



## 2021 ESG Report

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An aerial photograph of a complex highway interchange, featuring multiple overpasses and ramps, set against a backdrop of a globe. The globe shows landmasses and oceans, with the highway system appearing as a network of lines across the continents. The image is presented in a circular, fisheye-like perspective, emphasizing the global scale of the infrastructure.

**WE HELP KEEP THE  
GLOBAL SUPPLY CHAIN MOVING.**



# Welcome Message

2021 was a remarkable year at ArcBest in many ways. Despite supply chain challenges across the world, our people showed an unwavering commitment to ArcBest's strategic vision. This dedication, combined with years of hard work, set us up for success and gives me great confidence in the future as we continue to expand as an integrated logistics leader.

Along with record-breaking financial milestones in 2021, we also celebrated progress and success on the environmental, social and corporate governance (ESG) front. I'm pleased to highlight that progress through this ESG report.

ArcBest is a special organization, and I'm inspired to lead a team that constantly thinks about the way we work, how we can connect more positively with customers, and how we can help to change the world through our ESG efforts.

We remain focused on advancing a culture of customer obsession, and our commitment to ESG is woven into that culture. We aspire to be an industry leader in sustainability and environmental stewardship and to be a leading place to work because of the way we treat our customers, employees, communities and the environment. To reach this goal, we will work to provide an inclusive workplace, build trusted relationships, commit to the highest standards of safety and invest in innovative technology.

Our third annual ESG report outlines ArcBest's progress and commitments — putting names and faces to some of the extraordinary efforts that went into building what was the foundation of a historic year. While there is still much work to be done, we remain committed to doing things better every day as we improve the sustainability of our operations, build a better place to work for our employees, and give back to the communities where we live and do business.

In this report, you'll see we delivered on several promises we made in 2021 — one of which is conducting and sharing findings from our materiality assessment. Our materiality assessment has helped us to not only understand the issues that matter most to our stakeholders, but to also set strategies that will guide us as we move forward. The analysis of the assessment is already allowing ArcBest to set targets by creating a "materiality map" which identifies priorities both short- and long-term. [Continued >](#)





You'll also learn more about our continued efforts to promote diversity, equity and inclusion (DEI). We value each person and the unique backgrounds and experiences they bring to ArcBest, and we're focused on building a more diverse and inclusive organization. Our new DEI Roadmap is key to recruiting and retaining the very best talent in the industry. We started this process in 2020, and the roadmap you'll see in this report highlights not only current efforts, but also plans for the future.

We've also brought on staff to lead our efforts in ESG and DEI. In early 2021, ArcBest established a corporate social responsibility program manager role, which is instrumental in leading DEI efforts. We've seen extraordinary work done to develop and execute plans that have already produced successes, which you'll read more about in this report. Likewise, we hired a full-time ESG program manager in late 2021, dedicated exclusively to collecting, maintaining and analyzing data, while serving as

an advisor and advocate for implementation of important ESG priorities, including addressing climate-related issues. This position will lead to even more data discovery and disclosure as we evaluate emissions on the roads and in our facilities.

Last year, we were awarded the EcoVadis Bronze medal, recognizing sustainability performance in the top half of all companies and industries rated across the world. Also, our LTL carrier ABF Freight received the EPA SmartWay Excellence Award for the fifth time, recognizing outstanding environmental performance and establishing ArcBest as a front-runner in supply chain efficiency.

Looking ahead, on the cusp of our 100-year anniversary, we remain focused on listening and looking for opportunities where we can do better and drive progress. I'm proud of our ongoing commitment to improving the company's social and

environmental footprint and am thankful for our partners who continue to aspire for the very best alongside us. Together, we help keep the global supply chain moving.

**Judy R. McReynolds**

ArcBest chairman, president and CEO



# About ArcBest

ArcBest® is a multibillion-dollar integrated logistics company that leverages our technology and full suite of shipping and logistics solutions to meet our customers' supply chain needs. We started in 1923 as a local Arkansas freight hauler, and today, through organic growth, smart strategic acquisitions, visionary leadership and a mindset focused on the future, we are a publicly traded, global, \$4 billion logistics powerhouse with nearly 15,000 employees across more than 250 campuses and service centers.

## Our Mission

To connect and positively impact the world through solving logistics challenges.

## Our Vision

We'll Find A Way.

It's a testament of what our customers say about us — that we're the kind of company that partners with them to solve problems and make things happen. It speaks to the can-do attitude and will of our people to do the hard things well.

[Learn more about ArcBest](#)

# Our Values

## Creativity

We create solutions

## Integrity

We do the right thing

## Collaboration

We work together

## Growth

We grow our people and our business

## Excellence

We exceed expectations

## Wellness

We embrace total health



### **Our Company Structure**

ArcBest offers ground, air and ocean transportation through a variety of capacity providers, including our less-than-truckload (LTL) carrier ABF Freight®, our truckload company MoLo Solutions and the Panther Premium Logistics® fleet. We also offer fleet maintenance and repair services through FleetNet America® and household goods moving through U-Pack®. ArcBest Technologies provides innovative solutions, leading-edge technology and advanced analytics that help support our customers and keep the global supply chain moving.

### **2021 Company Profile**

- Founded in 1923 — nearly 100 years of transportation and logistics experience
- Nearly 15,000 employees
- \$4.0 billion 2021 total revenues
- 250+ campuses and service centers
- 80,000+ active carriers
- 40,000+ owned and operated assets (tractors, trailers, straight trucks, ReloCube containers and other equipment)





**Solutions and Services**

With the ability to easily optimize, shift and connect various modes of transport, ArcBest serves as a single logistics resource. This integrated approach, combined with our expertise, helps ensure customers have the right solutions and capacity to get the job done – no matter the size of the shipment, type of product or speed of delivery.



Truckload



Less-than-Truckload



Expedite and Time Critical



Managed Solutions



International Ocean and Air



Retail Logistics



Product Launch



Final Mile



Trade Show Logistics



Supply Chain Optimization



Household Moving



Fleet Maintenance



# 2021 Awards and Recognitions

- Recognized by Business Insider as a Power Player in leading top logistics companies for 2021 (Judy R. McReynolds, ArcBest chairman, president and CEO)
- Recognized as an exceptional place to work based on employee sentiment with Comparably Awards for Best CEO and Best Company for Women
- Won 2021 SmartWay Excellence Award for superior environmental performance for 5th year (ABF Freight)
- Chosen as a 2022 FreightTech 100 Company by FreightWaves, recognizing the most innovative and disruptive companies across the freight industry
- Recognized among the best of the best with a 2021 Comparably Award for Best Employee Perks & Benefits
- Named to the Inbound Logistics' Top 100 Truckers list for 4th consecutive year
- Recognized as a Forbes' America's Best-In-State Employer in Arkansas
- Honored with three 2021 Quest for Quality Awards in the categories of National LTL Carrier (ABF Freight), Household & High Value Goods and Intermodal Marketing Company
- Named among Forbes' Best Employers for Diversity for 3rd consecutive year
- Awarded the EcoVadis Bronze Medal, recognizing sustainability performance in the top half of all companies and industries rated across the world
- Recognized on Training Magazine's 2021 list of Top 100 Training Programs for 12th consecutive year
- Recognized as a 2021 "Forty Under 40" honoree by the Northwest Arkansas Business Journal (Seth Runser, ABF Freight president)
- 2021 Northwest Arkansas Business Journal's Women in Business honoree (Traci Sowersby, ArcBest vice president, controller and chief accounting officer)
- Recognized in the 2021 Latino Leaders list of Latinos on Boards (Eduardo Conrado, ArcBest board member)
- Recognized as a 2021 CIO Awards Winner by Info-Tech Research Group (Leo Sharum, ArcBest Technologies vice president and chief information officer)
- Selected for inclusion in the 2021 NACD Directorship 100 as an influential leader in corporate governance (Janice E. Stipp, ArcBest board member)
- Named one of America's Best Large Employers on Forbes' 2021 list
- Recognized by Arkansas Business as a Best Places to Work in Arkansas winner
- Designated as a 2021 Military Friendly® Employer by Military Friendly (ABF Freight)





# Our Approach to ESG

We acknowledge that both our business and the transportation industry as a whole have a significant impact on a large and diverse group of stakeholders. In pursuit of our mission to connect and positively impact the world through solving logistics challenges, ArcBest is focused on advancing ESG initiatives to conduct business in a way that helps build a safer, more sustainable and more inclusive company and world.

Building on a history of responsible stewardship, we began our official ESG journey in 2019 — committing to developing a strategy to identify, analyze and report on ESG-related data and information.

Today, we're reporting strides in these important areas:

## Creation of ESG Program Manager Role

In December 2021, we announced the creation of an ESG program manager role. This position is laser-focused on ESG strategy — partnering with leaders across the organization to identify opportunities for improved environmental sustainability, address climate-related issues, implement best practices, and facilitate external reporting and public disclosures. This important work will lead to increased transparency and improved ESG performance while helping us align to globally recognized ESG standards.



## Creation of CSR Program Manager Role

In June 2021, we announced the creation of a Corporate Social Responsibility (CSR) program manager role to lead the development of ArcBest's DEI strategy, roadmap and initiatives and partner with leaders across the organization to implement and manage employee policies and programs. The CSR program manager also advances our people and community programs, including activities related to human rights, volunteerism and corporate and employee giving.

## Alignment to SASB Standards

To facilitate the disclosure of consistent and reliable ESG information, ArcBest has adapted our ESG framework with pertinent [Sustainability Accounting Standards Board \(SASB\) Standards](#). The SASB Standards connect businesses and investors on the financial impacts of sustainability and identify the subset of ESG issues most relevant to financial performance in each industry.

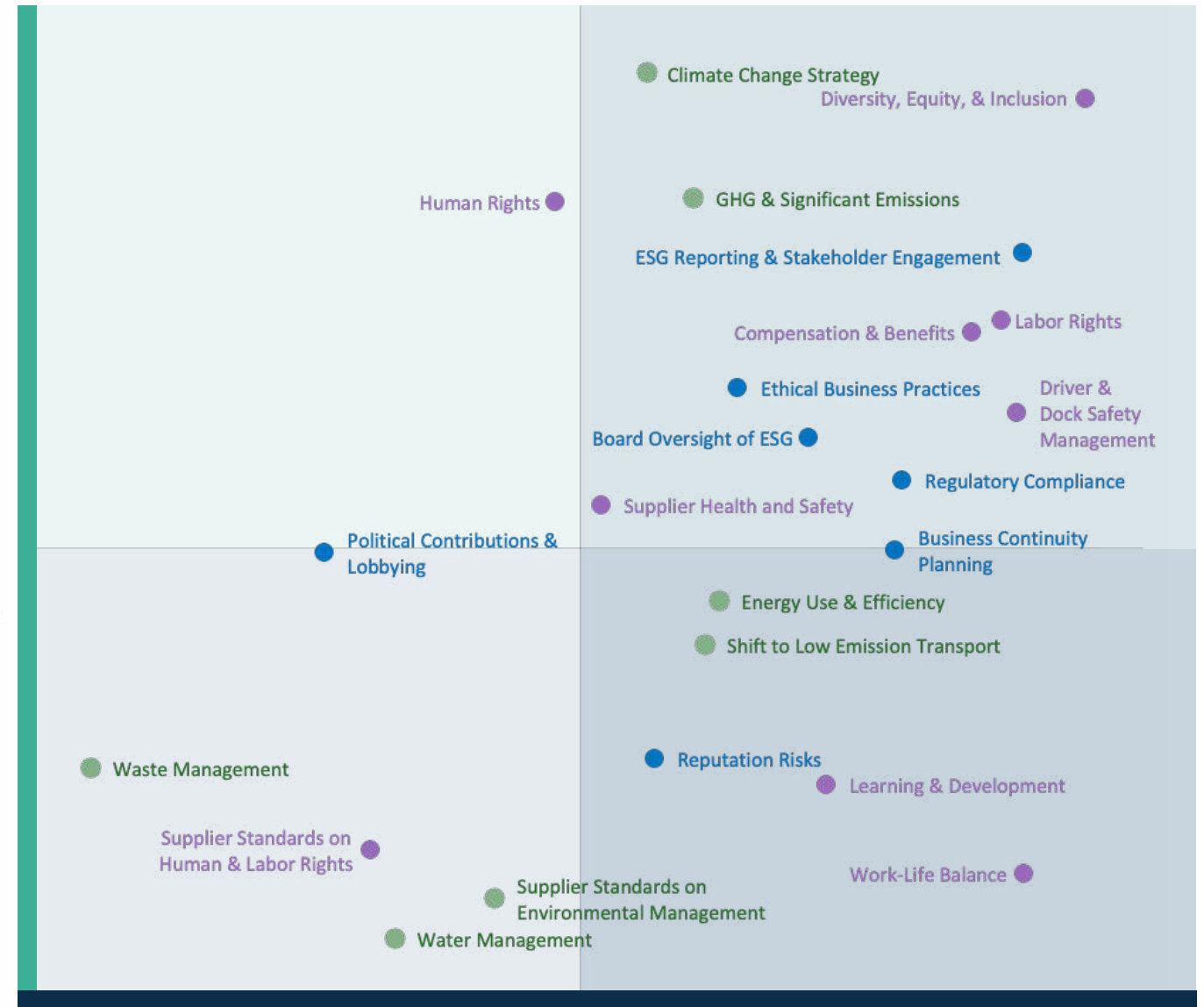
## Task Force on Climate-Related Financial Disclosures (TCFD) Index

We are committed to providing transparency on our climate change risk management, governance and performance. The Task Force on Climate-related Financial Disclosures (TCFD) has developed voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to stakeholders. A summary of our response to the TCFD-recommended disclosures is in the index at the end of this report.

### Completion of ESG Materiality Assessment

Building upon one of our goals from last year, we conducted a materiality assessment in 2021 to evaluate ESG progress and to determine focus areas to prioritize. We engaged employees, customers, carriers and investors to understand their views on which ESG topics are most critical to our company and industry. The results of the assessment are displayed in the materiality map, and several of the most impactful topics are areas we are already focused on improving and reporting on, including emissions, ethical business practices, safety management and DEI. Throughout 2022, we will continue assessing these results to help formalize an official ESG Roadmap.

Importance to Stakeholders



Importance to Business Success

● Environment    ● Social    ● Governance



### ESG Governance Chart

Our ESG governance starts at the top — with oversight of our ESG efforts from our Board of Directors, ESG Executive Sponsors and the ESG Committee — and it extends throughout the organization, where this important work is embedded in our day-to-day operations. The governance chart provides a brief overview of each committee and team's responsibilities.

#### Nominating/Corporate Governance Committee of the Board of Directors

Responsible for overseeing the company's strategy, practices and policies and as appropriate provide updates and make recommendations to the Board and monitor emerging trends, best practices and regulatory developments related to ESG matters.

#### ESG Executive Sponsors Includes:

- Investor Relations
- Capacity (supplier procurement)
- General Counsel
- Chief HR Officer
- Customer Experience
- Employee Relations and Safety
- Real Estate

Responsible for providing guidance and general management oversight of the ESG Committee.

#### ESG Committee Departments Involved:

- Carrier Relations
- Corporate Accounting
- Customer Experience
- Data Science
- Fleet Services
- People and Culture
- Internal Audit
- Investor Relations
- Legal
- Real Estate
- Safety and Security

Responsible for providing guidance to the company and its Board of Directors on matters relating to corporate citizenship, and to oversee and make recommendations concerning the company's ESG initiatives, policies and practices relating to safety and health, climate and environmental sustainability, social concerns and other public issues.

# About this Report

This report discloses the company's actions and progress on our priority ESG issues — those we believe are most relevant to our business and stakeholders.

Since 2019, we have voluntarily published an annual ESG report and will continue to do so moving forward. As you read through the report, you will notice areas where we made significant progress toward critical initiatives as we strive to improve sustainability, create an inclusive work environment and give back to our communities.

For questions about this report or any of our ESG initiatives, please email [ESG@arcb.com](mailto:ESG@arcb.com).



## External Reporting and Rating

We reported our ESG progress to CDP, EcoVadis and the United Nations Global Compact (UNGC), which are the same organizations we reported to in previous years. We have plans to report to these, as well as others, as we continue developing critical initiatives.

### CDP (formerly known as Carbon Disclosure Project)

CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. Through an annual reporting process, the CDP measures and benchmarks a company's progress and encourages companies to take actions that can improve their environmental footprint. ArcBest participates in the CDP's annual assessment, and we are committed to improving our score.

### EcoVadis

EcoVadis is a provider of business sustainability ratings, intelligence and collaborative performance improvement tools for global supply chains. It monitors sustainability by rating and benchmarking the quality of a company's ESG performance in the following categories: environment, labor and human rights, ethics and sustainable procurement. ArcBest completed an EcoVadis assessment in the fourth quarter of 2020. In early 2021, we received our first-ever EcoVadis recognition — the Bronze medal, which recognizes sustainability performance in the top half of all companies and industries rated across the world. We strive to improve this rating each time we assess.

## United Nations Global Compact

The UNGC works to create a better world through uniting businesses and encouraging them to align their operations and strategies with 17 sustainable development goals (SDGs) that cover climate change, environmental degradation, inequality, poverty, peace and justice. ArcBest became a signatory to the UNGC in 2020. This partnership enables us to continue driving responsible business practices in the world and in our industry, and we plan to consider the SDGs as we develop our ESG roadmap. [Read our letter of commitment.](#)





# Governance





## Practicing Good Governance

Strong corporate governance is the foundation for financial integrity, investor confidence and sustainable performance, and it ensures the success and longevity of our business as we work toward our strategic goals. Operating ethically is core to who we are and how we do business — and we've been doing it for nearly 100 years. We hold ourselves to the highest standards, and as a values-driven company, we believe that every good decision strengthens the ArcBest brand and builds trust with our employees, customers, shareholders and the communities we serve.

[Learn more about our Corporate Governance policies.](#)



## Board of Directors

Our Board of Directors oversees management of the company's business, driving effective decision making and performance to ensure we deliver on our promises while providing financial stability, long-term growth and lasting value for our stakeholders. The Board believes that good corporate governance is guided by ethical, truthful and dependable leadership and is committed to continually improving its governance policies to create an environment of accountability and transparency.

## Overview of Our Primary Board Committees

- [Audit Committee](#) — Responsible for oversight of the integrity of financial reports and related financial information and directly oversees risk management relating to financial reporting and public disclosure, including climate-related and other ESG risks, and the steps management has taken to monitor and control those exposures, among other duties.
- [Compensation Committee](#) — Responsible for oversight of risk relating to compensation policies and practices for all employees and officers, for reviewing and approving executive management compensation, and for making and administering employee awards under the ArcBest

Corporation Executive Officer Incentive Compensation Plan and the Amended and Restated ArcBest Corporation Ownership Incentive Plan, including setting performance goals and determining the extent to which those goals were achieved, among other duties.

- [Nominating/Corporate Governance Committee](#) — Responsible for CEO succession, identifying and selecting Board members, developing potential Board candidates, annually reviewing the company's corporate governance standards, and overseeing risk associated with ESG issues, among other duties.





### Meet the Board

Our Board of Directors is strong and experienced. Members are elected annually, and of the nine directors, eight meet the applicable independence standards of the Securities and Exchange Commission and the Nasdaq Stock Market. The exception is ArcBest Chairman, President and CEO Judy R. McReynolds. The Board believes that service as chairman, president and chief executive officer enables Ms. McReynolds to execute on the company's strategic initiatives and respond to the key business issues and risks she encounters in daily operations more effectively and efficiently. To balance this executive chairman role, and in accordance with the ArcBest bylaws, the independent Directors have elected Mr. Stephen Gorman to serve as a strong Lead Independent Director to guide and facilitate the independent Directors' participation in the company's governance.

Learn more about the selection process and expectations of the [ArcBest Board of Directors](#).

**8 of 9**

Directors  
are Independent

**44%**

of Directors are  
diverse, based on  
gender or  
race/ethnicity

Average Age

**61**

**3** - 66 and older

**3** - 61-65

**1** - 56 - 60

**2** - 50-55

Average Tenure

**7 Years**

**4** - 9 or more years

**2** - 6-8 years

**2** - 4-5 years

**1** - 3 years or fewer



## Eduardo F. Conrado

Director since 2016

### Committees

- Compensation
- Nominating/Corporate Governance (Chair)

### Key experience

- Brand marketing
- Corporate strategy and strategic development
- Digital transformation
- New business development
- Digital and data strategy
- Product innovation
- Operations



## Fredrik J. Eliasson

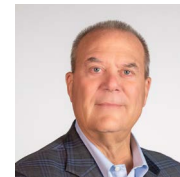
Director since 2019

### Committees

- Audit

### Key experience

- Financial and capital markets
- Transportation and logistics
- Sales and marketing
- Operations
- Mergers and acquisitions
- Innovation and emerging technologies
- Cost-structure transformation and revenue optimization



## Stephen E. Gorman

Director since 2015

Lead Independent Director since January 2022

### Committees

- Compensation
- Nominating/Corporate Governance

### Key experience

- Strategy
- Operations
- Transportation industry leadership
- Marketing
- Finance
- ESG oversight, including climate-related expertise



## Michael P. Hogan

Director since 2016

### Committees

- Audit

### Key experience

- Corporate strategy
- IT
- Marketing and sales
- Ecommerce
- Multi-channel and digital business
- Corporate governance
- Digital products and mobile and consumer electronics products



## Janice E. Stipp

Director since 2012

### Committees

- Audit (Chair)

### Key experience

- Financial and accounting experience with a variety of industrial companies, both public and private
- Financial controls, auditing, financial management and accounting, acquisitions and treasury
- Corporate restructuring
- Senior-level executive management
- IT



## Judy R. McReynolds

Director since 2010

Chairman of the Board since 2016

### Key experience

- Significant industry-specific experience
- Expertise with respect to both ArcBest and its transportation and logistics subsidiaries resulting from a 25-year tenure with the company
- Operations
- Finance
- Customer experience
- Strategic planning
- Logistics
- Less-than-truckload and truckload transportation
- Talent management, labor and pension
- Investment and corporate banking, financial analysis, capital structures and shareholder value
- ESG oversight



## Dr. Craig E. Philip

Director since 2011

### Committees

- Compensation
- Nominating/Corporate Governance

### Key experience

- 40-year career in the marine, rail and intermodal industries
- Leadership experience in various modes of freight transportation
- Industrial marketing
- Strategic planning



## Steven L. Spinner

Director since 2011

### Committees

- Audit

### Key experience

- Senior-level executive management of a public company
- Logistics
- Network business
- Wholesale food distribution business
- Operations



## Kathleen D. McElligott

Director since 2015

### Committees

- Compensation (Chair)
- Nominating/Corporate Governance

### Key experience

- Manufacturing
- Supply chain and distribution
- Acquisitions and divestitures
- Big data, cloud computing, cybersecurity and technology strategy
- Technology
- Transportation
- Enterprise logistics
- Strategic planning

### Board Skills Profile

Having a Board of Directors with differing backgrounds as well as relevant experience and skills is critical to the company's success and our ability to solve our customers' supply chain challenges. To help us achieve a well-rounded Board, the Nominating/Corporate Governance Committee established a matrix that outlines the skills and experiences they believe are most relevant for the company. The Nominating/Corporate Governance Committee periodically reviews the matrix and updates it as Board members gain new competencies and when Board membership changes.

### Director Compensation

The Nominating/Corporate Governance Committee is responsible for reviewing and setting compensation for the non-employee directors and works with Meridian Compensation Partners, LLC, an independent compensation consultant, to fulfill that responsibility. The Committee sets compensation based on its experience, review of the compensation paid to directors of comparable publicly traded companies and Meridian's advice. ArcBest offers a combination of cash and stock-based compensation to attract and retain qualified candidates to serve on the Board.

Learn more about [ArcBest Board of Directors' compensation](#).

Expertise/Qualification	Conrado	Eliasson	Gorman	Hogan	McElligott	McReynolds	Philip	Spinner	Stipp
Acquisitions	●	●	●	●	●	●	●	●	●
Audit		●		●	●	●		●	●
Corporate Governance	●	●	●	●	●	●	●	●	●
Current CEO/CFO		●				●			
Entrepreneurial Experience		●		●					●
Environmental, Social & Governance			●			●		●	
Executive Compensation	●		●		●	●	●	●	
HR/Labor		●	●			●		●	●
Technology	●	●		●	●	●		●	
International	●		●	●	●		●		●
Investment Banking/Finance/Private Equity		●				●		●	●
Legal/Regulatory/Gov't Relations		●	●			●	●	●	
Transportation/Logistics		●	●		●	●	●	●	
Marketing	●	●		●			●		
Other Public Company Board/Management	●	●	●	●	●	●		●	●
Other Transportation Related Board/Management		●	●		●	●	●		
Risk Management		●	●		●	●	●	●	●
Strategic Planning	●	●	●	●	●	●	●	●	●



# Ethics and Compliance

The company strives to comply with all applicable laws and regulations and, through the [ArcBest Code of Conduct](#) and [Supplier Code of Conduct](#), reinforces ethical standards and respectful behavior. The ArcBest Code of Conduct extends to all Board of Directors, officers, employees, representatives, agents, subcontractors and vendors of the company. Our Supplier Code of Conduct states expectations of conduct for our carrier network, company vendors and other service providers, so they can understand and align to ArcBest business practices.

We expect compliance, and those who violate any standard in either Code of Conduct, or any specific policy, will be subject to appropriate disciplinary or other corrective action, up to and including termination of employment or business relationship.



## Code of Conduct Training

Each year, we assign required code of conduct training to all nonunion employees to test their knowledge of the material. All union employees participate in code of conduct training during onboarding. The purpose of the training is to emphasize important matters contained in the ArcBest Code of Conduct, including the areas of compliance with laws, rules and regulations; discrimination and harassment; safe work environment; confidentiality and reporting illegal/unethical behavior.

## Reporting Misconduct

We encourage and expect all employees to report any actions that seem concerning without fear of retaliation or termination. Employees are provided multiple ways to report concerns: talking directly with their supervisors, reporting directly or indirectly to the HR Coaching and Compliance group or our Legal Department, or utilizing EthicsPoint — an anonymous Ethics and Reporting Hotline available 24/7/365 via phone or online.

We also encourage and expect vendors, suppliers and service providers who do business with ArcBest or its subsidiaries to report questionable, illegal or unethical behavior through the channels outlined in the Supplier Code of Conduct.





# Cybersecurity

We want to maintain the trust of our employees, customers and other stakeholders while delivering the highest level of customer service. We do this by investing in cutting-edge technology and a team of experts to monitor and defend the organization against cyber threats, keeping sensitive information secure.

Our Senior Vice President – Chief Innovation Officer of ArcBest and President of ArcBest Technologies, in collaboration with an executive leadership team, is responsible for overseeing the company's Information Security Program.

Through this program, we align and assess internal security practices to the National Institute of Standards and Technology's Framework for Improving Critical Infrastructure Cybersecurity (NIST CSF), and we engage with and receive information from several third-party industry standard groups related to cybersecurity, including the NMFTA Commercial Transportation Security and Research Program and AUTO-ISC. We also proactively research, review and implement measures that strengthen our information security approach and instill confidence in employees, customers, business partners and other business relationships.

Our Information Security Policy details specific guidelines that govern employees and inform cybersecurity decisions. These policies are designed to help prevent a variety of problems including fraud, embezzlement, industrial espionage, sabotage, errors, omissions and system unavailability.





**Audits**

The ArcBest Internal Audit Department works to ensure internal controls, including those related to information security, are consistent with management expectations, organizational goals and regulatory requirements. This team periodically performs checks to ensure compliance with ArcBest cybersecurity protocols and procedures. ArcBest is also subject to several compliance rules, some of which require an external audit, including Sarbanes-Oxley Act (SARBOX), Payment Card Industry

Data Security Standard (PCI DSS) and Health Insurance Portability and Accountability Act (HIPAA).

**Training**

As part of our commitment to cybersecurity, employees who have computer login credentials are required to complete annual training on information security and the company's related policies and procedures. To keep cybersecurity top of mind, we also conduct ongoing training and tests throughout the year.



**Certifications**

Our secure network and history of strong data protection are possible because our people are committed to continuous learning and development, including those in our Information Security department. Information Security team members continuously review the latest security trends and evolving technology through several open sources and paid sources that provide up-to-date details on cybersecurity topics. Team members also participate in annual training, attend conferences, and have obtained certifications, including:

- ISC2 Certified Information Systems Security Professional (CISSP)
- ISC2 Certified Cloud Security Professional (CCSP)
- SANS GIAC Security Essentials (GSEC)
- SANS GIAC Continuous Monitoring (GMON)
- SANS GIAC Certified Incident Handler (GCIH)
- SANS GIAC Web Application Penetration Tester (GWAPT)
- CompTIA Security+
- Offensive Security Certified Professional (OSCP)



# Preparing for Crisis and Business Disruptions

As a leading logistics provider with global reach, we understand that failure to prepare for and respond to a crisis or business disruption in a timely and effective manner can have a direct impact on our ability to serve our stakeholders. No one can predict when disaster or disruption will strike, but having a plan in place if it does can help mitigate the impact.

To heighten the resilience of our business in the face of disruption, in 2021, we developed the ArcBest Crisis Management Framework, which provides a planning structure that improves our ability to prepare for, respond to and recover from crisis events. Our focus was and is on developing an all-encompassing view of crisis management and business continuity plans and bringing those plans and our people together to coordinate efforts.

Our Crisis Management Planning Team includes employees from many departments across the organization who work together to define how the company prepares, responds to and recovers from a wide variety of disruptive events. Moving forward, this team will focus on building awareness, training and testing these plans to ensure the program's success.





# Safety







## Cultivating Safety Where We Live and Work

When a workplace is safe, employees feel more comfortable and confident and do their best work. ArcBest has policies in place, supported by our Code of Conduct, that help create a safe environment for all. Because we care about our customers, business partners and communities, the impact of these policies extends to them as well. To help ensure our safety and security policies and practices remain current, each year, teams across the organization collaborate to set safety goals, monitor performance, identify new potential hazards and implement new initiatives. 2021 was no exception.



### Keeping Our Campuses Safe

Ensuring our employees are safe while they're working is a top priority, so we have an ongoing focus on security at all campuses and facilities. Here are some initiatives implemented in 2021 and continuing into 2022:

- Conducted evacuation leader training to educate company leaders on how to appropriately respond to fire emergencies, so they can help their employees exit in a safe and orderly manner (training is ongoing in 2022)
- Partnered with a security consulting group to conduct security assessments at our campuses in Fort Smith, Arkansas; Medina, Ohio; and Sparks, Nevada, to help identify where we can increase and improve on-site security
- Placed names and photos of team members who are trained in CPR and automatic external defibrillators (AEDs) near AEDs so employees can quickly identify help in an emergency event
- Partnered with a security consulting group to conduct active shooter and violent incident training at our Medina, Ohio, campus to teach employees the proper response in the workplace (previously conducted at our Fort Smith, Arkansas, campuses)



### Keeping Our ABF Freight Drivers Safe

We make it a priority to help ensure all ABF Freight drivers return home safely at the end of each shift. To do that, we provide the proper training and tools to keep drivers and other motorists on the road safe. Our 11 Regional Managers of Safety and Security help maintain and uphold high safety standards by monitoring and implementing safety protocols and procedures for service center activity, equipment inspections, injury and accident investigations, road tests, driver coaching and theft investigations.

### Safety Awards

- The only seven-time winner of the American Trucking Associations' President's Trophy (1984, 1989, 1993, 1998, 2003, 2010 and 2014)
- Nine-time winner of the American Trucking Associations' Excellence in Security Award (2001, 2004, 2005, 2007, 2009, 2011, 2015, 2016 and 2019)
- The only eight-time winner of the American Trucking Associations' Excellence in Claims & Loss Prevention Award (2001, 2002, 2005, 2008, 2009, 2012, 2017 and 2019)

# Operations Safety Training

Operational safety training is an ongoing priority for all field employees to help ensure their safety and the safety of customers, vendors and other business partners. Each year, the Learning and Development team collaborates with the ABF Safety team to create a training plan that focuses on critical industry topics, including the proper way to enter and exit equipment, hazardous materials and distracted driving, as well as seasonal concerns like driving in winter weather. In 2021, we trained an average of 5,000 city drivers, road drivers and dock, yard and shop employees each month.

## Redesigned Forklift Attachments

Based on employee feedback, the ABF Service Center Operations, Safety and Security, and Cargo Claims and Preventions teams collaborated to design 14 new forklift attachments. These new, more durable attachments were designed to make freight handling safer and easier, and they help reduce damage.

In 2021, every ABF service center received some or all of the new attachments, which can accommodate a wide variety of standard and non-standard freight types. Training on proper use began in 2021 with completion in early 2022.

## Equipment Safety Features

We want our drivers to feel safe every time they get behind the wheel, and we make it a priority to ensure ABF equipment is well maintained with current technology and safety features. Our 2021 fleet is equipped with:

### Tractors:

- Roll stability
- Forward-facing radar for collision avoidance
- Adaptive cruise control
- Lane-departure alerts
- Rain sensors to engage headlights and wipers automatically
- Forward-facing camera and speed alerts

### Trailers:

- Steps and grab handles for safe entering and exiting
- Captured lock system to aid in safer loading and unloading
- Tire pressure management system to maintain appropriate pressure

## Stay Safe Initiative

Through our Stay Safe initiative, we continued to promote a culture of safety across the organization, especially focusing on four of ABF's most common injuries: lifting; pushing and pulling; slips, trips and falls; and entering and exiting equipment. To spread awareness of these concerns, field employees completed assigned training videos and

supervisors held monthly meetings to discuss these injuries and how to avoid them.

In 2021, we gave 227 safety awards to ABF drivers and employees. Drivers were awarded for preventing or avoiding accidents by being alert and practicing safe driving skills. Employees were awarded for promoting a culture of safety and working with management to determine the best way to deliver difficult freight.



# 2021 Safe Driving Awards

We reward ABF city and road drivers internally when they reach safe driving milestones. Safe driving is recorded as consecutive hours or miles without a preventable accident. In 2021, we rewarded 250 drivers. Here are the levels of awards received and the number of drivers who received them:

## SAFE DRIVING MILESTONES

### City Drivers



#### Bronze Award

5,000 Consecutive Hours



#### Silver Award

30,000 Consecutive Hours



#### Gold Award

45,000 Consecutive Hours

## SAFE DRIVING MILESTONES

### Road Drivers



One Million Miles



Two Million Miles



Three Million Miles



Four Million Miles



### ABF Freight Road and Load Teams

Members of the ABF Freight Road and Load Teams display the highest standards of professionalism while focusing on road and highway safety. They come to work each day ready to serve customers with excellence. Due to COVID-19, term limits were extended for the current groups.

### 2021 ABF Freight Load Team

The ABF Freight Load Team was established in 1994. Members are selected based on their safety records, involvement in the Quality Process, personal integrity and ability to load trailers optimally.

“The 2021 Load Team is made up of true professionals who are meticulous in providing a positive customer experience with every single shipment they handle. They have proven to be experts in their field and understand the importance of delivering shipments on time, damage free and intact. Their knowledge and skillsets make them a valuable resource for ABF and our customers.”



**Andy Upchurch**

vice president, service center operations

## 2020-2021 ABF Freight Road Team

Serving on the ABF Freight Road Team is one of the greatest honors an ABF driver can achieve. Eligibility requirements include a minimum of 10 years of professional driving experience and an exemplary driving record, and drivers are selected by local and regional management with final selections made by a steering committee. During their term, Road Team members serve as ambassadors for ABF Freight and the trucking industry — participating in speaking engagements on topics such as safe driving, the image of a truck driver and sharing the road with trucks.



### ABF Employees Selected for American Trucking Associations Panel

In March 2021, the American Trucking Associations announced a new panel of truckers who will advise ways to strengthen relationships between the trucking industry and law enforcement nationwide. Along with current and retired law enforcement officials, the panel consists of ATA members with previous experience in federal, state and local law enforcement, including ABF Freight's Chris Harris, senior manager, security, and Donnie Ware, manager, security field operations.

During the panel's initial meeting, the board identified several primary issues to focus on throughout the year, including combatting human trafficking, increasing truck parking capacity, ensuring driver safety at rest stops and enhancing access to training for drivers and company safety personnel.

As a member of the ABF Security team, I feel that this is a great opportunity to create a solid foundation of collaboration among the members of ATA's new advisory board, which will bridge many gaps between law enforcement and the trucking industry. We are hopeful it will make many problematic issues transparent, so we can work together to develop viable solutions.



**Donnie Ware**  
manager, security field operations

ABF Freight maintains a strong, long-lasting relationship with the American Trucking Associations, and our participation on the board will contribute over 70 years of diverse law enforcement experience to the panel. We are excited about the opportunity to collaborate with other members of this board in an effort to address key issues facing the trucking industry today and look forward to positively impacting relationships with our law enforcement partners nationwide.



**Chris Harris**  
senior manager, security

### Employee Spotlight

The Arkansas Trucking Association selected ABF driver Donnie Pace as a new Arkansas Road Team captain. Donnie joined ABF in 2004 and is a road driver at our Little Rock, Arkansas, service center.

Candidates for the Arkansas Road Team competed in the selection process's final stage in August in Little Rock. Industry experts, law enforcement and media professionals judged nominees' knowledge of the trucking industry, dedication to safety, overall safe driving record and their ability to communicate the trucking industry's message.

I'm honored to be selected by the committee, and I was honored to get the chance to apply.



**Donnie Pace**  
road driver at Little Rock, Arkansas





# 2021 Highway Angels

The Truckload Carriers Associations' [Highway Angels program](#) began in 1997 and honors professional truck drivers who show courage and courtesy while driving North America's roadways. Five ABF Freight drivers were recognized in 2021.



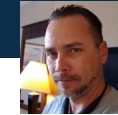
[Alfonso Archuleta](#)

In August, Alfonso was traveling on Highway 54 near Stratford, Texas, when he saw a FedEx truck pulling doubles on its side in a ditch. Alfonso immediately pulled over, grabbed his gloves and ran to check on the driver. An off-duty volunteer firefighter pulled over and helped Alfonso get the driver out. Alfonso identified hazmat placards indicating corrosive materials on board and retrieved the truck's paperwork to give to the fire department when they arrived.



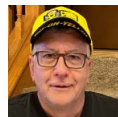
[Amos Thurman](#)

In September, Amos was traveling northbound on U.S. Highway 67 when he saw a driver of an SUV lose control while switching lanes, driving off the road and flipping over in a ditch. Amos safely pulled over, approached the SUV and found a mother and two daughters still in seatbelts, hanging upside down. Another motorist stopped to assist, and the two of them struggled to open the vehicle due to jammed doors, eventually freeing one of the daughters. Amos remained with the family until first responders arrived.



[Terry Harper](#)

In December, Terry was traveling on U.S. Highway 54 at night when he approached a pickup truck laying across both lanes. Terry stopped and directed traffic with a flashlight to avoid the pickup truck getting struck.



[Roy Davison](#)

In October, Roy was traveling eastbound on I-94 when he saw a U-Haul truck pulling a trailer loaded with a minivan lose control and flip. The trailer separated from the truck and rolled over in the ditch, crushing the roof of the minivan. Roy maneuvered his truck to block the two-lane road and went to help the two people trapped inside. Another motorist stopped to help as Roy navigated his way inside the truck to help the passengers escape. Everyone was able to get out of the vehicle safely.



[Robert Schuhl](#)

In September, Robert was traveling on Highway 22 in Alabama when a UPS driver ran off the road. Robert safely stopped to assist, along with another motorist who helped Robert climb on top of the overturned truck so he could climb inside and help the driver who was dazed and bleeding. Another motorist (a nurse) and a police officer stopped to help remove the mangled windshield, and the nurse advised how to safely move the driver.





# Panther Premium Logistics On-Road Performance Highlights

On-road performance measures and policies also apply to all independent contractors, owner operators and fleet owners in our Panther fleet. In addition to compliance training required by the Federal Motor Carrier Safety Administration (FMCSA), we've developed proprietary compliance systems and processes that allow us to continuously monitor fleet compliance and on-road performance. We have implemented a variety of programs to heighten awareness and reduce violations and incidents.





# Panther Premium Logistics Driver Stories

The Panther Premium Logistics fleet plays a crucial role in helping us keep the global supply chain moving. Learn more about some of the Panther drivers\* in these spotlight stories.

\*All Panther drivers and vehicle owners are independent contractors.



After finishing my military career and my bachelor's in business management in 2010, I joined the Panther fleet. I consider myself to be a driver ambassador for Panther and the trucking industry! I have a lot of experience and understand the best way to choose loads and always stay moving. Always equip your truck with the tools you need to be successful and prepared. Planning is essential for me!

**- Modestus Fevrier Sr.**



We are currently celebrating adding a new addition to our team, Ezra, our puppy! My husband, Charles, and I drive a cargo van for a bigger fleet owner. Our advice for any new driver is to get as much rest as possible in your downtime. I have utilized a gym membership to maintain my fitness with workouts and a big perk — free showers! #HealthIsWealth. Thank you to the safety team at Panther; they are truly amazing and very caring people with your best interest in mind.

**- Ariel and Charles Woody**



I started my career as a driver five years ago, and now I have been a fleet owner for the last 19 years. For anyone thinking about coming on as a driver for a fleet owner, my best advice would be to give it 90 days to learn expediting and understand how it works. I love having drivers stay for a long time and helping them start their own successful fleet. It's better to be moving than sitting in a bad area for days — follow the freight!

**- Carl Massey**



I am a solo owner-operator and celebrating almost two years of driving, and I pray it will be a lifetime! I would tell a new driver always to keep God first, continue to pray, and watch out for others and yourself. It's always a good idea to be safe and take extra precautions. I wish the public understood the amount of time needed for a truck to stop and how dangerous it is to drive recklessly around trucks. We really appreciate and respect when people treat us well over the road! What matters the most to drivers is making sure you stay focused at all times and always watch your surroundings. Don't get in a hurry!

**- Tamika Barney**



# Human Trafficking

ArcBest continues to support the fight against human trafficking through ongoing partnerships with Truckers Against Trafficking® (TAT) and Polaris. Because our industry is often linked to trafficking, we believe it is critical to train all employees about the topic, so they know how to identify and safely report these crimes. [Read our Human Rights Statement of Policy.](#)

## Truckers Against Trafficking

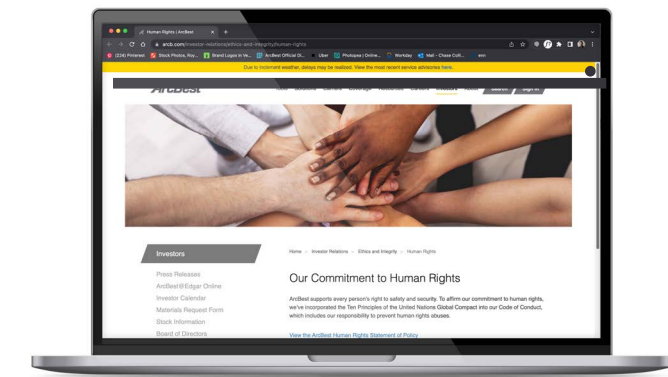
[Truckers Against Trafficking](#) is a group that exists to “educate, equip, empower and mobilize members of the trucking, bus and

energy industries to combat human trafficking.” ABF Freight has been a partner of TAT since 2016 and a Copper level sponsor since 2017. In 2021, we trained 680 union employees, or approximately 6% of our total union workforce, on how to identify and report human trafficking in trucking. Additionally, since the beginning of our TAT partnership, we have trained 92% of our total union workforce through the end of 2021.

## Polaris

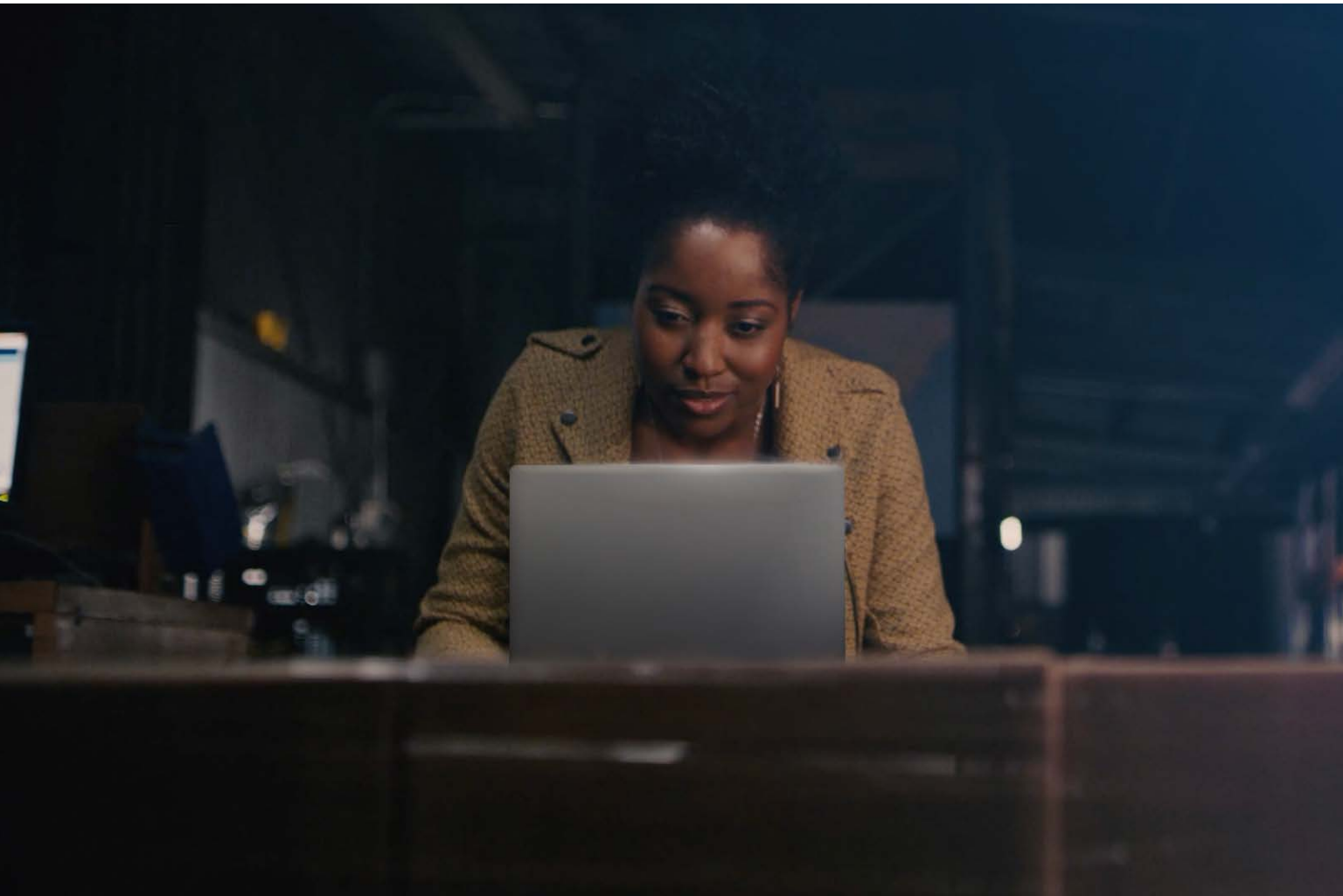
[Polaris](#) is a leading nonprofit organization dedicated to fighting and ending sex and labor trafficking in North America. Since partnering with Polaris in 2019, we have trained more than 4,800 employees on human trafficking curriculum that was developed in collaboration with Polaris. Last year, we started making plans to collaborate with local Fort Smith, Arkansas, high schools

(and eventually middle schools) to develop a curriculum that educates students who have been possible victims or witnesses in human trafficking situations. We will also make our online human trafficking training sessions available to all ABF service centers. [Learn more about our Polaris partnership.](#)





# Technology and Innovation



## Supporting Customers' Needs Through Pragmatic Innovation

ArcBest's deep customer relationships are enriched by our long history of innovation. We invest heavily in strategic initiatives aimed at transformation, and we empower our employees to dedicate time to think and challenge the status quo. The ArcBest Technologies team is made up of nearly 500 highly engaged and creative tech and analytical professionals — engineers, mathematicians, data scientists, software developers, information system specialists and more — who create smart solutions that deliver value to our customers and drive our industry forward.

Each year, ArcBest invests nearly \$150 million on technology and innovation, with 50% of that investment prioritized toward strategic projects and transformative initiatives — that's compared to a 2020 industry benchmark of 31% as reported by Gartner.



# About ArcBest Technologies

ArcBest Technologies is building the future of logistics. Through implementing custom-built solutions and leading-edge technologies, we're helping shippers and capacity providers successfully navigate the complex logistics landscape. Our team's expertise is unmatched. With a strong emphasis on disruptive technology and advanced analytics, we're working toward enabling a more sustainable supply chain and delivering smart, transformative solutions that make it easier to do business.

## Our Progressive View on Technology

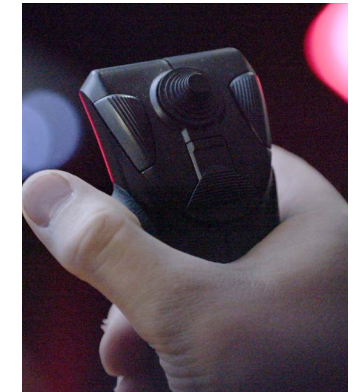
Directly addressing the supply chain challenges our customers face is a natural extension of our mission. Though we certainly look at building efficiencies and sustainable best practices within our own business, our aim is to solve more than that. We're looking at the supply chain as a whole, leading the way with innovation, and building customized solutions that optimize operations across industries. One example of that is our investment in a 235,000 square-foot innovation warehouse where we test technology in an environment that mirrors our customers', enabling us to create customized solutions.


Here are some of the things we did in 2021 to help move the global supply chain forward:

### Phantom Auto

We built on our commitment to innovation with a \$25 million investment in Phantom Auto, the leading provider of human-centered remote operation software. This investment centers around remote-operated autonomous forklifts and was developed for use in ArcBest customer locations — to build efficiencies and fuel enterprise growth.

In early 2021, we began working with a small group of customers across manufacturing, consumer goods and automotive industries to develop use cases for these remote-operated autonomous forklifts. Potential pilots have been identified, and we envision this will progress in 2022. We are in the final stages of maturing the hardware needed to retrofit equipment for autonomous operation, and we are working with our customers to implement the software needed for teleoperations. We look forward to updating more on this pilot in our 2022 ESG report.



SCOPE 1	SCOPE 2	SCOPE 3	
<p>Direct emissions from burning fuels that emit greenhouse gases (GHGs).</p> <p><b>Examples</b></p> <p>Fleet emissions, facility furnaces</p>	<p>Indirect emissions from utilities.</p> <p><b>Examples</b></p> <p>Electricity, steam heating</p>	<p>Indirect emissions from assets outside of organization ownership or control.</p> <p><b>Examples</b></p> <p>Employee commuting, transportation and distribution</p>	

**ESG Dashboard**

As part of our work to collect, analyze and report Scope 1 and Scope 2 emissions, ArcBest Technologies created an ESG dashboard. Progress throughout 2021 and early 2022 included pulling data from across the company and inputting it into the system. Using the dashboard, we can filter emissions by type, equipment, location and timeframe. These different views give us a holistic approach to measuring our emissions, allowing us to benchmark our performance, identify areas of improvement and monitor progress.

In future phases of this project, the dashboard will enable us to provide insights to customers on emissions related to their supply chain. We also plan to calculate and disclose Scope 3 emissions in the future.

**Dynamic Pricing**

Our competitive advantage comes through how we understand

data. One example of this is Dynamic Pricing — a first-of-its-kind program that uses machine learning to predict current market prices, connects shippers with available capacity in our LTL network, then ultimately provides our shippers with real-time pricing without negotiating a published price (which is typical in the LTL industry). We introduced Dynamic Pricing in 2019 in response to customers seeking ways to better manage their transportation spend and needing the ability to pivot quickly when capacity issues kept them from serving their customers well.

Dynamic Pricing provides a best-in-class experience by offering the right price on every quote at the right time and allowing new customers to on-board more quickly. It also has significant environmental benefits, lowering our customers’ carbon footprint by reducing “empty miles” or the number of miles we move empty or near-empty equipment for repositioning purposes.

Following a positive response from customers, ArcBest Technologies, in collaboration with other teams across the company, spent much of 2021 refining and expanding the program to continue meeting customer needs.

**Digital Billing**

As part of ArcBest’s ongoing strategy to create more efficient, sustainable processes, ArcBest Technologies is using artificial intelligence and machine learning to test methods to automate billing in our operations. Historically, processes to enter bills of lading into our system were manual and time consuming. Transforming to digital billing gives customers instant visibility into their shipments, improving customer experience. It also enables improved office productivity, eliminates data entry errors and supports sustainability efforts by reducing paper use. We are in the early stages of this project and will continue reporting on progress and long-term benefits.



### ArcBest Imagine

ArcBest has a long history of listening, putting ourselves in our customers' shoes, thoughtfully analyzing how what we do impacts their business, and creating transformative solutions. Many of our successes have emerged through employees participating in events where they collaborate, brainstorm and present ideas.

ArcBest Imagine is one of the best outlets for mining new initiatives. This annual team innovation competition brings people together from across the organization to present ideas and solutions that have the potential to enhance business operations.

The third annual competition, which took place December 2021, focused on mobile engagement — ways to innovate logistics and generate new ideas to incorporate mobile devices and mobile data accessibility to better serve our customers, partners and employees. The competition was divided between two categories, technology and system innovations, and people processes and service innovations.



“Mobile impacts consumer experiences for sure. We live on our mobile devices, and having mobile technology creates tremendous value in how we live our lives. The reality is our customers are consumers. Having mobile capabilities for our customers is a very important aspect of them being able to run their business. Staying close to our customers and making sure our strategy is built around their needs is critical — mobile is a part of that.”



**Dennis Anderson**  
chief customer officer

“I’ve only been here six months, and I felt like my ideas were heard and appreciated. I think this truly shows just how much this company values its employees. I never doubted my decision to accept my position here, and this experience only solidified my loyalty to continuing the ArcBest mission.”



**Paige Ip**  
account manager

### **Women in IT**

Every year, the University of Arkansas' Walton College Executive Education and the Department of Information Systems hosts a one-day Women in IT Hack the Journey conference. At this event, women with careers in information technology can network and attend sessions that discuss what's new and next in the industry. In 2021, ArcBest sponsored the event and registered more than 20 ArcBest Technologies employees to attend virtually. Session topics included business ethics, financial technology, Internet of Things, narrative building, blockchain and product management.







### Girls Who Code

In September 2021, volunteers from ArcBest Technologies launched a Girls Who Code (GWC) club at Southside High School (SHS) in Fort Smith, Arkansas, for the 2021-2022 school year. GWC is on a mission to close the gender gap in technology, instilling core values of bravery, sisterhood and activism.

The club at SHS consisted of 25 students and 12 ArcBest Technologies volunteers who met every two weeks after school to collaborate on mini IT-inspired projects, using tutorials provided by the Girls Who Code program. Projects included using Scratch language to code and create interactive games and animations, using Python language to create storytelling programs and interactive chatbots and using JavaScript to learn game development concepts.

The projects allowed the students to work together to develop a foundation they can build on as they gain experience with tech and computer science fields.

I think most women have experienced loneliness at some point during their IT journey, whether that be as the only female in their college classes or on a team at work. To be able to provide a space for these girls to connect and form a network is not only personally fulfilling, but it can mean the difference between them choosing a career in IT or changing course to another profession.

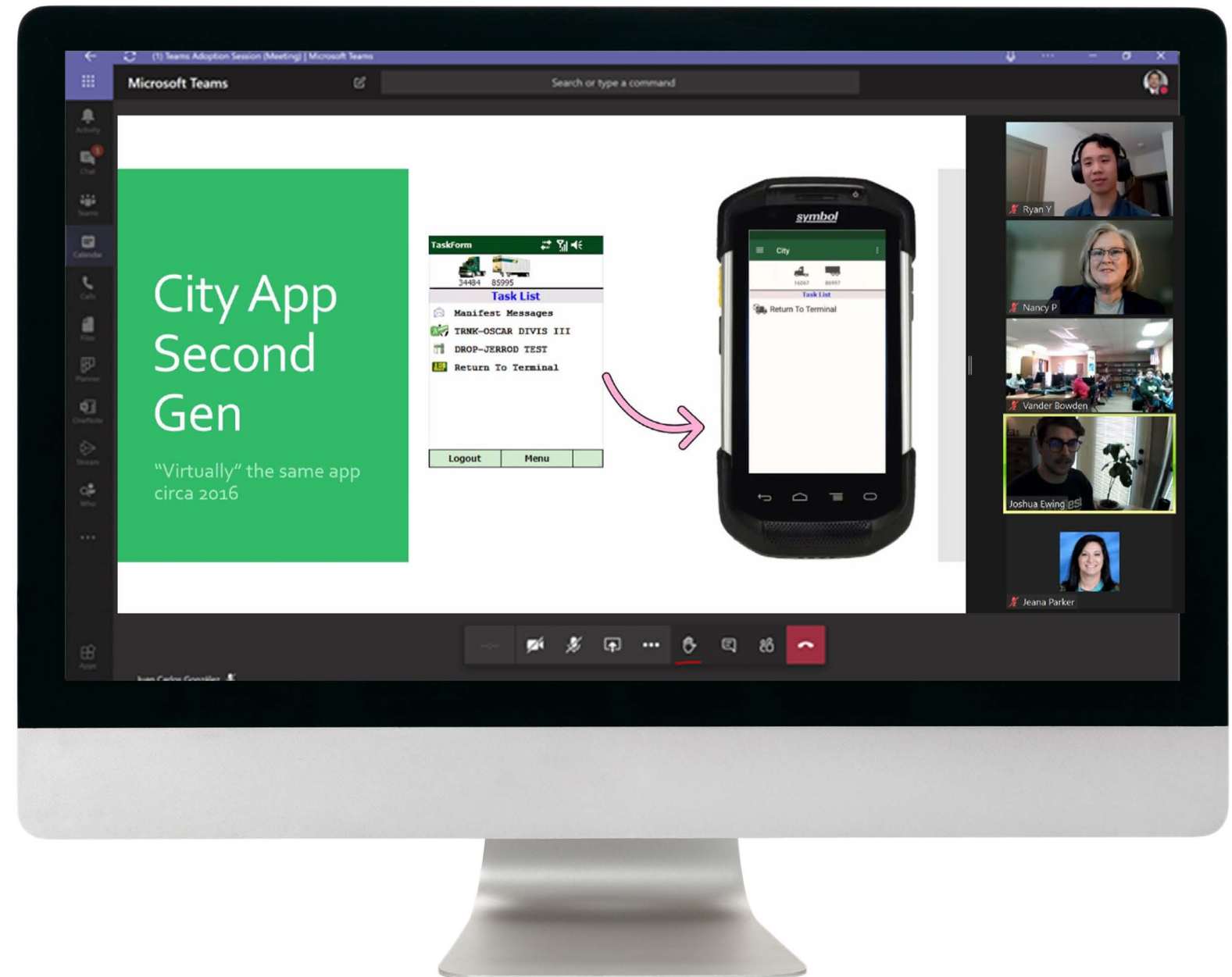


**Adrienne Kaminshine**

technical administrator and  
SHS Girls Who Code program director

### Presented Tech Projects to Local Students

In collaboration with several local schools, ArcBest Technologies virtually presented showcases on technology projects and processes to increase students' awareness of STEM careers and opportunities. From November 2021 to January 2022, ArcBest Technologies team members presented at six schools, covering topics like machine learning and app development. The team plans to continue hosting these project showcases throughout 2022, reaching out to smaller, rural schools in the Fort Smith, Arkansas, area.





# Environment







## Making Environmental Stewardship A Priority

We are aware of the negative impact transportation and logistics operations can have on the environment and are committed to building a company with operations that future generations can be proud of. As a participant in the [UN Global Compact](#), and aligned with our greater mission to connect and positively impact the world, we're working toward adopting environmentally sustainable practices, tracking our progress and reporting on our performance. While still in the beginning stages of this important work, we're focused on improving sustainability across the organization — including our equipment, solutions and facilities.

In 2021, our work on environmental stewardship progressed primarily through analyzing Scope 1 and Scope 2 emissions, purchasing more efficient equipment and implementing sustainable features into several facility constructions and renovations.



### Sustainable Equipment

For nearly 50 years, ArcBest LTL carrier ABF Freight has operated with efficiency in mind. Efficiency measures range from limiting truck speeds to conserve fuel and reduce emissions, to purchasing equipment with computerized engine shut offs to reduce idling, minimize fuel consumption and limit emissions. We also use low-rolling resistance tires on many ABF trucks, helping to reduce energy loss and improve fuel efficiency. The company is also replacing older equipment models with newer, cleaner trucks to further reduce net emissions — the average age of ABF road tractors is 18 months and city power units average six years.

Last year, ABF purchased 450 new Class 8 road tractors equipped with the latest EPA engine requirements and aerodynamic bumpers, hoods and air deflectors. The company also purchased 23 Class 6 straight trucks and 28 yard tractors to replace older engines that emitted higher amounts of carbon dioxide. In addition, we purchased more than 47,300 SmartWay-verified tires.

Additional equipment updates for 2021-2022:

- Replacing two diesel-engine straight trucks at our San Bernardino, California, service center with two Class 6 electric straight trucks, soon to be accompanied by high-capacity battery chargers

- Purchasing two electric forklifts for our Kansas City, Missouri, service center to replace two propane forklifts
- Investing in more efficient equipment in 2022 to upgrade our fleet with the latest EPA engines and aerodynamics



## Equipment Spotlight

### Successful Pilot of an Electric Yard Tractor

We conducted a four-week demo of an electric yard tractor at our Kansas City distribution center in August. By replacing one diesel yard truck with an electric yard truck, our goal is to significantly reduce emissions. Testing of this equipment was successful and guided our decision to purchase two additional units in 2022, for use at our San Bernardino service center. We will continue providing updates on this project as we determine more of the positive and sustainable impacts electric yard trucks can have on our operations.

# SmartWay® Partnership

We have been a proud partner of the Environmental Protection Agency's (EPA) SmartWay Program since 2006. In October, ABF Freight was selected as a [2021 SmartWay Excellence Award winner](#) for the fifth time — and the third year running. This award recognizes the top shipping and logistics companies that move goods in the cleanest, most energy efficient way and establishes ArcBest as a front-runner in supply chain efficiency — highlighting our commitment to addressing sustainability issues. We were one of 12 shipping and logistics companies to receive this distinction, representing the best environmental performers of SmartWay's nearly 4,000 partners.



“Receiving the SmartWay Excellence Award for a fifth time affirms that the steps we are taking to address environmental issues, including reducing harmful emissions, are making a noticeable impact. We are aware of the effect our operations can have on the environment and are dedicated to focusing on ways to be an outstanding partner to our customers and corporate citizen by choosing practices that contribute to environmental sustainability.”



**Seth Runser**  
ABF Freight president



### Sustainable Facilities

Another way we promote good corporate citizenship is by working to ensure our facilities reflect sustainable practices. We are working on several plans to build and update our campuses and service centers to align with these initiatives.

The remodel of our second campus in Fort Smith was completed in December 2021, implementing several green features such as:

- LED lights, occupancy sensors and ambient lighting to reduce energy consumption
- Water-cooled chillers to cool the building more efficiently than air ducts
- EnVerid Air Purifiers to filter out CO<sub>2</sub> and other harmful carbons from the air before it enters the building
- Water bottle filling stations to encourage reusable drinkware
- Restrooms with low-flow plumbing fixtures to reduce water usage
- Native landscaping to minimize irrigation and fertilization

We also began construction on a shared 100,000 square-foot building in Chicago for our MoLo employees. The building is [LEED Gold certified](#) and is being constructed with a green roof, smart lighting and energy-efficient HVAC units as well as additional environmentally preferred features. When the building is complete, MoLo will use 91,000 square feet of the building's space.



### ABF Freight Service Centers

In last year's report, we announced the development of our Facility Enhancement and Growth Roadmap, which was created to help standardize facility renovations and sustainability updates.

Following this roadmap and considering responses from our annual employee survey, we began outlining plans to remodel ABF service centers over the next three years — 50 in 2022, 50 in 2023 and 50 in 2024. Along with an array of aesthetic changes, renovations include updating to more energy efficient LED lights.

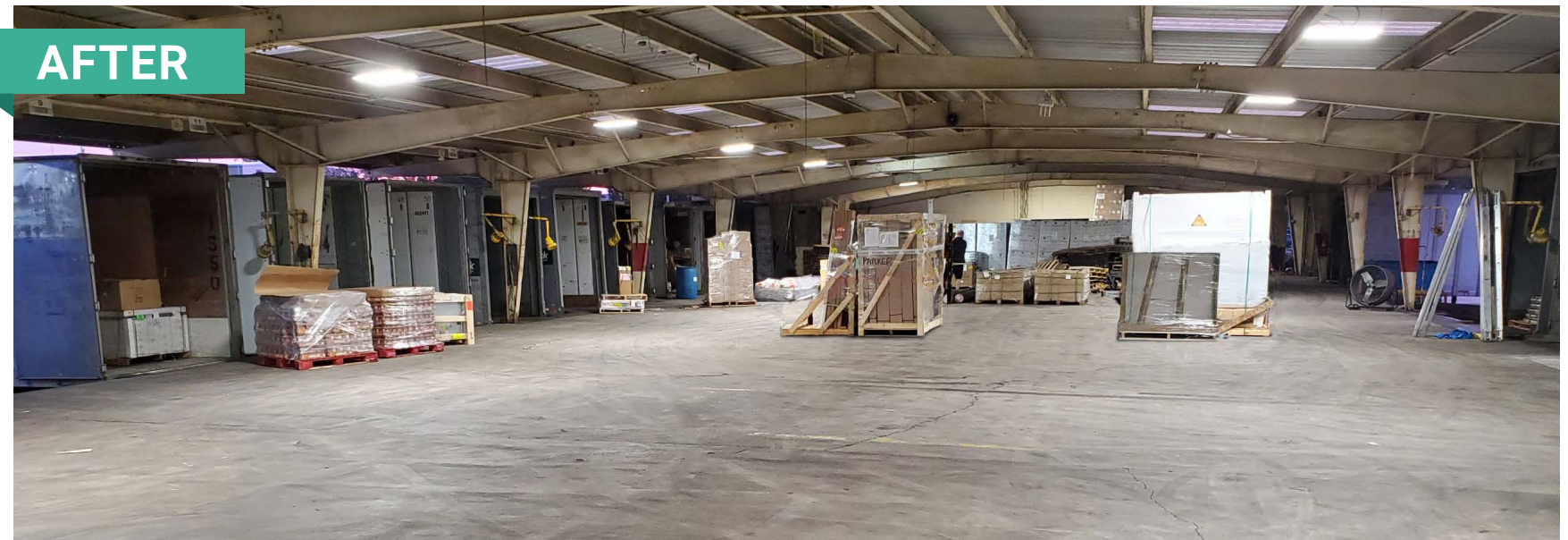
For example, the lighting project at our Fort Smith service center is complete, and the early results demonstrate the critical value of these projects. Not only will the updated lighting lead to safer working conditions, it will also lead to greater energy efficiency and cost-savings.

We are tracking these lighting projects and collecting data on energy savings to disclose in future reports.

**BEFORE**



**AFTER**





### Ongoing Environmental Initiatives at ABF Service Centers

At ABF service centers across the country, we are implementing site-specific efforts to improve energy efficiency, increase recycling efforts and avoid water pollution.

- **Solar panels.** We are adding solar panels to the new construction of our Fort Wayne, Indiana, service center and are currently assessing solar panels for our San Bernardino, California, service center. We will continue analyzing the return on investment for this project to help guide decisions for future builds and remodels.



- **Stormwater Pollution Prevention.** To comply with the EPA Clean Water Act that regulates water pollution, all service centers are either stormwater permitted, with the appropriate prevention plans in place, or have a No Exposure Certification (or exemption) from the applicable governing regulatory agency. Additionally, service centers that meet an oil storage capacity threshold have a spill prevention, control and countermeasure plan in place.
- **Fuel and Oil Storage Compliance.** To protect water sources, our on-site fuel storage is restricted to facilities with high fuel use, where we use both above and underground tanks. All tank systems comply with federal, state and local regulations. Our underground tanks include state-of-the-art designs with double-walled fiberglass tanks and lines, spill and overfill prevention and electronic tank monitoring. Where required, service centers maintain and implement EPA-compliant oil spill prevention, control and countermeasure plans.
- **Recycling.** To minimize waste, we recycle all oil, antifreeze, cleaning solutions and scrap metal, and in many shops use cloth rags as an alternative to paper towels. We also return used engine batteries to the manufacturer and use retread tires.



# Environmental Outlook

We are more aware than ever of the importance of pursuing sustainability and disclosing environmental updates and data.

A notable milestone for ArcBest is disclosing our Scope 1 and Scope 2 carbon emissions (full SASB index available at the end of this report). Through collaboration with ArcBest Technologies, ArcBest has collected and analyzed this data over the last several months, allowing us to accurately disclose emissions output. This project is ongoing as we work to create an ESG dashboard that offers greater insights into how we can better manage these levels of emissions. We also plan to capture and measure Scope 3 emissions over time.

While we know there is significant work to be done in environmental disclosure, we have made considerable progress since our initial ESG reporting. We're committed to continual progress and increased reporting as we move forward.

## Gross Global Scope 1 Emissions

486,670

Metric tons (t) CO<sub>2</sub>-e

## Gross Global Scope 2 Emissions

15,348

Metric tons (t) CO<sub>2</sub>-e

[View Full SASB Index >](#)



# Workforce





## Our People Are at the Heart of Our Success

We wouldn't be the multibillion-dollar logistics powerhouse we are today without our people — they truly are the cornerstone of who we are as an organization. Across the nation, nearly 15,000 employees show up each day, ready to serve customers with excellence, solving some of the most complex logistics challenges.

We support employees by working to provide an exceptional workplace where people with diverse experiences and perspectives can grow and make a lasting impact. When we provide the best atmosphere for our employees, the result is a better experience for customers. Our commitment to building a safer, more sustainable and inclusive company is shown by the significant progress made in important areas across the organization including diversity, equity and inclusion (DEI), employee development, employee experience, succession planning and wellness.

In 2021, we were incredibly pleased to reward our nonunion and union employees' hard work by paying out an incentive, based on our 2021 operating ratio and employees' eligible compensation.

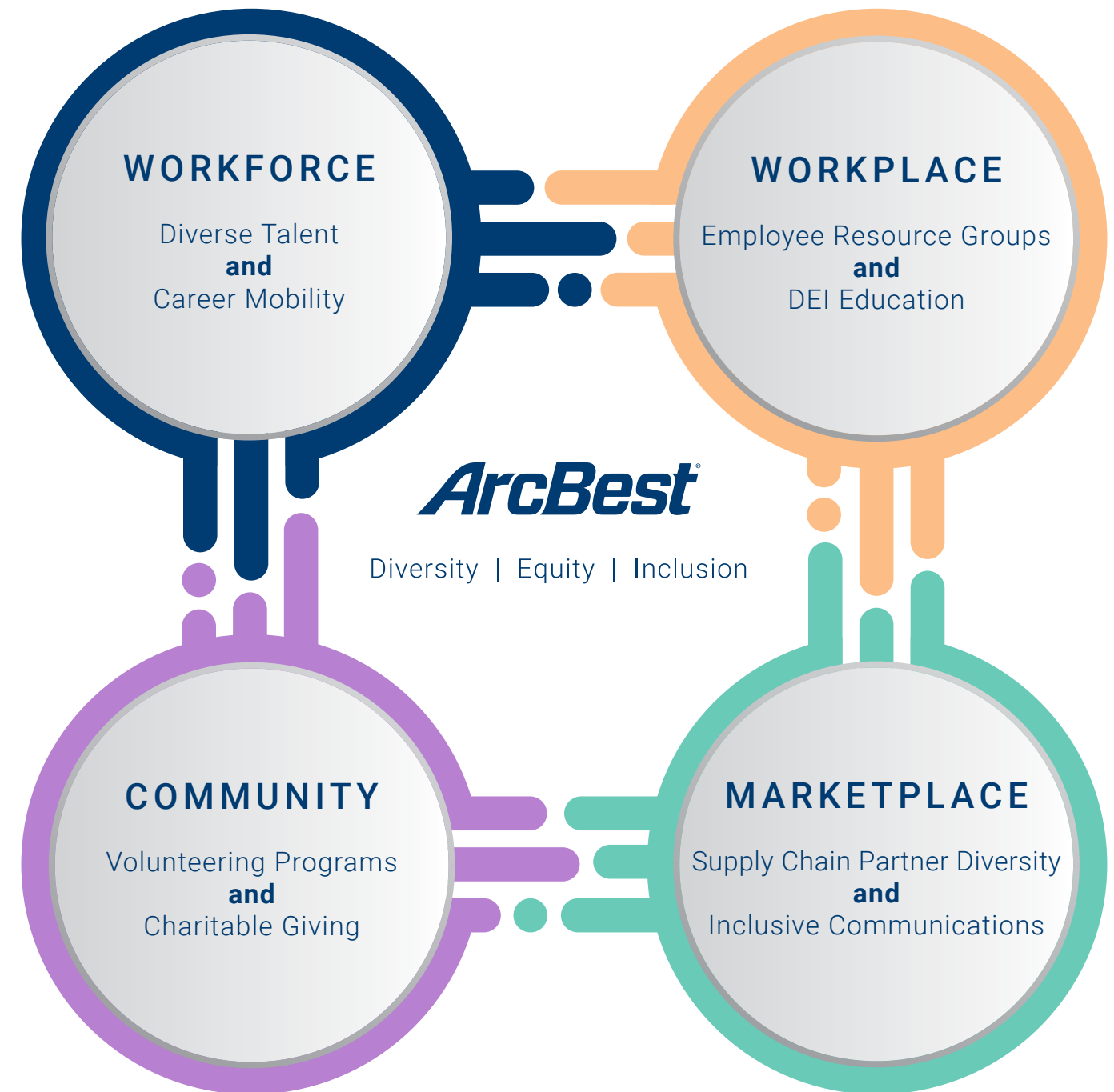


### Diversity, Equity and Inclusion Progress

ArcBest is committed to creating a workplace that embraces all cultures, perspectives and experiences and building a more inclusive place for all. In October 2020, we began working with a leading DEI firm to help in our efforts to assess the current state of DEI across the organization, align our DEI vision and gather employee feedback through focus groups.

In December, we announced our three-year strategy roadmap, centering around four key areas:

- Workforce — Attracting talented candidates at diverse institutions and developing and retaining underrepresented employees at all levels
- Workplace — Creating an environment where employees feel included and have ways to succeed and connect; this also includes delivering ongoing DEI education resources
- Marketplace — Partnering with diverse vendors, owner-operators and carriers
- Community — Formalizing employee volunteering and corporate giving efforts



### ArcBest DEI Task Force

Along with our three-year roadmap, we recently formed ArcBest's DEI Task Force to ensure we are keeping employees' voices and feedback at the forefront of our efforts. Through leadership recommendations and interviews, we identified 11 employees to take part in the task force. The task force is 73% diverse as defined by gender, race, ethnicity and veteran status, including six women and five men, and representing various races and ethnicities, tenures, campuses and experiences, with 55% BIPOC (Black, Indigenous and people of color) employees.

The task force is divided into subcommittees that mirror the four key areas mentioned. Along with our CSR program manager, they are responsible for:

- Providing recommendations to attract, hire and retain underrepresented talent in our workforce, as well as champion inclusive company communications
- Creating opportunities for employees to have meaningful engagement with leadership regarding workplace diversity, along with supporting spaces for employee connection
- Identifying best practices for highlighting marketplace diversity
- Helping develop relationships with community organizations nationwide and increasing employee volunteerism

The varied perspectives of our people will make ArcBest stronger as we serve our customers and communities. We look forward to sharing updates in future ESG reports as we continue to make progress in achieving our DEI goals.

“We know we're at our best when we're listening to our people, and their voices during this journey have been loud and clear — representation and inclusion matter. We have a great responsibility to continue advancing these important initiatives, and we believe this DEI strategy will ensure we continue making meaningful investments and progress, which are critical enablers to a successful future.”

**Erin Gattis**

ArcBest chief human resources officer





ArcBest Named to the 2021 Top 500

List of Best Employers for Diversity

ArcBest was named to Forbes’ 2021 Top 500 List of Best Employers for Diversity for the third consecutive year.

At ArcBest, we have a strong values-driven culture, and we’re focused on attracting and retaining talented employees who live out our values and provide a best-in-class customer experience. We are also committed to providing a work environment that embraces differing backgrounds and makes everyone feel valued. It is very gratifying to be among the Best Employers for Diversity for a third consecutive year.



**Judy R. McReynolds**  
ArcBest chairman, president and CEO



Employer of 1,100+ veterans and active service members



New hires were 55% diverse as defined by gender, race, ethnicity or military status

Workforce Demographics

ArcBest					
Ethnicity and Race	Male	Female	Not Specified	ArcBest Totals*	
Two or More Races	184	35	22	241	1.6%
American Indian or Alaska Native	68	23		91	0.6%
Asian	131	61	11	203	1.4%
Black or African American	1,656	131	29	1,816	12.4%
Caucasian	8,332	1,757	266	10,355	70.5%
Hispanic or Latino	1,427	175	59	1,661	11.3%
Native Hawaiian or Pacific Islander	38	6	2	46	0.3%
None Specified	68	30	178	276	1.9%
ArcBest Totals *	11,904	2,218	567	14,689	
	81.0%	15.1%	3.9%		

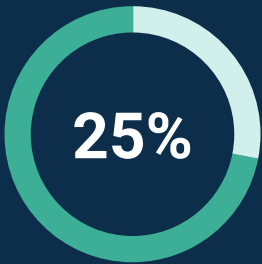
\*Totals as of 03/01/2022  
ArcBest Demographics include Molo Solutions

# Women at ArcBest

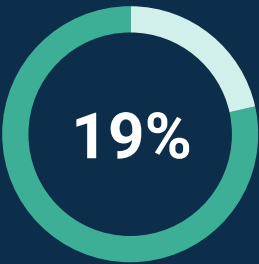
ArcBest received the Comparably Best CEOs for Women 2021 award, and ArcBest Chairman, President and CEO Judy R. McReynolds, was recognized in the Top 5% of all CEOs rated by female employees.



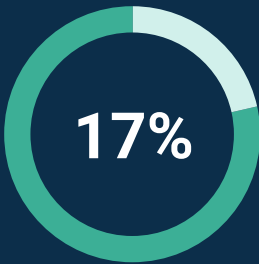
## Female Workforce Statistics<sup>1</sup>



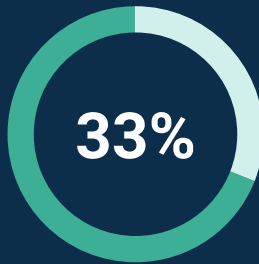
of expedite fleet drivers are female



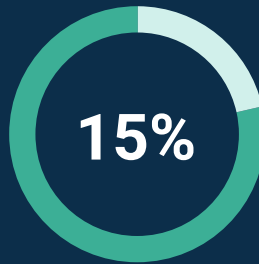
of ArcBest supervisors are female <sup>2</sup>



of ArcBest executives are female <sup>3</sup>



of ArcBest Board of Directors are female



of ArcBest employees are female

<sup>1</sup>Data as of March 1, 2022

<sup>2</sup>Supervisor data represents employees with one or more direct reports

<sup>3</sup>Executive data represents all vice presidents and above



# Recruiting

Our people are the best in the industry, and we're dedicated to attracting, hiring and retaining top talent with diverse experiences and perspectives. From our campuses to the field, we search for candidates who bring fresh talent, ideas and solutions that help accelerate ArcBest's growth.



## 2021 Recruiting Highlights

54,342	12,192	3,339
Applications received	Interviews conducted	People added to the organization

### Military and Veteran Focus

We're proud to hire our nation's heroes through ABF Freight's Military Partnerships (AMPS) and other recruiting efforts. 2021 was a record year as 268 veterans joined our team, exceeding our goal of hiring 250 veterans. Of those hired, 42% are racially and ethnically diverse, helping us work toward our DEI goal of hiring underrepresented talent. Here is the hiring breakdown of exiting service members:

- Fort Bragg ABF Military Partnerships (AMPS) program – 27 new hires
- Service Center AMPS – 36 new hires
- Teamsters Military Assistance Program (TMAP) including Department of Defense SkillBridge Program – 130 new hires
- Other Military/Veteran Recruiting – 75 new hires

[Learn more about our military partnerships and programs](#)

### Employee Referral Program

Through the ArcBest Employee Referral Program, employees are financially rewarded for helping find qualified employees to fill job openings. Any active employee can take part by directing us to external candidates who have not worked for any ArcBest company in the previous five years.

In early 2022, the payout amount for full-time referrals increased from \$350 to \$750 after the first 30 days. We also added a

bonus of \$250 for referring part-time new hires that complete 30 days.

### ABF Freight Driver Recruiting

With much of the current driving workforce nearing retirement age, driver recruiting is a top priority across the industry – and ABF is no exception. We're looking to hire the best of the best to maintain ABF's reputation of having the safest drivers on the road. Through our Driver Development Program and other hiring initiatives, we hired over 1,400 ABF drivers in 2021.



### ABF Field Recruiting Events

In June 2021, the ABF Field Recruiting team began hosting two-day hiring events at service centers across the nation. At these events, candidates completed applications, participated in interviews, and in many cases, received a same-day job offer — a fast-track version of the traditional hiring process.

The first event took place at the ABF service center in Carlisle, Pennsylvania, with 100 potential candidates, 70 interviews and 39 accepted job offers. Since then, the ABF Field recruiting team has hosted more than 1,400 attendees, conducted over 1,100 interviews and received 701 accepted job offers across the ABF network.

As part of the ABF Employee Referral Program, we paid out more than \$633,500 to employees, and in some locations, we have increased the referral bonus to \$2,500 with employees receiving the full amount after taxes.





# Employee Development

Growth — we grow our people and our business — is the ArcBest core value that encourages our people to continuously develop their knowledge and skill set. We know it’s up to us to provide the resources and tools to help them succeed, and we have taken several actions over the past year to help in this growth.

## Employee Training and Leadership Programs

In March 2021, we launched our Aspiring Leaders Program, which is designed to help employees interested in leadership roles begin developing critical competencies outlined in the ArcBest Leadership Model and enhance leadership development opportunities for employees at every career level. The highly-collaborative 12-month program launched with a cohort of 80 employees, representing 30 cities across the United States. The cohort was 53% diverse as defined by gender, race, ethnicity or military status.



“This was a great opportunity to see the diverse group of employees within our cohort and how they relate each of the ArcBest Leadership competencies to their job specific roles within the organization. I look forward to sharing my experiences from the Aspiring Leaders Program with other employees.”



**Brandon Simmons**  
weighing and research analyst

We also redesigned the ArcBest Leadership Academy (LA) to align more closely with our leadership model and our company's strategy. ArcBest LA engages high-potential employees while preparing them for future leadership roles within our organization. Since its inception in 2015, nearly 200 employees have graduated, including 32 employees who graduated from the 2021 class last fall. Each class chooses a charity to support the following year through

fundraising. The current class selected Project Hero — a national nonprofit organization dedicated to helping Veterans and First Responders, affected by PTSD, TBI and injury, achieve rehabilitation, recovery and resilience in their daily lives and increasing awareness to combat the national mental health emergency posed by PTSD and TBI. We will share their fundraising efforts in our 2022 ESG report.

In addition to these opportunities, we launched the ArcBest Leadership Roadmap — a monthly newsletter sent to all employees who hold a people leadership role — and an internal webinar series featuring executives in various departments. In these 30-minute virtual sessions, leaders provided updates on important initiatives in their areas and answered employee-submitted questions.

More than 3,800 employees also participated in over 37,000 hours of instructor-led training via webinars and in-person classes. A variety of topics were covered, including a new series of courses titled *Values-Driven Leadership in a Flexible Work Environment* and *Feedback with Purpose*.

### Focus on Field Training

Our field employees are critical in ensuring efficient service center operations, maintaining reliable and safe equipment and often being the first direct contact customers have with our company. To better support our field operations employees, we implemented a number of initiatives:

### City Driver Trainer's Guide

The new City Driver Trainer's Guide, developed internally, standardizes training for all ABF Freight city drivers. It provides new drivers with a thorough orientation of ABF Freight policies and procedures, giving them the proper foundation to perform quality work and remain customer focused.

### Fleet Services Training Academy

In July, the ABF Fleet Services department opened a new training center in Fort Smith and held its first Management Training session for shop and regional services leaders.

In addition to training provided to department leaders, the combined shop/classroom facility allows ABF Fleet Services shop technicians to participate in the latest training and techniques offered by our original equipment manufacturers and critical component suppliers.

ABF has a culture of training employees well and giving them the tools to do their job. The Fleet Services team wants to make sure we're doing our part to make this happen.



**Mark Bradley**  
vice president, fleet services

### Operations Supervisor Launch Kit

In collaboration with multiple departments across the organization, the Employee Experience team implemented a Launch Kit for new ABF Freight operations supervisors at all service centers across the system.

The kit — a training guide assigned to operations supervisors as part of the onboarding process — is designed to steer operations supervisors through an eight-week in-depth program that provides company information, while highlighting important protocols, procedures and operational functions.

To gain a better understanding of how each area supports ABF operations, the new supervisors spend time with several areas

of the company, including linehaul, maintenance, safety, sales and payroll.

Once the training period is complete, the new supervisor is fully equipped and ready to assume their operational role at their service center.

Supervisors are some of the hardest-working employees on our team and play a vital role in giving a positive experience to customers. Helping them get a head start and making sure they have the training they need is a big focus for the employee experience team.



**Val Castaneda**  
senior manager, employee experience



**Succession Planning**

The goal of ArcBest’s succession planning process is to ensure each person is in a role that results in success for the employee and the company. Every year, all nonunion employees fill out an internal career profile and meet with their direct leader to discuss their career aspirations. Then, leadership across the organization identifies employees for specific career paths and collaborates with them and their direct leaders to create developmental action plans.

2021 Succession Stats	
99%	of all nonunion employees participated in succession planning
193	roles with succession plans (department directors and above and other key roles)
331	successor candidates with specific development recommendations
79%	of directors and above have active development plans
77%	of VP-level roles have internal candidates as first successor choice
88%	of director-level roles have internal candidates as first successor choice

**Performance Reviews**

In 2021, we implemented an enhanced performance review process for nonunion employees, with a completion rate exceeding 80%. The new strategy ensures employees receive consistent, comprehensive performance coaching and feedback on their competencies, goals and values-driven behavior. We also provided performance-coaching reinforcement training to our people leaders and offered a new class on effectively giving and receiving feedback to all employees.

**Educational Assistance Program**

The ArcBest Educational Assistance Program assists full-time employees in their efforts to improve job knowledge and skills by reimbursing a percentage of the cost for educational courses. In 2021, 35 ArcBest employees completed coursework for bachelor’s degrees, graduate certificates and master’s degrees with the company reimbursing more than \$153,000 of these expenses — an average of \$4,300 per employee.



# Employee Experience (EX)

Employees talk, and we listen. Through a variety of channels, including our annual company-wide survey, team members have the opportunity to give feedback that helps improve their experience and strengthen our values-driven culture. Our Work Reimagined Committee reads through every response and develops initiatives based on employee feedback. Here's what we implemented in 2021:

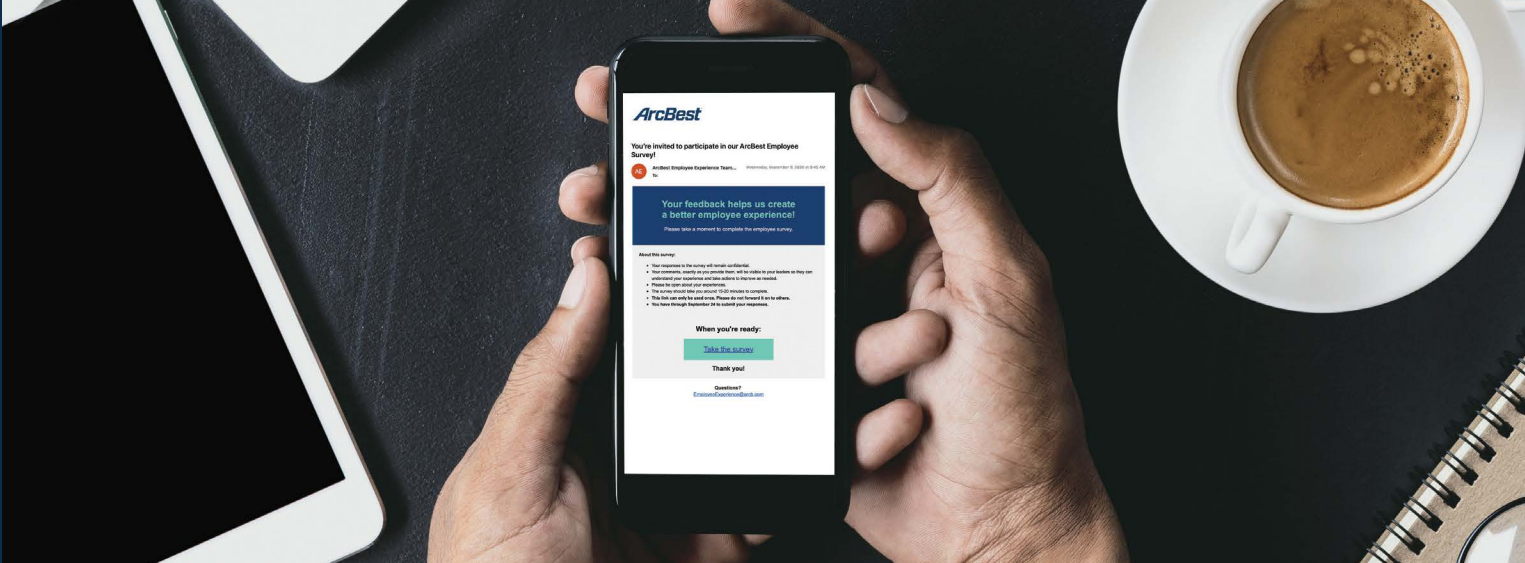
- Established several new communications that enabled employees to learn more about leadership, including an executive strategy webinar series, a monthly department profile in our internal newsletter, and a get-to-know-our-leaders video series
- Announced an enhanced ArcBest Sick Leave Policy in 2021 that went into effect Jan. 1, 2022
- Created a new Birth and Bonding Leave document to provide additional support related to parental leave, short-term disability and FMLA policies
- Implemented Workday – an integrated employee management system that streamlines processes and improves user experience
- Offered training on best practices for recognizing employees and encouraged the use of digital badges and praise tools to show appreciation



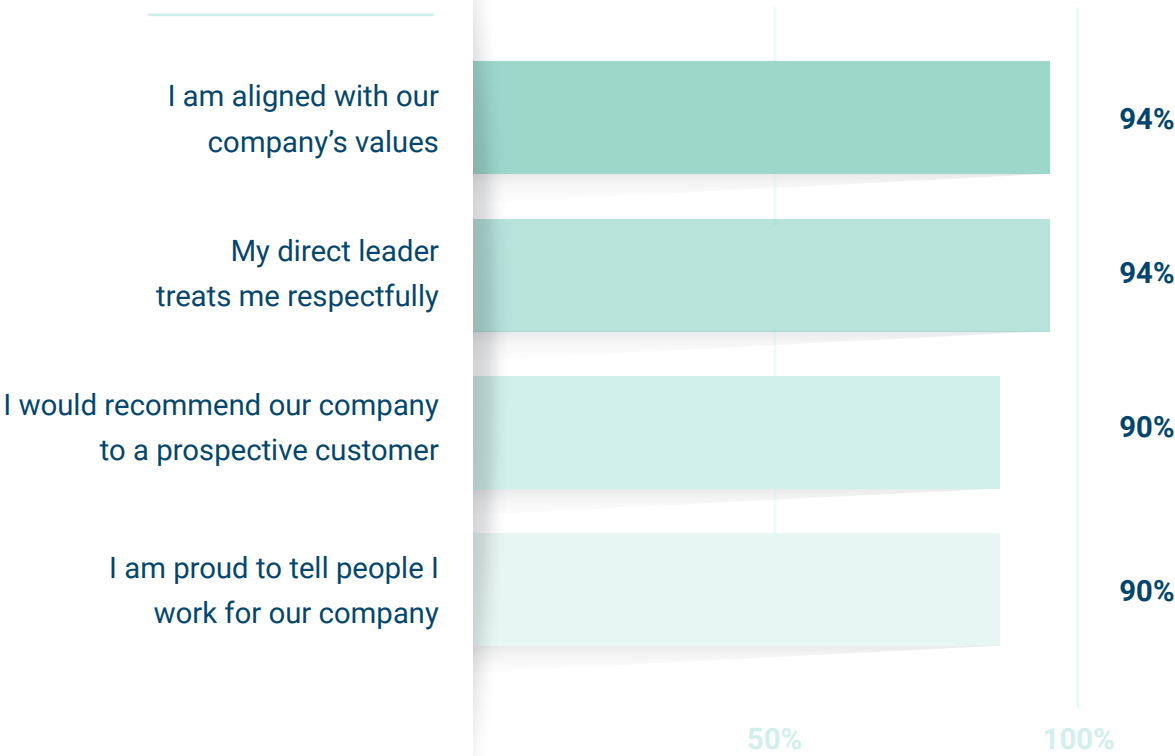


# Annual Employee Survey

Each fall, we ask our employees to complete an annual survey. It is our most-used channel for receiving feedback, and the responses are critical for helping us understand employees and implement change. In 2021, we achieved an 85% participation rate from nonunion employees and a 47% participation rate from union employees.



## Highest Rated Statements\*



## Big Moves\*



### EX Spotlight Story: Medina Campus

An area of focus in 2021 was improving the employee experience at ArcBest's Medina campus. Through collaboration, the Medina team developed creative recognition opportunities and renewed its focus on management soft skills. Campus additions include:

- A Creativity Box where employees can express praise, suggestions, opinions or questions
- A Core Values Luncheon where team members are nominated and recognized for commitment to the company's Core Values
- Manager "Lunch and Learns" that help cultivate and reinforce a variety of managerial soft skills

In addition to recognition and development, the Medina team engaged in several fun events, including Cookout for a Cause to benefit a local humane society and Week of Thanks to show appreciation to team members.

Ultimately, the goal is to have fun while bringing together teams and our campus, and to grow, recognize and appreciate our greatest asset – our people.



**Katie Fenner**

employee experience campus leader, east





# Customer Experience (CX)

Every interaction with a customer is an opportunity to solve problems, exceed expectations and advance our culture of customer obsession. Being customer obsessed puts customers at the center of everything we do, enabling us to listen and respond to feedback, build trusted relationships and align customer needs and satisfaction as the primary considerations in our business decisions.

In 2021, we completed 320 cross-functional projects based on customer feedback that involved technology, processes and training to specifically address their pain points.

Our CX Quality team collaborated with several departments to provide meaningful insight into customer interactions by reviewing over 75,000 calls, emails and invoices. The Quality team's goal is to be a strategic partner and extension of each team they support while providing the leadership team with data in the areas of quality, ownership and coaching.

“Reviewing the interactions from the lens of the customer has helped us identify areas of improvement as well as showcase some of our strengths when assisting customers. It is critical to hear what customers are experiencing in almost realtime. Sharing this feedback with leadership so they can coach will help propel us to customer obsession.”



**Jennifer Karr-Sanchez**  
manager, quality audit

To be more customer obsessed, we also regularly gather feedback from employees across the organization. Our goal is for customers to be at the center of our operation - from who we hire, to the systems we develop, and everything in between.



# Employee Wellness

Wellness is the ArcBest core value that represents our devotion to embracing total health. We encourage employees to be their best selves physically, mentally and financially and offer several ways to help them achieve this. [View our full list of wellness initiatives](#)

## Wellness Updates

### Ongoing COVID-19 Efforts

Amid the rise of the Delta and Omicron variants in 2021, we continued monitoring and following CDC guidelines, requiring masks at all locations and sending out a daily health survey. We have encouraged employees to consult with their physician and make informed decisions about whether the vaccine is right for them.

In fall 2021, ArcBest began hosting a vaccine clinic once a week at our Wellness Center, offering Moderna and Pfizer vaccines in addition to boosters. These are free to employees and their dependents through the Choice Benefits medical plan.

When the CDC announced new mask guidelines in early 2022, we updated our safety protocols to reflect the changes.



### Doctor On Demand Copays Waived

Due to the continued national health emergency, copays for all Doctor On Demand visits, including virtual primary care and behavioral health visits, were waived throughout 2021 and will continue to be waived in 2022.

### Life Skills Coaching

In March 2021, we launched Life Skills Coaching through a partnership with Doctor On Demand, for employees, spouses and dependents over age 18 covered by the Choice Benefits medical plan. Life Skills Coaching provides members with access to national board-certified health and wellness coaches 24/7/365. Coaches are available to discuss a wide range of topics, including stress management, anxiety, sleep issues, fitness and nutrition.

### Virtual Physical Therapy Program

In fall 2021, we introduced SWORD Health, a virtual physical therapy program to treat back, joint and muscle pain. SWORD allows patients to complete physical therapy from the comfort and convenience of their home at a time that fits their schedule. As part of the program, physical therapists create a personalized movement plan for participants who are sent a tablet and motion sensors to track their progress, receive feedback and correct their form in realtime. Employees, spouses and dependents over age 18 covered by the Choice Benefits medical plan can use this service at no extra cost.



# Wellness Events and Stories

## Annual Step Challenge

During May and June, more than 300 teams, made up of employees and their spouses, participated in the Race to Finish Challenge — ArcBest's annual step challenge hosted by the Choice Benefits team. Participants connected their smartphones and fitness trackers to keep count of their steps in the Castlight app, with more than 370 million steps recorded. This yearly competition has become a fun way for employees and their families to get active and live out the Wellness value.

## New ArcBest Wellness Champions

In 2021, we added 18 new members to the ArcBest Wellness Champion team for a total of 47 Wellness Champions. The program began in 2018 with the goal of promoting our Wellness value across the company. Since then, it has more than tripled in size. Members are nominated by leadership or current Champions for embracing total health inside and outside of the workplace.

## On-Site Flu Shots at ArcBest Campuses

In October, we hosted a flu vaccine clinic at three Fort Smith campuses and at our Medina campus. The clinics were available to employees, their spouses and dependents covered by the Choice Benefits medical plan at no cost.





## Wellness Shoutout

### Employee Tracks Over 500K Steps in August

Marty Irmen, service center manager from Moline, Illinois, ranked in the top 1% of the company for tracking 517,249 steps in August in the Castlight app. Castlight recognized Marty as a Superstar.

## Wellness Spotlight

### Employees Hike Famous John Muir Trail

In July, Lee Easley, director, information systems; Doug Haddock, senior manager, information systems; and Tim Thorne, retired ABF Freight president completed a three-week through-hike on the John Muir Trail (JMT) in the Sierra Nevada Mountain range of California. The JMT is a world-famous 211-mile trail stretching from Yosemite Valley in Yosemite National Park to Mount Whitney, the highest mountain in the contiguous United States.

For seven months leading up to the trip, Lee, Doug and Tim dedicated time to planning, obtaining permits and prepping food, as well as training that slowly increased miles and backpack weight to get the men prepared.

“We typically got up around 5:30 each morning and were on the trail between 6 and 6:30. We then spent the next 10 to 12 hours hiking to the next camp spot, which was typically about 15 miles per day. The total elevation change for the hike was around 50,000 feet and 750,000 steps! Each day included beautiful lakes, abundant wildlife, and impressive views from at least one mountain pass of 10,000 feet to over 13,000 feet.”



**Doug Haddock**  
senior manager, information systems





# Community





## Strengthening Our Communities

Our people are not just at the heart of ArcBest's success; they are also at the heart of their communities. Through volunteering, fundraising and donating, they continue to help where it is needed most as part of our effort to create stronger, healthier communities and support the places where we live and work.

**\$2.4 million to 135 organizations**

In 2021, we gave back more than \$2.4 million to 135 organizations, including schools, family-care facilities and a variety of nonprofit events across the nation.



# 2021 Community Highlights

## Peak Innovation Center

ArcBest made a \$1 million investment in the [Peak Innovation Center](#) — a state-of-the-art career and technical education center that will be available to approximately 43,000 students from 22 regional school districts in the Fort Smith, Arkansas, area. The center will allow career and college-bound students to develop real-world skills and earn industry-specific certifications in a variety of technical fields. ArcBest is proud to be a part of creating a pipeline of local talent to fill existing jobs and support further economic growth.





### **United Way of Fort Smith Area**

ArcBest continues to be a proud Pacesetter company for the [United Way of Fort Smith Area](#), and ArcBest Chief Customer Officer Dennis Anderson serves on the United Way of Fort Smith Area Board of Directors. Throughout the year, employees participated in several company fundraisers for programs that help support individuals and families, from infants to seniors. The company also matched employee donations dollar-for-dollar to help increase the amount of giving to local projects. In 2021, we raised and donated more than \$292,000 to the United Way of Fort Smith Area.

We also received the Chairman's Award and the Extra Effort Award for the 2020 United Way campaign in April 2021.

### **Educational Match Program**

Through the ArcBest Educational Match Program, an employee can donate funds to educational institutions in the U.S. (primary, secondary, two- or four-year college or university), and ArcBest will match the donation up to \$5,000 (minimum \$100). In 2021, our employees gave \$73,325, with a company match bringing the total to \$146,650.





### Ronald McDonald House Charities

In 2021, the 2019 ArcBest Leadership Academy class resumed fundraising for [Ronald McDonald House Charities®](#) (RMHC) following a pause due to COVID-19 restrictions in 2020. RMHC is a nonprofit family and children's charity dedicated to supporting families with sick children. Through several events, the class raised \$25,000 for RMHC in 2021, with our company match bringing the total to \$50,000.



# Volunteerism and Community Outreach

We empower our people to get involved in the places where they live and work, and we provide opportunities for them to serve our communities just as well as they serve our customers. Here are some of the ways our employees got involved:

## 2021 Day of Caring

Many of our employees volunteered in western Arkansas and eastern Oklahoma during the 28th annual United Way Day of Caring — a day for employees to give back to their community by participating in a variety of projects. Out of an estimated 600 volunteers who worked on 85 projects in six counties, ArcBest had more volunteers than any other local company. [Watch this video](#) to see the critical community projects our employees took part in.

## Walk to End Alzheimer's Event

ArcBest employees and their friends and family joined the fight against Alzheimer's disease by participating in

the Alzheimer's Association's [Walk to End Alzheimer's®](#) event — the world's largest fundraiser for Alzheimer's care, support and research — at the University of Arkansas, Fort Smith (UAFS) campus and other nearby locations. ArcBest raised more than \$8,400 for the Alzheimer's Association, exceeding our fundraising goal of \$5,000, and putting us at No. 1 in our community for raising the most money for the cause.

## Teacher Appreciation Breakfasts

As Arkansas teachers returned to school for professional development before the year officially started, the [Fort Smith Regional Chamber of Commerce](#) organized breakfast deliveries to show appreciation. Four ArcBest employees spent three days delivering food from local restaurants to teachers and staff at 35 Fort Smith schools.

## Partners in Education at Fort Smith Public Schools

ArcBest is proud to be Partners in Education with several Fort Smith-area schools. For the 2021-2022 school year, 59 employees participated in the Pen Pal Program with students at Trusty Elementary, and more than a dozen employees mentored students at Southside High School. These mentorship programs give students the opportunity to build friendships with and seek additional support and guidance from trusted adults.





### Local Humane Society

Employees at the ArcBest Medina campus hosted a cookout, raising \$1,185 for the [Humane Society of Summit County \(HSSC\)](#). The HSSC serves its community by caring and advocating for vulnerable animals, providing animal adoption services and offering education programs designed to encourage respect and compassion for animals.

### Annual Drive for a Cure

Multiple ABF Freight drivers participated in the 2021 [Safety Drive for a Cure](#) in Georgia, a truck driving and skills competition that raises funds for the Pediatric Brain Tumor Foundation — Georgia chapter — to help children with brain tumors and brain cancer while also promoting the trucking industry's commitment to deliver America's goods safely and responsibly. More than \$26,000 was raised for the foundation during the 2021 event.

### ArcBest Virtual 5K Fundraising

Employees, along with their spouses, children and friends, participated in the 2021 ArcBest Virtual 5K at locations across the country. The event marked the 10th anniversary for the ArcBest 5K and was a tremendous success with over 400 participants and more than \$20,000 raised to support the [United Way of Fort Smith Area®](#), [St. Jude Children's Research Hospital®](#), [Polaris](#), [Together We Rise](#), [Habitat for Humanity®](#) and [Ronald McDonald House Charities®](#).

### Special Olympics Truck Convoy

In November, Allen McNeely, Richard Griffin and Shawn Johnson, drivers/salesmen at the Charlotte, North Carolina, service center, participated in the 17th annual Special Olympics Truck Convoy. The convoy is an annual event that unites law enforcement and truck drivers to raise funds and awareness for Special Olympics athletes and change attitudes toward people with intellectual disabilities. Through truck convoy entries, donations, raffle tickets and sponsorships, \$30,000 was raised for the Special Olympics.

### Families in Need

The ArcBest Social Wellness Activity Group (SWAG) volunteered at the [Community Services Clearinghouse](#) in Fort Smith, assembling 300 Thanksgiving care packages for families in need. The group also raised over \$600 to purchase turkeys for these families.



### Toys for Tots

In November, Ed Wadel, executive vice president, asset light expedite services and strategic capacity; and David Kessler, vice president, expedite fleet and operations, hit the highway in their annual road trip to raise money for [Medina County Toys for Tots](#), an organization that helps bring the joy of Christmas to less fortunate children in the communities of Medina County, Ohio. In one week, Ed and David traveled more than 3,300 miles in a cargo van, moving expedite shipments to clients across the country. All proceeds received from transporting the shipments were donated to the Toys for Tots program, alongside donations from vendor sponsorships, friends, family and Medina campus employees, totaling \$27,000, which was \$8,000 more than they raised in the 2020 fundraiser.

### Operation Christmas Child

In December, a team of ArcBest employees volunteered in Dallas to help process and transport gift-filled shoe boxes for [Operation Christmas Child](#), a Samaritan's Purse project that brings joy and hope to children in need. The team processed over 120 cartons — about 2,400 shoeboxes — to be shipped to Ecuador and Ghana.

### Christmas Gifts for Children

As part of a tradition spanning nearly 40 years, ArcBest Technologies employees and an ABF Freight driver delivered Christmas gifts to the [Lincoln Childcare Center](#),

an organization in Fort Smith, Arkansas, that provides low-income families with high-quality learning programs in a safe, healthy and loving environment. The 2021 fundraiser provided gifts to 122 children.

### Wreaths Across America

Participating in the 30th annual [Wreaths Across America](#) event, ABF Freight drivers Ralph Garcia and Tony Spero traveled in a convoy to transport more than 250,000 wreaths to Arlington National Cemetery. Ralph and Tony drove the American Trucking Associations' camo-wrapped Workforce Heroes truck from Columbia Falls, Maine, to the cemetery in Arlington, Virginia, stopping along the way to meet with schools, emergency response teams and other community members to talk about the importance of honoring veterans. Wreaths were placed on more than 2 million veterans' graves at over 3,000 participating locations on Dec. 18.





# Closing Thoughts

2021 was yet another year that changed the way we live, work and do business. To support our customers' success in this ever-changing economy, we're looking ahead and planning for what's next. We'll continue looking at our business through our customers' eyes, and analyzing how our processes, services and technologies impact their experiences — so they can respond to even the most rigorous market demands.

We're confident in who we are today and where we're heading. It's our responsibility to take meaningful actions for our people, our planet and our communities, and we're leading the way with technology and critical initiatives that drive us forward, so we can provide the best atmosphere for our employees, the best service to our customers and a more sustainable world.

Together, we help keep the global supply chain moving.



# SASB Index and TCFD Disclosure Index



# SASB Index

**Table 1. Sustainability Disclosure Topics and Accounting Metrics\***

Topic	SASB Code	Activity Metric	Category	Unit of Measure	2021 Response
Greenhouse Gas Emissions	TR-RO-110a.1	Gross global Scope 1 emissions	Quantitative	Metric tons (t) CO <sub>2</sub> -e	486,670
	TR-RO-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	Discussion & Analysis	N/A	See the Environment section of this ESG report on page 41.
	TR-RO-110a.3	Total fuel consumed	Quantitative	Gigajoules (GJ)	6.93 million
		% Natural Gas		Percentage	0.01%
		% Renewable		Percentage	0.74%
Air Quality**	TR-RO-120a.1	Air emissions of NOx (excluding N2O)	Quantitative	Metric tons (t)	Not yet measured.
		Air emissions of SOx			
		Air emissions of PM10			

\*We have engaged a third party to review and validate our methodology and the data presented.

\*\*We are working to develop processes to measure and report air quality data.

**Table 2. Sustainability Disclosure Topics and Accounting Metrics\***

Topic	SASB Code	Activity Metric		Category	Unit of Measure	2021 Response
Driver Working Conditions	TR-RO-320a.1	Total recordable incident rate (TRIR) (per 200,000 workhours)		Quantitative	Rate	8.625
		Fatality rate for direct employees (per 200,000 workhours)				0.018
	TR-RO-320a.2	Voluntary turnover rate for all employees		Quantitative	Rate	12.4%
		Involuntary turnover rate for all employees				3.6%
	TR-RO-320a.3	Description of approach to managing short-term & long-term driver health risks		Discussion & Analysis	N/A	See the Safety section section of this ESG report on page 22.
Accident & Safety Management	TR-RO-540a.1	Number of road accidents and incidents		Quantitative	Count	232
	TR-RO-540a.2	Safety Measurement System BASIC	Unsafe Driving	Quantitative	Percentage	11%
			Hours of Service Compliance			24%
			Driver Fitness			24%
			Controlled substance/alcohol			3%
			Vehicle Maintenance			51%
			Hazardous materials compliance			58%
	TR-RO-540a.3	Number of spills and releases to the environment		Quantitative	Count	16
		Aggregate volume of spills and releases to the environment			Cubic meters (m^3)	4.807

\*We have engaged a third party to review and validate our methodology and the data presented.



**Table 3. Activity Metrics\***

SASB Code	Activity Metric	Category	Unit of Measure	2021 Response
TR-RO-000.A	Revenue ton miles (RTM) (Linehaul only)	Quantitative	RTM	3.44 billion
TR-RO-000.B	Load Factor (Linehaul only)		Percentage	92.76%
TR-RO-000.C	Number of Employees**		Count	14,526
	Number of Truck Drivers		Count	5,829

**Table 4. Additional Metrics\***

Activity Metric	Category	Unit of Measure	2021 Response
Gross Global Scope 2 Emissions	Quantitative	Metric tons (t) CO <sub>2</sub> -e	15,348
Water Consumption		Gallons	55.79 million

\*We have engaged a third party to review and validate our methodology and the data presented.

\*\*Employee count as of 12/31/21 includes all full-time, part-time and casual employees.

# TCFD Disclosure Index

## Governance

### Board oversight

Our Board of Directors (Board) has ultimate oversight of environmental risks including those related to climate change and is responsible for reviewing and providing guidance on the company's climate change related strategy and major plans of action as part of its wider sustainability oversight. The Nominating/Corporate Governance Committee is responsible for overseeing ESG topics, including any decisions and risks regarding environmental initiatives ([view committee charter](#)).

### Management oversight

ArcBest has designated ESG executive sponsors including the General Counsel, Chief HR Officer and VP, Investor Relations, among others, who are responsible for providing guidance and general management oversight.

We also have formed an ESG committee that is responsible for providing guidance to the Company and its Board to address environmental sustainability for the entire enterprise, including issues related to climate change, assessing actions, and identifying areas of improvement. This cross functional committee is composed of members from a range of departments across the organization, including individuals with responsibilities specifically related to climate such as the Senior Manager, Real Estate Compliance; Director, Engineering and Construction; and VP, Fleet Services.

In 2021, we added an ESG program manager role. This position – focused on ESG strategy – partners with leaders across the organization to identify opportunities for improved environmental sustainability, implement best practices and facilitate external reporting and public disclosures. To learn more about our ESG governance structure, **view page 10** of this report.



## Strategy

We have identified climate change related risks and opportunities that may impact our business, which include the following:

### Regulatory Risks

We recognize climate change could pose regulatory risks such as through potential future carbon disclosure and compliance requirements. Emission-related regulatory actions could result in increased costs of equipment, fuel and equipment maintenance. We may also incur costs to comply with increased regulation regarding environmental monitoring and reporting requirements.

### Reputational Risk

A failure to understand these evolving issues around climate change could result in reputational hardships that could negatively impact our business. We are aware of the impact transportation and logistics operations can have on the environment and are working toward adopting environmentally sustainable practices, improving sustainability across the organization. One example is our focus on sustainable equipment – replacing older model trucks with newer, cleaner models to reduce net emissions; and purchasing equipment with computerized engine shut offs to reduce idling, minimize fuel consumption and limit emissions. We are also actively testing and/or purchasing

electric straight trucks, forklifts and yard tractors at several of our facilities.

### Physical Risk

With over 250 campuses and service centers, many of our facilities, along with the facilities of our customers and suppliers, are located in areas that are increasingly subject to extreme, and occasionally prolonged, weather conditions. Extreme weather conditions may interrupt our operations or the operations of our customers or third-party service providers, damage existing infrastructure, destroy our assets, affect regional economies, or disrupt fuel supplies or increase fuel costs. We evaluate potential risks and have continuity plans in place to mitigate these risks, positioning the company to overcome serious incidents or disasters and resume normal operations within a reasonable period of time.

### Technology

Investments in technology are an opportunity for ArcBest. One example is the construction of a new service center in Fort Wayne, Indiana, that will include installation of solar panels. This installation will provide a way for us to test the environmental effectiveness and realize the ROI before developing a plan to install solar panels on other service centers throughout our network.

A primary use of technology as an opportunity is reflected in our proprietary systems that match shipments to optimized routes and consolidate loads, not only reducing the number of shipments, but also empty miles. This can result in fuel savings and lower emissions. Additionally, the use of newer model trucks, with newer technology, can do the same.

Another technology opportunity is our recently developed Facility Enhancement & Growth Roadmap (FEGRM) to help us standardize environmental updates across all facilities. As part of the FEGRM, we will discuss and consider a process for converting current lighting systems to LED systems to improve sustainability measures and save on energy.

We recognize the potential impact environmental risks pose to our daily operations and address these risks through our business strategy and business continuity plans. These risks are further minimized because our continual work toward efficiency and more sustainable operations simultaneously reduces the severity of potential impact. Increasing efficiency and continuing to invest in new technologies, such as electric vehicles and solar power, increase our ability to weather the potential risks posed by climate change.

## Risk Management

In 2020, ArcBest formed an ESG committee to help identify and develop our environmental sustainability strategy for the whole enterprise. This includes assessing environmental risks, including climate change-related risks, and opportunities to set goals for improvements.

Our senior leadership team and Board are focused on managing and mitigating various risks to our business and financial performance, including environmental risks. ArcBest's overall enterprise risk management (ERM) program includes analysis of the company's top existing risks, including trends, how these risks are addressed by the company's strategy, and mitigating activities. Reports on ERM are reviewed and discussed on a regular basis among our leadership team and with the Board.

## Metrics

We recently created an ESG dashboard to track quantitative metrics related to the environmental impact of our operations. We made progress in 2021 and early 2022 in pulling data from various sources across the company and inputting it into the system. The dashboard allows us to filter emissions by type, equipment, location and timeframe, and will allow us to measure emissions, benchmarking our progress and identifying areas for improvement, and to track our Scope 1 and 2 greenhouse gas emissions.

In future phases of the ESG Dashboard project, we will be able to provide insights to customers on emissions related to their supply chains.

Our Scope 1 and Scope 2 emissions metrics will be utilized in assessing our climate-related risks and opportunities:

**SCOPE 1**  
emissions  
(FY2021)

**486,670 metric tons of CO<sub>2</sub>e**

**SCOPE 2**  
emissions  
(FY2021)

**15,348 metric tons of CO<sub>2</sub>e**



***ArcBest®***