers' travel experience more convenient, cost-effective, flexible and personalized. Available individually or in packages, this growing menu of services is available through a variety of channels including AA.com, mobile devices and airport self-service machines.

ENVIRONMENT

We act as good environmental stewards, implement innovative ideas, and make wise investments to minimize our environmental footprint.



We are committed to identifying and implementing programs to reduce our environmental impact.

Managing environmental performance

The AMR Environmental Policy governs our company's approach to protecting the environment. The policy is supported by an Environmental Management System (EMS) that American Airlines and American Eagle implemented nearly 20 years ago. We manage our performance through:

- Fuel Smart and technological innovations: Direct energy consumption and greenhouse gas (GHG) emissions
- Utilities Management Council: Indirect energy and water use and conservation
- Waste Minimization Team: Recycling and waste and materials use reduction

Addressing climate impacts

The use of petroleum-based jet fuel significantly contributes to our GHG emissions. The most effective way to curb emissions

is through new, more efficient technologies and operational practices such as better aircraft design, fuel conservation via optimal flight planning, and development of alternative fuels. By reducing jet fuel consumption, we reduce GHG emissions and save money at the same time. On average, each gallon of fuel saved returns more than \$3 to our bottom line!

Our goal is to improve CO₂ efficiency of aircraft by an average of 1.5 percent per year, measured on an intensity basis from a 2005 baseline, through 2025.

Responsible stewardship on the ground and in the air

We pursue energy savings and efficiency initiatives at our offices and facilities, led by our Utilities Management Council. In 2010, we also established a Waste Minimization team in 2010 to identify and implement waste



Adding up Fuel Smart Savings

In 2010, we proudly celebrated the 5th anniversary of the Fuel Smart program, the cornerstone of our fuel conservation efforts. Fuel Smart engages employees in searching out fuel-saving opportunities and making these practices part of everyday routines.

We achieved a run-rate of 123 million gallons in 2010, saving 3 million gallons more than we had originally anticipated and achieving an improvement of 15 million gallons over our 2009 performance.

And thanks to a new partnership between Fuel Smart and American's Veterans support team, employees earned \$400,000 for veterans and military personnel to help veterans travel to medical appointments.

minimization, reuse, and recycling opportunities across our operations.

- To date, Utilities Management Council activities have resulted in annual savings of more than \$12 million
- In 2011, our goal is to reduce waste by 326,800 lbs through new recycling initiatives—the equivalent of the weight of a B777 aircraft
- Our flight attendants recycle 15 million aluminum cans each year through their in-flight efforts



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EMPLOYEES

We 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 for continued success

American and American Eagle offer employees training and development opportunities in addition to courses and skills-training required by the FAA and other regulators. Our Flagship University provides much of this instruction through in-person and online classes. In 2010, American and American Eagle employees completed more than one million hours of training.

In 2010, we launched the Leadership: Improving the Future Together (LIFT) program to support our employee leaders and facilitate their further development.

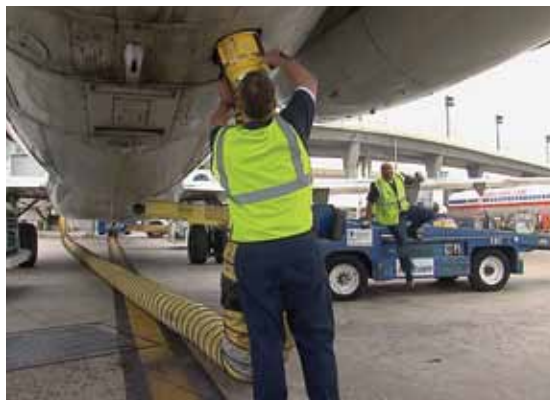
Ensuring a safe and healthy workplace

We achieve safety excellence at American through the Partnership for Safety (PFS) company-wide integrated employee safety management system. Currently, PFS is in effect at all U.S. and Canadian airport locations as well as London's Heathrow airport. In 2010, we strengthened PFS within our Line and Base Maintenance organizations.

The best opportunity to reduce employee injuries and aircraft damage is by enhancing AMR's safety culture. American Airlines has reduced its lost work case injury rate by 28 percent since 2004.

American Eagle launched the "Safety Starts With Me" program in 2008 and saw its lost work case rate drop a full 14 percent in the first year of training. To support this positive momentum, all front-line employees will complete a computer-based version of the training in 2011.

We also provide employees with access to support, resources, and information to help them better understand important health issues and maintain high levels of health and wellness.



Current and potential employees should feel confident in knowing that American and American Eagle provide a safe, inclusive, and professional working environment – one that supports development, rewards achievement, and values diversity of thought.

Celebrating diversity and inclusion

We value diversity, not just because it works, but because it is right, and because it is consistent with our greater mission of connecting the world. Our focus on diversity and inclusion is embedded throughout our organization.

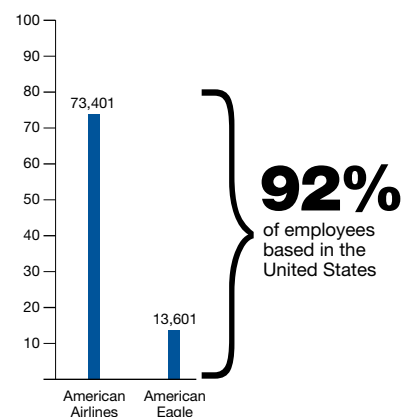
- Our Diversity Committee is within the AMR Board of Directors
- Our Diversity Strategies organization leads the development of diversity goals and assists in implementing initiatives
- Our strong partnerships with national and local advocacy organizations promote equality and advancement for under-represented groups
- AMR's 16 Employee Resource Groups (ERGs) contribute significantly to our diversity efforts.

In 2010, 39 percent of U.S. employees were women and 32 percent were ethnic minorities

Maintaining good labor relations

A majority of American and American Eagle employees in the United States are represented by unions. We are committed to working and negotiating with labor leaders to exchange ideas and reach agreements that serve the best interests of our employees, our company, and those who depend on us every day.

In 2010, our company employed more than 87,000 people globally.



COMMUNITY

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



We recognize that we are more than an airline. We are a bridge between cultures and an important part of a global community connected through citizenship and caring.

Creating global economic vitality

As one of the world's largest airlines, American's global network strengthens economies worldwide. American contributes directly by creating jobs and paying salaries; supporting local suppliers, who in turn employ local workers; paying taxes and fees to governments; and investing in transportation infrastructure. In 2010, we estimate that American:

- Contributed nearly \$105 billion to the U.S. and international economies
- Paid a total of \$4.04 billion in taxes and fees worldwide
- Helped create more than 870,800 jobs worldwide
- Supported approximately 1,400 nonprofit organizations worldwide
- Invested millions of dollars into airport facilities and other infrastructure around the world

Diversified Supplier Program

American and American Eagle are committed to helping minority-/women-owned, LGBT, diverse and small businesses suc-

ceed by offering them opportunities to grow as part of our supply chain. In the 21 years since we established the Diversified Supplier Program, American has spent more than \$4 billion with certified minority-/women-owned businesses.

In 2010, American Airlines was named Corporation of the Year by four organizations that champion supplier diversity.

Supporting communities and causes

We are proud of our long history of supporting charitable organizations and important causes. American has four primary company-wide giving focus areas:

- Children's charities—American donates a million miles each year to the American Airlines Kids in Need program
- Veterans and Those Who Serve—American became the official airline partner of the USO in 2010
- Susan G. Komen for the Cure—American has supported this organization for more than 27 years
- Employee-led charities—Our employees

frequently start their own charitable organizations or take significant roles in organizing major events to aid those in need

We invite customers to support causes that are important to them. For example, in 2010, more than \$1.6 million was raised for the UNICEF Change for Good program through the generosity of American Airlines customers and the dedication of employee volunteers—the largest sum in the program's 16-year history.

Disaster relief

As an airline, we play an especially critical role after natural disasters, when we offer assistance that few others can—namely, the ability to fly relief supplies and workers into the affected region.

- We were the first airline into Haiti after the January 2010 earthquake and flew 30 missions into the country carrying over 400,000 pounds of relief supplies in addition to transporting medical and relief personnel
- We partnered with the American Red Cross to help the victims affected by the March 11, 2011 earthquake in Japan and the resulting tsunami in the Pacific

In 2010, our employees donated more than \$1 million through our Workforce Giving Program

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ABOUT AMERICAN

AMR Corporation is the parent company of American Airlines and American Eagle. Headquartered in Fort Worth, Texas, our company employed more than 87,000 full-time and part-time employees worldwide as of December 31, 2010. American Airlines and American Eagle operate, on average, more than 3,600 daily flights in more than 50 countries. Our operations are substantial—on a typical day, we fly more than 287,000 passengers, receive more than 200,000 reservation calls, and handle 275,000 pieces of luggage.

American Airlines is also one of the largest scheduled air freight carriers in the world, providing a wide range of freight and mail services to shippers throughout its system onboard American's passenger fleet.

Flight Plan 2020 - Flight Plan 2020 is our blueprint to long-term success.

Invest Wisely: We depend on our people, aircraft, facilities, and technological infrastructure. We continue to invest in these areas to succeed in the long-term.

Earn Customer Loyalty: We must deliver value for every customer to differentiate our airline. We are making numerous enhancements to our products and services to improve our customer travel experience.

Strengthen and Defend Our Global Network: Our cornerstone hubs of Dallas Fort Worth, Chicago, Miami, New York and Los Angeles anchor

our domestic network. Deepening our relationships with **oneworld** airlines strengthens our global network.

Be a Good Place for Good People: Our future depends on creating and maintaining a good place to work and build a career, where all employees are treated with respect and dignity, and where diversity is embraced.

Fly Profitably: We must constantly find ways to cut costs, operate more efficiently, and generate additional revenue for the company to sustain our business, grow, and create job security.

2010 performance highlights



Customers

- The U.S. Department of Transportation granted antitrust immunity for American Airlines to establish Joint Business Agreements with British Airways and Iberia, and with Japan Airlines
- American introduced a new Your ChoiceSM menu of products and services designed to make the customer travel experience more convenient, cost-effective, flexible, and personalized
- We continued to improve year-over-year on-time arrival rates for both American and American Eagle
- AAdvantage[®] One-Way Flex awards continued to provide customers with a variety of award redemption options



Environment

- AMR ranked number 111 in Newsweek's "Green" rankings of the top 500 U.S. companies—the highest for any U.S. passenger airline
- The Fuel Smart program's run-rate of annual fuel savings stood at 123 million gallons
- We reduced our greenhouse gas emissions intensity ratio by 5 percent from 2009
- We received and deployed 45 new Boeing 737 aircraft that are 35 percent more fuel-efficient on an available seat-mile basis than the MD-80 aircraft they are replacing



Employees

- American Airlines reduced its lost-work case injury rate by 28 percent since 2004
- We were recognized for promoting a diverse and inclusive workplace by numerous organizations, and received a perfect score of 100 percent for the ninth consecutive year on the Human Rights Campaign's 2010 Corporate Equality Index
- In 2010, American and American Eagle employees completed more than 1 million hours of training



Community

- American and American Eagle contributed approximately \$105 billion to the U.S. and international economies, helped create more than 870,800 jobs worldwide, and supported approximately 1,400 non-profit organizations globally
- AMR employees donated more than \$1 million to charitable organizations through our Workforce Giving Program
- Direct and indirect support for the Susan G. Komen Race For The Cure[®] was estimated to be more than \$14 million and involved more than 20,000 employee donors and volunteers
- American Airlines personnel helped gather \$1.6 million from passengers under the UNICEF Change for Good program



