Resolved
Shareholders request that the Board of Directors conduct an evaluation and issue a report within the next year (at reasonable cost, omitting proprietary information) describing if, and how, American Airlines' lobbying activities (directly and indirectly through trade associations and social welfare and nonprofit organizations) align with the Paris Climate Agreement's aspirational goal of limiting average global warming to 1.5 degrees Celsius. The report should also address the risks presented by any misaligned lobbying and the company's plans, if any, to mitigate these risks.

Supporting Statement
According to the most recent "Emissions Gap Report" from the United Nations Environment Programme (10/26/21)[1], critical gaps remain between the commitments of national governments and the actions necessary to prevent the worst effects of climate change. Companies have an important and constructive role to play in enabling policymakers to close these gaps.

Corporate lobbying activities inconsistent with meeting the goals of the Paris Agreement and holding global warming to 1.5 degrees Celsius over pre-industrial levels, present regulatory, reputational and legal risks to companies. Such policy engagement also presents systemic risks to our economies and markets, as delays in implementation of the Paris Agreement increase the physical risks of climate change, undermine economic stability, and introduce uncertainty and volatility into investment portfolios. Paris-aligned climate lobbying helps to mitigate these risks and contributes positively to the long-term value of companies.

Of particular concern are the trade associations and other politically active organizations that speak for business but, unfortunately, too often present forceful obstacles to progress in addressing the climate crisis. When a company presents itself as a proponent of climate action but funds organizations that work against policy solutions, they open themselves up to reputational damage, especially in this age of social media.

As investors, we view fulfillment of the Paris Agreement's agreed goal—to hold the increase in the global average temperature to "well below" 2°C above preindustrial levels, and to pursue efforts to limit the temperature increase to 1.5°C— as an imperative. Unabated climate change will have a devastating impact on our economies, on political stability and therefore on our clients, plan beneficiaries, and the value of their portfolios. We see future "business as usual" scenarios of 3-4°C or greater as both unacceptable and uninvestable.

We commend American for setting a goal of net zero emissions by 2050 and for reporting in line with TCFD in its 2020 Sustainability Report[2]. But 200 institutional investors managing $6.5

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[1] https://www.unep.org/resources/emissions-gap-report-2021
[2] https://www.aa.com/content/images/customer-service/about-us/corporate-governance/esg/aag-esg-report-2020.pdf

trillion wrote to American in 2019[3], seeking an answer to a different question: How does American Airlines work to ensure that its direct and indirect lobbying activities align with the Paris Agreement's goals, and what does the company do to address any misalignments it has found? After a follow-up letter in 2020, American only acknowledged receipt and referenced their Sustainability report.

Thus, we urge the Board and management to assess the company's lobbying on climate policy and report to shareholders.

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[3]https://www.ceres.org/sites/default/files/FINAL%20Letter%20Generic%20Investor%20Expectations%20on%20Climate%20Lobbying.pdf