

American Airlines Group Inc.

2025 Annual Meeting of Stockholders Q&A

A number of questions were submitted by our stockholders before and during our 2025 Annual Meeting of Stockholders held on June 11, 2025 (the "Annual Meeting"). Responses to appropriate questions that were submitted in accordance with the Rules of Conduct of the Annual Meeting and which were not addressed during the Annual Meeting are provided below. As noted in the Company's proxy statement, in order to promote fairness, efficient use of the Company's resources and to ensure all stockholders are responded to, we have responded to up to three questions from each stockholder who submitted questions. In some instances, we have consolidated multiple questions on the same topic, made edits for clarity, brevity and/or corrected typographical errors. We have also removed questions and comments that violate the Rules of Conduct of the Annual Meeting, including those that were not relevant to the business of the Company or the conduct of its operations. All responses, including any forward-looking statements, are made as of June 25, 2025, unless otherwise noted. We do not undertake, and expressly disclaim any duty or obligation, to update these responses, whether as a result of new information, new developments, or otherwise, except to the extent that disclosure may be required by law. Forward-looking statements are subject to many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements, as discussed in our SEC filings. Investors should review our most recent reports on Forms 8-K, 10-K, and 10-Q on the SEC's website at www.sec.gov for information regarding our business and factors affecting our business since June 25, 2025.

1. Network

Question: What is American's network strategy as it relates to Chicago and key non-hub markets such as Austin, Orlando and Las Vegas? How will American compete with United and JetBlue?

Answer: Our short-haul network, encompassing domestic and short-haul international routes, serves as the foundation for our airline, strategically anchored by our hub airports: DFW, CLT, ORD, MIA, PHL, DCA, PHX, NYC and LAX. We remain committed to maximizing connectivity across our network and deploying capacity that maximizes the airline's profitability.

Following the pandemic, our initial priority as we restored our operation was to rebuild our Sun Belt hubs to align supply with areas of growing demand. This year, with full recovery of our mainline and regional capacity, our focus has shifted to restoring strength in our Northern hubs: Chicago, New York and Philadelphia.

Our growth strategy is designed to provide the flexibility needed to align with the evolving demand environment. We will continue to deploy capacity effectively across the regions where customers want to travel. We are always evaluating opportunities for new routes and expansion in our current markets and will continue to monitor the Austin market. Future growth levels and network decisions will be guided by the demand and competitive environment.

Chicago is our third-largest hub and a key part of our network. Its central location facilitates east-west connections across North America, while also serving as a strong local market with corporate travelers and a loyal base of AAdvantage® members. We're focused on restoring our historical strength in the region, and this summer, we are excited to grow our presence in Chicago with a 20% year-over-year increase in seat capacity. All flights will feature a dual-class premium product, enhancing the travel experience for our customers and reinforcing Chicago's role as a strategic hub for American.

We remain intently focused on being competitive in New York and Boston and are committed to enhancing our customer proposition in the Northeast. Over the past year, we have added more than 20 new routes from LGA and JFK using the slots returned to us after the conclusion of the Northeast Alliance with JetBlue. Together with our partners, this summer, we will offer New York travelers more than 250 daily nonstop flights to 100 markets around the world from two exceptional terminal facilities, including the best lounges in our system. At JFK, we continue to improve connectivity by co-locating at T8 with our partners, including British Airways, Iberia, Japan Airlines, Qatar, and, as we recently announced, Alaska Airlines and Hawaiian.

2. Pilot hiring and retirements

Question: What are your future growth plans, and is there a plan in place to replace retiring pilots?

Answer: Mandatory-aged pilot retirements are well known in our industry, enabling proactive workforce planning. We maintain a strong talent pipeline by attracting and recruiting pilots. The American Airlines Cadet Academy offers a clear path to becoming a commercial airline pilot and is focused on attracting a broad pool of qualified candidates through its growing network of partner flight schools and other industry alliances. Upon successful completion of the program, graduates receive a placement with one of American's wholly owned regional carriers. American has established contractual flow-through agreements with each carrier, providing a steady stream of experienced professionals to the mainline operation.

3. Executive compensation

Question: How is executive compensation evaluated given the weaker financial results American delivered versus its network peers?

Answer: American's Board of Directors has a fiduciary duty to shareholders, including its decisions concerning the compensation of our executive officers up to our CEO. We believe that stockholders reflected their confidence in the Board and its decision-making by electing each of our director nominees, including the chair of our Compensation Committee, at the Annual Meeting by significant majorities. Additionally, each year, our stockholders have the opportunity to vote, on an advisory basis, on the Company's executive compensation for its named executive officers for the prior fiscal year. At the Annual Meeting, more than 96% of votes were cast in favor of approving the Company's executive compensation for our named executive officers, including our CEO. Detailed information concerning the compensation policies and practices for named executive officers is provided in the [2025 proxy statement](#).

4. Inflight entertainment

Summarized question: Will the airline invest in inflight entertainment to improve the passenger experience?

Answer: Customers traveling on American can discover new, [free content](#) on every flight as the airline adds 200 new titles monthly. New selections are inspired by current entertainment trends, customer feedback and viewing patterns, informing a thoughtfully curated collection that includes more than 1,500 movies, TV shows, audio and lifestyle offerings. As an added option, customers can stream video content from their favorite streaming platforms right to their personal devices once connected to Wi-Fi.

American's exclusive partnerships with Audible, Center Stage, FitOn, Hey Bear Sensory, QVC+ and HSN+ give customers a chance to watch hundreds of movies and TV shows, listen to hours of audio and explore new skills, all for free while in flight.

In April, we announced that AAdvantage® members will receive complimentary high-speed satellite Wi-Fi beginning January 2026, thanks to a new sponsorship with AT&T. We're excited to be able to offer free high-speed satellite Wi-Fi on more aircraft than any other carrier, and it's a great way to demonstrate that we have renewed our focus on the customer experience. We're on track to equip more than 500 regional aircraft with high-speed Wi-Fi by the end of 2025 in time for next year's launch. Combined with our extensive library of free inflight entertainment, customers will have more ways to stream content to their own devices. In addition, seatback entertainment is available on all our widebody aircraft and will be installed on the upcoming Airbus A321 XLR fleet.

5. 777-200 plans

Question: What are the company's future plans with the Boeing 777-200ER fleet?

Answer: American operates the youngest fleet among the U.S. network carriers, providing customers a more modern, comfortable and connected experience. We have no required mainline retirements through the end of the decade. Our upcoming deliveries will support our ability to grow and improve the customer experience as we further invest in our product. We have started to accept delivery of our new Boeing 787-9s, and we will soon begin to retrofit our existing 777-300ER fleet with our new Flagship Suite® seats. With these and other initiatives, in the coming years, we plan to increase our long-haul international capable fleet from approximately 125 aircraft to approximately 200 aircraft. We will continue to assess our fleet requirements to determine the long-term role of the 777-200ERs in our fleet.

6. Airline industry current trends

Question: What are some of the key challenges facing the airline industry and how is American Airlines addressing them?

Answer: The airline industry is closely linked to the broader macroeconomic environment and has historically performed well during periods of economic growth and stability. However, current economic uncertainty has softened demand particularly in the domestic main cabin and clouded the near-term outlook. Additionally, global tariff policies pose potential cost challenges to aircraft and other imports from non-U.S. suppliers. In response, American is proactively adjusting capacity to align with the shifting demand trends while remaining mindful of the competitive landscape.

Geopolitical tensions in the Middle East are having a significant impact on the global oil markets, leading to higher fuel prices that directly impact airline operating cost. With no fuel hedging in place, the industry is exposed to these price fluctuations. In response, the industry will rebalance capacity by trimming less profitable routes to better align with the new cost environment. American is well-positioned to navigate this challenge due to our disciplined cost management and ongoing reengineering the business initiatives. These efforts are focused on driving efficiencies and controlling controllable expenses. By the end of 2025, the Company expects to realize more than \$750 million of cumulative cost savings through these initiatives.