

NO. 1

AIR LEASE CORPORATION

environmental, social, and governance **report**



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A Message from Leadership

2021 began with continued COVID-19 headwinds, but ultimately proved to be a year of progressive recovery for the aviation industry. While the pandemic was clearly one of the greatest challenges faced by our airline customers and the industry as a whole, Air Lease Corporation's primary strategic focus on the replacement of older aircraft with the most modern and fuel-efficient types remains unchanged, and our business model has demonstrated its durability. The pandemic recovery is continuing to gain altitude, and we are confident in the future growth of air travel as it serves to further global connectivity.



John L. Plueger
Chief Executive Officer & President

Steven F. Udvar-Házy
Executive Chairman of the Board

We remain dedicated to expanding our efforts on environmental, social, and governance matters and disclosure. As such, we are very pleased to publish our newly reformatted and updated ESG Report, which incorporates additional disclosures, including our Scope 1 & 2 Greenhouse Gas (GHG) emissions. Our ESG committee consists of key members of our senior management team, and meets at least quarterly to guide our ESG focus and related disclosures ensuring timely communication and feedback to our Board of Directors. We continually strive to improve on our ESG efforts, and we plan to further expand our disclosures ahead.

Climate change is of critical importance, and our business model by its very nature directly targets reduced environmental emissions. Our fleet of modern and highly fuel-efficient aircraft continues to expand, with each new aircraft delivered providing a meaningful 20-25% reduction in fuel consumption and emissions relative to prior generations. Approximately 80% of commercial passenger aircraft in service worldwide are prior generation equipment, so our strategic focus on new commercial aircraft is directly reducing the impact of air travel on the environment when our customers replace their existing fleet. This not only includes reduced CO₂ emissions, but also NO_x and noise emissions as well.

As our business continues to expand, so does our team. Our employees are one of our most important assets—we had 129 individuals spread across four offices worldwide as of the end of 2021, and we continue to focus on providing our employees with

attractive compensation, exceptional benefits, and a positive working environment. Our staff have returned to the office after in-person work restrictions ended, though we have maintained a flexible office schedule to accommodate our employees. We have a concerted effort toward expanding our diversity, equity, and inclusion efforts and we actively seek out those that further expand these goals, in conjunction with hiring the most skilled and highest quality individuals.

Air Lease remains highly committed to strong corporate governance, and we believe our Board of Directors has a broad set of skills and experiences necessary to oversee our business. Our board diversity has increased over the last couple years as well, with increased gender and cultural mix, and is now 33% female with one member from an underrepresented community. We engaged with over 50% of our shares outstanding (excluding employees) after the 2022 proxy filing in order to discuss our governance and sustainability philosophies in particular, with the aim of hearing as broad a range of perspectives as possible.

We continue to operate our business with an ongoing focus on making decisions we believe best for stakeholders, and enhancing our ESG performance and disclosures. We appreciate your support and look forward to further engagement with you, in addition to hearing your feedback on our efforts and progress.

John L. Plueger
Chief Executive Officer & President

Steven F. Udvar-Házy
Executive Chairman of the Board

About Air Lease Corporation

Air Lease Corporation (ALC) is a leading aircraft leasing company principally engaged in purchasing commercial aircraft from Boeing and Airbus and leasing them to its valued airline customers worldwide. Our team of talented individuals focus on providing our airline customers with total fleet solutions which, in addition to operating leases, includes fleet advisory among other offerings.

30

Average years of commercial aviation industry experience among senior management



\$27

billion in total assets

118

airline customers



Investment grade rated

BBB S&P

BBB Fitch

A- Kroll



900+

Aircraft owned, managed and on order



129

employees

60

countries



ALC is headquartered in Los Angeles, California, with offices in Dublin, Hong Kong, and Dallas

About this Report

This report contains information and feedback regarding our focus on environmental, social, and governance matters throughout our organization and with our Board of Directors. The below framework ensures that feedback is disseminated on an ongoing basis and formally on a quarterly basis. We look forward to continued engagement and feedback from our stakeholders so that we can further evolve our focus, priorities and disclosures.

- This is our third annual Environmental, Social, and Governance Report, or ESG Report. Our inaugural report was published in the fall of 2020.
- The reporting period for this report is January 1, 2021 to December 31, 2021, except where noted as of June 30, 2022.
- Information covers Air Lease Corporation and its consolidated subsidiaries.
- We prepared this report in reference to the Global Reporting Initiative (GRI) Standards 2016. Please see our GRI Content Index beginning on page 37 for additional disclosure regarding reference to certain GRI standards.
- We value your feedback and welcome any questions, comments or suggestions on this report.



ESG Materiality

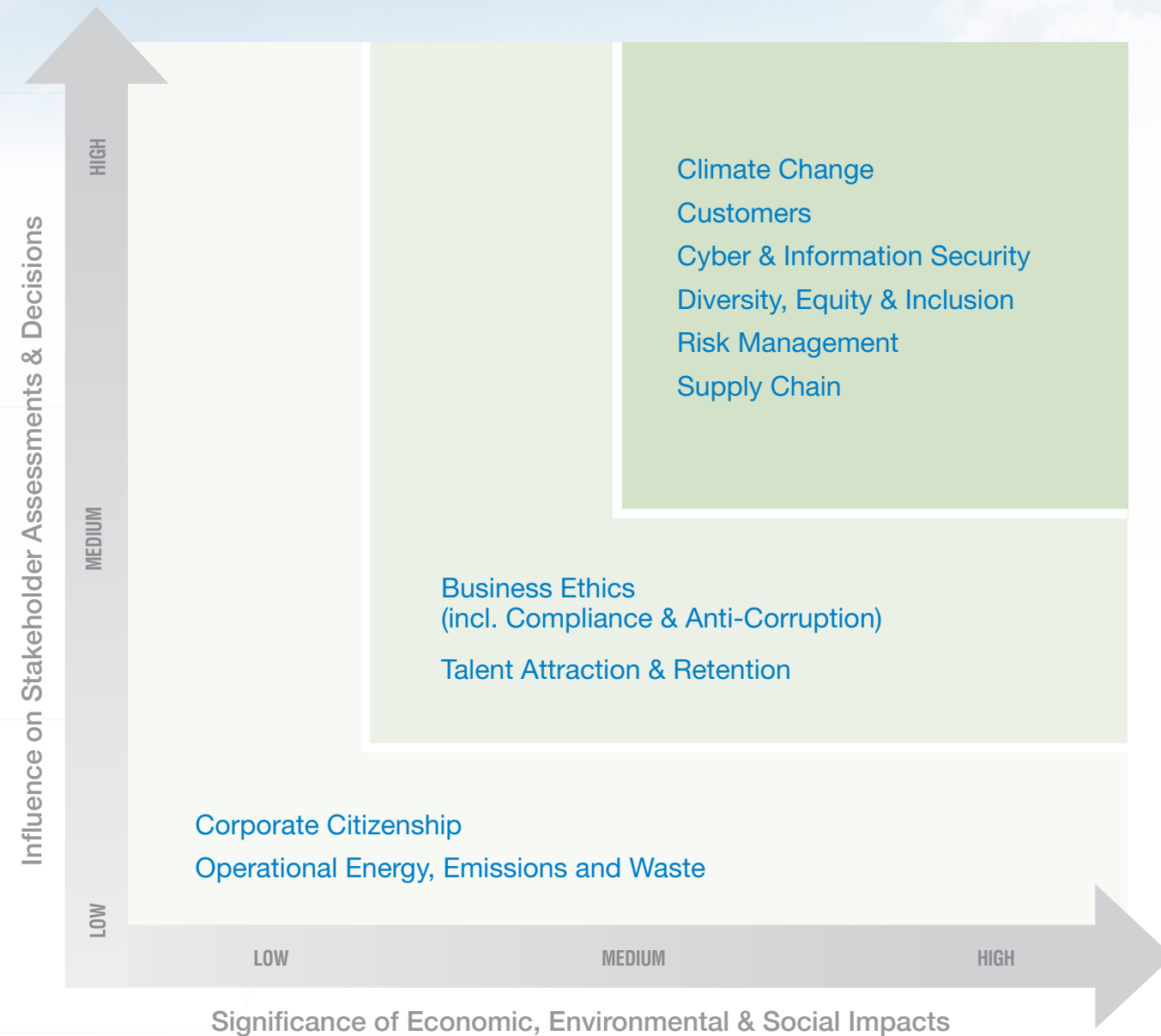
We conducted a materiality assessment to strategically guide our sustainability management and reporting strategy moving forward. This process included the identification, prioritization, and validation of our most significant ESG topics in terms of impact on our industry, our business and our stakeholders.

To identify relevant ESG topics, we reviewed our enterprise risk assessment, industry and peer reporting and sustainability frameworks. We prioritized topics based on level of importance to our business and our stakeholders. We then validated the results with our leadership.

> Key feedback:

Through our engagement with our stakeholders in 2021, most notably our investors, it was clear that they wanted us to continue providing enhanced disclosures on ESG topics. We have evolved our ESG program over the past few years, and this year we are incorporating Scope 1 & 2 Greenhouse Gas (GHG) emissions in addition to our other disclosures. We look to provide further ESG information and disclosures in future reports moving forward.

ESG Materiality Matrix *Illustration of Relative Priorities*



Our Stakeholders

Stakeholder	Typical Engagement	Frequency of Engagement	Key Engagement in 2021
Investors	<ul style="list-style-type: none"> • 2021 earnings calls held quarterly to provide financial and business updates and allows for Q&A with senior management • Investor dialogue via individual or group meetings at industry and bank conferences • Ongoing communication with investors through our investor relations team • Website updated on an ongoing basis to keep investors informed and provide additional information on ESG and other investor priorities 	Throughout the year	<ul style="list-style-type: none"> • We participated in more than 20 industry or research conferences and meetings in 2021 • Senior management presented and spoke with investors at several industry related events in 2021 held primarily virtually • Investor relations team continued dialogue with investors at research and industry events as well as other out-reach totaling more than 500 investor conversations • Variety of corporate governance and ESG topics also discussed with investors throughout the year and during proxy outreach
Airline Customers	<ul style="list-style-type: none"> • From our orderbook, we lease the most modern, fuel-efficient aircraft to airline customers worldwide • We advise airline customers on aircraft types and fleet planning, and help them transition to operating more efficient aircraft 	Daily	<ul style="list-style-type: none"> • As of 12/31/21, we had 382 owned aircraft and 118 airline customers in 60 countries • Our marketing executives met with airline customers in person and virtually regarding existing and potential new leases • We continued to collaborate with our airline customers to find ways to best assist them with the impacts of the COVID-19 pandemic, such as providing them with various accommodations
Manufacturers & Suppliers	<ul style="list-style-type: none"> • Our procurement team has a long track record of working with manufacturers and suppliers successfully, with our head of procurement having over 25 years of aviation experience in this area of focus • Primary manufacturers include Boeing and Airbus • Primary suppliers include General Electric, CFM International, Pratt & Whitney, IAE and Rolls-Royce 	Daily	<ul style="list-style-type: none"> • We delivered 53 new aircraft to our airline customers in 2021 • Ongoing interactions to adjust our orderbook deliveries to accommodate aircraft demand and customer requests • We continued to collaborate with the OEMs and other suppliers as delivery schedules were impacted by travel restrictions and quarantines, requiring ongoing adjustments to delivery dates for aircraft in our orderbook
Financial Institutions/ Capital Providers	<ul style="list-style-type: none"> • We maintain strong relationships with the financial institutions that lend to us and support our business by leading our capital markets transactions and providing business advisory services • We continue to discuss our focus on sustainability with our banks to get their professional input and advice • We engage firms owned by underrepresented groups where possible 	Throughout the year	<ul style="list-style-type: none"> • Met with banks on an ongoing basis at our headquarters, in their respective offices, and virtually • Minority-owned broker dealer firms mandated as joint book runners on capital markets transactions • Met with our lenders virtually in March 2021 followed by an in-person bank meeting in March 2022
Employees	<ul style="list-style-type: none"> • We hold periodic town halls led by senior management to discuss key topics and answer questions • Our company intranet allows for efficient communications to all employees • We have an open-door policy and encourage all employees to speak with supervisors and senior management on topics important to them 	Throughout the year	<ul style="list-style-type: none"> • Employee town halls/engagement with CEO and Executive Chairman with Q&A session available to all attendees virtually • Implemented a hybrid work schedule in response to employee feedback
Community	<ul style="list-style-type: none"> • We sponsor and support several charitable organizations within our industry and community 	Throughout the year	<ul style="list-style-type: none"> • Community and other charitable contributions throughout 2021 to organizations including the United Way of Greater Los Angeles, the Los Angeles Fire Department Foundation, Wings Club Foundation, TreePeople, and the ISTAT Foundation
Government & Regulators	<ul style="list-style-type: none"> • SEC disclosures as well as key policies available on our corporate website • Compliance with Sarbanes-Oxley requirements • Advise government and regulators when requested 	Throughout the year	<ul style="list-style-type: none"> • Financial reports publicly available on sec.gov • Disclosures and documentation available on corporate website • We did not make any contributions to and spending for political campaigns, political organizations, lobbyists or lobbying organizations



Environment

The airline industry is focused on reducing its environmental impact in response to increasingly stringent environmental laws and regulations concerning air emissions and other impacts to the environment. We believe this will result in our airline customers accelerating their transition to the most modern technology, fuel-efficient aircraft we own and have on order.



ENVIRONMENT

Where we stand

- Since inception of our company in 2010, we have focused on purchasing the most modern, fuel-efficient aircraft available and leasing them to our customers worldwide. In many cases, we serve as a launch customer for Boeing or Airbus, whereby we play a crucial role in introducing a new aircraft type into the global fleet.
- As of December 31, 2021, our owned fleet had a weighted average age of 4.4 years, relative to the world's fleet of commercial passenger aircraft average age of approximately 11 years.

- Our core strategy is helping our airline customers modernize their fleets through our fleet planning services and our portfolio of aircraft that are generally 20-25% more fuel-efficient and have a significantly smaller noise footprint than the aircraft they will replace.

Our approach going forward

- With over 400 of the most modern aircraft available currently on order through 2028⁽¹⁾ we are committed to purchasing the most fuel-efficient commercial aircraft available and leasing them to our customers worldwide, primarily targeting airline customers looking to replace older aircraft.

- We are committed to our enhanced focus on environmental concerns as core to our strategy, and regularly work with our Board of Directors to address our climate-related risks and opportunities.



(1) As of June 30, 2022



ENVIRONMENT

Climate Change

The role of aviation in the pre-COVID world

> **87.7_M**

Jobs supported in aviation
and related tourism

> **4.1%**

Global GDP supported by
the aviation industry

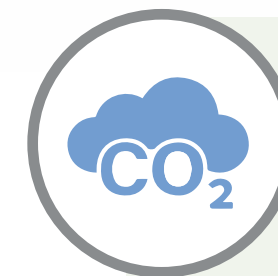
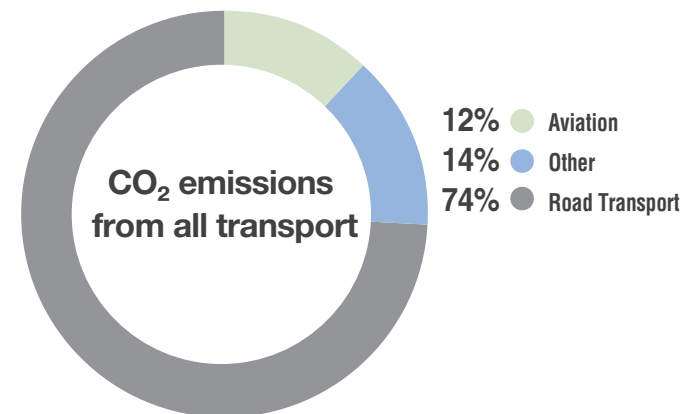
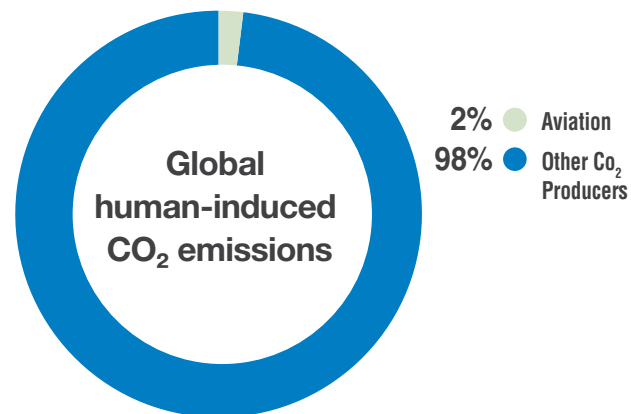
> **35%**

Pre-COVID Global trade by
value carried by air transport

> **4.5_B**

Passengers carried by
airlines in 2019 worldwide

A look at where aviation stands as it relates to pre-COVID CO₂ emissions



~80% of aviation CO₂ emissions
are from flights >1,500km for which
there is no practical alternative mode
of transport



ENVIRONMENT

Climate Change

The aviation industry has made significant advancements over the last few decades and is committed to continued improvement.

- Carbon emissions per passenger have declined by more than 50% since 1990¹.
- Today's aircraft are 80% more fuel-efficient per seat km vs. those from the 1950s².

The achievements of the aviation industry in terms of fuel efficiency improvement each year since 1990 is 3x more than the average increase in car fuel efficiency and 9x that of heavy-duty trucks³.

Aviation industry aims to halve net aviation CO₂ emissions in 2050 relative to 2005 levels⁴

4

Pillars to Address
Climate Change⁴

- ✓ Improved Technology
- ✓ More Efficient Aircraft Operations
- ✓ Infrastructure Improvements
- ✓ Market-Based Measure

(1) IATA as of December 12, 2019 Carbon Emissions Per Passenger Decrease More Than 50% Since 1990.

(2) Air Transport Action Group - Aviation Benefits Beyond Borders, September 2020.

(3) IATA Economics Chart of the Week as of November 16, 2018.

(4) IATA Fly Net Zero.

ENVIRONMENT

Climate Change

Aligned with the needs of our customers, reduced fuel consumption, emissions and noise are our priority when selecting an aircraft to join the ALC fleet. By focusing on these qualities, we are introducing more environmentally conscious aircraft into the world’s fleet.

Many of the improvements related to fuel efficiency within the aviation industry have been the result of airlines operating new, more fuel-efficient aircraft. Since our inception in 2010, we have purchased over \$30 billion of aircraft. Between the remainder of 2022 and 2028, we have committed to purchase approximately \$28 billion of new aircraft. Our new aircraft will be vital in helping the airline industry reach its future sustainability goals.

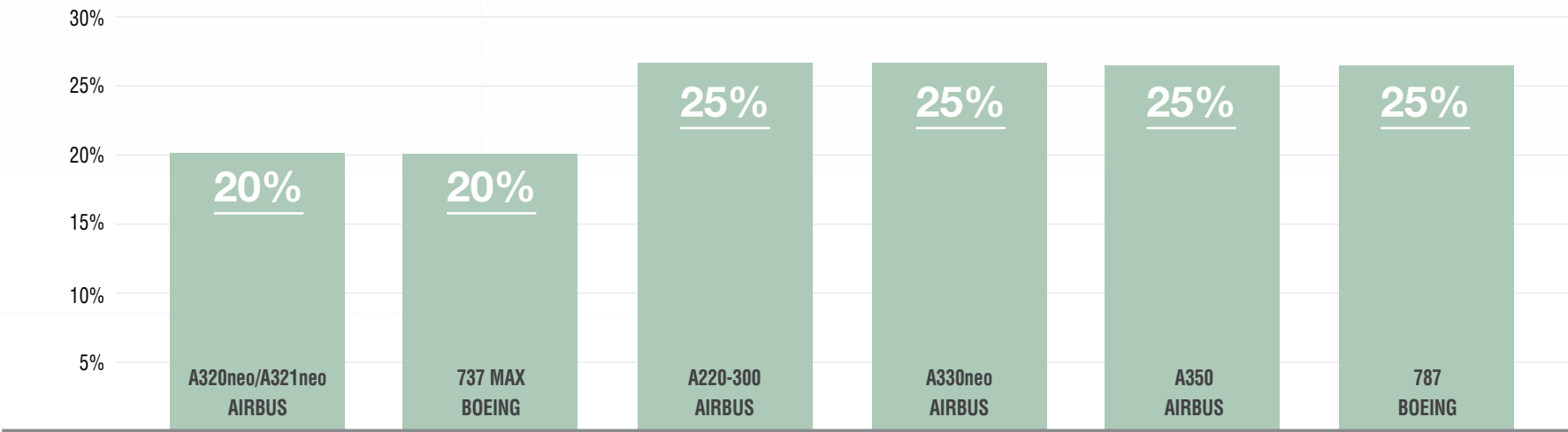
> ~\$28_B

Fuel-efficient aircraft
purchase commitments
between 2022-2028

as of June 30, 2022

Approximate Improvement in Fuel Burn vs. Previous Generation Aircraft

ALC’s Fuel Efficient Aircraft



Source: Airbus SAS and The Boeing Company
Aircraft comparisons: A220-300 compared to A319ceo. A320neo compared to A320ceo. A321neo compared to A321ceo. A330-900neo compared to B767-300ER. A350-900 compared to B777-200ER. A350-1000 compared to B777-300ER. 737MAX compared to 737NG (no winglet). 787 compared to 767-300ER. 737 MAX 8 is 20% lower and 737 MAX 9 is 20% lower. 787-9 is 25% lower and 787-10 is 25% lower. A320neo is 20% lower, A321neo is 22% lower. A350-900 and A350-1000 both 25% lower.



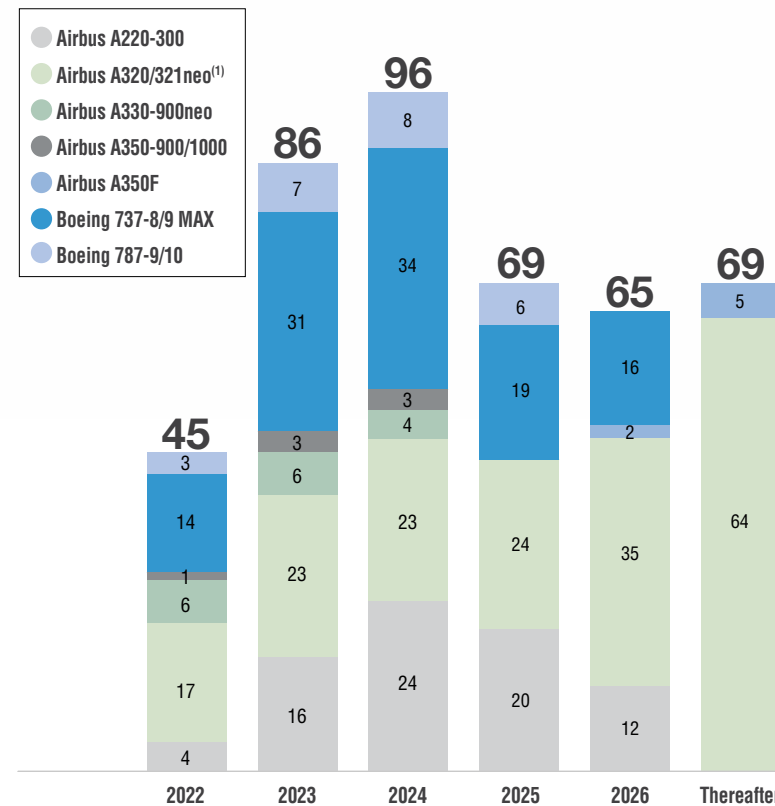
ENVIRONMENT

Climate Change

Our strategy is to assist the airline industry in achieving its sustainability goals by leasing the most modern, fuel-efficient aircraft available, which we purchase directly from the manufacturers, to our airline customers. As a result, the weighted average age of our owned fleet remains significantly younger than that of the world's commercial aircraft fleet. Over the next few years, we are scheduled to take delivery of over 400 new aircraft from the manufacturers enabling us to further help our customers modernize their fleets.

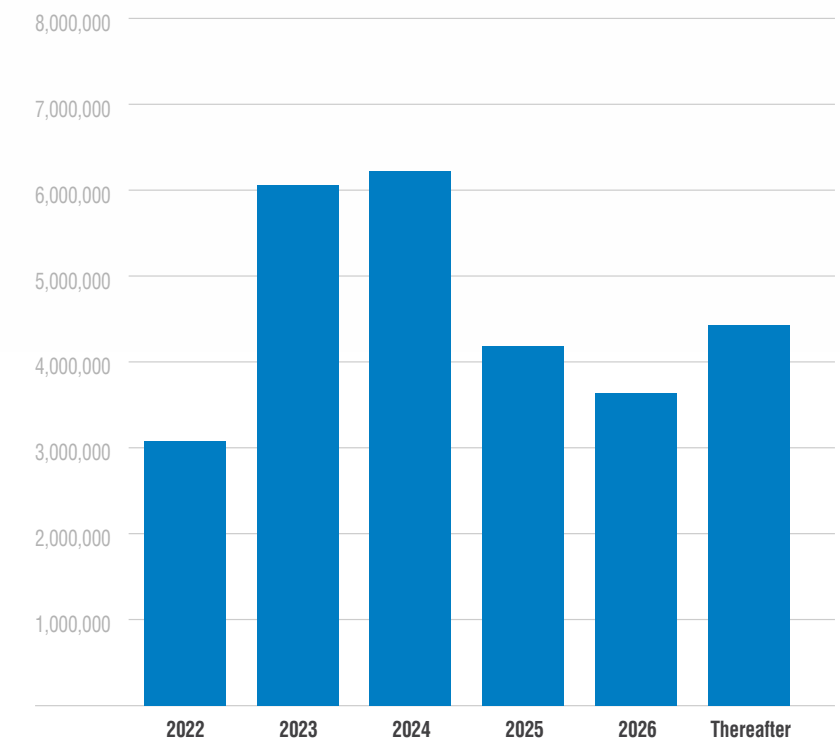
Our orderbook includes the most environmentally friendly commercial passenger aircraft, enabling our assets to comprise one of most modern fleets in the world.

ALC Order Deliveries by Year⁽²⁾



Aircraft Acquisition Commitments⁽³⁾

(in \$ billions)



(1) Airbus A320/321neo aircraft orders include 26 long-range variants and 49 extra long-range variants.

(2) As of June 30, 2022. Reflects Airbus and Boeing aircraft delivery delays based on contractual documentation. Full year data, except 2022 which reflects 1H22 deliveries.

(3) As of June 30, 2022. Full year data, except 2022 which reflects 2H22 commitments.

ENVIRONMENT

Climate Change

Reduced Environmental Impact in Numbers. As shown, each of the aircraft types in our fleet and order book – when introduced to or operated in the world’s fleet – are significantly more environmentally friendly.

Aircraft	Nitrogen Oxides	Noise Pollution	Fuel Consumption
AIRBUS A220-300	Up to 38% below CAEP/6	Up to 50% smaller footprint; Up to 17.4 EPNdB below ICAO Chapter 4	25% lower fuel burn & CO ₂ emissions per seat
AIRBUS A320neo	Up to 49% below CAEP/6	Up to 50% smaller footprint; Up to 20.6 EPNdB below ICAO Chapter 4	20% lower fuel burn & CO ₂ emissions per seat
AIRBUS A321neo	Up to 49% below CAEP/6	Up to 54% smaller footprint; Up to 16 EPNdB below ICAO Chapter 4	22% lower fuel burn & CO ₂ emissions per seat
AIRBUS A330-900neo	Up to 20% below CAEP/6	Up to 50% smaller footprint; Up to 16.1 EPNdB below ICAO Chapter 4	25% lower fuel burn & CO ₂ emissions per seat
AIRBUS A350-900	Up to 23% below CAEP/6	Up to 40% smaller footprint; Up to 22 EPNdB below ICAO Chapter 4	25% lower fuel burn & CO ₂ emissions per seat
AIRBUS A350-1000	Up to 6% below CAEP/6	Up to 50% smaller footprint; Up to 16 EPNdB below ICAO Chapter 4	25% lower fuel burn & CO ₂ emissions per seat
BOEING 737-700	Up to 29% below CAEP/6	Up to 20% smaller footprint; Up to 7.8 EPNdb below ICAO Chapter 4	13% lower fuel burn & CO ₂ emissions per seat
BOEING 737-800	Up to 26% below CAEP/6	Up to 20% smaller footprint; Up to 5.8 EPNdb below ICAO Chapter 4	18% lower fuel burn & CO ₂ emissions per seat
BOEING 737 MAX 8	Up to 34% below CAEP/6	Up to 50% smaller footprint; Up to 14.8 EPNdb below ICAO Chapter 4	20% lower fuel burn & CO ₂ emissions per seat
BOEING 737 MAX 9	Up to 27% below CAEP/6	Up to 50% smaller footprint; Up to 13.2 EPNdb below ICAO Chapter 4	20% lower fuel burn & CO ₂ emissions per seat
BOEING 787-9	Up to 42% below CAEP/6	Up to 50% smaller footprint; Up to 17.8 EPNdb below ICAO Chapter 4	25% lower fuel burn & CO ₂ emissions per seat
BOEING 787-10	Up to 40% below CAEP/6	Up to 50% smaller footprint; Up to 17.8 EPNdb below ICAO Chapter 4	25% lower fuel burn & CO ₂ emissions per seat
BOEING 777-300ER	Up to 14% below CAEP/6	Up to 40% smaller footprint; Up to 7.1 EPNdb below ICAO Chapter 4	20% lower fuel burn & CO ₂ emissions per seat

Source: Airbus and Boeing

Airbus Comparisons: A220-300 compared to A319ceo, A320neo compared to A320ceo, A321neo compared to A321ceo, A330-900neo compared to B767-300ER, A350-900 compared to B777-200ER, A350-100 compared to B777-300ER

Boeing Comparisons: 737NG compared to 737Classic; 737MAX compared to 737NG (no winglet); 787 compared to 767-300ER; 777-300ER compared to 747-400(GE)



ENVIRONMENT

Operational Energy, Emissions & Waste

Our Footprint

We are pleased to include our Scope 1 & 2 Greenhouse Gas (GHG) emissions disclosures with our ESG report for 2021. Air Lease's Scope 1 (direct) emissions for 2021 were 4,439 metric tons of CO₂e (CO₂ equivalent GHG emissions), while our Scope 2 (indirect) emissions were 239 metric tons of CO₂e.

We are focused on operational sustainability. Our commitment to this begins with our office space, with our headquarters in a LEED GOLD certified building at 2000 Avenue of the Stars in Los Angeles focused on the following:

Our Building Footprint



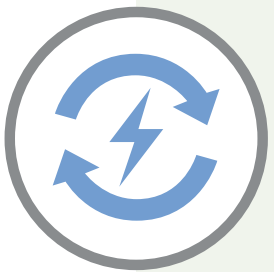
Water Conservation

More than 21.2 million gallons of water saved annually



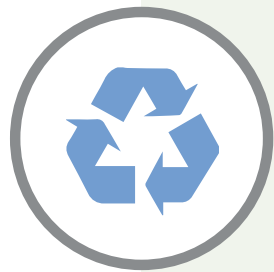
Water Recovery

100% self-reliance for landscape irrigation



Energy Conservation

8.4 million kilowatt hours saved annually



Recycling

Project diverts 44% of waste away from landfills

In addition to the details noted above regarding our headquarters, our Hong Kong office is located at Two International Finance Centre which has been recognized as a Hong Kong Green Organization.

Source: 2000 Avenue of the Stars building management, 2021 full year data.





Social

We are committed to operating with the highest standards of social responsibility. As such, we strive to cultivate an environment where all our employees can succeed—we seek out business partners that uphold these ethical standards, and we aim to support the communities in which we do business, in addition to educational and charitable organizations within the aviation industry.



SOCIAL

Where we stand today

- We provide a comprehensive benefits package benchmarked in the 90th percentile of coverage for similarly sized companies.
- We offer competitive compensation to our employees worldwide. U.S. employees, and to the extent permissible those outside the U.S., are eligible to participate in our long-term stock-based incentive plan.
- We are building a diverse organization that respects different backgrounds and experiences. More than 30% of our employees were multicultural and over 50% were female as of December 31, 2021.

- We have codes and policies which clearly outline ethical, legal and operational expectations for our employees and those companies with which we do business.
- We support various charitable causes with both financial and human resources to advance aviation, education and humanitarian assistance.
- As of December 31, 2021, we had aircraft leased to customers across 30 countries considered emerging markets and developing economies.

Our approach going forward

- Our goal is to continue to provide our employees healthcare coverage and benefits benchmarked in the 90th percentile of coverage for similarly sized companies.

- We will continue to provide competitive compensation including long-term stock incentives.
- We will continue to provide meaningful education and training to our employees, prioritizing programs focused on diversity and inclusion, along with compliance and business ethics. We will require certification, where appropriate, of employees' understanding of our policies and codes.
- We will remain involved in our community and continue to support causes and efforts that benefit the areas in which we operate and do business.
- We will continue to do business with airlines in emerging market economies further enabling global connectivity.



SOCIAL

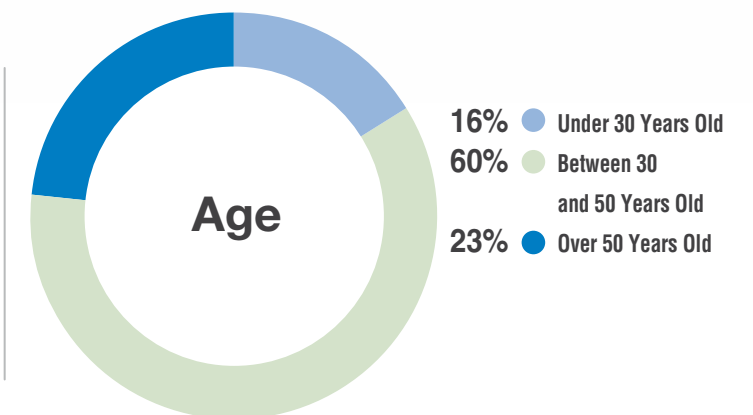
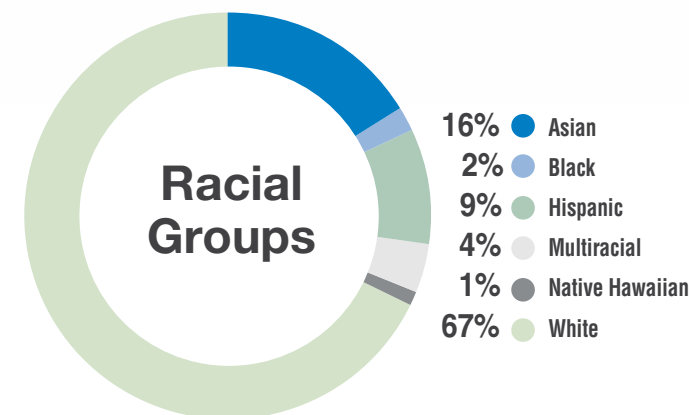
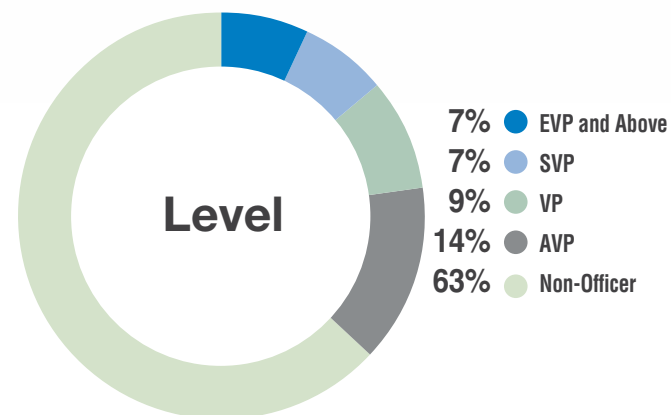
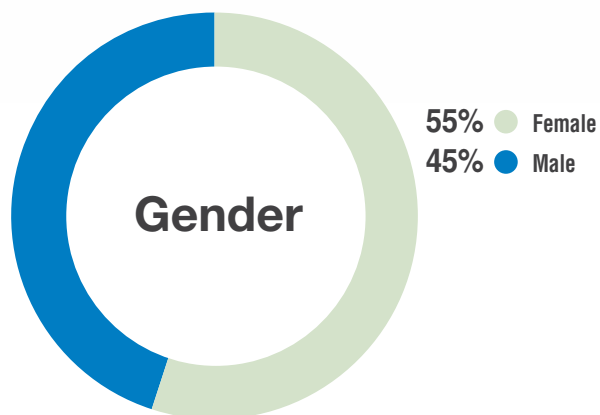
Diversity, Equity & Inclusion

Air Lease Corporation is committed to fostering, cultivating, and preserving a culture of diversity, equity, and inclusion. We believe that a diverse and inclusive culture helps maintain our position as a leading aircraft leasing company. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that our employees invest in their work represents a significant part of not only our culture, but our company's reputation and achievement.

ALC has a dedicated Diversity & Inclusion policy to ensure our employees understand our commitment to this priority. In addition, all employees must attend diversity and inclusion training. Please see our complete list of policies and trainings on pages 31-32 for more details.

Attracting and retaining talented employees who reflect the diversity of our global customers and are passionate about our business supports our overall success.

Our Employees



➤ **114 of our employees are based in our Los Angeles office, with 10 in Dublin, 3 in Dallas, and 2 in Hong Kong.**

➤ **As of December 31, 2021, we had no temporary employees in addition to our full-time staff.**

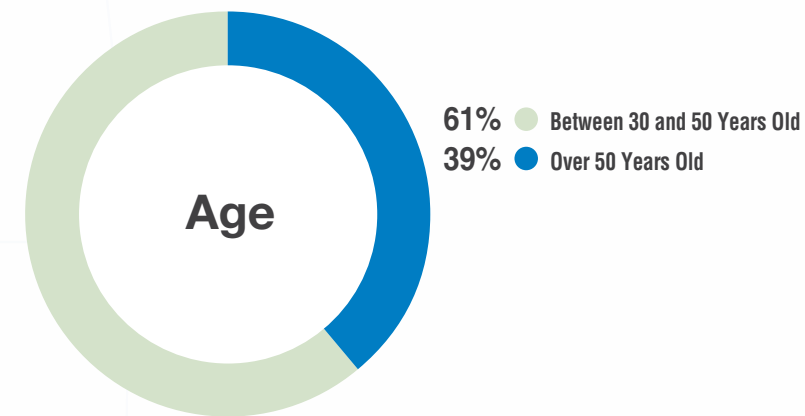
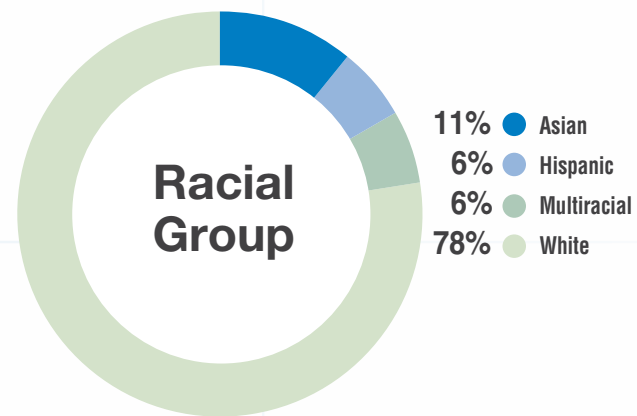
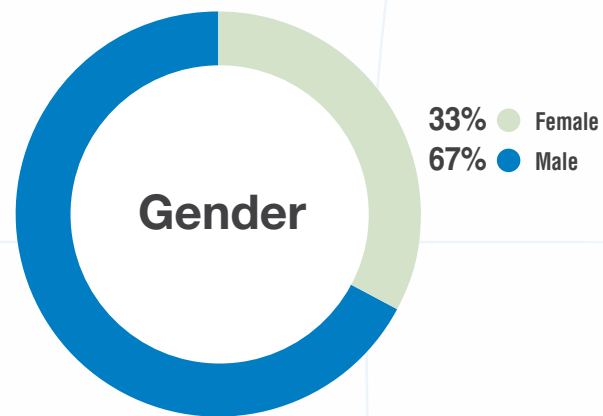
➤ **33% of our employees are multicultural and 19% are multicultural female employees.**

➤ **Over the past 3 years, we retained 86% of our female full-time employees and 91% of our male full-time employees.**

SOCIAL

Diversity, Equity & Inclusion

Our Leadership Team



Our Leadership team is
comprised of 18 individuals



**33% of ALC's leadership
at the end of 2021 were
female as compared to
25% at the end of 2017**



SOCIAL

Talent Attraction & Retention

The health and wellness of our employees is our priority and our comprehensive employee benefits are focused on employees' financial, physical and mental well-being. Our benefits include, but are not limited to, the following:

Financial

- Competitive compensation philosophy that includes comprehensive benchmarking analysis
- Cash bonus programs and long-term incentive plan with every U.S. employee, and to the extent permissible, employees outside the U.S., eligible to participate in our long-term stock-based incentive plan where permitted
- Employee-funded 401(k) programs with company matching
- Education reimbursement

Health and Wellness

- Company-paid medical, dental and vision insurance
- Company-paid life insurance
- Company-paid short-term and long-term disability insurance
- Paid maternity leave in excess of legally required minimum
- Company-paid critical illness
- Reimbursement accounts
- Travel assistance programs and insurance
- Company-paid membership to an on-site fitness center and annual health and wellness clinics
- Flexible office schedule to accommodate our employees following return to in-person work
- Remote healthcare services including LifeSpeak, a mental health and wellbeing platform

~7%

of our stock is owned by ALC's
employees and directors

88%

of our employees participate in
our 401(k) matching program

Our benefits are benchmarked in
the **90th percentile** of coverage
for similarly sized companies

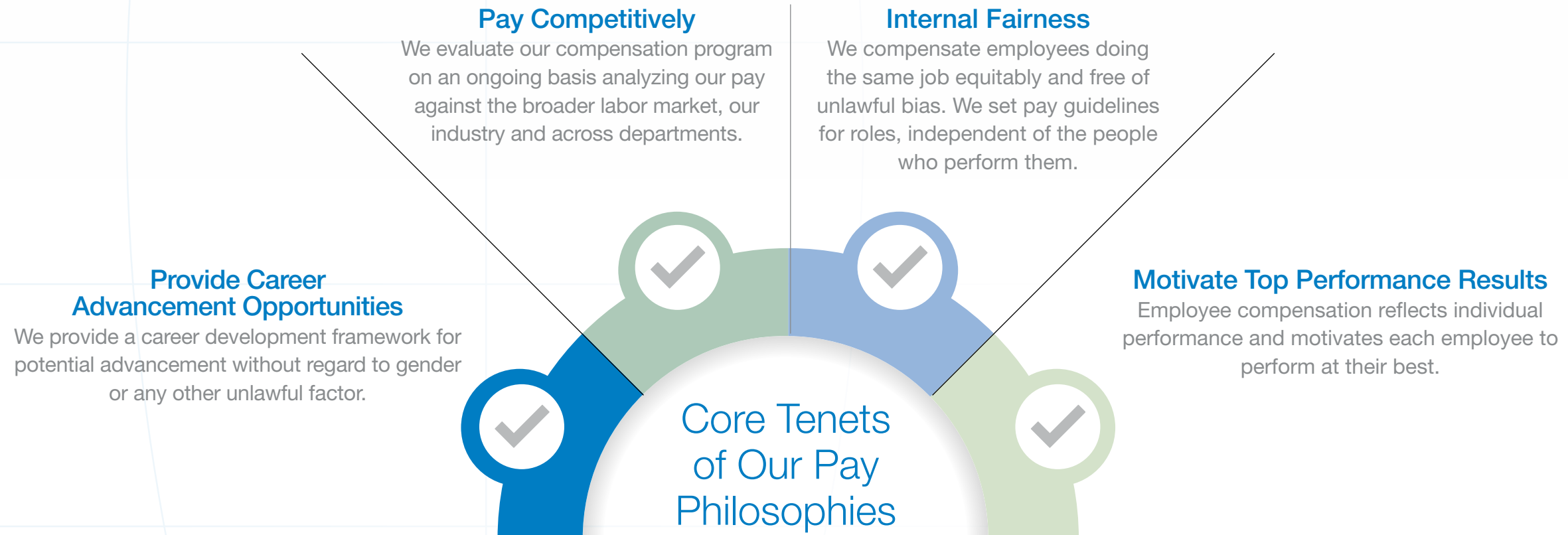


SOCIAL

Talent Attraction & Retention

Pay equity is central to our mission to attract and retain the best talent. Our compensation philosophy, reward structure, and best practices are designed to compensate employees equitably and free of any bias. We demonstrate our commitment to pay equity by regularly reviewing our compensation practices.

We will continue to review our processes and programs so that we compensate employees doing the same job equitably and free of bias.



SOCIAL

Talent Attraction & Retention

Training and Education

ALC supports training and education programs that provide continual improvement for our employees, including but not limited to:

- Continuing Education
- Leasing Seminars
- Treasury Conferences
- Credit Training
- Technology Conferences

We will reimburse the employee for related expenses including travel, registration and testing fees, workbooks, lodging and meals not included in the registration fees. The time for employee's attendance and travel will be paid at the employee's normal rate of pay.

We also provide development programs to improve and upgrade employee skills, including performance management. These programs empower employees to develop skills working in and on the business, providing professional growth and personal development to the leaders within our organization.

Please see the Governance section of this report for more details on our required trainings for our employees.



SOCIAL

Customers

Our ongoing dialogue with and commitment to our airline customers is integral to the success of our business.

We operate our business on a global basis, providing aircraft to airline customers in every major geographical region, including markets such as Asia, Europe, the Middle East and Africa, U.S. and Canada, the Pacific, Australia and New Zealand, and Central America, South America and Mexico. As of December 31, 2021, we had 118 airline customers in 60 countries, and ongoing relationships with over 200 airlines. Prior to the COVID-19 pandemic, many of these markets were experiencing increased demand for passenger airline travel and had lower market saturation than more mature markets such as the United States and Western Europe.

> 118 | **> 200**
Airline customers in 60 countries | Airline relationship partners

We have aircraft leased to customers across 30 countries considered emerging markets and developing economies.

SOCIAL

Supply Chain

We purchase new aircraft from Boeing and Airbus. We source many aircraft components separately, including seats, safety equipment, avionics, galleys, cabin finishes, engines, and other equipment. Oftentimes, we can achieve lower pricing through direct bulk purchase contracts with the component manufacturers than would be achievable if we relied on the airframe manufacturers to source the components for the aircraft themselves. Boeing and Airbus install this buyer furnished equipment in our aircraft during the final assembly process at their facilities. This purchasing strategy allows us to meet specific customer configuration requirements and lower our total acquisition cost of the aircraft. In addition, in many cases, our team can advise airlines on specification decisions that enable weight savings and directly translate into lower fuel burn and therefore, emissions.

We are committed to operating with the highest standards for social and environmental responsibility as well as ethical conduct. We believe in doing business with companies that have the same standards. Our [Supplier Code of Conduct](#) sets forth our expectations for the suppliers, vendors, and other providers of goods and services with which we do business. We expect each of our suppliers to have a sustainable procurement policy in place for their own suppliers, and to communicate the expectations contained in our Supplier Code of Conduct to their own employees, suppliers and vendors. We monitor the public disclosure of our suppliers to ensure that their conduct remains consistent with the standards contained in our Supplier Code of Conduct.



THE POWER
OF FLIGHT



SOCIAL

Corporate Citizenship

We are committed to giving back as a corporation through community service, charitable donations and specialized mentorship programs.



As the world's largest privately-funded nonprofit, United Way offers global reach to engage individuals in building stronger communities to fight for the health, education, and financial stability of every person in every community.

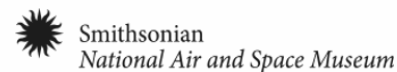


The Los Angeles Fire Department Foundation supports the LAFD in protecting life, property, and the environment by providing essential equipment, training, and public outreach programs to supplement city resources.



Dress for Success provides a network of support, professional attire and the development tools to help women thrive in work and in life.

In addition to direct support of the above organizations, in September 2021 we introduced a workplace giving program which allows us to support employees' desires to make an impact. Employees can choose a donation to over 1.8 million vetted GuideStar 501(c)(3) charities and we will match their donations up to \$2,500 per employee per year.



National Air and Space Museum creates compelling exhibitions that engage, educate and inspire millions of visitors every year.



The ISTAT Foundation supports qualified individuals and institutions that promote the advancement of commercial aviation and humanitarianism.



Airlink is a nonprofit organization working with aviation and logistics partners to transport relief workers and emergency supplies for reputable non-governmental organizations (NGOs) responding to rapid-onset disasters and other humanitarian crises around the globe.



The Wings Club Foundation supports future careers and innovation in aviation and aeronautics. The organization fosters opportunities to pursue an education in the field of aviation, provides programs to educate in the field of aviation and supports charitable organizations that use aviation to help those in need.





Governance

We maintain governance practices that we believe establish meaningful accountability for our Company and our Board of Directors. The Board regularly reviews developing governance practices and updates our governance policies as needed.



GOVERNANCE

Where we stand today

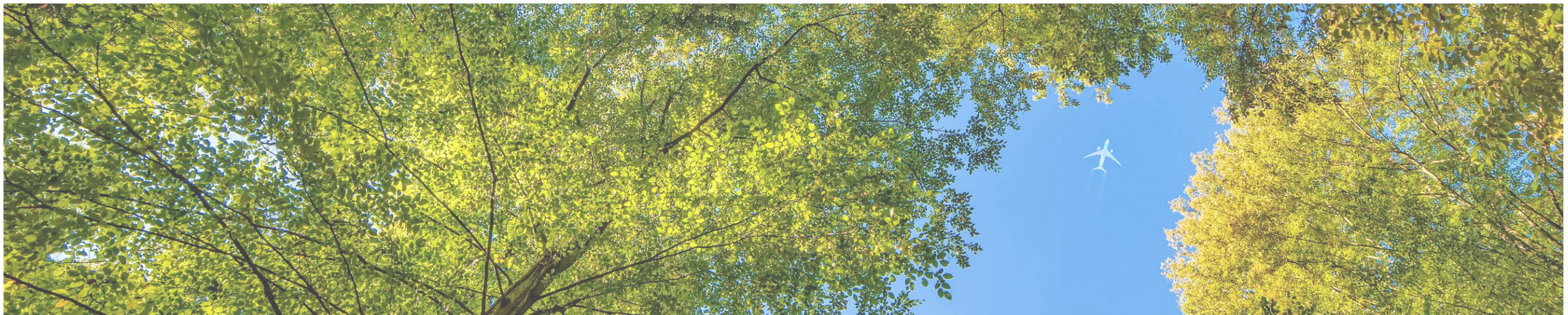
- Highly experienced nine-person Board comprised of seven independent directors as well as our Chief Executive Officer and our Executive Chairman.
- After issuing our proxy statement in March 2022, we engaged with holders of over 50% of our outstanding shares (none of whom were our employees or directors) to specifically discuss our compensation and sustainability philosophies and to listen to their feedback.
- We have a Code of Conduct as well as other policies and procedures in place to support ethical business practices and compliance.

- Extensive cybersecurity measures in place to protect employee, customer and other business information.

Our approach going forward

- Commitment to Board diversity with three female directors, one of whom is from an underrepresented community. In 2021, our Board also adopted a “Rooney Rule” requirement to actively include women and minority candidates in the pool of qualified director candidates from which directors are to be selected.
- Outreach to our Stakeholders continues through informal ongoing conversations and more targeted dialogue related to our proxy and ESG efforts.

- Continued focus on employee training and certification of codes and policies to ensure understanding and adherence.
- We have ongoing evaluation and enhancement of the security measures we have in place and seek to educate our employees on cyber risks on an ongoing basis via online training sessions.





GOVERNANCE

Board of Directors

ESG Oversight: The Board of Directors provides oversight of the risks related to ESG practices. Execution of ESG priorities is the responsibility of our CEO and ESG Committee.

- Our Board has nine members: seven independent directors (including our Lead Independent Director, Robert Milton) and our Executive Chairman, Steven F. Udvar-Házy and our Chief Executive Officer & President, John L. Plueger.
- Under the corporate governance rules of the New York Stock Exchange (the “NYSE”), a majority of the members of the Board must satisfy the NYSE criteria for “independence.” No director qualifies as independent unless the Board affirmatively determines that he or she has no material relationship with us, either directly or as a partner, stockholder or officer of an organization that has a relationship with us.
- Our three Board committees—Audit, Nominating and Corporate Governance, and Leadership Development and Compensation Committee—consist entirely of independent directors.
- The Board works closely with ALC’s executive leadership team and meets prior to our quarterly earnings. In addition,

each year, the Board meets with the executive leadership team to discuss the business and competitive environment and evaluate our strategic goals and direction. Also, from time-to-time during the year the Board or a committee may meet to discuss important issues facing the company that may arise between quarterly meetings.

- Our governance framework guides the Board and management’s oversight of the company and is outlined in our governing documents.

Evaluating Board Performance

To ensure that the Board of Directors and each Board committee functions effectively, the nominating and corporate governance committee annually conducts a self-evaluation to identify and assess areas for improvement. The written assessment focuses on the Board composition and its role, the operation of the Board, the Board’s processes relating to the Company’s strategy, financial position and corporate governance and the function and effectiveness of the Board committees. The independent Lead Director leads the evaluation process which

includes collecting the assessment feedback and conducting a one-on-one conversation with each director. In connection with the one-on-one conversation with each director, the Lead Director asked the directors to discuss with him several additional questions on critical topics impacting the Company in 2021, including the challenges facing the Company because of the ongoing COVID-19 pandemic, climate change and environmental sustainability priorities and commitments, as well as diversity, equity and inclusion at the Board and employee levels. The Lead Director discusses the results of the evaluations and feedback received with the non-employee directors in executive session at its February meeting each year, then shares the results with the employee directors and, as necessary, the Board implements resulting recommendations.

> **To access our Committee Charters and Corporate Governance Guidelines click the relevant link below:**

[Nominating and Corporate Governance Committee](#)

[Leadership Development and Compensation Committee](#)

[Audit Committee](#)

[Corporate Governance Guidelines](#)

GOVERNANCE

Board of Directors

All ALC directors have
executive leadership
experience

 Denotes Independent Directors

									
	Steven F. Udvar-Házy Executive Chairman, Air Lease Corporation	John L. Plueger CEO & President, Air Lease Corporation	Robert Milton¹ Former Chairman & CEO, Ace Aviation Holdings ²	Matthew J. Hart Retired President & COO, Hilton Hotels Corporation	Cheryl Gordon Krongard Retired Senior Partner, Apollo Management	Yvette Hollingsworth Clark Executive Vice President and Global Chief Compliance Officer, State Street Corporation	Marshall O. Larsen Retired Chairman, President & CEO, Goodrich Corporation	Susan McCaw President, SRM Investments	Ian M. Saines Chief Executive, Funds Management Challenger Limited
	Joined Board 2010 2021 Meeting Attendance 100%	Joined Board 2010 2021 Meeting Attendance 100%	Joined Board 2010 2021 Meeting Attendance 100%	Joined Board 2010 2021 Meeting Attendance 100%	Joined Board 2013 2021 Meeting Attendance 100%	Joined Board 2021 2021 Meeting Attendance 100%	Joined Board 2014 2021 Meeting Attendance 100%	Joined Board 2019 2021 Meeting Attendance 100%	Joined Board 2010 2021 Meeting Attendance 100%
Executive Leadership Experience	✓	✓	✓	✓	✓	✓	✓	✓	✓
Airline Industry/Aviation	✓	✓	✓	✓	✓		✓		
Financial/Capital Allocation Expertise	✓	✓	✓	✓	✓		✓	✓	✓
International Experience	✓	✓	✓	✓	✓	✓	✓	✓	✓
Risk Management/Oversight Expertise	✓	✓	✓	✓	✓	✓	✓	✓	✓
Other Public Company Boards	• SkyWest ³	• Spirit AeroSystems Holdings	• Breeze Aviation Group, Inc.	• American Airlines Group • American Homes 4 Rent			• Becton, Dickinson and Company	• Lionsgate Entertainment	

(1) Lead Independent Director; (2) A holding company for Air Canada; (3) Former director, now serves as a senior strategic advisor to the SkyWest Board of Directors

GOVERNANCE

Board of Directors

Commitment to Board diversity with three female directors, one of whom is from an underrepresented community. In 2021, our Board also adopted a “Rooney Rule” requirement to actively include women and minority candidates in the pool of qualified director candidates from which directors are to be selected.

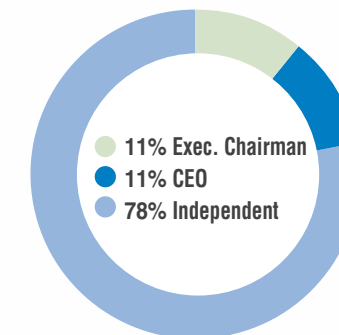
Our nominating and corporate governance committee is responsible for identifying and evaluating director candidates based on the perceived needs of the Board of Directors at the time. Our Board of Directors has established criteria for identifying and evaluating individuals qualified to become members of the Board of Directors, which it uses as a guideline in considering director nominations. The criteria, which are included in our Guidelines, include but are not limited to:

- The nominee’s reputation for integrity, honesty and adherence to high ethical standards.
- The nominee’s judgment and independence of thought, financial literacy, leadership experience and a fit of abilities and personality that helps build an effective, collegial, and responsive Board of Directors.
- The nominee’s demonstrated business acumen, experience and ability to exercise sound judgments in matters that relate to the current and long-term objectives of the Company and willingness and ability to contribute positively to the decision-making process of the Company.
- The nominee’s commitment to understand the Company and its industry, including its competitors.

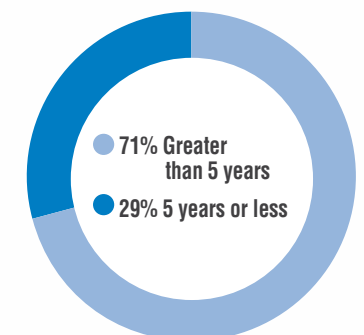
- The absence of conflicting time commitments and the nominee’s commitment to regularly attend and participate in meetings of the Board and its committees.
- The nominee’s background, knowledge, education, experience, skills, age, and gender, ethnic and geographic diversity. The nominating and corporate governance committee will actively include, and will instruct any search firms utilized to include, women and racial and/or ethnic minority candidates in the pool of potential director candidates from which new directors are selected.
- The nominee’s interest and ability to understand the sometimes conflicting interests of the various constituencies of the Company, which include stockholders, employees, customers, creditors and the general public, and to faithfully represent the interests of all stockholders.
- The impact of the nominee’s appointment on overall Board of Directors balance, breadth of experience, collective knowledge, perspective and ability.

The criteria established by the Board of Directors are not exhaustive and the nominating and corporate governance committee and the Board of Directors may consider other qualifications and attributes that they believe are appropriate in evaluating the ability of an individual to serve as a director. The nominating and corporate governance committee reviews and assesses the nomination criteria annually.

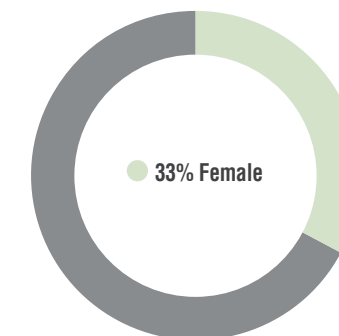
Board Composition



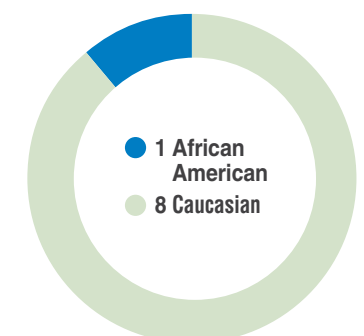
Independence



Independent Director Tenure



Gender Diversity



Racial Diversity

GOVERNANCE

Board of Directors

We maintain governance practices that we believe establish meaningful accountability for our company and our Board, including:

- All Directors except Executive Chairman and Chief Executive Officer are Independent
- All Standing Board Committees Comprised Entirely of Independent Directors
- Independent Lead Director with Clearly Defined Role and Responsibilities
- Commitment to Board Refreshment with Two New Directors in Last Three Years
- Commitment to Board Diversity with Three Female Directors, One of Whom is from an Underrepresented Community
- Requirement to Actively Include Women and Individuals From Minority Groups in the Pool of Potential Director Candidates
- Average Independent Director Tenure of 7.8 Years as of December 31, 2021
- Majority Vote Standard for Director Elections With Mandatory Director Resignation if Not Elected
- All Directors Elected on an Annual Basis
- Annual Board and Committee Evaluations
- All Audit Committee Members are Financial Experts

- Focus on Critical Risk Oversight Role
- Ongoing Board Succession Planning—Management and Board Dialogue to Ensure Successful Oversight of Succession Planning
- Active Board Oversight of the Company's Governance
- Robust Director and Executive Officer Stock Ownership Guidelines

- Prohibition on Short Sales, Transactions in Derivatives and Hedging of Company Stock by Directors and all Employees
- Prohibition on Pledging of Company Stock by Directors and Executive Officers
- Clawback Policy for Executive Compensation
- All Independent Directors are Invited to Attend Meetings of Committees they are not Members of and Regularly Attend those Meetings

Committees of the Board of Directors

● Committee Chairperson

● Committee Member

Board Committee Members	Nominating and Corporate Governance Committee	Leadership Development and Compensation Committee	Audit Committee
Robert A. Milton	●	●	●
Matthew J. Hart	●		●
Cheryl Gordon Krongard	●	●	
Yvette Hollingsworth Clark			●
Marshall O. Larsen	●	●	
Susan McCaw		●	
Ian M. Saines			●



GOVERNANCE

Business Ethics

Our ethics program is an integral part of our daily business operations and practices. Conducting business with the highest degree of ethical integrity is the responsibility of every ALC employee. As such, we have robust codes and policies in place to facilitate understanding and adherence to these important matters.

Code/Policy	Overview
Code of Business Conduct & Ethics	Our Board has adopted a Code of Business Conduct and Ethics that applies to all our directors and employees. Among other things, the Code of Business Conduct and Ethics is intended to ensure fair and accurate financial reporting, to promote ethical conduct and compliance with applicable laws and regulations, to provide guidance with respect to the handling of ethical issues, to foster a culture of honesty and accountability and to deter wrongdoing. It also requires disclosure to us of any situation, transaction or relationship that may give rise to any actual or potential conflict of interest. Such conflicts must be avoided unless approved by our nominating and corporate governance committee. Please reference our full Code of Business Conduct and Ethics here: Code of Business Conduct and Ethics
Human Rights Policy	We seek to uphold human and workplace rights with a commitment via our Human Rights Policy. We are also committed to the highest standards of ethical and business conduct as it relates to the procurement of goods and services as set forth in our Supplier Code of Conduct discussed further on page 29. Please reference our full Human Rights Policy here: Human Rights Policy
Non-Harassment Policy	We are committed to maintaining a work environment in which all individuals are treated with respect and dignity. Every individual has the right to work in a professional atmosphere that promotes equal employment opportunities and where discriminatory practices, including harassment, are prohibited. Our commitment is set forth in our Non-Harassment Policy. Please reference our full Non-Harassment Policy here: Non-Harassment Policy
Diversity & Inclusion Policy	We are committed to fostering, cultivating, and preserving a culture of diversity, equity, and inclusion. We believe that a diverse and inclusive culture helps maintain our position as a leading aircraft leasing company. Our commitment to diversity and inclusion is further outlined in our internal Diversity and Inclusion Policy.
Anti-Corruption Policy	Anyone conducting business on behalf of our company in foreign markets and with foreign government officials, including employees, officers, and directors, must do so in accordance with our established policies regarding foreign corrupt practices and/or any applicable law, including the Foreign Corrupt Practices Act. Our commitment is further outlined in our internal Anti-Corruption Policy here: Anti-Corruption Policy
Anti-Money Laundering Policy	It is our policy to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities. Our Anti-Money Laundering program is set forth in our internal Anti-Money Laundering Policy and is supplemented by our other policies, including our Anti-Corruption Policy.
Communicating Concerns	We have an open-door policy and encourage all employees to report concerns or wrongdoing, suspected violations of any law, regulation or company policy. It is against our policy for employees to engage in or tolerate retaliation or any form of harassment directed against an employee who reports a suspected problem in good faith. We offer a confidential mechanism for reporting via our ReportIt hotline, which is an independent, third-party anonymous hotline, available 24 hours a day.

GOVERNANCE

Business Ethics

Required Trainings and/or Certifications

We require all employees to review our policies, take part in the trainings and certify their participation, understanding and compliance.

Training/Certification	Overview	Training/Certification Requirement	Employee Participation ¹
Employee Handbook	All employees are required to review and certify their understanding of our employee handbook, which details our values, employee conduct and performance policies and benefits information, upon onboarding. Re-certification by employees is required upon any significant changes to the handbook, which is reviewed periodically.	At onboarding and upon any significant changes to the employee handbook	100%
Code of Business Conduct & Ethics	All employees must review and certify their understanding of our Code of Business Conduct & Ethics, which details our expectations of ethical conduct by employees as well as compliance with applicable laws and regulations, upon onboarding. Re-certification by employees is required on an annual basis and upon any significant changes to the Code, which is reviewed periodically by our General Counsel and Chief Compliance Officer and Head of Human Resources.	Annual	100%
Compliance Training <i>(includes human rights, anti-corruption, conflicts of interest & protection of whistleblowers)</i>	All employees must attend compliance training which occurs live and is interactive. Employees attend this training approximately every 12 months. Compliance training is conducted by our General Counsel and Chief Compliance Officer. Compliance training covers topics including policies on human rights, anti-corruption, conflicts of interest, bribery as well as our non-retaliatory policy on whistleblowing.	Approximately once a year	100%
Non-Harassment Training	All employees must attend regular harassment training. Employees must complete one hour of training and managers must complete two hours of training. Our training is conducted by a third-party firm focused on educating corporations on relevant topics while covering key elements included in our Non-Harassment Policy.	Biannual	100%
Diversity & Inclusion Training	All employees must attend diversity and inclusion training. Diversity and inclusion training is conducted by a third-party firm focused on educating corporations on relevant topics.	Approximately once a year	100%
Cybersecurity Training	All employees must attend cybersecurity training, which we typically conduct through third party applications. Our training is generally held in October in conjunction with National Cybersecurity Awareness month. In addition, Our Head of Information Technology provides regular updates to our employees on how to respond to developing cyber threats and employs simulated cyber and phishing attacks on a regular basis.	Annual	100%

(1) As of December 31, 2021, we had no temporary employees.



GOVERNANCE

Cyber & Information Security

Our Code of Conduct requires that all employees protect the confidential information of our company and our customers.

ALC continues to prioritize protecting our company from the risks of cybersecurity and training our employees on how to prevent, detect and respond to various threats. Air Lease participates in National Cybersecurity Awareness Month in October during which our employees participate in cybersecurity awareness training. Our on the ground efforts are led by our Head of Information Technology. In addition, over the last three years, the Board has increased its oversight of our

cybersecurity program. The audit committee is responsible for the over sight of our cybersecurity programs, with participation of other directors not on the committee.

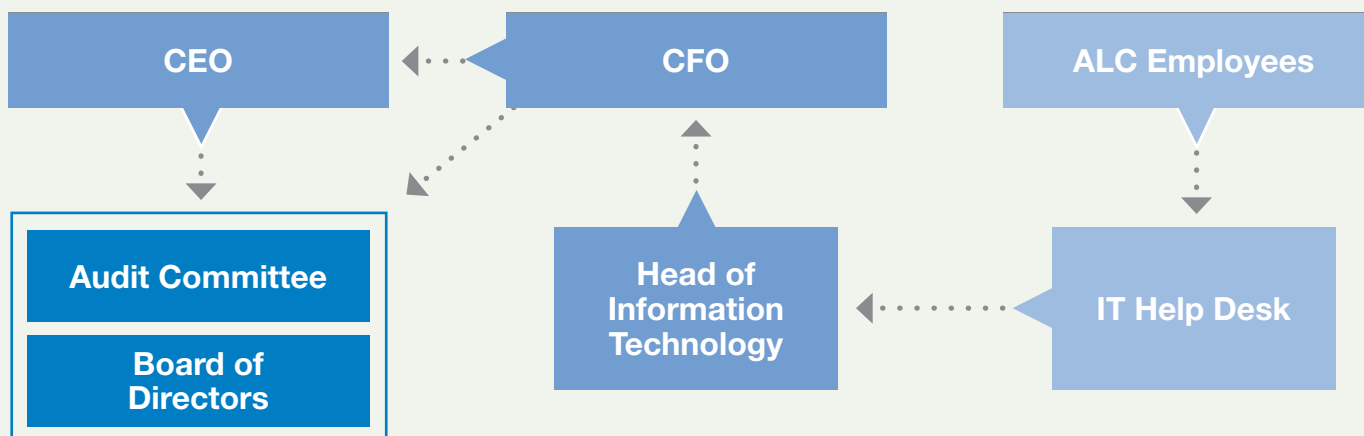
ALC engages a third-party organization to conduct annual network and IT systems penetration testing. The organization assisted in the creation and exercise of the IT disaster recovery and incident response plans. ALC is committed to establishing

appropriate cybersecurity controls and works with the third-party organization to assess control implementation against the National Institute of Standards and Technology Cybersecurity Framework.

> In 2021

- 100% of ALC employees completed cybersecurity training
- No material information security or data breaches impacting customers or employees
- No fines or penalties paid in relation to information security breaches or other cybersecurity incidents
- Cybersecurity insurance policy in place

Reporting Framework/Escalation Process for Information Technology





Appendix

APPENDIX

Memberships

ALC engages directly with the following organizations to support the aviation industry



The International Air Transport Association (IATA) is the trade association for the world’s airlines, representing some 290 airlines. IATA supports many areas of aviation activity and helps to formulate industry policy on critical aviation issues.

ALC is a strategic partner



The International Society of Transport Aircraft Trading (ISTAT) is an international, not-for-profit organization dedicated to providing aviation professionals with forums for increased networking and educational opportunities. ISTAT currently represents more than 5,000 members worldwide who are involved in operating, manufacturing, maintaining, selling, purchasing, financing, leasing, appraising, insuring or other activities related to the commercial aviation sector.

ALC is a corporate member



Aviation working group (AWG) is a not-for-profit legal entity comprised of major aviation manufacturers, leasing companies and financial institutions that contributes to the development of policies, laws and regulations that facilitate advanced international aviation financing and leasing.

ALC is a member

APPENDIX

Industry Recognition

We are proud to highlight our industry recognition



2021 America's Lessor of the Year,
Aviation 100 Americas Awards
AEGF NY



2021 CEO/Industry Leader of the
Year, John L. Plueger, CEO and Pres-
ident, Aviation 100 Americas Awards
AEGF NY



2021 CFO /Treasury Team of the Year,
Gregory B. Willis, CFO Aviation 100
Americas Awards AEGF NY



2021 America's Lessor of the Year
2020, Aviation 100 European & Global
Leaders Awards AEGF London



2020 CEO/Industry Leader of the Year,
John L. Plueger, CEO and President,
Aviation 100 European & Global Lead-
ers Awards AEGF Dublin



2019 Midcap & Smallcap – Best CEO
John L. Plueger, CEO and President,
Capital Goods/Industrials: Business,
Education & Professional Services,
2020 All-America Executive Team
Institutional Investor



2019 Midcap & Smallcap – Best Inves-
tor Relations Program, Capital Goods/
Industrials: Business, Education &
Professional Services, 2020 All-America
Executive Team Institutional Investor



2019 Overall Most Honored Com-
panies, 2020 All-America Executive
Team Institutional Investor



2019 Lessor of the Year,
Aviation 100 Americas Awards
AEGF NY



2019 CEO/Industry Leader of the
Year, John L. Plueger, CEO and Pres-
ident, Aviation 100 European & Global
Leaders Awards AEGF Dublin



2019 CFO/Treasurer of the Year,
Gregory B. Willis, CFO, Aviation 100
European & Global Leaders Awards
AEGF Dublin



2019 Overall Deal of the Year,
Thunderbolt II, Aviation 100 European
& Global Leaders Awards AEGF Dublin



2018 Structured Finance Awards,
North America ABS Issue, ALC's
US\$545m Securitisation International
Financing Review Awards



2018 World's Best
Employers Forbes



2018 Buy-Side - Best CEO John
L. Plueger, CEO and President,
Capital Goods/Industrials: Business,
Education & Professional Services,
2019 All-America Rankings Institutional
Investor Magazine



2018 Overall Best Investor Relations
Program, Capital Goods/Industries:
Business, Education & Professional
Services, 2019 All-America Rankings
Institutional Investor Magazine



2018 Sell-Side - Best Investor Relations
Program, Capital Goods/Industries:
Business, Education & Professional
Services, 2019 All-America Rankings
Institutional Investor Magazine



2018 Lessor of the Year,
Aviation 100 Americas Awards
AEGF NY



2018 Treasury Team of the Year, Avia-
tion 100 Americas Awards AEGF NY



2018 Overall Deal of the Year
Thunderbolt II, Aviation 100 Americas
Awards AEGF NY



2018 Lessor of the Year, Overall
Aviation 100 Global Leaders Awards
AEGF Dublin



2018 Overall Deal of the Year Thun-
derbolt 2017-I, Overall Aviation 100
Global Leaders Awards AEGF Dublin



2018 Overall Capital Markets Deal of
the Year, Air Lease Corporation TBOLT
II \$450m ABD for 18 aircraft, Airfinance
Journal Awards

APPENDIX

GRI Content Index

We prepared this report in reference to the Global Reporting Initiative (GRI) Standards 2016. Please see below for additional disclosure regarding reference to certain GRI standards.

GRI 102: General Disclosures 2016	Disclosure	Reference Location or Answer
1. Organizational Profile	Disclosure 102-1 Name of the organization	Air Lease Corporation
	Disclosure 102-2 Activities, brands, products, and services	ESG Report page 3: About Air Lease Corporation
	Disclosure 102-3 Location of headquarters	ESG Report page 3: About Air Lease Corporation
	Disclosure 102-4 Location of operations	ESG Report page 3: About Air Lease Corporation
	Disclosure 102-5 Ownership and legal form	ALC is incorporated in Delaware and headquartered in Los Angeles, California. ALC is listed on the New York Stock Exchange (ticker: AL).
	Disclosure 102-6 Markets served	ESG Report 3: About Air Lease Corporation; ESG Report page 22: Customers
	Disclosure 102-7 Scale of the organization	Form 10-K for period ended December 31, 2021. Item 1. Business
	Disclosure 102-8 Information on employees and other workers	ESG Report pages 17-18: Diversity, Equity & Inclusion
	Disclosure 102-9 Supply chain	ESG Report page 23: Supply Chain
	Disclosure 102-10 Significant changes to the organization and its supply chain	ESG Report page 23: Supply Chain
	Disclosure 102-11 Precautionary Principle or approach	ESG Report pages 8, 16 and 26: Overview
	Disclosure 102-13 Membership of associations	ESG Report page 35: Memberships

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GRI Content Index

GRI 102: General Disclosures 2016	Disclosure	Reference Location or Answer
2. Strategy	Disclosure 102-14 Statement from senior decision-maker	ESG Report page 2: A Message from Our Leadership
	Disclosure 102-15 Key impacts, risks, and opportunities	Form 10-K for period ended December 31, 2021. Item 1A. Risk Factors.; ESG pages 8, 16 and 26: Overview
3. Ethics and Integrity	Disclosure 102-16 Values, principles, standards, and norms of behavior	ESG Report page 31: Business Ethics
	Disclosure 102-17 Mechanisms for advice and concerns about ethics	ESG Report page 31: Business Ethics
4. Governance	Disclosure 102-18 Governance structure	ESG Report page 27-30: Board of Directors
	Disclosure 102-19 Delegating authority	ESG Report page 4: About this Report
	Disclosure 102-20 Executive-level responsibility for economic, environmental, and social topics	ESG Report page 4: About this Report; ESG page 5: Materiality
	Disclosure 102-21 Consulting stakeholders on economic, environmental, and social topics	ESG Report page 4: About this Report; ESG page 6: Our Stakeholders
	Disclosure 102-22 Composition of the highest governance body and its committees	ESG Report page 27-30: Board of Directors
	Disclosure 102-23 Chair of the highest governance body	ESG Report page 27: Board of Directors
	Disclosure 102-24 Nominating and selecting the highest governance body	ESG Report page 29: Board of Directors
	Disclosure 102-25 Conflicts of interest	ESG Report page 31: Business Ethics
	Disclosure 102-26 Role of highest governance body in setting purpose, values, and strategy	ESG Report page 27: Board of Directors
	Disclosure 102-28 Evaluating the highest governance body's performance	ESG Report page 27: Board of Directors

APPENDIX

GRI Content Index

GRI 102: General Disclosures 2016	Disclosure	Reference location or answer
5. Stakeholder Engagement	Disclosure 102-40 List of stakeholder groups	ESG Report page 6: Our Stakeholders
	Disclosure 102-41 Collective bargaining agreements	None of our employees were covered by collective bargaining agreements as of 12/31/21.
	Disclosure 102-42 Identifying and selecting stakeholders	ESG Report page 6: Our Stakeholders
	Disclosure 102-43 Approach to stakeholder engagement	ESG Report page 6: Our Stakeholders
	Disclosure 102-44 Key topics and concerns raised	ESG Report page 6: Our Stakeholders
6. Reporting Practice	Disclosure 102-45 Entities included in the consolidated financial statements	ESG Report page 4: About this Report
	Disclosure 102-46 Defining report content and topic Boundaries	ESG Report page 5: Materiality
	Disclosure 102-47 List of material topics	ESG Report page 5: Materiality
	Disclosure 102-50 Reporting period	ESG Report page 4: About this Report
	Disclosure 102-51 Date of most recent report	ESG Report page 4: About this Report
	Disclosure 102-52 Reporting cycle	ESG Report page 4: About this Report
	Disclosure 102-53 Contact point for questions regarding the report	ESG Report page 4: About this Report
	Disclosure 102-54 Claims of reporting in accordance with the GRI Standards	ESG Report page 4: About this Report
	Disclosure 102-55 GRI content index	ESG Report page 4: About this Report; ESG Report pages 37-40: GRI Content Index



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GRI Content Index

GRI 103: Management Approach 2016	Disclosure	Reference location or answer
	Disclosure 103-1 Explanation of the material topic and its Boundary	ESG Report page 5: Materiality
	Disclosure 103-2 The management approach and its components	ESG Report page 5: Materiality
GRI 105: Emission 2016	Disclosure	Reference location or answer
	Disclosure 305-1 Direct (Scope 1) GHG emissions	ESG Report page 14: Environment; ESG Report pages 41-44
	Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	ESG Report page 14: Environment; ESG Report pages 41-44

Independent Accountants' Review Report

The Board of Directors and Management Air Lease Corporation:

We have reviewed the accompanying Statement of Greenhouse Gas (GHG) Emissions and accompanying notes (the Statement of GHG Emissions) of Air Lease Corporation for the year ended December 31, 2021. Air Lease Corporation's management is responsible for preparing and presenting the Statement of GHG Emissions in accordance with the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and WRI/WBCSD GHG Protocol Scope 2 Guidance (collectively, the "GHG Protocol"). Our responsibility is to express a conclusion on the Statement of GHG Emissions based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Statement

of GHG Emissions in order for it to be in accordance with the criteria. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the Statement of GHG Emissions is in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The procedures we performed were based on our professional judgment and consisted primarily of inquiries of management to obtain an understanding of the methodology applied, evaluation

of the entity's application of the stated methodology for deriving the greenhouse gas emissions, recalculations of a selection of the greenhouse gas emissions and analytical procedures comparing changes in greenhouse gas emissions trends.

As described in Note 1, environmental and energy use data are subject to measurement uncertainties resulting from limitations inherent in the nature and methods of determining such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different measurements. The precision of different measurement techniques may also vary.

Based on our review, we are not aware of any material modifications that should be made to the Statement of GHG Emissions of Air Lease Corporation for the year ended December 31, 2021 in order for it to be in accordance with the GHG Protocol.

KPMG LLP

October 21, 2022

Statement of Greenhouse Gas Emissions

For the year ended December 31, 2021

CO ₂ e Emissions, Metric Tonnes (MT)		2021
Scope 1 Direct		4,439
Scope 2 Indirect (Location-Based)		239
Gross Scope 1 and 2		4,678

See accompanying notes to the Statement of Greenhouse Gas Emissions

Notes to the Statement of Greenhouse Gas Emissions

NOTE 1: THE COMPANY

Organization

Air Lease Corporation (“The Company,” “we,” “our” or “us”) is a leading aircraft leasing company that was founded by aircraft leasing industry pioneer, Steven F. Udvar-Házy. The Company is principally engaged in purchasing the most modern, fuel-efficient new technology commercial jet aircraft directly from aircraft manufacturers, such as The Boeing Company and Airbus S.A.S., and leasing those aircraft to airlines throughout the world with the intention to generate attractive returns on equity. In addition to leasing activities, the Company sells aircraft from our fleet to third parties, including other leasing

companies, financial services companies, airlines and other investors. ALC also provides fleet management services to investors and owners of aircraft portfolios for a management fee.

Basis of Preparation

This Statement of Greenhouse Gas (GHG) Emissions has been prepared based on a calendar reporting year that is the same as the Company’s most recent fiscal- year ended December 31, 2021. The Company elected to present Gross Scope 1 and 2 emissions within this Statement of Greenhouse Gas Emissions. Scope 1 Direct represents direct GHG emissions

that occur from sources that are owned or controlled by the Company. Scope 2 Indirect represents GHG emissions from the generation of purchased electricity consumed by the Company. Scope 1 and Scope 2 GHG emissions information has been prepared in accordance with the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and WRI/WBCSD GHG Protocol Scope 2 Guidance, collectively referred to herein as the GHG Protocol (the “GHG Protocol”).

NOTES TO THE STATEMENT OF GREENHOUSE GAS EMISSIONS (CONTINUED)

Estimation Uncertainties

Environmental and energy use data included in the Statement of GHG Emissions are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Consumption is based on raw data when available. Specifically for our Scope 2 emissions the following two key assumptions were made:

1. The emission factor used for our Irish office reports units in g CO₂/kWh and does not include a factor for CH₄ or N₂O. As such, emissions are only calculated with emission factors for CO₂ per unit of energy. We have determined the emissions for CH₄ and N₂O would not be material to the total Scope 2 Location-Based Method emissions.
2. The emission factor utilized for our Hong Kong office provides emission factors for Hong Kong Electric Company or CLP Group, as both companies supply different areas of Hong Kong. The production fuel mix factor, the emission factor used by Hong Kong Electric Company, was utilized as this is the supplier for Air Lease's operations in Hong Kong. We note that the production fuel mix factor is a common type of emission factor to calculate Scope 2 location-based

method emissions. The emission factor reports units in kg CO₂e/kWh. As such, emissions are calculated as total GHG emissions and are not calculated separately based on emissions for CO₂, CH₄, and N₂O.

For our Scope 1 emissions we excluded certain data related to refrigeration, air conditioning, and fire suppression equipment which was determined not to be material to total Scope 1 emissions.

NOTE 2: GHG REPORTING

Organizational Boundaries

The organizational boundary of this report includes leased and owned offices under operational control in all domestic and global regions within which the Company operates. For the fiscal year ended 2021, this includes the Company's Los Angeles, Dublin, Hong Kong, and Dallas offices.

Base Year

The GHG base year applies to Scope 1 and Scope 2 emissions as set out above and has been prepared in accordance with the GHG reporting policies set out herein. The Company has established 2021 as its base year.

The Company set a 5% cumulative Scope 1 and Scope 2 significance threshold for determining whether to adjust and/or recalculate its base year based on error, omission, and change in boundary.

Operational Boundaries

The Company selected the operational control approach, emissions associated with fuel combustion are categorized as Scope 1 (direct), and emissions associated with the use of purchased electricity are categorized as Scope 2 (indirect).

- Facilities
 - › Scope 1 – Natural gas consumption
 - › Scope 1 – Diesel for backup generators
 - › Scope 2 – Purchased electricity from the grid
 - › Scope 2 – Purchased cooling from chilled water
- Aircraft
 - › Scope 1 – Aviation fuel
- Excluded Sites
 - › The Company did not exclude any facilities in the calculation of their Scope 1 or 2 emissions

Location-based Approach

The location-based method is based on statistical emissions information and electricity output aggregated and averaged within a defined geographic boundary and during a defined time period. The geographic boundaries for the location-based approach were defined by the location of the Company's offices and purchases of aviation fuel. The year of reporting is 2021.

NOTES TO THE STATEMENT OF GREENHOUSE GAS EMISSIONS (CONTINUED)

Global Warming Potentials

GHG emissions were calculated using the Global Warming Potentials (GWP) from the International Panel on Climate Change (IPCC) Fifth Assessment Report for CO₂, the IPCC Fourth Assessment Report for CH₄ and IPCC Third Assessment report for N₂O.

Greenhouse Gases

All GHG emissions figures are in metric tonnes of carbon dioxide equivalents (CO₂e). In accordance with the GHG Protocol, the Company has included in its reporting carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). Hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆), and nitrogen trifluoride (NF₃) emissions have been omitted as they are not material sources of greenhouse gases for the Company.

GHG Emissions Factors

Emissions Scope	Emissions Source	Emissions Factor Employed
Scope 1	Natural Gas Diesel Backup Generators Aviation Fuel	<ul style="list-style-type: none">Natural gas: US EPA's Emission Factors for Greenhouse Gas Inventories, dated April 2022, were applied. For all natural gas emission sources at international locations, the UK Government GHG Conversion Factors for Company Reporting, dated January 2022, were applied.Diesel for backup generators: CGHGP Emission Factors from Cross Sector Tools, dated May 2017, were applied.Aviation fuel: Aviation fuel emission factors within the UK Government GHG Conversion Factors for Company Reporting dated January 2022 were applied.
Scope 2	Electricity Chilled Water	The appropriate eGRID region was identified from the US EPA's Emission Factors for Greenhouse Inventories, dated April 2022, (if a U.S. facility) or a publicly available regional factor (if international facility). The most recently published electricity emission factor from the Sustainable Energy Authority of Ireland was applied to Dublin and the Carbon Footprint Country specific Electricity Grid Greenhouse Gas Emission Factors, dated March 2022, was applied to Hong Kong.

GHG Emissions by Type

	Carbon Dioxide (CO ₂)	Methane (CH ₄)	Nitrous Oxide (N ₂ O)	Total
Scope 1 Direct	4,394	3	42	4,439
Scope 2 Indirect – Location-Based	220	0	1	239*

*As noted in Note 1, for the Company's Hong Kong facility, the emission factor reports units in kg CO₂e/kWh. As such, emissions are calculated as total GHG emissions and are not calculated separately based on emissions for CO₂, CH₄, and N₂O. The emissions have been included in the total but not within the separate types.

APPENDIX

Forward Looking Statements and Other Disclaimers

Statements in this document that are not historical facts are hereby identified as “forward-looking statements,” including any statements about our expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance. These statements are often, but not always, made through the use of words or phrases such as “anticipate,” “believes,” “can,” “could,” “may,” “predicts,” “potential,” “should,” “will,” “estimate,” “plans,” “projects,” “continuing,” “ongoing,” “expects,” “intends” and similar words or phrases. Accordingly, these statements are only predictions and involve estimates, known and unknown risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed in them. We wish to caution you that our actual results could differ materially from those anticipated in such forward-looking statements as a result of several factors, including, but not limited to, the following:

- our inability to obtain additional capital on favorable terms, or at all, to acquire aircraft, service our debt obligations and refinance maturing debt obligations;
- increases in our cost of borrowing or changes in interest rates;
- our inability to generate sufficient returns on our aircraft investments through strategic acquisition and profitable leasing;
- the failure of an aircraft or engine manufacturer to meet their delivery obligations to us, including or as a result of technical or other difficulties with aircraft before or after delivery;
- the extent to which the Russian invasion of Ukraine and the impact of sanctions imposed by the United States, European Union, United Kingdom and others affect our business, including our efforts to pursue insurance claims to recover losses related to aircraft that remain in Russia, the exclusion of Russia, Ukraine and Belarus from the insurance policies that we separately purchase for our owned fleet, and the ability of our lessees to comply with their obligations to maintain insurance policies that cover their operations;
- the extent to which the COVID-19 pandemic impacts our business;
- obsolescence of, or changes in overall demand for, our aircraft;
- changes in the value of, and lease rates for, our aircraft, including as a result of aircraft oversupply, manufacturer production levels, our lessees' failure to maintain our aircraft, rising inflation, appreciation of the U.S. Dollar, and other factors outside of our control;
- impaired financial condition and liquidity of our lessees, including due to lessee defaults and reorganizations, bankruptcies or similar proceedings;
- increased competition from other aircraft lessors;
- the failure by our lessees to adequately insure our aircraft or fulfill their contractual indemnity obligations to us;
- increased tariffs and other restrictions on trade;
- changes in the regulatory environment, including changes in tax laws and environmental regulations;
- other events affecting our business or the business of our lessees and aircraft manufacturers or their suppliers that are beyond our or their control, such as the threat or realization of epidemic diseases, natural disasters, terrorist attacks, war or armed hostilities between countries or non-state actors; and
- any additional factors discussed under “Part I —Item 1A. Risk Factors,” in our Annual Report on Form 10-K for the year ended December 31, 2021, and other SEC filings, including future SEC filings.

We also refer you to the documents the Company files from time to time with the Securities and Exchange Commission (“SEC”), specifically the Company’s Annual Report on Form 10-K for the year ended December 31, 2021 and Quarterly Report on Form 10-Q for the quarters ended March 31, 2022 and June 30, 2022 which contain and identify important factors that could cause the actual results for the Company on a consolidated basis to differ materially from expectations and any subsequent documents the Company files with the SEC. All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations, and, therefore, you are cautioned not to place undue reliance on such statements. Further, any forward-looking statement speaks only as of the date on which it is made, and we do not intend and undertake no obligation to update any forward-looking information to reflect actual results or events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. If any such risks or uncertainties develop, our business, results of operation and financial condition could be adversely affected.

The Company routinely posts information that may be important to investors in the “Investors” section of the Company’s website at www.airleasecorp.com. Investors and potential investors are encouraged to consult the Company’s website regularly for important information about the Company. The information contained on, or that may be accessed through, the Company’s website is not incorporated by reference into, and is not a part of, this ESG Report.

The metrics and quantitative data contained in this ESG Report are not based on generally accepted accounting principles and have not been audited. Such data and metrics include estimates or approximations and are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. ALC believes that the estimates employed are appropriate and reasonable; however, due to inherent uncertainties in making estimates and assumptions, actual results could differ from the original estimates. The precision of different measurement techniques may also vary.

This ESG Report also includes certain information regarding ESG practices that is obtained from published sources or third parties. The accuracy and completeness of such information are not guaranteed. Although ALC believes such information is reliable, such information is subject to assumptions, estimates and other uncertainties, and ALC has not independently verified this information. ALC is dependent on such information to evaluate and implement ESG practices. Any references to websites outside of this report, including third-party websites, are provided for convenience only and the content of such websites are not incorporated by reference into this report. The standards of measurement and performance for ESG issues are developing or are based on assumptions, and norms may vary.

The inclusion of information and data in this ESG Report is not an indication that such information or data or the subject matter of such information or data is material to ALC for purposes of applicable securities laws. The principles used to determine whether to include information or data in this ESG Report, and any use of the term “material” or other similar terminology in this ESG Report, do not correspond to the principles of materiality contained in federal securities laws, the concept of materiality used to determine whether disclosures are required to be made in filings with the SEC or otherwise disclosed, or principles applicable to the inclusion of information in financial statements. ALC makes no representation or warranty regarding the information set forth in this ESG Report.

