

# *ArcBest*<sup>®</sup>

## *2020 ESG Report*

# Table of Contents

---

- 1 Welcome Message
- 4 About ArcBest
- 10 Our Approach to ESG
- 12 About this Report
- 14 Responding to COVID-19
- 31 Governance
- 41 Safety
- 61 Technology and Innovation
- 70 Environment
- 78 Workforce
- 99 Community
- 108 Closing Thoughts
- 109 Appendix





# Welcome Message

---

As an industry leader in logistics, ArcBest plays a pivotal role in the world's changing economy. We are fueled by the simple notion of finding a way to bring the best solutions to our customers – and we don't give up until we find the right answer.

We also know that transparency is key in keeping the trust of our customers and pivoting to new solutions that get the job done. In addition to customers, transparency is important to the many stakeholders interested in our environmental, social and governance (ESG) strategy and progress.

Grounded in ArcBest's mission to connect and positively impact the world through solving logistics challenges, and guided by our values, our ESG work is a business imperative. Getting our ESG strategy right is an ongoing focus, even as we aid our team, customers and business partners in navigating an ongoing global pandemic as safely as possible. [Continued >](#)



I'm particularly proud of our company's efficient, people-first response to COVID-19, bringing creative solutions to the challenges posed by the pandemic. As demand for essential goods like food, cleaning supplies and personal protective equipment increased, we were there to meet the need. We worked to reduce risk of service interruptions, while keeping our people and customers safe during pickups, transit and deliveries.

Our response to COVID-19 wouldn't have been possible without the best of the industry – our employees. With safety as a top priority, and CDC guidelines and employee feedback as key informers of our approach, we engaged in initiatives to ensure the well-being of our employees including health checks, contact tracing, access to telehealth, and more. We created learning and development program sessions on remote work, stress management and resiliency. We also waived copays for our telehealth provider, Doctor on Demand, making it easier for our employees to get access to medical care anywhere, anytime.

As a company, we are on a diversity and inclusion journey, and we are navigating a deliberate path forward to define our strategy and goals. Our progress was recognized in the Forbes 2020 Top 500 List of the Best Employers for Diversity.

As part of our workforce strategy, we built on existing veteran partnerships by establishing the ABF Military Partnership for Supervisors. For this and other efforts, we were proud to be included in the list of 2021 Military Friendly® Employers.

ArcBest is committed to the highest standards of safety, and even through the unexpected and ongoing challenges of the pandemic, we lived our commitment each day. Employees reported fewer injuries in 2020 than in the past 11 years, and over the years, we have earned multiple safety awards, including the American Trucking Associations' President's Trophy – the only company to win seven times.

We continued to invest in technology and resources to offer customers an advanced digital experience through innovation in our fleet and logistics technology. At the same time, we protect customer, business and employee data through meeting industry standards and a deep commitment to staying at the cutting edge of security practices.

Recognizing our industry's impact on the environment, we seek more sustainable approaches across equipment, facilities and transportation. We also partner with customers to reduce fuel consumption and carbon emissions. For our efforts, we were recognized with the EPA SmartWay

Excellence award for the third year in a row.

In 2020, we gave back to the communities we serve through providing relief and support, inspiring students and helping children and their families with partnerships with United Way and Ronald McDonald House Charities. We also partnered with community-based organizations supporting families through the economic challenges of 2020. To prepare our communities and workforce for tomorrow's careers, ArcBest invested \$1 million in the Peak Innovation Center, which will serve 43,000 students across 22 regional school districts. Finally, I was proud to join Governor Asa Hutchinson's task force to provide guidance on Arkansas' economic recovery as we prepare for a post-pandemic future. [Continued >](#)



Environmental, social and corporate governance is a long-term commitment that benefits all of ArcBest's stakeholders. To continue to extend our ESG progress, we became a participant of the UN Global Compact at the beginning of 2020. We work with EcoVadis to understand our ESG performance in the following categories: environment, labor and human rights, ethics and sustainable procurement. In early 2021, we received our first-ever EcoVadis recognition; the Bronze rating recognizes sustainability performance in the top half of all companies and industries rated across the world.

I am personally committed to ArcBest's continuous improvement in ESG and extend my sincere thanks to the ArcBest team and our customers and partners for joining us on this journey. I invite you to further explore the progress we've made together throughout the pages of this report.

***Judy R. McReynolds***

ArcBest chairman, president and CEO





# About ArcBest

---

For nearly 100 years, ArcBest® has been a leader in solving complex logistics challenges and providing reliable transportation for businesses of all sizes across North America and throughout the world. Our customers depend on us to keep their supply chains flowing, to simplify their operations and to help them achieve success. Whatever they need, our team of nearly 14,000 creative solution providers always finds a way to make it happen.

## Our Mission

---

To connect and positively impact the world through solving logistics challenges

## Our Vision

---

We'll Find A Way

## 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





# About ArcBest

---

ArcBest is constantly evolving and leveraging the full force of our shipping and logistics solutions to meet our customers' critical needs and keep the global supply chain moving. Founded in 1923 and now with 14,000 employees across more than 250 campuses and service centers, we're a logistics powerhouse, fueled by the simple notion of finding a way to get the job done, no matter what.





# 2020 Company Profile

---

- Founded 1923
- 95+ years of transportation and logistics experience
- Nearly 14,000 employees
- 240+ North American service centers
- 27,000+ owned and operated assets (tractors, trailers and other vehicles)
- 40,000+ approved contract carriers
- >98% coverage of the United States
- \$2.9 billion 2020 revenue





Truckload



Premium Logistics



LTL Freight



Managed Transportation



Time Critical and Expedite



International Shipping



Fleet Maintenance



## Logistics Services

We have logistics services for every type of supply chain to ensure our customers' goods continue moving seamlessly from end-to-end.

Supply Chain Optimization



Product Launch



Household Moving



Final Mile



Retail Logistics



Warehousing and Distribution



Trade Show Shipping



## Transportation Solutions

As a logistics company with assets and relationships with more than 40,000 capacity providers, ArcBest offers transportation solutions for all freight shipping needs.

# Awards and Accolades

- 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 a 2021 "Forty Under 40" honoree by the Northwest Arkansas Business Journal (Seth Runser, ABF Freight president)
- Received the 2021 Northwest Arkansas Business Journal's Women in Business (Traci Sowersby, ArcBest vice president, controller and chief accounting officer)
- Named One of America's Best Large Employers by Forbes for 2021
- Received three 2021 Quest for Quality awards: National LTL Carrier; Household and High Value Goods; Intermodal Marketing Company
- Awarded a Bronze medal for our 2021 sustainability rating from EcoVadis
- Recognized as a 2021 Military Friendly® Employer
- Recognized in Training magazine's 2021 Top 100 for the 12th consecutive year, ranking No. 16 on the 2021 list
- Received the Comparably Best CEOs for Women 2021 award
- Named to Forbes' 2020 Top 500 List of the Best Employers for Diversity
- Received the Chairman's Award and Extra Effort Award for the 2020 United Way campaign
- Named a 2020 Top 10 Women in Logistics by Global Trade Magazine (Judy R. McReynolds, ArcBest chairman, president and CEO)
- Recognized as one of America's Best-In-State Employers for 2020 by Forbes and Statista Inc.
- Received five 2020 Quest for Quality Awards: National LTL Carrier; Truckload Household Goods and High Value; Truckload Expedited Motor Carrier (x2); Rail Intermodal Marketing
- Received the 2020 Brandon Hall Award from the Brandon Hall Group Excellence Awards program
- Recognized among the 2020 Top 100 Truckers by Inbound Logistics
- Named a 2020 Great Supply Chain Partner by SupplyChainBrain
- Recognized as a 2020 Women on Boards Winning "W" Company for having more than 20% of board seats held by women

[Continued >](#)



# Awards and Accolades

---

- Received the 2020 C-Suite Award by the Northwest Arkansas Business Journal (Erin Gattis, ArcBest chief human resources officer)
- Awarded a 2020 Top Fleet Award for Fleet Innovator from Samsara
- Awarded a 2020 EPA SmartWay Excellence Award in 2020
- 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)
- Two-time winner of the National Expedited Carrier of the Year award by the National Shippers Strategic Transportation Council (NASSTRAC)

# Our Approach to ESG

The ArcBest mission to connect and positively impact the world through solving logistics challenges is a testament to our customers, but it also points to our commitment to advance environmental, social and corporate governance (ESG) initiatives.

ArcBest began its official ESG journey in 2019. While we were doing many things prior to 2019 that positively impacted the world, it wasn't until two years ago that we decided to develop an official ESG approach and seek guidance on how to identify, capture, analyze and report ESG-related data and information. As a leading logistics provider in a continuously evolving transportation marketplace, it is part of our duty to help advance sustainability progress.

As part of our approach, we are pleased to report two ESG milestones:

## *Committing to the SASB Standards*

After research and discussion, we decided to work toward adopting and aligning our ESG framework with pertinent [Sustainability Accounting Standards Board \(SASB\)](#) standards. The SASB Standards connect business and investors on the financial impacts of sustainability and identify the subset of ESG issues most relevant to financial performance in each industry. We feel confident that the SASB Standards will drive our ESG approach forward by helping us identify business needs, while keeping our progress on track.

## *Conducting A Materiality Assessment*

We're also collaborating with Institutional Shareholder Services (ISS) to conduct a materiality assessment that will help us more effectively define and prioritize our ESG initiatives<sup>1</sup>. The analysis is projected to be completed by the end of 2021, and we will disclose the results and the measurable targets in our 2021 ESG report next year.

[1] While "materiality" is the common term used with these assessments, this should not be read as implying that such matters necessarily rise to the level of materiality of certain disclosures in ArcBest's SEC filings.





# ESG Governance Chart

The Nominating/Corporate Governance Committee of the Board of Directors, ESG Executive Sponsors and the ESG Committee help us effectively manage ESG oversight. This governance chart provides a brief overview of each committee and teams’ responsibilities.



# About this Report

This report discloses the company’s actions and progress on all environmental, social and corporate governance topics for the year 2020. It also includes, in detail, our COVID-19 response to employees and customers.

Our goal is to release an annual ESG report, which will help inform our stakeholders, customers and business partners of our continued progress and future initiatives. As you read through our second ESG report, you will notice the areas where we worked diligently to continue developing ESG strategies and be more transparent, even as we faced a global pandemic.

You can learn more about ArcBest at [arcb.com](https://arcb.com).

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 efforts to the same organizations as last year and have plans to report to others as we continue developing our initiatives.

## Carbon Disclosure Project® (CDP)

The CDP 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 each year.

## 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 sustainability performance in the following categories: environment, labor and human rights, ethics and sustainable procurement. ArcBest completed another EcoVadis assessment in the fourth quarter of 2020, and in early 2021, we received our first-ever EcoVadis recognition – the Bronze medal. The Bronze rating recognizes sustainability performance in the top half of all companies and industries rated across the world.

“We are very honored to achieve a Bronze status with EcoVadis. At ArcBest, we strive to be a responsible corporate citizen in every community in which we operate. We know our progress regarding sustainability is a long-term commitment that benefits all of us, and we continue to identify steps to minimize our footprint and conserve resources.”



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

# 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 joined the United Nations Global Compact on January 6, 2020. This partnership enables us to continue driving responsible business practices in the world and in our industry, and we consider many of the SDGs as part of our strategy development. Learn more about our [UNGC Communication on Progress](#) in our 2019 ESG report, and [read our letter of commitment](#).

## Institutional Shareholder Services (ISS)

ISS is a leader in corporate governance and responsible investment practices and policies, providing data, analytics and insights for investors and companies.







# Responding to COVID-19

# Facing and Responding to a Global Pandemic

---

2020 is a year we won't forget. Together, we experienced the unknown as COVID-19 impacted us all in different ways and created a world that felt unfamiliar. Businesses were forced to close, and people were asked to stay home as positive cases quickly reached millions across the globe. The world seemingly came to a halt, but ArcBest pressed on.

In one of the most challenging years, our customers looked to us for hope and solutions to keep essential goods moving. While others shut down, our trucks kept moving, and our people continued working to serve our customers and meet their needs. From personal protective equipment (PPE) and other medical gear to food and cleaning supplies, we delivered products and goods when and where they were needed the most.

As we reflect on our company's response to COVID-19, we are most proud of how quickly and efficiently our people and operations adapted. Teams across our organization continued to demonstrate creativity and collaboration in new ways that went above and beyond. Our ability to adjust to and fulfill the increased demand of standard and essential goods as businesses reopened was a true testament to our vision:

***We'll Find a Way.***

While we never could have imagined or prepared for everything that happened in 2020, we are proud of the resiliency and determination our people have shown, and we feel confident we have emerged a stronger, better company with the capacity and skills to handle any crisis we may face.





# Taking Action Against COVID-19

As the world learned about the seriousness of COVID-19, we took action in numerous ways to keep our employees and customers safe.

## Activating the ArcBest Taskforce

Our Taskforce, led by Rich Krutsch, vice president – people services, consisted of members from across the organization and two external medical consultants, who met weekly to determine the steps our company should take against COVID-19 and how to safely implement them in a way that limited disruption to our employees and customers. Our leadership team also met every morning to sync on updated protocols and procedures, which were then relayed to employees in weekly emails, periodic videos and the company intranet.

We have relied on the strength of our people and our values-driven culture to successfully navigate through the pandemic. Our core values have been critical in helping ensure the health and safety of our team members and have given us the ability to maintain vital supply chain services for our customers and communities. I’ve never been more proud of our people, and I’m really proud of how quickly our Taskforce team implemented safe changes.



**Rich Krutsch**

vice president, people services





# Taking Cost-Saving Actions Across the Organization

In the early weeks of COVID-19, many businesses, including our customers, had to reduce operations or shut their doors due to lack of business or government mandates. As a result, we experienced a sudden decrease in shipment volumes that led to some very difficult decisions for our company and employees.

To help mitigate the unprecedented financial impact, the ArcBest leadership team implemented the following cost containment and cash preservation initiatives at the beginning of April 2020 that impacted all levels of the organization, including directors, officers and the CEO:

- Reduced 2020 net capital expenditures by approximately 30%

- Established a freeze on hiring
- Reduced advertising, training and travel costs
- Reduced the salaries of officers and non-union employees by 15% and reduced hourly non-union employee working hours by 15%
- Reduced cash retainers for directors by 15%
- Suspended the non-union 401(k) Plan employer match

With the goal to reverse these actions as soon as possible, our leadership team re-evaluated these cost-savings approach over the following 120 days.

In late July, we were happy to communicate that hours for most hourly employees would be restored to align with increasing business volumes and department workloads, and salaried officers and employees' 15% pay reduction was restored retroactive to the beginning of July, and the 15% reduced cash retainers for directors was also reinstated.

At the beginning of November when we reported third quarter financial results, we were also pleased to announce the following:

- For eligible salaried employees, the 15% salary reduction experienced during April, May and June was

repaid

- For full-time hourly non-union employees, eligible employees received a one-time \$1,000 bonus and part-time hourly non-union employees received a one-time \$500 bonus
- Eligible employees received a performance-based increase

Actions that adversely impact our employees are always the most difficult to make, but when entering uncertain times, we must ensure the long-term health of the organization. Our overall goal throughout the pandemic has been to come out of it in a position of strength. I believe that our strong, values-driven culture has been a big contributor toward this result, and I can't emphasize enough that our ability to take these steps is directly attributed to our employees' hard work and their commitment to our customers and to safety.



**Judy R. McReynolds**

ArcBest chairman, president and CEO

# Taking Action to Protect Our Employees

---

The health and safety of our people is always top priority, and the spread of COVID-19 only reinforced that. Following recommendations from the U.S. Centers for Disease Control and Prevention (CDC) and ArcBest leadership, our Taskforce group made key decisions that gave team members access to the resources they needed to stay well and that helped them feel safe while continuing to work.

Here are some of the ways we acted:

## Shifted to Remote Work

---

Employees whose job did not require them to be on site transitioned to working from home for the remainder of 2020 (and many have continued working remote in 2021). This included almost 90% of our campus workforce.

The ArcBest Technologies team responded quickly and effectively to the shift to remote work, deploying comprehensive technology systems such as Microsoft Teams. The use of these newly installed systems improved audio, video and overall meeting efficiency, enabling a smooth transition for employees to continue communicating with coworkers and customers, without disrupting service.

## Implemented Daily Health Procedures

---

For employees who continued working on site, including our drivers and dock workers, we implemented a number of daily procedures. Before entering any ArcBest campus or ABF Freight service center, team members were required to complete a daily health survey. They were also required to wear an appropriate face covering upon entering or moving throughout the building and to participate in a no-contact temperature scan each day. If an employee's temperature was 100 or above, they were instructed to return home and follow specific protocols before returning.

## Set Up Self-Reporting

---

We set up an ArcBest COVID-19 email so that employees could self-report if they had been exposed to someone who

tested positive, were experiencing symptoms, or had tested positive themselves.

## Conducted Contact Tracing

---

Once we learned about a positive case, our Taskforce group handled contact tracing for our campuses, and each service center's management team handled driver cases so that the appropriate contacts and cleaning measures could be taken.

To help us contact trace more efficiently, the ArcBest Technologies team created a dashboard that allowed us to overlay our service areas and driver routes with data from <https://usafacts.org/>, so we could easily track increasing COVID cases. This team also built a case tracker for company-wide COVID cases, so we knew exactly where to allocate additional resources and implement protocol changes.

## Restricted Travel

---

We implemented travel restrictions to business-critical only and discouraged international travel as well as travel to at-risk locations. We also encouraged minimal travel between ArcBest facilities and recommended virtual meetings or phone calls to communicate.



### Offered Virtual Access to Primary Care Doctors

We started offering virtual primary care through Doctor on Demand in 2020. This allowed employees to connect with a primary care doctor 24/7/365 and has been the ideal option for anyone wanting to avoid in-person visits during the pandemic.



### Waived Doctor on Demand Copays

All copays for Doctor on Demand (DoD) visits were waived for Choice Benefits participants throughout 2020 and continue to be waived in 2021, including behavioral health visits. DoD is a great option our employees can use to connect with board-certified doctors and licensed psychologists and psychiatrists 24/7/365 from the comfort and privacy of home. We also added life coaching through DoD in 2021.

### Updated Annual Wellness Requirements

Each year, employees who participate in our Choice Benefits medical plan must complete yearly requirements if they want reduced insurance premiums, deductibles and out-of-pocket expenses. However, during the pandemic, we didn't want employees to feel stressed about completing these requirements. Instead, we gave them free points that went directly toward their balance, helping them meet their wellness requirements faster.

### Provided Paid Time Off

Employees who tested positive and were unable to work remotely due to the illness were allowed to use Emergency

Time Off (ETO) instead of regular sick PTO and continued to be paid during this time.

### Extended Vacation Time

Due to travel restrictions and stay-at-home orders, we extended employees' rollover vacation time beyond our normal 90-day carryover policy to 180 days (effective March 19, 2020 to January 11, 2021).

### Created a Return-to-Workplace Playbook

As employees began transitioning back into the office, we wanted them to be aware of the new policies and procedures. Our return-to-workplace playbook outlines critical health and safety guidelines, details on returning to work safely, and information about masks, physical distancing, temperature scans, how to report cases and more. The policies outlined in the playbook went into effect June 1, 2020, and all employees were required to complete a training module covering the materials.

### Partnered with Mercy to Offer the Vaccine

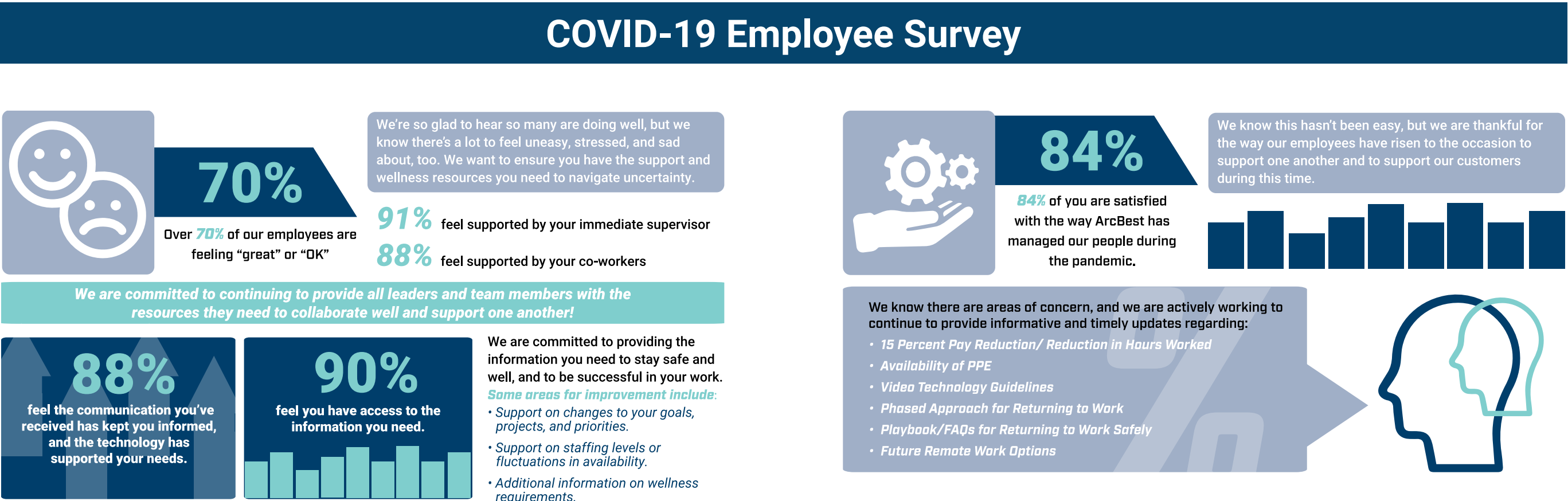
We hosted a clinic in collaboration with Mercy for our Fort Smith and Fayetteville employees, their spouses and dependents over age 18. Employee dependents ages 16 and 17 were also eligible with parental consent and parental presence when the vaccine was administered. We also collaborated with our local health department, pharmacies and clinics to offer other vaccine opportunities.





Employee COVID-19 Survey

In May 2020, we sent out a COVID-19 survey to learn how employees were feeling and to help us identify where we could support them better during the pandemic. We received over 2,700 responses, and the infographic below was sent to employees detailing the results.

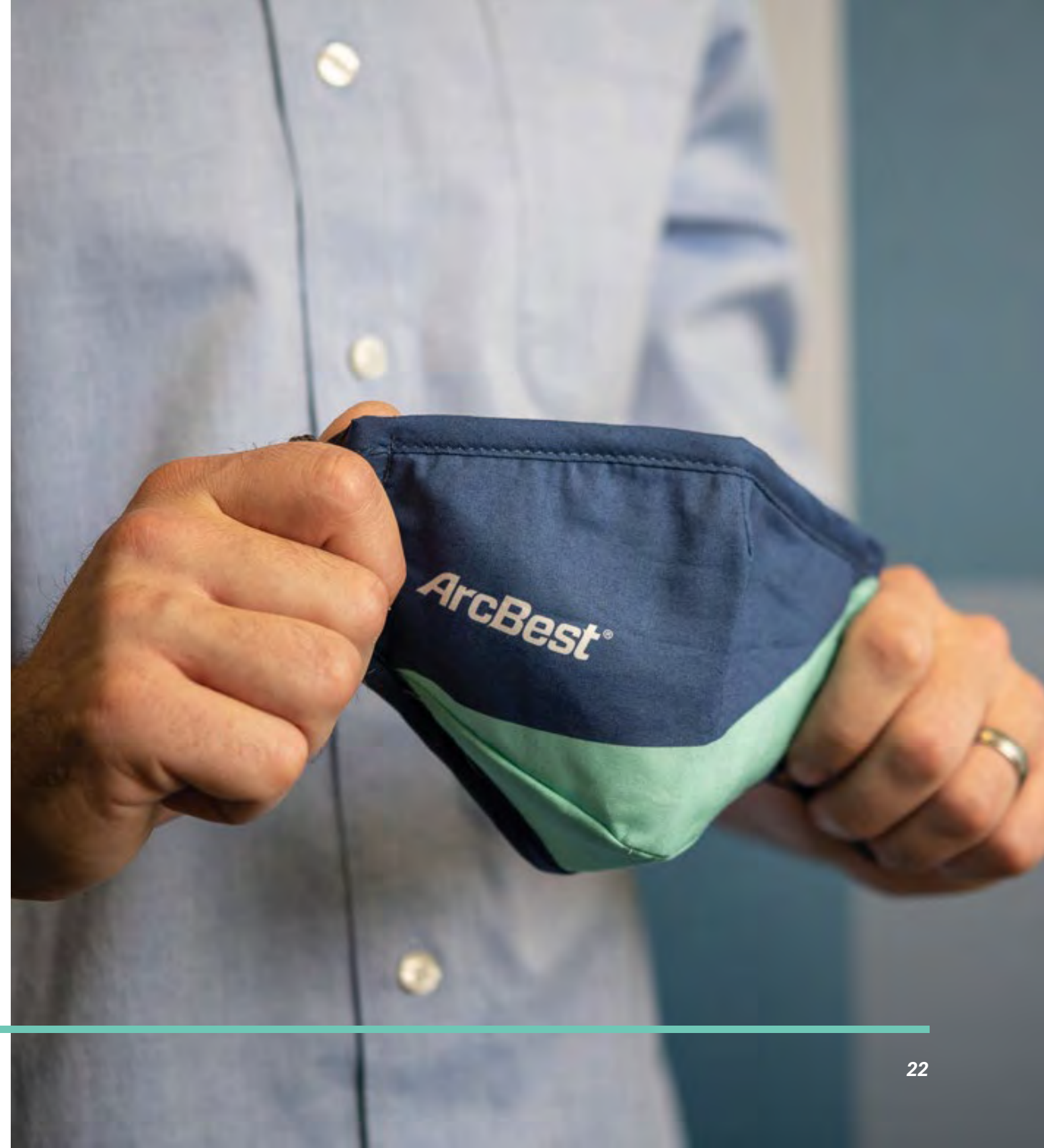


# 2021 COVID-19 Protocols

---

In May 2021, following CDC guidelines, we lifted mask and social-distancing requirements for fully vaccinated employees, except where required by local, state or federal law. However, as positive cases from COVID-19 variants, including the Delta variant, continued increasing, in August 2021 we reinstated our mask and physical distancing policies for employees and visitors at all campuses and service centers. We also continue to follow updates from the CDC regarding protocols for both vaccinated and unvaccinated people so that we can make changes as recommended.

As we continue monitoring CDC updates and navigating a "new normal," we're implementing concepts at our campuses that focus on hoteling, safety and flexibility to ensure employees are comfortable and confident while serving our customers.





# Taking Action to Protect Customers

Designated an essential industry by the U.S. government, we knew our customers were looking for us to deliver. Our main priority was assuring customers that we had the equipment and resources available to help them navigate the threats of COVID-19 while maintaining the excellence and service they had come to expect. We also were mindful of safety — keeping customers physically safe during deliveries and protecting their private information in our systems. We took careful action to reduce the risk of service interruptions, continuously monitored the evolving situation and adjusted as necessary. Some of the changes we implemented:

- **No-touch deliveries.** We [modified procedures](#) and software to allow customers to accept a delivery without having to sign for it. This also allowed for safe physical distancing between the driver and the customer during delivery.
- **Changes to inside deliveries.** We instituted screening procedures with customers who had inside or residential deliveries and altered services to comply with recommended social distancing practices. Instead of delivering shipments inside, we only delivered the goods to the threshold (first dry area).
- **Enhanced cybersecurity.** Our technology team installed additional software and safety measures on all company computers to ensure the protection of customer information as employees transitioned into remote workspaces.
- **Virtual meetings.** We began hosting virtual meetings with customers to limit the need for travel and in-person visits.
- **Disruption notifications.** For any disruptions that did occur, we proactively emailed affected customers and our account managers reached out to them as well.

# Taking Action to Protect Our Facilities

---

Maintaining clean facilities was critical to ensuring all employees — those who remained working on site and those who slowly transitioned back into the office — felt safe and comfortable. Because of the steps we took, out of 240 service centers and 11 campuses, only two service centers required temporary closure due to multiple positive cases. Here are the steps we took:

## Restricted Visitors

---

We stopped allowing visitors to enter our facilities unless it was critically necessary.

## Implemented Deeper Cleaning

---

We implemented stricter and more frequent cleaning procedures, including daily sanitization using hospital-grade

cleaning products and disinfecting common touchpoints.

## Enforced Physical Distancing

---

Physical distancing, or staying the recommended six feet apart from others, was enforced at all times, including in meeting rooms, break areas, restrooms and on elevators.

## Set Up Sanitizing Stations

---

We set up sanitizing stations so that employees had more opportunities to clean their hands.

## Regulated Clean Air Flow

---

At our campuses, we regulated the air filtration systems to push out old air and bring in fresh air about 10-12 times per hour to ensure clean air was regularly flowing. At our service centers, we opened windows and moved as many of the operations outdoors as possible.

## Added Partitions to Workstations

---

For cubicles that had lower walls, we installed glass partitions as protective barriers between stations.

## Implemented Service Center Audits

---

The ABF Safety and Security Team conducted COVID-protocol audits at many of our service centers to ensure we were taking the necessary steps and following local guidelines to keep employees and customers safe.





# Taking Action for Communities

Designated an essential business by the U.S. government, our company played a key role in ensuring critical goods were available when and where they were needed. We are incredibly proud of our drivers and team members who worked through the many challenges associated with the unprecedented situation to keep supply chains moving and to help provide relief in various ways.

## Transported Supplies for Infant Survival Kits

In May 2020, we partnered with The Global Empowerment Mission and Bethenny Frankel's #BSTRONG to ship Infant Survival Kits from Florida to New York to Montefiore Health System. The kits included diapers, wipes, formula and other essential items that were given to new moms diagnosed with COVID-19 and other Bronx families with babies and toddlers in need. [Watch this video to learn more.](#)

## Shipped Hand Sanitizer for the American Trucking Associations

In late April and early May 2020, ABF Freight helped distribute free hand sanitizer for truck drivers. The American Trucking Associations partnered with Protective Insurance Company to expand the supply of hand sanitizer available to truck drivers along major U.S. freight corridors. ABF hauled 55-gallon drums of hand sanitizer that were available for truck drivers to refill their bottles at no cost.

We are extremely proud of all the hard work and effort our drivers have been putting in to keep America moving forward during these trying times. It is an honor for us to partner with ATA and Protective Insurance to keep our frontline heroes safe and deliver hand sanitizer for truck drivers across the country.



**Seth Runser**

ABF Freight president

## Delivered 800,000 KN95 Masks to Prisons

With inmates at a high risk of contracting COVID-19 due to close living space, many prisons began requiring masks at the peak of the pandemic. A customer of ours needed assistance delivering KN95 masks to multiple prisons in California. Over three weeks, several ArcBest teams worked together to help this customer develop a plan, secure 11 expedite shipments and then execute the delivery of 800,000 KN95 masks.

## Shipped Ventilators

The respiratory system has proven to be COVID-19's main field of attack. In many COVID-19 cases, ventilators have been used to help patients receive the oxygen needed to fight off the virus and recover. But as the need for ventilators increased significantly at a fast pace, many hospitals faced critical supply shortages like never before. As ventilators became available, they needed to be shipped quickly and efficiently. We are proud of ABF driver Mark Swenson, who helped move a critical shipment of ventilators across the country in response to COVID-19, enabling many who were sick to receive this critical freight.

# Thank A Trucker

The crucial role America's truck drivers play has never been more critical than it was during 2020. Helping keep shelves and hospitals stocked, extending time away from home to help out and remaining positive in uncertain times are just a few ways drivers displayed their hard work and dedication. We appreciate their commitment to the industry and to keeping America moving despite difficult circumstances.

See how some of our ABF Freight drivers made a difference and were celebrated last year:



**Ralph Garcia**

Ralph has been an ABF Freight driver for 29 years. Over the course of his career with ABF, he has earned his 2 million miles safe driving award, has served as an America's Road Team Captain (2005-2006), and has been an outstanding spokesperson for the trucking community and our company. Throughout 2020, PBS American Portrait and CNN Business interviewed Ralph on his thoughts about being a truck driver during the pandemic. You can view his interviews here: [What it means to be an American truck driver](#) | [Thoughts on COVID-19](#) | [Thoughts on hauling critical supplies during a pandemic](#)



**Tony Spero**

Tony has been an ABF Freight driver for 32 years. During his career, he has achieved 30 years and 60,000 consecutive hours of accident-free driving, earned his 4 million miles safe award, been an 18-time winner of the Connecticut Truck Driving Championship, served on the ABF Freight Road Team (2006-2007), served on America's Road Team (2007-2008), and represented the trucking industry at the White House in January 2020. Tony was [interviewed by FOX News](#) and [featured on NBC Connecticut](#) for his critical role as a truck driver during the pandemic.



**Nate McCarty**

Nate has been an ABF Freight driver for 17 years. During his career, he has achieved his 2 million miles safe driving award, has served as member of America's Road Team (2011-2012), and has served on the ABF Freight Road Team from 2010-2011. In 2020, [NBC Connecticut also featured him](#) for his essential role as a truck driver, especially during the peak of COVID-19.



# #ThankATrucker Photo Contest

Last summer, 17 ABF Freight drivers were selected as winners of the American Trucking Associations’ #ThankATrucker photo contest. The contest was part of ATA’s campaign intended to provide relief to the hard-working professional truck drivers serving behind the wheel during the COVID-19 pandemic and to say thank you for the vital role they continue to play every day.

“This may seem small to some, but to me it was a gigantic honor — especially since the coronavirus crisis has turned our world upside down.”



**Lonnie Walker**

driver/salesman at Jackson, Mississippi

“It’s nice to be recognized as an essential worker during this nationwide pandemic.”



**Ernie Wood**

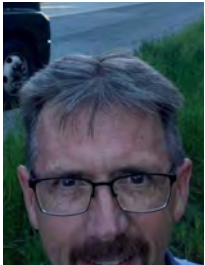
driver/salesman at Brattleboro, Vermont

“A little bit of recognition goes a long way. It’s nice to know that you have people who notice the work that you do. It gives me motivation to keep moving forward.”



**Teddy Butler**

driver/salesman at Atlanta, Georgia





# Silver Linings

---

Amid the apprehension and fear associated with COVID-19, messages of hope and small acts of kindness began popping up at our various locations. From care packages and thank you gifts to special donations and deliveries, these stories provided a bright spot in the midst of uncertain times.

## **ArcBest Employee Donated Plasma After Recovering from COVID-19**

---

Dana Deason, manager, safety insights, contracted the COVID-19 virus before the pandemic was widespread and travel restrictions were in place. Once antibodies were in her system, Dana decided she wanted to help those who were struggling to overcome the virus by donating convalescent plasma at the Oklahoma Blood Institute.

[Read the local news story about Dana's experience.](#)

“2020 brought a lot of uncertainty and at times a feeling of ineffectiveness — not just with the pandemic. When I got COVID-19, I experienced symptoms before testing was widespread, but fortunately I was able to easily isolate since I live alone. It was a rough couple of weeks, but after recovering, donating convalescent plasma felt like one way I could do something positive. I hopefully helped to make sure the answer to someone's question of whether they would see loved ones again was 'yes.'”

### **Dana Deason**

manager, safety insights  
and advancement





# Spotlight Stories



Over the past months of working with Kim [ArcBest account manager – truckload], we have become work colleagues and work friends. One day while discussing quotes, I mentioned the difficulty of purchasing paper supplies, toilet paper in particular, in our area. Several days later, a package arrived with toilet paper, a t-shirt that says “Essential Workers: the ones who saved the world 2020” and a toy for my dog! I cried — I could not believe she did this for me. Kim goes above and beyond on a daily basis to ensure our needs are met. I am so appreciative of the professionalism and dedication to quality exhibited by her.

**Patti F.**

customer

In a time when it is very difficult to get any hand sanitizer, our customer's son made up a care package for all of our drivers to keep them safe. It warms my heart.

**Diane Allard**

service center manager,  
New Haven, Connecticut

A local brewery/restaurant brought us several pizzas yesterday for lunch. They said they are providing lunch to "essential businesses" and wanted to say thank you - extremely nice of them. When this is all over, I'm definitely going to take the crew there for dinner or have them cater in for us.

**Leonard Ratowski**

service center manager,  
Grand Rapids, Michigan

# ArcBest CEO Participates in Arkansas Economic Recovery Strategy

The impact caused by COVID-19 contributed to substantial economic distress nationwide but especially in our home state of Arkansas. Challenges Arkansans experienced prior to COVID-19 — such as the inability to work remotely on a large scale and the necessity for high-speed internet to conduct commerce, obtain educational and workforce training and access medical services — were exacerbated as the pandemic swept across the state.

To help combat these effects, Arkansas Governor Asa Hutchinson commissioned a task force group to aid economic recovery, and leaders across Arkansas communities, including Judy R. McReynolds, ArcBest chairman, president and CEO, assisted as external resources.

Heartland Forward was tasked with creating a strategy that built upon existing plans to reopen and revitalize Arkansas' economy post pandemic. The objective: to provide guidance to state, regional and local policymakers and leaders that will position Arkansas' economy to rebound and expand at a faster pace than envisioned prior to the pandemic. The group identified six primary areas for economic development:

- Talent and workforce
- Innovation and research
- Entrepreneurship and small businesses
- Health care
- Supply chains and logistics
- High-speed internet

Once these areas were identified, the task force conducted focus groups that involved Ms. McReynolds and other outside participants to garner information and solutions. Discussions were insightful and offered guidance on rebounding and growing the state's economy.

ArcBest has called Arkansas 'home' for almost 100 years. Though COVID-19 brought some of the biggest challenges we've ever faced. Together we can build our economy back and ensure a safer future. I'm so proud of the resilient spirit of this state and all of us who live in it.



**Judy R. McReynolds**

ArcBest chairman, president and CEO



[Learn more about the Arkansas Economic Recovery Strategy.](#)





# Governance





# Interweaving Integrity into Everything We Do

---

The ArcBest mission to connect and positively impact the world through solving logistics challenges can only be achieved when we conduct business with integrity. That's why doing the right thing the first time and every time is woven into our culture, and it's part of why we've been around for nearly a century. We believe it's crucial for our employees, customers, contract carriers, vendors, shareholders and other business partners to trust our work ethic and feel confident that we provide a safe, responsible workplace and operation. We uphold the value of Integrity through:

- The [ArcBest Code of Conduct](#)
- Our [Supplier Code of Conduct](#)
- Many [Corporate Governance policies](#)
- Board of Directors governance
- Required annual training



# Board of Directors

We recognize that for ArcBest to continue to be successful, we must have a Board of Directors that understands and aligns with our mission, actively pursues and advocates for the Company's best interests, and guides decision making to enable us to be the logistics provider, employer and investment of choice in our industry. Our [Board of Directors](#) sets the tone and leads by example, upholding and reinforcing the Integrity value in every Company decision. The Board also helps guide the direction in all aspects of our Environmental, Social and Corporate Governance Initiatives and helps drive business forward.

## Overview of Our Primary Board Committees

- [Audit Committee](#) — responsible for oversight of the company's risk management policies and processes, including financial reporting, information technology, data security, cybersecurity, and related party transactions, and also directly oversees risk management relating to public disclosure 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

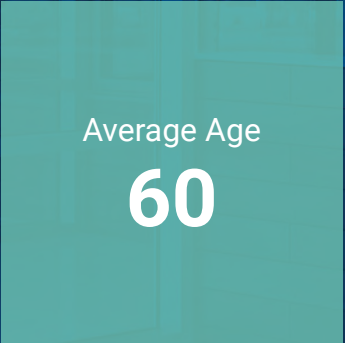
the ArcBest Corporation Executive Officer Incentive Compensation Plan and the Amended and Restated ArcBest Corporation Ownership Incentive Plan, including setting performance goals and determining the extent to which those goals were achieved, among other duties.

- [Nominating/Corporate Governance Committee](#) — responsible for CEO succession planning, 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 comprises nine members, eight of whom are independent of ArcBest. Judy R. McReynolds, ArcBest chairman, president and CEO, leads the Board and is the only member directly linked to the company. The Board believes that service as chairman, president and chief executive officer enables Ms. McReynolds to execute the company’s strategic initiatives and respond effectively and efficiently to key business issues and risks that she encounters in daily operations.

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



- 1 - 66 & older
- 2 - 50-55
- 1 - 56 - 60
- 5 - 61-65

- 1 - 3 years or fewer
- 4 - 4-5 years
- 1 - 6-8 years
- 3 - 9 or more years





## Eduardo F. Conrado

Director since 2016

### Committees

- Compensation
- Nominating/Corporate Governance

### 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

### Committees

- Compensation (Chair)
- Nominating/Corporate Governance

### Key experience

- Strategy
- Operations
- Transportation industry leadership
- Marketing
- Finance



## Michael P. Hogan

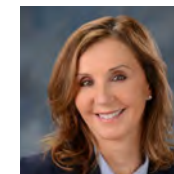
Director since 2016

### 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



## Judy R. McReynolds

Director since 2010

Chairman of the Board

### Key experience

- Significant industry-specific experience
- Expertise with respect to both ArcBest and its transportation and logistics subsidiaries resulting from a 23-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



## 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

& Lead Independent Director since 2016

### 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

- Nominating/Corporate Governance (Chair)
- Compensation

### Key experience

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

# Board Skills Profile

In addition to gender, ethnic and racial diversity, we believe the Board's membership should also represent diverse backgrounds, experiences and skills. To help us achieve that, the Nominating/Corporate Governance Committee established a matrix that outlines the skills and experiences they believe are most relevant for the Company. This matrix is periodically reviewed by the Nominating/Corporate Governance Committee and updated as necessary.

Expertise/Qualification	Conrado	Eliasson	Gorman	Hogan	McElligott	McReynolds	Philip	Spinner	Stipp
Acquisitions	●	●	●	●	●	●	●	●	●
Audit	●	●		●	●	●		●	●
Corporate Governance		●	●	●	●	●	●	●	●
Current CEO/CFO		●				●			
Entrepreneurial Experience		●		●					●
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	●	●	●	●	●	●	●	●	●



# Director Compensation

---

The Nominating/Corporate Governance Committee is responsible for reviewing and awarding compensation to the non-employee Directors and works with Meridian Compensation Partners, LLC, an independent compensation consultant, to fulfill that responsibility. Compensation is based on experience, review of the compensation paid to directors of comparable publicly-traded companies and Meridian's advice. ArcBest also 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.](#)



# Ethics and Compliance

---

Through the ArcBest Code of Conduct and Supplier Code of Conduct, the Company complies with all applicable laws and regulations and 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 total 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

---

All employees are required to complete annual Code of Conduct training. The purpose of the training is to emphasize important matters contained in the ArcBest Code of Conduct. Employees review and complete a test on a variety of topics, including:

- Compliance with laws, rules and regulations
- Discrimination and harassment
- Safe work environment
- Confidentiality
- Reporting illegal/unethical behavior

## How to Report Misconduct

---

Our leadership team is dedicated to maintaining an organization that reflects strong, fair and ethical business practices. We encourage and expect employees to do the same and report anything that seems concerning without fear of retaliation or termination. Employees know they have multiple ways to report concerns: talking directly with their supervisors, reporting directly or indirectly to the HR Coaching & Compliance group, or utilizing EthicsPoint — an anonymous Ethics & Reporting Hotline available 24/7/365.

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 Management

---

Information systems and technology play a critical role in the transportation and logistics industry. Protecting sensitive information such as customer data, business networks and employee details has never been more important as security breaches can be a common risk when operating digitally. ArcBest addresses cybersecurity with utmost seriousness, and our chief innovation officer and ArcBest Technologies president is responsible for overseeing the company's Information Security Policy.

Following policy, 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 participate in and receive

information from several industry standard groups related to cybersecurity, including the NMFTA Commercial Transportation Security and Research Program and AUTO-ISAC. 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 also details specific guidelines that help 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.

As a result of our strong approach to cybersecurity management, we experienced zero material breaches in 2020.

## Audits

---

The ArcBest Internal Audit Department acts

as the eyes and ears of our company's cybersecurity management, ensuring that internal controls, including those related to information security, are consistent with management expectations, organizational goals and regulatory requirements. This team periodically performs compliance checks to ensure all parties comply with ArcBest cybersecurity protocols and procedures. We also have an independent third party review and provide guidance on our cybersecurity strategy, and we're also subject to several compliance rules, some of which require an external audit, including SARBOX, PCI DSS and HIPAA.

## Training

---

As part of our commitment to cybersecurity, we require employees to complete annual training on information security and the related policies and procedures we have in place. We also conduct ongoing tests and training throughout the year with employees.

## Certifications

---

Our secure network and history of strong data protection are a result of continuous employee learning and development across the organization, specifically in our Information Security department. IS team members continuously seek information on the latest market trends and evolving technology through several open sources and paid sources of information 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 Certified Incident Handler (GCIH)
- CompTIA Security+
- Offensive Security Certified Professional (OSCP)

# Business Continuity Program

If COVID-19 taught us anything, it's that having a coordinated business continuity program in place is crucial to surviving and overcoming a global pandemic and other emergency situations. We believe the business continuity program we had in place allowed us to handle business effectively during COVID-19, and as a result, we were able to continue operating with minimal impact to customers' supply chains while also focusing on the health and safety of employees. However, following the peak of the virus, we committed to readdressing and expanding our business continuity program to strengthen operational resiliency and proactive planning.

Our focus is developing an all-encompassing view of emergency action plans and bringing those plans and our people together to coordinate efforts. As part of the expansion, it's critical that we implement a combination of proactive mitigation strategies and flexible responses that allow us to effectively manage through unique challenges

and impacts such as a ransomware attack, natural disaster or other critical event. Going forward, we plan to focus on building awareness, training and testing these plans to ensure the program's success.

To do this, we formed a new Crisis Management Committee, which includes employees from many different departments who are responsible for determining how the Company reacts, responds and deploys plans during all types of crises.

The safety of our employees and customers is our top priority. People always have to come first. Following any operational disruption, our primary concern will always be the health and safety of those affected. Once we have those impacts managed, then we can focus our efforts on getting our teams and operations back up and running.

Business continuity, and planning in general, should always be a collaborative process. Our operations are complex and interdependent in many ways. It's important to take a team approach and include those directly involved with the business to ensure we have a clear understanding of upstream and downstream dependencies. This is especially important when planning for potential impacts, developing continuity strategies, and prioritizing resources to maintain and resume operations.



**Brad Scott**  
manager, business continuity





# Safety



## Developing Safer Environments for Our People and Customers

---

Safety is a top priority in the transportation and logistics industry, and ArcBest is committed to maintaining the highest standards of safety. Our goal is for every employee — office worker, driver and field employee — to make it home safely at the end of their shift. It's also critical that we protect our customers' freight to the best of our ability. Though 2020 was challenging for everyone, we continued to make improvements to our safety programs and provided the necessary training to employees.



# 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)
- 74% of field employees earned company awards for safety in 2020



# Workplace Safety

Through policies, procedures and training, we are dedicated to creating a work environment where every employee and visitor feels safe at our campuses.

Nothing is more important to us than the safety and security of our employees. We strive to ensure we provide a safe working environment for our employees and are continuously looking for ways to make our working environment more secure. We provide safety training such as CPR, AED and Emergency Action Plan training to equip employees with the knowledge needed to handle an emergency situation in the case that one ever arises.



**David Nixon**

manager, safety and security



## Safe Campuses

### Here's how we promote safety across our organization:

- Employees are required to complete annual safety training
- All new employees are required to complete workplace violence training during their first week
- Nearly 140 online training modules are available covering a variety of safety topics
- First-aid kits are kept in all work rooms, fitness centers, and shipping and receiving areas
- Automated external defibrillators (AEDs) are located at all campuses
- A designated group of employees are trained in first aid, CPR and AED processes
- All employees have access to our Emergency Action Plan
- Everbridge, our emergency communication system, is used to text, email or call employees who have opted in to stay aware of emergency situations
- Employee badges are required to be worn and visible at all times in all campus locations
- Campus employees must use the appropriate entrances and scan themselves into the building
- Visitors must use the front entrance, sign in and wear a temporary badge throughout their visit





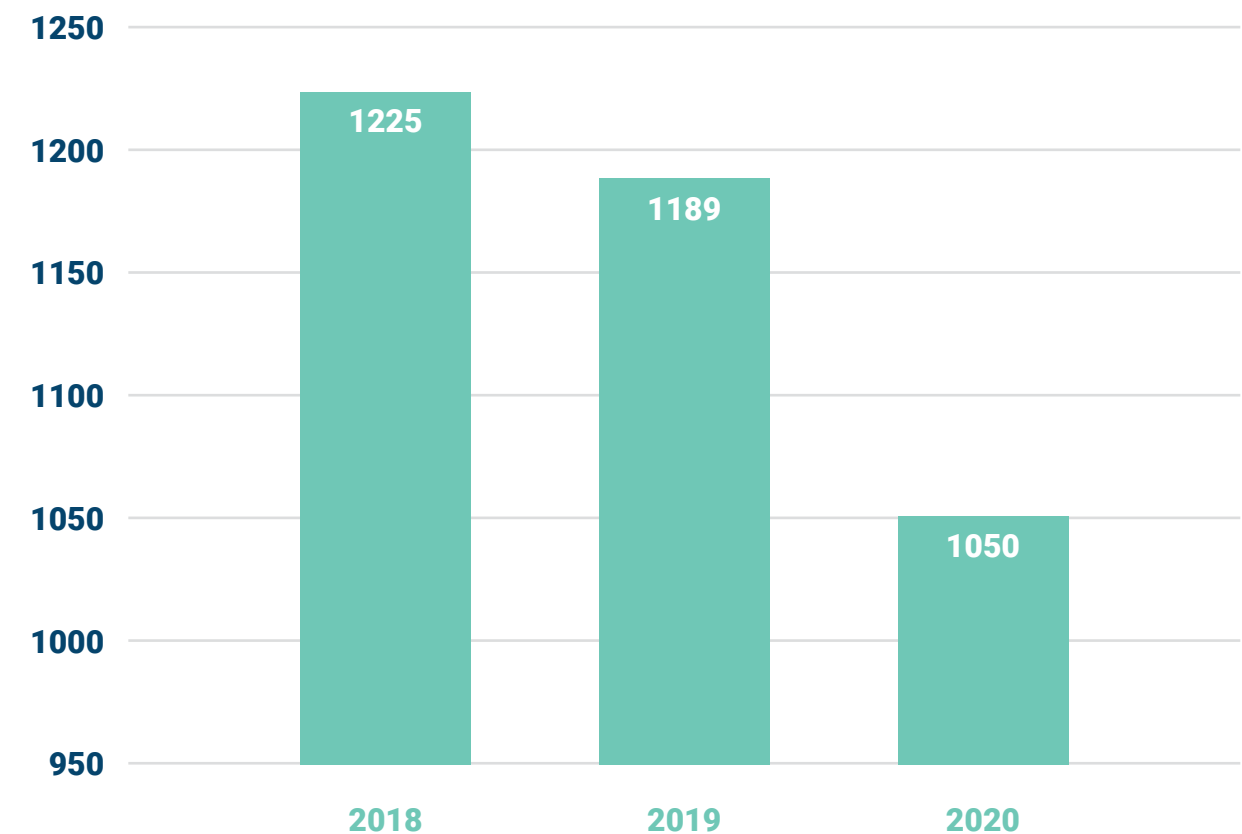
## Stay Safe Initiative

Stay Safe is a company-wide initiative that we launched in June 2019. Its mission is to promote a culture of safety in every aspect of our lives, so everyone goes home safe. In 2020, Stay Safe was promoted through education, advocacy and communication, resulting in increased awareness across the organization. Overall, employees reported fewer injuries, making 2020 one of the safest in the past 11 years.

Because our greatest risk for loss is often associated with our LTL business — employee work injuries, motor vehicle accidents, liability losses and property damage — many of our Stay Safe programs focus on our ABF Freight service centers.

Last year, the number of injured ABF Freight field employees was down 12%, with 139 fewer employee injuries. Incidents (injuries that do not require medical treatment) were down 14%, with 132 fewer incidents reported. Lost time claims (claims in which an employee only receives wage replacement benefits) were down 6%, and medical only claims (claims in which an employee only received medical benefits) decreased by 25%, or 116 claims. OSHA reportable injuries also decreased 8% from 897 in 2019 to 826 in 2020.

## Total Working Claims



## Workers' Compensation Team Launches Advocacy Model

Though our Stay Safe goal is to prevent injuries and keep everyone safe, we also acknowledge injuries will occur. The Advocacy Model was created by the Workers' Compensation Resolution Team to improve the injured employees' experience, which can generally be confusing, frustrating and slow to deliver results.

Communication and trust are essential for the advocacy model to be successful, so the first step is immediate communication. Once an injury is reported, a team member contacts the injured employee within one business day to ask how they're feeling, provide information about how the claim will be handled and answer any questions they have.

To build trust, we apply two of the ArcBest core values: Collaboration (working with the injured employee) and Integrity (looking out for the employee's best interest).

To promote advocacy, the team adopted a mission statement: establish an employee-centered workers' compensation benefit delivery system through open communication, transparency and respect, while utilizing our company's core values as the foundation.

Overall, the employee-focused advocacy approach is based on:

- Collaboration — partnering with the employee, building trust and reaching out
- Communication — listening and communicating frequently using a positive tone
- Transparency — setting expectations, bridging gaps in the communication and providing support

### Other Ways Stay Safe Promotes Safety

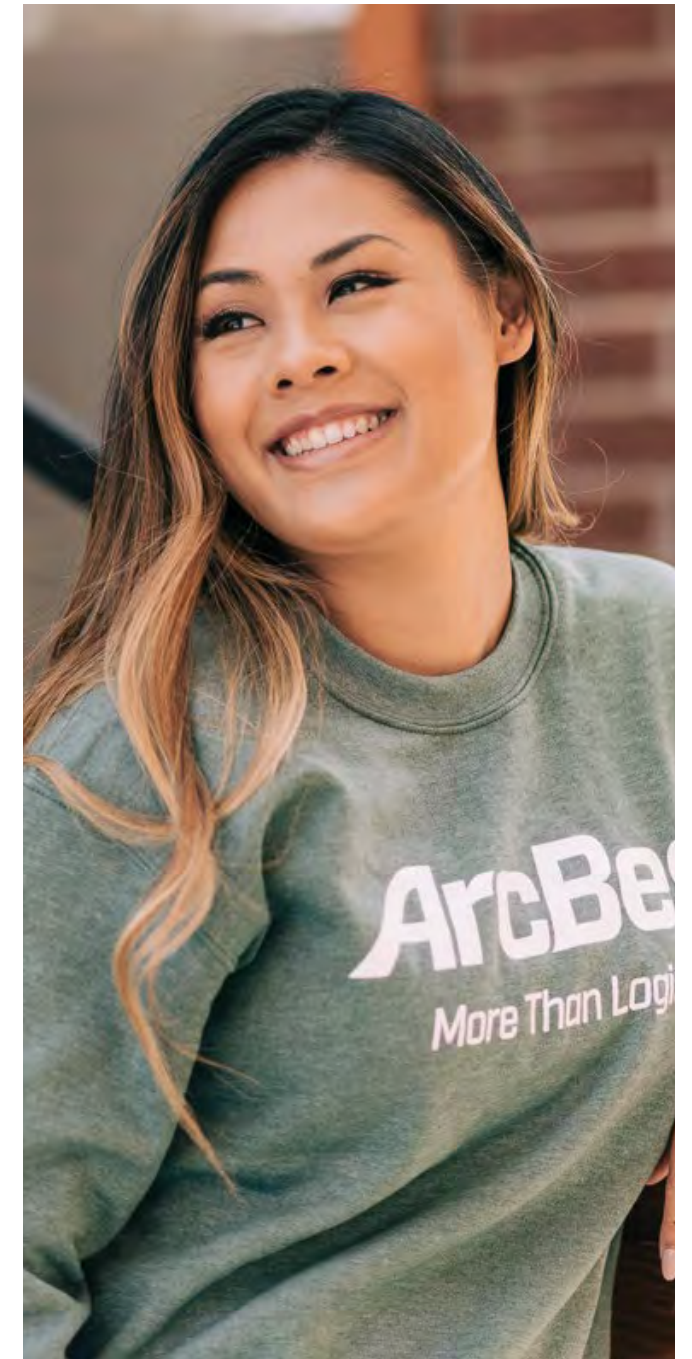
- Send severe weather reports to keep drivers and other field employees aware
- Hang banners on all ABF Freight docks to

remind forklift drivers to wear seatbelts

- Provide critical data to other teams to help them make key decisions regarding operations and equipment purchases
- Distribute monthly Stay Safe tips to all employees

### Future Stay Safe Focus

In 2021, the Stay Safe focus is once again on our most valuable resource — our employees. We want them to be injury-free, and we want them to be able to enjoy their jobs and leisure time. We also want them available to serve our customers — if employees are unable to work, our customers will most certainly feel the impact. We're committed to continuously providing a safe work environment for everyone by enhancing our current programs and creating new procedures that positively impact our workforce and our customers.





# Driver and Operations Safety

---

We care about the safety of each driver and field employee and the people they work around, including customers, vendors and those with whom they share the highways every day. This is why safety training is an ongoing priority.

## New Safety Training

---

Throughout 2019 and 2020, we transitioned to a holistic safety approach that focused on equipment safety features and training employees on them. This transformation included delivering job skills training to more than 5,000 drivers, managers and supervisors followed by a coordinated reinforcement effort. Training covered topics such as forward-facing cameras, impact sensors, engine monitoring, GPS devices, collision detection and electronic logging devices.

We facilitated on-site workshops to discuss the importance of these features along with an in-depth review on our new

safety approach. During rollout, we delivered system training to all frontline management and supervisors as well as all road and city drivers who were impacted by the new safety platform. Training included classroom instruction, hands-on exercises and job shadowing.

Following on-site training, frontline leaders continue to provide personalized coaching sessions each month (about 350-400) to reinforce the initial training on driver behavior and preventable accidents. During the pandemic, virtual webinars were offered for ongoing development.





## Required Safety Training

We require all ABF Freight service center employees to complete a variety of annual training and recertifications.

## Hazardous Materials

ABF Freight service center employees include road and city drivers, dock workers, shop mechanics, clerical workers and management. These employees are trained and certified in handling hazardous materials. The training and certification process includes instructional videos and a written exam, which is administered during the employees' onboarding process and is renewed at specific intervals throughout their career.

## Forklift

All dock workers must be trained, tested and certified to safely operate a forklift. They must renew their forklift certification every three years.

## ABF Freight Tractors and Trailers

Before road and city drivers are permitted to get behind the wheel, they must complete an initial training course immediately after being hired, complete our Road Test Orientation, and pass a written exam. After the exam, every driver must complete a comprehensive road driving test, which is generally administered by a Regional Manager of Safety and Security. Retraining and recertification are completed on an annual basis.

## Freight Handling

Any employee who handles customer freight is extensively trained on proper freight-handling techniques. This includes the safe use of dock tools, proper procedures for handling hazmat goods, procedures for loading and unloading freight and how to block and brace shipments to avoid injury.

## Monthly Safety Meetings

Reinforcement training is delivered through monthly safety meetings at each service center. The Learning and Development team and Safety team collaborate to create a training plan for the entire year. In 2020, topics covered the

effects of sleep loss, what causes accidents, and finding a healthy and safe work-life balance as a professional truck driver. Monthly in-person safety meetings were not required from April 2020 to December 2020 due to COVID-19.





# Stay Safe: Target Service Center Program

Our new Target Service Center Program, led by the Risk Management team, targets service centers that report an excessive number of injuries. This team takes a deep dive into the injury information at a particular service center to determine what injuries are being reported and if there are any common causes.

After gathering information, members of the Risk Management team travel to the service center to meet with management and employees to discuss the injuries and solutions for reducing those injuries. The team spends time looking at the operations and then works together with service center management to create a plan with the goal of reducing or preventing injuries moving forward.

## Employee Spotlight

Heath joined the company in 2002 and has filled several safety-related roles over the course of his career, growing his experience and expertise in this critical area. Most recently, Heath was promoted to director of safety for ABF Freight. In his new role, he leads the ABF Safety Team, collaborating across departments to champion a strong culture of safety throughout the entire organization.

He is also active in several state trucking associations, the Commercial Vehicle Safety Alliance and the American Trucking Associations Safety Management Council. He serves on the National Truck Driving Championship Committee and as Chairman of the American Trucking Associations' Hazardous Materials Policy Committee.

We appreciate Heath's commitment to ABF Freight, the trucking industry, and to keeping our employees, drivers and customers safe.

Regarded as one of the most established LTL carriers in the industry, ABF Freight has a storied tradition of safety that has been passed down for nearly 100 years. This tradition of safety is a stewardship that all ABF Freight employees have been entrusted to pass along to not only the next generation of ABF Freight employees, but also to our customers and the general public. Our employees lead by example and take every opportunity to apportion their knowledge of safety and their experience with others.



**Heath Arnold**  
director, safety for ABF

**ABF Regional Managers  
of Safety and Security**

The Regional Managers of Safety and Security (RMSS) team is made up of 12 regional managers who oversee safety and security functions at all ABF Freight locations. This team is responsible for everything from service center/ equipment inspections to injury/accident investigations, road tests, safety award presentations, driver coaching and theft investigations.



**Jeff Baker**  
Little Rock, AR



**Bruce Bugg**  
Atlanta, GA



**Lambert Cantu**  
Dallas, TX



**Ken Harrison**  
Albany, NY



**Mike Hogan**  
Carlisle, PA



**James Lewis**  
Des Plaines, IL



**Randy Lewis**  
Dayton, OH



**Ed McLaughlin**  
San Bernardino, CA



**Carlos Perea**  
Albuquerque, NM



**Glenn Smith**  
Winston Salem, NC



**Andy Thomasson**  
Kansas City, MO



**Tom Potter**  
Salt lake City, UT





## State Troopers Attend Safety Meetings

In early March 2020, North Carolina State Highway Patrol Trooper Matthew Bunn and Tennessee Highway Patrol Trooper John Pedigo, attended safety meetings at our Knoxville, Tennessee, and Kinston, North Carolina, service centers.

The officers met with ABF employees and provided training on Federal Motor Carrier Safety Regulations regarding the safe transportation of hazardous materials. Other topics covered included hours of service, injury prevention and the Samsara ELD.

Our goal for these safety meetings is for all service center employees to gain an understanding of the working relationship we have with law enforcement and to emphasize our commitment to keeping our employees, the motoring public and our customers safe while being efficient in our jobs.



**Glenn Smith**

regional manager, safety and security

Glenn was a member of the North Carolina Highway Patrol for 25 years and retired at the rank of sergeant before coming to work for ABF Freight in 2014.



# 2020 ABF Freight Load Team

Chosen annually, the ABF Freight Load Team is an elite group of freight-handling professionals. Load Team members are selected based on their safety records, their involvement in the Quality Process, their personal integrity and their ability to load trailers in an optimal fashion.

The 2020 ABF Load Team members clearly understand the key role they play in providing our customers safe and reliable service. They are truly professionals who understand the importance of delivering shipments on time, intact and damage free. With the expertise and input we receive from our Load Team members, our customers were in good hands during 2020.



**Andy Upchurch**  
vice president, service center  
operations





# 2020-2021 ABF Freight Road Team

Last August, 15 ABF Freight drivers were selected as members of the 2020-2021 ABF Road Team — 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 two-year term, Road Team members serve as ambassadors for ABF Freight as well as the trucking industry at large. They are available for speaking engagements at civic and fraternal organizations, school events, career days and other events. When called upon, Road Team members speak on topics such as driving safety, the image of a truck driver and sharing the road with trucks.

I’m extremely proud of our ABF Freight Road Team. This team is a mix of city and road drivers from across the ABF network and represent the best of the best, spreading the message of safety and exemplifying professionalism as ambassadors and role models for ABF and the trucking industry. I am grateful that such engaged, dedicated drivers are promoting our company and industry.



**Ed Myers**  
vice president, linehaul operations



# 2020 Highway Angels

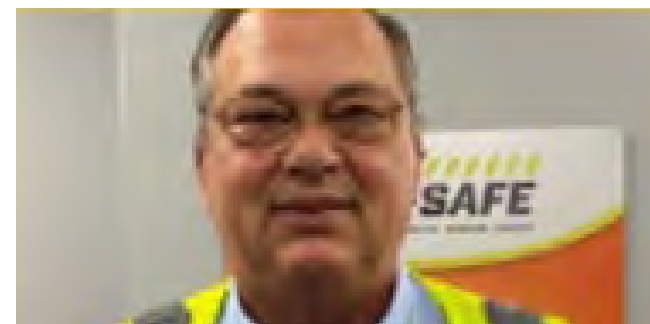
---

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. Six ABF Freight drivers were recognized in 2020:



Greg Truitt

Greg Truitt, an ABF road driver at Winston-Salem, North Carolina, was named a Highway Angel for stopping to help an elderly woman who was stranded on the side of the road. Greg had pulled over to check his truck for damage after unavoidably striking a deer on a stormy night when he noticed a car ahead of him with a handicap sign and a woman sitting in the driver's seat. He positioned his truck to partially block the right lane, grabbed a flashlight and went to check on the woman who couldn't recall what happened and couldn't remember how to get in touch with her son. Greg called 911 and waited with the woman until two sheriffs arrived.



Gene Miller

Gene Miller, an ABF road driver at Kansas City, Missouri, was named a Highway Angel for stopping to help a family after their vehicle struck a deer and overturned. The SUV driver swerved to avoid the deer but struck the animal before hitting the guardrail on the right shoulder, bouncing, hitting the concrete divider under a bridge and rolling. Once Gene was safely parked, he grabbed his phone and ran to check on the family while reporting the accident to emergency services.



Josh Elmore

Josh Elmore, an ABF road driver at Winston-Salem, North Carolina, was named a Highway Angel for stopping to help a driver whose vehicle collided with a dump truck. Josh was northbound on U.S. 220 near Madison, when he saw smoke ahead — a dump truck collided with a car, which went spinning into the guardrail with force. He put on his brakes and hazard lights, blocked the left lane from upcoming traffic while a power company truck stopped traffic in the right lane. Josh found the driver okay but shaken. He remained on the scene for an hour.



# 2020 Highway Angels

---



## Rick Connell

Rick Connell, an ABF driver/salesman at Seattle, Washington, was named a Highway Angel for helping an elderly man who had fallen in his yard. Rick was making a neighborhood delivery when he and the customer heard the neighbor calling for help. The man had fallen in his wife's garden and was conscious but couldn't lift himself up. He had been stuck there for about an hour on a hot, sunny day. Rick jumped the fence and ran to the man to check for injuries before helping him move to a chair in a shaded area, and then called 911 at the wife's request.



## Phil Cicero

Phil Cicero, an ABF road driver at South Chicago, Illinois, was named a Highway Angel for safely returning a lost child to his parent. Phil had just finished checking into a Nashville hotel for a scheduled rest when a young boy ran past him from the elevator area straight outside. There didn't seem to be anyone around who knew the child, so Cicero left his things at the counter and went outside to see the boy running to the entrance of the hotel where cars exit and enter. As a father of four, Phil ran after the boy, scooped him up and brought him safely back inside the hotel. The manager called the police, and they arrived quickly. Eventually, someone came downstairs to claim the child, and Phil was thankful everything turned out well.



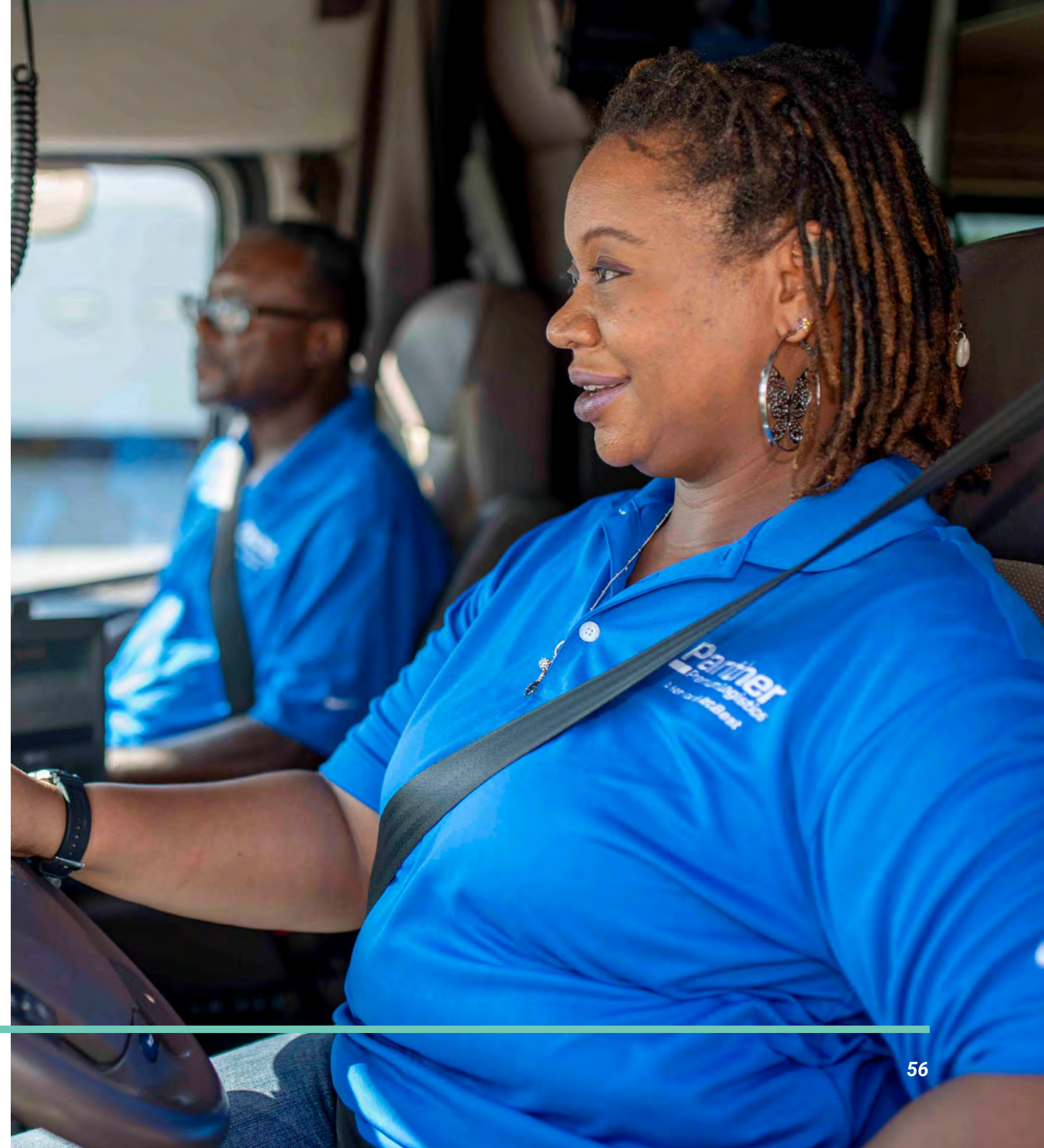
## Clayvon Daniels

Clayvon Daniels, an ABF road driver at Dallas, Texas, was named a Highway Angel for stopping to help a driver following a vehicle rollover accident. Clayvon was headed to Irving when a vehicle traveling at a high rate of speed approached his driver's side. The driver's car then hit the concrete median, ricocheted, rolled over and skidded across the road. Clayvon acted fast, stopping in the middle of the highway to ensure other vehicles didn't hit the overturned car. He and a few other drivers rushed to get the driver out of the car. Emergency vehicles arrived approximately 20 minutes later.

# Panther Premium Logistics Safety Highlights

---

Safety 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 FMCSA, we've developed safety processes that allow us to monitor vehicle compliance and contractor safety performance. We've implemented Contractor Safety Awareness and Safety Focus programs to heighten awareness, promote safe driving behaviors, and reduce violations and accidents.





# 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.*



"We've had a really positive experience since we started contracting with Panther, from our first email exchange with our recruiter to a great time in orientation. We love our regular calls with dispatch and Fleet Experience and meeting the other drivers on the road! Best decision we ever made!"

Gregory and Traci Roberts, Texas



"My advice to the new guys is to drive SMART and use your GOAL. Do not be overconfident because mistakes will always happen. Always keep a steady and firm grip on the steering wheel, keep your eyes on the road and remain calm. Things will get tricky but remember your training! What matters the most to drivers is staying healthy physically, mentally and financially."

Reniel Arias, Florida



# Panther Premium Logistics Driver Stories

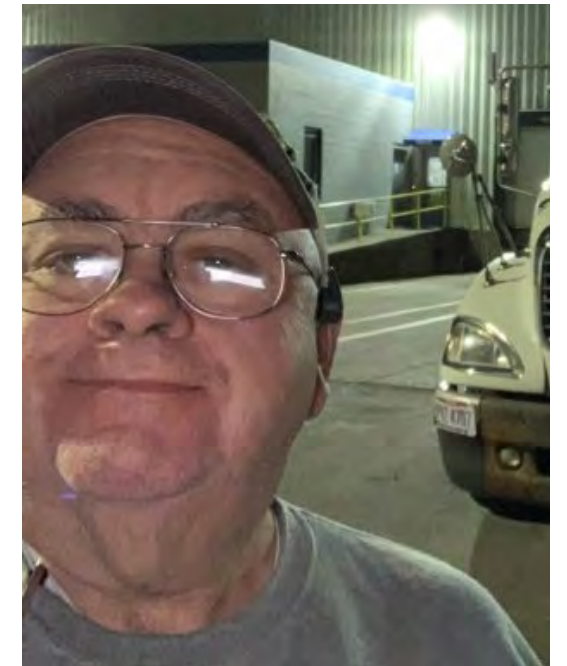


"We wish the public would understand that trucking is not as easy as it may appear. It takes a combination of skill, planning, patience, and physical labor. Both men and women are over the road from all walks of life and work very hard! There is an entire community out here to make "trucking" happen; truck stops and their employees, rest area attendants, shippers/ consignees, dispatchers, shopping centers, laundromats, etc. We appreciate them all! What matters most to drivers is receiving respect for the sacrifices we make while doing our job."

Melissa Cheshire and Vincent Louque III, Oregon

"I was at the end of my driving career due to cancer, but through Panther's support, I am back on the road doing what I love. I have traveled 50 states with Panther in the past 16 years as a solo tractor driver. As time goes on, it is refreshing to know that if you stop in at the office in Medina, Ohio, everyone still takes the time to talk to you. You are a business partner, not just a contractor. I have been in just about every vertical that Panther has to offer. From hauling pharmaceuticals one day to a military shipment the next. Thank you for standing by me through all these years, Panther!"

Kenneth T. Sawyer SR, Tennessee





# Panther Premium Logistics Driver Stories

---



"This year we hit 100,000 miles with Panther! We drive a Freightliner Cascadia 2016 — her name is La Vergne, and we love her! One of the best memories we have over the road will always be when we first bought our own truck, and we could drive it off the lot. It was a really happy day and a huge sense of pride for both of us. We love the freedom of owning our own truck."

David and Amy Salinas, Texas



# Human Trafficking

---

ArcBest supports every person's right to safety and security and condemns all forms of human trafficking, and we expect all employees, suppliers and business affiliates to obey and respect human rights laws as well. Because our industry is often linked to human trafficking situations, we have partnered with Polaris and Truckers Against Trafficking® (TAT) to train employees on human trafficking and teach them 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 partnered with TAT in 2016 and has been a Copper level sponsor since 2017. We’ve trained over 10,000

employees (and continue to train new employees) on how to identify human trafficking in the transportation industry.

## Polaris

---

[Polaris](#) is a leading nonprofit organization dedicated to fighting and ending sex and labor trafficking in North America. Since partnering with them in 2019, we have trained more than 4,800 employees on human trafficking using curriculum that was developed in collaboration with Polaris. We also hosted three live training sessions via Microsoft Teams in which our Polaris representative virtually presented to more than 300 employees the most recent information and statistics and discussed the effect of COVID-19 on human trafficking.

[Learn more about our Polaris partnership.](#)





A man and a woman are standing in a server room, looking at a laptop. The man is on the left, wearing a dark sweater over a light shirt, and the woman is on the right, wearing a light-colored shirt. They are both looking intently at the laptop screen. The background shows rows of server racks with blue lights. The entire image has a blue tint.

# Technology and Innovation



# Creating Effective and Efficient Supply Chains through Logistics Innovation

---

Over the last decade, ArcBest customers have evolved and increased the pace in which they are using technology in new, advanced ways. As an industry-leading logistics provider, it's our responsibility, and part of our strategy, to stay proactive in researching and developing technology that provides better processes and solutions for complex supply chains. To do this, we invest in technology and resources and leverage our team of experts to offer an advanced digital experience.



ArcBest Technologies is building the future of logistics through implementing custom-built solutions and leading-edge digital technologies that drive business forward. The expertise of our team is unmatched. With a strong emphasis on disruptive technology, innovation and advanced analytics, we're reimagining logistics — working toward enabling a more sustainable supply chain and delivering smart, transformative solutions that make it easier for ArcBest customers and capacity partners to do business.

“We have a rich history of innovation. It's a key element of our ongoing strategy — if we're not willing to disrupt, someone will. So we will always continue to embrace change, analyze emerging technologies and collaborate with partners to advance our culture of innovation for customers and for business.”

**Michael Newcity**

ArcBest chief innovation officer  
and ArcBest Technologies president





# Fleet Innovation

---

In 2019, ArcBest Technologies began working with Samsara, a leader in Industrial Internet of Things (IoT), to meet electronic logging device (ELD) compliance requirements for ABF Freight. Since establishing this partnership, we have deployed 32 new API endpoints that connected our internal systems with the Samsara platform, and we have integrated Samsara's Hours of Service (HOS) data with our in-house compliance tool. This helped us reduce the time spent managing unassigned HOS by 50%. [Collaboration with Samsara](#) has also led to an innovative, customized digital platform that meets operational needs, driver needs, and customer needs more efficiently and cost effectively.

As a result of this investment, we were honored to receive from Samsara a 2020 Top Fleet Award for Fleet Innovator. This award is given to fleets that are technology-forward problem solvers and use telematics and API integrations to improve operations. ArcBest was among the five Top Fleet winners for 2020.





# Technology Innovation

We know the importance of investing in technology that makes our customers' lives better and enables our employees to help customers more quickly and easily. Two of the technology projects we've implemented to help advance business and provide a better customer experience include:

## Omega TMS

In today's supply chain, shippers need access to a transportation management system (TMS) that offers a holistic view and approach to quoting, coordinating, tracking and reporting. That's why ArcBest launched a partnership with Omega TMS in April 2019. Today, thousands of our customers use the platform to move tens of thousands of shipments through its system. At a glance, Omega TMS allows shippers to digitally connect to their partner carriers and centralize their LTL shipping experience in once place. Omega offers customers:

- Real-time data (rating, tracking and reporting on-demand)
- A personalized experience (custom features to meet specific customer needs)
- A modern API-enabled platform (customers can connect directly to their carriers for faster results)

## sureEcosystem® Software

To meet customer needs for obtaining roadside emergency and fleet maintenance information more quickly, FleetNet America invested in sureEcosystem — an electronic platform that enables service providers to connect and communicate directly with FleetNet. Service providers can then deliver more real-time updates from the field to improve the data and information customers receive. The platform also allows service providers to upload event photos, invoices and notes from a mobile device or desktop, and they can also connect their dispatch software directly to sureEcosystem.



# Pricing Innovation

---

As technology continues to become more sophisticated, our customers are looking to take advantage of new ways to manage their transportation spend. This has caused carriers, including ArcBest, to become smarter and more agile with pricing programs, even for smaller customers.

In 2018, the ArcBest Yield and Sales team held a summit in Kansas City to brainstorm potential transformational solutions for our evolving customers. Items identified included:

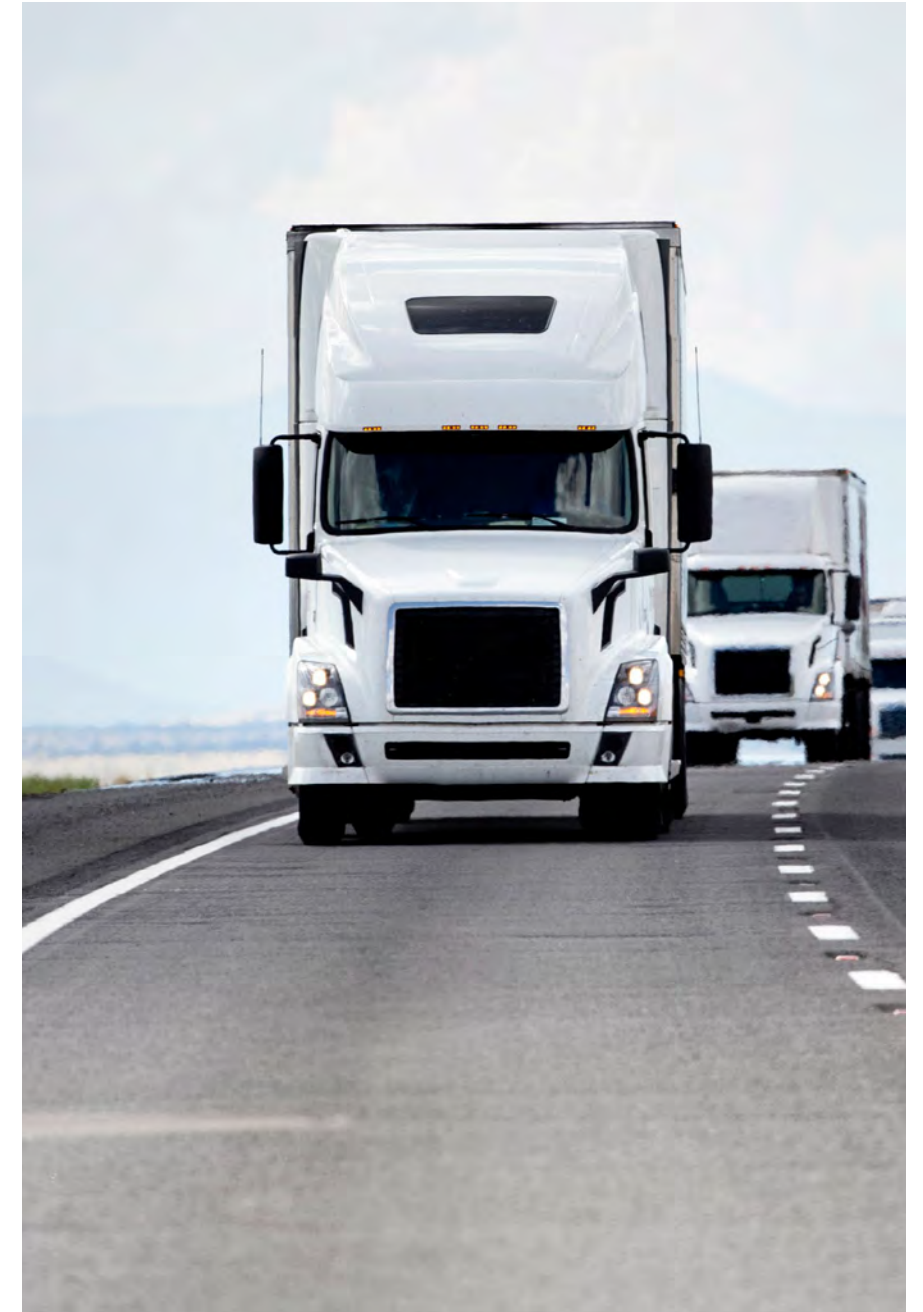
- Streamlining the customer onboarding process
- Enabling customers to ship LTL without NMFC information
- Capitalizing on ABF network availability and market insights to offer the right price on every quote and to increase operational efficiency that will help us better utilize trailer capacity on existing equipment in service

During the summit, robust conversation ensued related to offering our customers a truly dynamic LTL price for a best-

in-class customer experience. The team acknowledged that the need and potential return for building a dynamic LTL price would continue to grow as our customers increase their adoption of emerging technology.

We began exploring the concept on a small scale in 2018, using existing systems to create a pilot program that tested how receptive customers were to the concept of dynamic pricing. The response from pilot customers was very positive, so we continued to expand this to new customers.

In 2019, we determined the results were positive enough to invest in the necessary resources to build a truly dynamic LTL price. After a large collaborative effort across numerous teams, ArcBest began offering dynamic pricing in December 2019. Because of the tremendous results we've recognized to date, we plan to continue to invest in future enhancements to this offering.





# Engaging Employees in Technology Development

ArcBest has a long history of understanding our customers' needs, providing best-in-class service and developing processes and technologies that address customer challenges. Many of the innovative successes we've achieved have emerged through employees participating in events where they have the opportunity to collaborate, brainstorm and present new ideas.

Offering high-level shipment visibility has become a critical component of supply chain management. Customers expect detailed shipment history, proactive status updates, and recommended next steps based on shipment status information. With the knowledge that customers rely on ArcBest to provide this type of insight, in December 2020,



ArcBest Technologies hosted a virtual innovation competition — ArcBest Imagine — which focused on addressing the new and evolving challenges around shipment visibility.

During this event, 11 teams of employees across the organization looked at our current processes, services and systems as related to shipment visibility, and brainstormed new ideas and solutions that they then presented to a judging panel via Microsoft Teams. Through this collaboration, we came away with new concepts to consider for potential implementation that will help us better serve ArcBest customers with excellence.

Besides shipment visibility, another goal for this event was to get teams from across the organization to work together that may have never worked together before. I think it's important from an innovation standpoint that employees who work in these systems can be heard all the way up to the executive team. Our executive team is truly interested and engaged in these types of events.



**Mike Marcum**

director, information services



# ArcBest Innovation Lab

---

We opened the ArcBest Innovation Lab near our headquarters as a testing and research center. The Lab provides a safe space for employees to experiment with a variety of hardware and software that helps guide decisions on whether to implement the technology into our business and network. Our innovations team primarily uses the lab to test devices such as 3D printers, VR headsets, Raspberry Pi computers, to research software such as blockchain and other cloud services, and to explore other emerging technologies.





# Investing in an Innovative Community

---

In May 2021, ArcBest announced 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 is scheduled to open the spring semester of 2022 and available programs will include network engineering technology, automation/robotics, computer integrated machining and more. This opening is also an important step toward addressing community needs to create a pipeline of local talent to fill existing jobs and support further economic growth, and ArcBest is proud to invest in its development.



A photograph of several wind turbines in a rolling landscape, overlaid with a teal tint. The word "Environment" is written in white, bold, sans-serif font across the center of the image.

# Environment





## Protecting Our Planet

---

As a transportation and logistics company, the work we do is vital to keeping our world moving. But by nature, we know the work we do can also be harmful to our planet. We recognize the potential negative effects and are committed to doing our part to identify, research and implement more sustainable equipment options, transportation solutions, green building practices, energy use and emissions reduction in current operations and future initiatives.

# Sustainable Equipment

---

ArcBest and ABF Freight continue to research and pursue more sustainable equipment that contributes to a healthier world. Sustainability is not a new focus area for us. In 1976, we began voluntarily governing maximum truck speeds (today at 66 mph) to conserve fuel and reduce emissions, and in 1994, we began purchasing trucks with computerized engine shut offs to reduce idling, minimize fuel consumption and limit emissions.

In 2020, we continued efforts to operate clean, fuel-efficient equipment. The average age of our ABF road tractors is 22 months, and our city power units average six years. We also purchased 450 new single-axle day-cab tractors and 28 new yard tractors

in 2020 and 450 new road tractors and 1,000 road pup trailers in 2021, allowing us to remove older models and further help reduce net emissions.

In 2021, we also began conducting a demo of an electric battery yard tractor at our Kansas City distribution center.





# Sustainable Solutions

---

Many of our services and solutions are designed with sustainability in mind. We continually evaluate these services, along with our routing and loading processes, to ensure we're operating as efficiently as possible.

## U-Pack®

---

U-Pack, a service of ArcBest, offers nationwide household moving services. Since 1997, U-Pack has helped more than 1.4 million families move their belongings across the U.S. The U-Pack business model incorporates load optimization strategies for the most efficient transportation. Families or individuals moving across the country can load their belongings into a 28-foot trailer,

using as much space as they need, and then we fill any remaining space on the truck with commercial freight for a fully optimized load plan. This helps keep moving costs low and helps lessen our carbon footprint by reducing the number of trucks on the road.



## Managed Transportation Services

Transporting freight using heavy-duty trucks is the fastest-growing contributor to emissions in America — and freight activity continues to increase. The EPA projects that shipping U.S. goods will rise 45% by 2040. That's why it's critical for ArcBest to offer solutions that contribute to environmental sustainability.

Through managed transportation services, we partner with customers to create and execute customized logistics strategies that lead to efficiencies. Using supply chain optimization, load optimization, pool distribution, vendor consolidation and other transportation strategies, we review and help restructure how customers distribute their freight. Our goal is to decrease the number of trips required to deliver shipments from origin to destination. Benefits include lowering fuel consumption, minimizing air pollution and carbon emissions, and conserving energy. Our customers benefit from reducing their overall carbon footprint and transportation costs.





# SmartWay® Partnership

We have been a proud partner of the EPA's SmartWay Program since 2006. In November 2020, ABF Freight was once again honored with a SmartWay Excellence Award, making ABF one of 17 shipping and logistics companies to receive this distinction. We also received this award in 2014, 2018 and 2019.

“We are very proud that the EPA has again recognized our commitment to maintaining clean air and environmental quality. At ArcBest and ABF, we are intently focused on our mission to connect and positively impact the world through solving logistics challenges. We always strive to be a responsible corporate citizen; choosing practices that contribute to environmental sustainability is a big part of that.”

**Judy R. McReynolds**

ArcBest chairman, president and CEO



# Sustainable Facilities

---

Maintaining sustainable practices doesn't stop with our equipment and solutions. We're also mindful of the environmental effectiveness of our campuses and ABF Freight service centers.

We completed construction of our headquarters in 2017 and received LEED Silver certification in 2018 by the U.S. Green Building Council. The building was designed to optimize energy performance, including an energy-efficient envelope and building materials that consist of nearly 40% recycled content.

In 2019, we began renovating our second campus location in Fort Smith with plans to complete the remodel by December 2021. To date, renovations are 80% complete, and we are on track to meet this deadline. This building, originally constructed in 1995, is being updated following green building best practices, many of which will mirror the environmental

features installed at our headquarters. A notable improvement is upgrading all lighting to LED systems equipped with automatic sensors.

[Learn more about the environmental features at both Fort Smith campuses.](#)

## ABF Freight Service Centers

---

We're also committed to protecting and enhancing the environment at each of our 240+ service centers:

- **LED Lighting.** We are actively upgrading lighting systems to LED lighting.
- **Solar Panels.** We are adding solar panels to the new construction of our Fort Wayne, Indiana, service center, which is scheduled to begin later this year. We will analyze the environmental return we receive on this project to guide decisions for future builds and remodels.
- **Stormwater Pollution Prevention.** To comply with the 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 from the EPA.
- **Fuel Storage Improvements.** To protect water sources,

our on-site fuel storage is restricted to facilities with high fuel use, and we use both above and underground tanks. All tank systems comply with federal, state and local regulations, and our underground tanks include state-of-the-art designs with double-walled fiberglass tanks and lines, spill and overfill prevention, and electronic tank monitoring.

- **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 know our efforts to make the world a better, healthier place to work and live is helpful, but we also know there is more work to do. Here are some things we're actively working on:

- Pursuing initial testing of a small number of electric Class 6 trucks, yard tractors and forklifts
- Pursuing initial testing of an onboard carbon-capture system through Remora
- Developing a Facility Enhancement and Growth Roadmap to help standardize sustainability updates across all ArcBest and ABF Freight locations
- Discussing a City Optimization plan that will help create a more efficient operation to save miles and reduce emissions
- Continuing efforts to record, analyze and disclose ESG data across the organization, including our dedicated fleet and capacity providers







# Workforce





## Growing Our Workforce for Long-Term Success

---

With nearly 100 years of business behind us, we know our people are at the heart of our success. From the very beginning, we've hired and cultivated the best in the industry, and we continue to actively search, grow and develop our workforce to ensure we have an even more successful next 100 years.

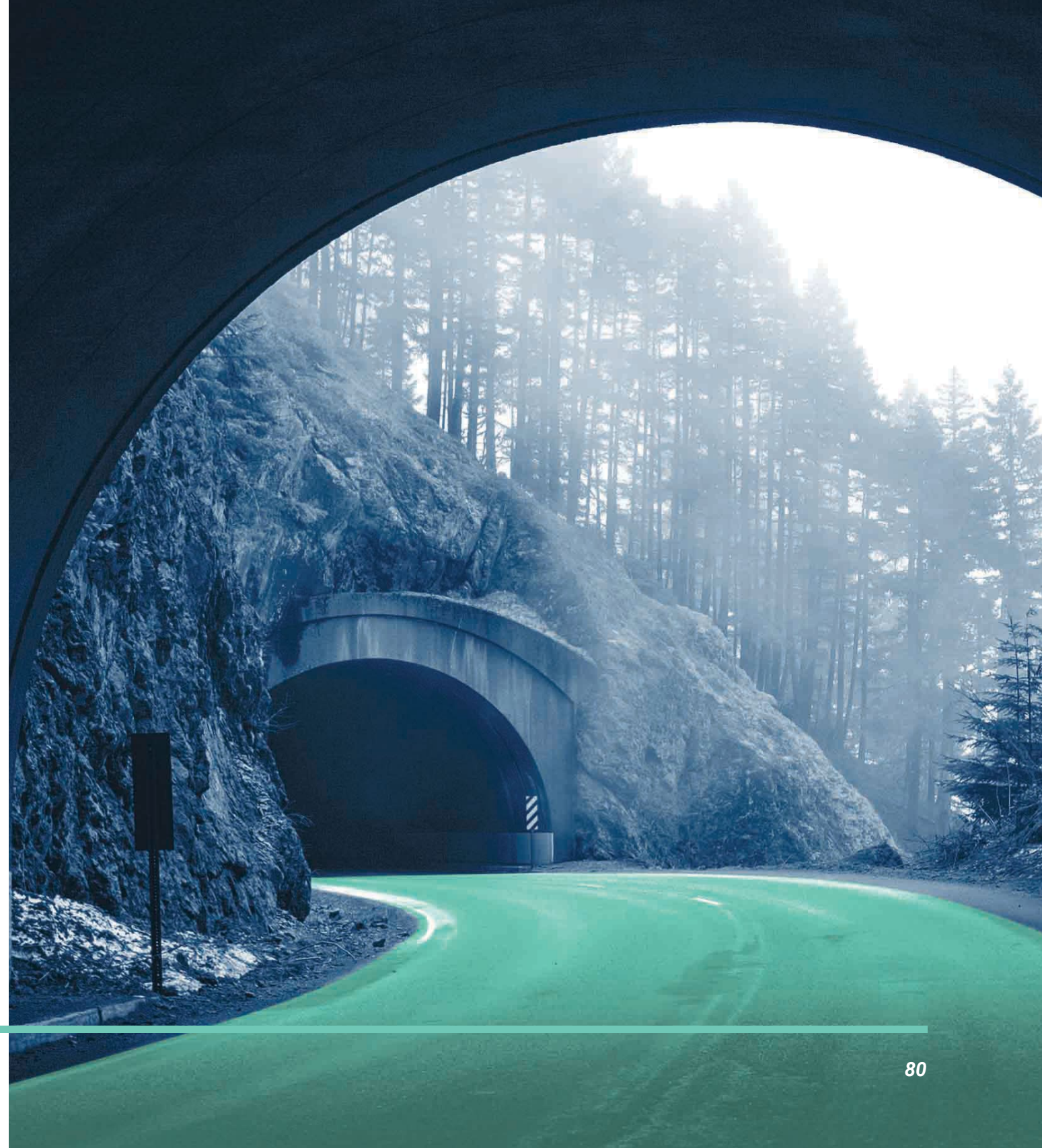
Though COVID-19 posed challenges for all areas of business, our employees persevered. We are proud to report progress in the areas of diversity, equity and inclusion, recruiting, employee development and experience, wellness activities and customer experience.



# Creation of Corporate Social Responsibility (CSR) Program Manager Role

---

In June 2021, we announced the creation of a CSR Program Manager role reporting directly to our chief human resources officer. The role will focus on leading the development of ArcBest's DEI strategy, roadmap and initiatives and partnering with leaders in the organization to implement and manage key aspects of employee policies and programs. This role will also drive advancement of our people and community programs, including activities related to human rights, volunteerism and corporate and employee giving.





# Diversity, Equity and Inclusion Progress

ArcBest is committed to providing a work environment that embraces differing backgrounds and makes everyone feel valued. In our 2019 ESG report, we took our first formal step to publicly share our commitment to diversity, equity and inclusion (DEI) and are continuing this work today.

We officially began our DEI journey in October 2020 through our partnership with a leading diversity, equity and inclusion firm. Our collaboration with this consultant is in progress, with training resources rolling out to all leaders to build a shared understanding of DEI and the importance of making progress. Current efforts across the organization include:

- Assessing the “current state” of DEI in the various areas of our business
- Aligning on our future state DEI vision
- Defining our priorities moving forward

To help support the development of long-term strategy and goals, in May 2021, we conducted focus groups that were designed to inform us on the perspectives and experiences our employees have had with diversity, equity and inclusion at ArcBest. These focus groups consisted of randomly selected employees of different demographic and organizational groups across our campuses and regions. Over 75 employees participated in 10 initial sessions, and discussions will continue throughout the year.

## ArcBest Named to the 2020 Top 500 List of Best Employers for Diversity

In January 2020, ArcBest was named to Forbes’ 2020 Top 500 List of the Best Employers for Diversity. Our ranking improved from No. 484 in 2019 to No. 340 in 2020. This is the second consecutive year ArcBest has appeared on the list.

We are truly honored to be among the Best Employers for Diversity for the second year in a row. Our values-driven culture sets us apart from many others, and we want to continue strengthening a culture where every employee is respected and appreciated. Creating a diverse workplace environment for our team members also helps us provide a great experience to our diverse customer base.

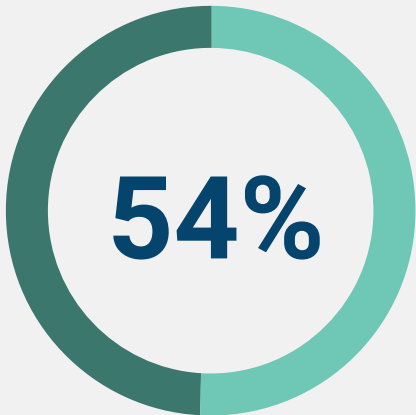


**Judy R. McReynolds**

ArcBest chairman, president and CEO

# Workforce Demographics

ArcBest					
Ethnicity and Race	Male	Female	Not Specified	ArcBest Totals <sup>1</sup>	
2 or More Races	191	32		223	1.6%
American Indian or Alaska Native	60	23		83	0.6%
Asian	118	56		174	1.3%
Black or African American	1,498	112		1,605	11.7%
Caucasian	8,199	1,702		9,901	72.0%
Hispanic or Latino	1,349	153		1,502	10.9%
Native Hawaiian or Pacific Islander	32	4		36	0.3%
None Specified	43	29	150	222	1.6%
ArcBest <sup>1</sup> Totals	11,485	2,111	150	13,746	
	83.5%	15.4%	1.1%		



2021 year-to-date, 54% of new employees are diverse as it relates to gender, race and ethnicity, and veteran status.

<sup>1</sup> In 2020, we realigned company definitions to ensure consistency. Unless otherwise noted, demographic statistics represent data for our entire organization.

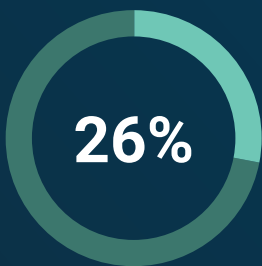


# Women at ArcBest

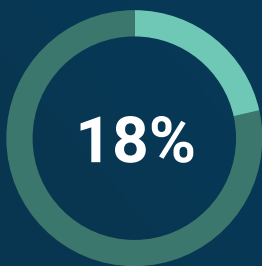
ArcBest received the Comparably Best CEOs for Women 2021 award, and ArcBest Chairman, President and CEO Judy R. McReynolds was recognized in the Top 5% of all CEOs rated by female employees.



We also continued efforts to develop our female workforce in 2020<sup>1</sup>:



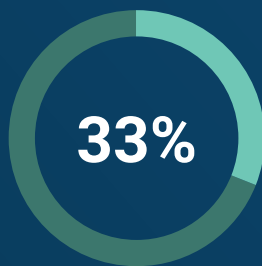
of expedite fleet drivers are female



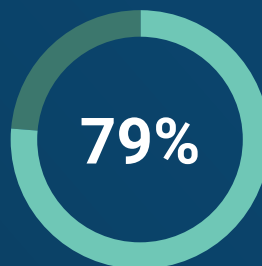
of ArcBest supervisors are female <sup>2,3</sup>



of ArcBest executives are female <sup>4</sup>



of our Board of Directors are female



of our ESG Committee members are female

<sup>1</sup> In 2020, we realigned company definitions to ensure consistency. Unless otherwise noted, demographic statistics represent data for our entire organization.

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

<sup>3</sup> In the 2019 ESG report, we stated 30% of ArcBest supervisors were female. This statistic has now been expanded to include our entire organization.

<sup>4</sup> In the 2019 ESG report, we stated 27% of ArcBest executives were female. This statistic has now been expanded to include all corporate vice presidents and above.

# Recruiting

---

To help stabilize the financial impact of COVID-19, we implemented a hiring freeze from early April through the end of August and cancelled in-person career fairs and other in-person recruiting efforts. During this time, our recruiting team was proactive about developing their knowledge around sourcing, cultivating candidate experiences, building brand awareness and structuring talent pipelines in preparation for when the freeze lifted. They utilized digital tools to source and maintain candidate relationships until the hiring process was reinstated and hosted virtual college career fairs to inform students about ArcBest, review their resumes and give tips on the interview process.

After the freeze was lifted, recruiting used virtual tools like HireVue® and Microsoft Teams to keep campus traffic to a minimum while still actively pursuing and interviewing qualified and talented individuals. Despite having a five-month hiring freeze, we received more than 51,000 applications, conducted more than 7,700 interviews and hired over 2,000 people.

COVID caused us to change the way we do things, but it taught us that we could have way more flexibility on how we conduct interviews and maintain internal and external candidate experiences. We are now positioned to utilize even more of the technology at our disposal, and many of our hiring managers are more open to the virtual experience. Overall, we feel that we came out of 2020 stronger as a team.



**Lauren Turner**

senior manager, recruiting

## Military Recruiting and Programs

---

Through our established military partnerships and programs, we hired 61 exiting service men and women in 2020, and in 2021, we have already hired more than 125. To help us continue increasing efforts on supporting and hiring veterans, we also created a new program manager role and team that is focused specifically on military partnerships.

Since 2015, ABF has partnered with the International

Brotherhood of Teamsters and the U.S. Army in the Teamsters Military Assistance Program (TMAP). Through TMAP, ABF creates job opportunities for military personnel transitioning to civilian careers by training soldiers for their Class A CDLs. Training is available at Fort Carson, Colorado, and Fort Riley, Kansas, and involves a combination of classroom instruction and hands-on training. To date, over 500 veterans have graduated from the program.

In 2019, ABF joined the U.S. Army Partnership for Youth Success (PaYS) program, which connects first-term regular Army and Army Reserve soldiers to the civilian workforce by providing two guaranteed job interviews and possible employment after the Army.

In 2020, we established the ABF Military Partnerships for Supervisors (AMPS) program. AMPS is an 8-week training program designed to fill available supervisor positions at ABF Freight service centers. Service members who are interested in the program have two training options: training at Fort Bragg military installation or training at an ABF service center through the [Department of Defense SkillBridge Program](#). Once training is complete, members are offered a supervisor position with a starting salary that ranges between \$55,000 to \$65,000 annually with benefits.



In 2021,  
ABF Freight was  
recognized as a  
Military Friendly®  
Employer.

---







## Employee Profile

In 2020, Jerry Elam, program manager – military partnerships, began his career with ABF Freight following 29 years of military service.

Before assuming his current role with ABF, Jerry was a first sergeant for the U.S. Army Recruiting Company in Fort Smith, Arkansas, responsible for several recruiting stations across northwest Arkansas. He also held five different military occupational specialties, including combat arms, military intelligence, military police officer, air defense crewmember and recruiting.

In his new role, Jerry builds relationships with unit commanders and teams from different installations, across all branches of the military.

The best thing about this job is giving back to the service members. They serve their country anywhere from three to 20 years, and I feel like we as a company can show our appreciation for their service by offering them a possible career path or second career.

**1st Sgt. (retired)**

**Jerry Elam**

program manager, military partnerships



# Employee Development

---

Growth is an organizational value ingrained in our culture, and we're committed to growing our people and our business. To facilitate growth, every employee must have access to the tools, training and career development processes they need to do their job well.

Because nearly 90% of employees at our campus locations worked from home last year due to COVID-19, our Employee Experience team successfully pivoted to virtual instructor-led training via Microsoft Teams. They taught 138 open enrollment classes in 2020 (35 in person in the months prior to COVID and 103 virtual) compared to 79 in 2019 (all in person). The number of participants in these classes also more than doubled, from an enrollment of 1,412 in 2019 to 3,872 in 2020, allowing employees across North America who did not previously have a way to attend these sessions to join for the first time.

The Learning and Development team also continued to engage employees with job-skills training. By the end of 2020, more than 5,000 non-union team members completed nearly 13,000 instructor-led courses pertaining to job skills and over 82,000 online courses.

## 2020 Accomplishments

---

- Developed nine new mini sessions that addressed the fallout of the pandemic with topics that included Managing Remote Work, Leading Through Crisis and Stress Management 101
- Created two new classes: Building a Resilient Mindset and Developing Your Creativity
- Launched a modified Succession Planning Timeline, which included rating tasks and Talent Review Meetings for every team
- Launched a modified succession planning timeline and process, which included rating tasks and talent review meetings for every team
- Provided candidate pools to leaders for the first time to include high potentials, likely future leaders and critical team members

## Succession Planning

---

Each year, our succession planning process allows leaders to identify and develop employees for specific career paths. There are three steps to our annual succession planning process: resume and career preferences updates by each employee; career conversation with their direct supervisor to discuss their current role and future aspirations; and talent data analysis and planning for next steps on employee development.

Throughout this process, employees collaborate with their direct supervisor to establish goals and participate in an annual career conversation. Following that conversation, leaders rate employees on key talent metrics associated with their position and use this data to help develop their team members to be successful in future roles.

## 2020 Succession Stats

- 99% of all non-union employees participated in succession planning
- 171 roles with succession plans (department directors and above and certain other key roles)
- 299 successor candidates with specific development recommendations
- 78% of directors and above have active development plans
- 83% of VP-level roles have internal candidates as first successor choice
- 91% of director-level roles have internal candidates as first successor choice

## Performance Reviews

In last year's report, we highlighted our progress toward reimagining performance reviews to customize the process in a way that effectively rates an employee's performance on role-specific competencies, their goals and the ArcBest values. In January 2021, we fully implemented our new performance review process for all non-contractual employees.

## Educational Assistance Program

The ArcBest Educational Assistance Program assists full-time employees in their efforts to improve on job knowledge and skills by reimbursing a percentage of the cost for educational courses. In 2020, 60 employees completed coursework for bachelor's degrees, graduate certificates and master's degrees with ArcBest reimbursing over \$314,000 of these educational expenses.

## 30 Employees Complete Graduate Degrees

In June 2021, more than 30 employees were recognized in a company-hosted ceremony for completing graduate degrees. Friends and family attended the recognition ceremony both virtually and in person to celebrate the accomplishment. ArcBest is proud to invest in the continued development of our team members.

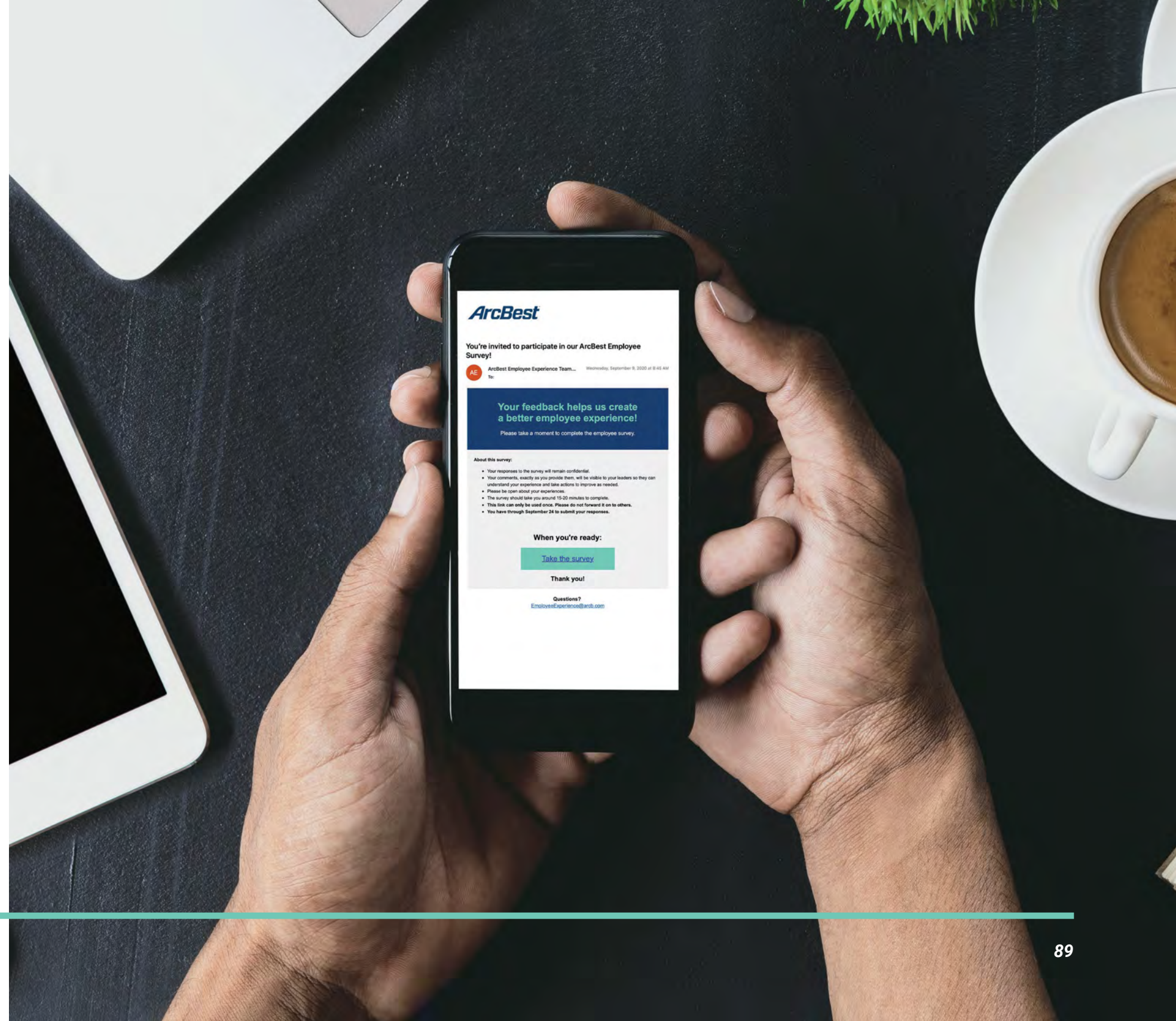
*Completed degrees included Master of Business Administration, Master of Science in Operations Management, Master of Science in Cybersecurity, Master of Science in Information Technology, Master of Engineering and Technology Management, and Executive Master of Business Administration.*





# Employee Experience

Not only do we want our employees to grow personally and in their roles, we also want each person to enjoy working at ArcBest. We offer multiple channels for team members to provide feedback, and we use this information to identify pain points, address critical needs, explore new, innovative ways of doing things and strengthen our values-driven culture.



# Employee Feedback Channels:

- **The Creativity Box** — Employees can use this anonymous suggestion box to praise an employee/process, ask questions, express opinions or make suggestions.
- **SAM Suggestions** — SAM Suggestions is an internal system used by field employees to submit ideas.
- **Employee Surveys** — The annual employee survey is sent to all employees in September with the goal of gaining feedback on a variety of critical topics and experiences to help leadership identify areas of focus.
- **Employee Experience (EX) Team** — The EX team actively works on projects and processes that are aimed to continuously improve work experiences, and employees can contact the EX team with suggestions, comments or questions at any time.
- **ArcBest Innovation Accelerator (AIA)** — The AIA is an internal initiative that drives discovery, innovation and efficiency improvements across ArcBest. Team members who have an idea for a new product or service offering can email the AIA inbox.

## Annual Survey

Each September, all employees are asked to provide their input through our annual survey. We achieved an 88% participation rate from non-union employees and a 51% participation rate from union employees in 2020.

### Highest-Rated Statements:

- I want to do a good job for the company — 99%
- I am personally responsible for reporting business abuses — 95%
- I am aligned with the company's values — 94%
- I am proud to tell people I work for the company — 93%

### Big Moves:

- I am an active participant in my performance evaluation — 85% ( + 8% YoY)
- Employees are educated about, rather than punished for, errors — 83% ( + 4% YoY)
- I am encouraged to be creative — 79% ( + 4% YoY)
- ArcBest facilitates a culture of innovation — 77% ( + 4% YoY)
- The information technology at the company adequately supports my needs — 75% ( + 5% YoY)



## Continued Progress

The ArcBest leadership team and People and Culture team, along with our Work Reimagined group and various focus groups and committees, are focused on taking employee feedback and turning it into action. We are committed to providing a great place to work, where every employee feels listened to.

Here are some of the things we've implemented recently based on employee feedback:

- Created focus groups across the organization to help improve processes and solve problems
- Improved the performance review process, including training all leaders on effective performance coaching
- Reviewed work/life balance priorities, such as enhanced Bereavement and Parental Leave policies, to enable more flexibility around life's most critical moments
- Improved hardware and software to ensure employees have the resources they need to excel





## In the Field: Employee Experience Spotlight Story

To gain a better understanding of the overall view of our field employees' experiences, in March 2021, the Employee Experience team kicked off field EX focus groups in Atlanta, Georgia, with operations supervisors, city drivers, dock workers and shop team members. After the completion of each focus group, the EX team met with that service center's leadership to review feedback and offer support as the leaders worked through new ideas and communicated progress back to employees.

Our EX team is truly excited to be hosting these focus group meetings. We are getting to hear directly from our employees on what experiences matter the most to them and their ideas for improvement. Ultimately, we want to continue to support our values-driven culture and provide meaningful tools, processes and resources for our leaders and their teams to be successful.

**Dan Griesse**

director, employee experience



# ArcBest Technologies Employee Engagement Committee

---

The ArcBest Technologies Employee Engagement Committee formed two years ago and represents a diverse range of experiences, knowledge and skills. The committee's ongoing goal is to engage employees in making ArcBest Technologies an atmosphere that promotes innovation, involvement and growth across the organization. One way the committee encourages engagement is by hosting a project showcase each quarter, which gives employees the opportunity to present strategic business projects and improve presentation skills. The committee also works with the leadership team to host panel discussions on critical topics such as promotions and succession planning. Employees can contact the Employee Engagement Committee with questions and ideas via email.





# Customer Experience

We're dedicated to making sure every experience our customers have with us is excellent. This was especially true throughout 2020 when overcoming supply chain obstacles was crucial to transporting essential goods and medical supplies to keeping pharmacies and grocery stores stocked.

Through our Voice of the Customer (VOC) program, we regularly survey customers and calculate Net Promoter Scores (NPS), which helps us identify how customers feel about our service and company. Based on customer feedback, we completed 340 projects to improve systems, processes or training in 2020.



## Updated ABF Claims Initiative

To continue a strong emphasis on quality and further improve our customers experience (CX), we launched a new claims initiative that features newly developed training, more customer-friendly communications and updated banners and posters to display at service centers.

The initiative also focuses on operational excellence and claims prevention through proper freight handling and helping new employees learn the "ABF way" to load and move freight.

ABF Freight is one of the oldest carriers in the industry, and one of the reasons we are still in business is that we built a reputation of delivering quality and Doing It Right The First Time. This means delivering customers' freight on time, damage free and intact. We are known for that. Our customers expect it every time, and our employees proudly strive to meet their expectations. That's what the initiative is all about.



**Andy Upchurch**

vice president, service center operations



## CX Week

During the first week of October, employees across the organization participated in ArcBest CX Week, a celebration of customer experience professionals who deliver great experiences.

Our goal with CX Week is to raise awareness that every person in the organization can impact our customers' experiences — whether they're on the front line interacting directly or in an indirect supporting role.

## CX Team Collaborated with the University of Arkansas

The CX team also regularly partners with the University of Arkansas Sam M. Walton College of Business and their Supply Chain Management Research Center (SCMRC) to engage students in semester-long projects that focus on CX and ESG-related initiatives.

During the 2020 spring semester, SCMRC students visited ArcBest headquarters and helped the CX team assess customer pain points through a digital lens. They offered solutions to help improve digital information flow and improve the overall customer experience.

During the 2020 fall semester, we partnered with another class of students who helped us complete an ESG research project. Students helped create a consumption report via data automation and offered solutions for improving stakeholder perspective, optimizing utility costs, attracting new customers and retaining current customers.



# Employee Wellness

---

Staying physically, mentally, emotionally and financially healthy has never been more important. ArcBest encourages employees to “embrace total health” through our wellness value. Because so much of life is spent working, we believe it’s critical to invest in our employees’ health and to help ensure they live their healthiest and happiest life. See the [full list of wellness programs and initiatives](#) we offer employees.

## 13 New ArcBest Wellness Champions Added to the Team

---

ArcBest Wellness Champions are employees across the organization who aid their coworkers with individual journeys to total wellness. These employees are nominated by leadership and current Champions who see them living the Wellness value in their daily lives and embracing total health. The Choice Wellness team began the ArcBest Wellness Champion program in 2018, with the aim to have designated Champions across the company and country upholding and promoting the Wellness value. We added 13 new members to the team in 2020, for a total of 29 Wellness Champions.





# Wellness Champion Story

Ryan Green, operations supervisor at the Kansas City, Missouri service center and a 2020 ArcBest Wellness Champion, describes wellness as “being able to do all the things you set your mind to do and never thinking that anything is truly out of reach with enough work and perseverance.”

Ryan says he doesn’t have a specific success story to share or a feat in one area or another, instead he has a history of well and lean living/eating, with a moderately active daily lifestyle.

“I can’t think of a time when my family had bad eating habits. We had an active kitchen, and I learned from the age of 14 to cook dinner for my family. Moving on from family living to being on my own through college, I never adopted the typical bad habits that some of my peers had. My lessons in portion control and eating from the

different food groups kept my meals balanced even then.”

Inspired by the company’s “Dress for Your Day” policy, Ryan also recommends that you “Eat for Your Day.”

“Adapting the policy name for wearing the appropriate attire for one’s day here at the company into eating the appropriate food and portions for one’s activities can make for an easy adaptation to taking the right number of calories in each day. ArcBest has an active environment for field employees; I personally walk 6-8 miles on an average day.”

Ryan doesn’t limit active lifestyle to his workday; he also enjoys going for walks, hiking, rock climbing, rowing, cycling and gardening.



**Ryan Green**  
operations supervisor





# Wellness Champion Story

For ArcBest Wellness Champion David Norvell, operations manager at St. Louis, Missouri, wellness has been a part of his life since he joined the Marine Corps at age 17.

“Assigned as an infantryman, being physically fit was part of the job description. After separating from the military, I remained active and kept exercise a priority.”

That wellness priority has extended to David’s family.

“My wife and I have been married for 17 years and have two fantastic children. We are taking this wellness journey as a family, as we are all involved in something. My wife competes in roller derby, our son plays baseball for a club, and our daughter is on a swim team.”

David recently started practicing Brazilian Jiu Jitsu, which he says has helped him strike a balance between work and personal life.

“I am blessed to be part of an organization that values wellness as much as ArcBest does and honored to be recognized as a Wellness Champion.”



**David Norvell**  
operations manager





## Annual Step Challenge

In summer 2020, ArcBest employees and spouses took part in the annual wellness challenge held from June 21-July 18. The Trailblazers Leaderboard Challenge, hosted by the Choice Benefits team, was a steps challenge within Castlight — our internal digital health platform. 2020 was our most successful year yet, with 397 teams participating and more than 418 million steps taken. Employees could connect their fitness tracker or smartphone to the Castlight app, which would automatically count steps and update frequently, enabling teams to keep up with their own step count and to see other teams' step count as a fun way to encourage competition.

## Mental Wellness

Through our Doctor on Demand partnership, we provide full mental wellbeing support, from talk therapy to medication management. Employees can download the app and connect with a licensed psychologist or psychiatrist 24/7/365 from the comfort of their home. We also added life coaching services in 2021 as well-being support became even more important during the pandemic. These services are free to use through ArcBest, and during 2020 (and into 2021), we waived all copays so that employees and their dependents could receive free emotional support without worrying about any financial burdens.









## Serving and Supporting Our Communities

---

In addition to supporting the fight against human trafficking, we have the privilege of serving many communities. Through employee pledges, donations, fundraising, company matches and active volunteerism, we are committed to doing our part to make a positive impact, particularly in the lives of students and helping families in need. And in 2020, despite the challenges COVID-19 presented, our employees found creative and safe ways to get involved and make a difference.



# 2020 Fundraising and Donations

Giving back and supporting our local communities is part of our culture. In 2020, we gave more than \$958,000 to charities, nonprofit organizations and schools throughout the country. Through this giving, we provided relief and support, inspired students, helped children with illnesses and their families, and assisted many communities in need.





## United Way of Fort Smith Area

---

ArcBest has been a strong supporter of and a Pacesetter company for the [United Way of Fort Smith Area](#) for decades. The United Way brings our community together to address critical issues such as early childhood education and hunger. All donations go directly to agencies in western Arkansas and eastern Oklahoma to support initiatives such as the backpack program, victims of domestic violence and assistance for children living in shelters. ArcBest matches employee donations to the United Way dollar-for-dollar, and our support helps strengthen our communities and makes a positive impact on thousands of people and families in those communities. We are pleased to report that in 2020, we raised and donated more than \$351,000 to the United Way of Fort Smith Area.

## Educational Match Program

---

The ArcBest Educational Matching Gift Program encourages employees to support the educational institutions of their choice in the U.S. (primary, secondary, two- or four-year college or university), and ArcBest matches their financial support up to \$5,000 (minimum \$100). In 2020, our employees donated \$72,370, and ArcBest matched that for a total of \$144,740.







## ArcBest Leadership Academy

The Leadership Academy (LA) is a group of ArcBest employees, nominated each year, who have the characteristics and skills to be future leaders in the company. Every LA class chooses a charity or organization to support through fundraising efforts. The class of 2019 partnered with [Ronald McDonald House Charities®](#) (RMHC) whose mission is to “to create, find, and support programs that directly improve the health and well-being of children and their families.”

During 2019 meetings, the class set a goal to reach \$80,000 with a \$20,000 company match, totaling \$100,000. Early 2020 (prior to COVID-19 shutdowns), the class raised \$11,640 through on-campus breakfast sales, snack basket sales and RMHC’s Raise Love fundraising platform. However, in March, the pandemic became an increasing concern for our country, so fundraising efforts stopped for the remainder of 2020 and began again in spring 2021.

\*Due to COVID-19, we paused the Leadership Academy program in 2020 and will resume with a 2021 class.

# Volunteerism and Community Outreach

---

ArcBest employees began volunteering in early 2020, continuing an ongoing tradition throughout our company's history. However, as COVID began to spread throughout the United States and the pandemic became a growing concern, volunteer efforts were temporarily put on hold. As time went on and we recognized the impact the pandemic was having on our communities, our employees identified a greater need for outreach than ever before. Following recommended guidelines for staying safe, individual employees and teams across the organization began reaching out again. Here are some ways we gave our time and resources before and during the pandemic:

## Pre-pandemic

### Local College Students Painted Murals at Headquarters

---

After brainstorming options to brighten up the stairwells at our headquarters, we decided to collaborate with the University of Arkansas – Fort Smith (UAFS) Art department. In November and December of 2019 and into 2020, a group of 13 UAFS graphic design students painted four murals in the north and south stairwells and were graded on putting together a mock scope of work contracts, creating supply lists, working out budgets and determining value for their work. This project was inspired by the [Unexpected](#) artwork featured in downtown Fort Smith, and it allowed the students to practice their mural skills while creating a unique design for our campus. In return, ArcBest donated \$2,500 to cover supplies for the project and to help purchase items for the classroom.

### FleetNet America Hosted Winter Wear Drive

---

In January, the FleetNet team hosted a winter wear drive that

benefited two local ministries in Cherryville, North Carolina – Jesus Servant Ministries and [Cherryville Area Ministries](#).

### Pricing, Yield Teams Volunteered at Clearinghouse

---

The [Community Services Clearinghouse](#) in Fort Smith, Arkansas, is a nonprofit that serves five counties in Arkansas and two in Oklahoma, providing for thousands of individuals and families facing emergency situations. They host a variety of events throughout the year, including holiday food drives. In January, members of the ArcBest pricing and yield teams helped organized leftover inventory for future distribution.

### Recruiting Team Visited Local Junior High

---

In March, members from our recruiting and business solutions teams collaborated and delivered a presentation to Kimmons Junior High ninth-grade career classes in Fort Smith, Arkansas. The presentation covered the ArcBest mission and vision, informed students of hometown career opportunities, and discussed how ArcBest relies on a variety of employees to help drive innovation and success.



# During the Pandemic

## ABF Employee Helped Feed the Hungry

Due to the economic downturn associated with the pandemic, many families and individuals across the country were affected by temporary and permanent job loss, causing distress — especially for low-income families. For Maria Valle, clerk at Brooklyn, N.Y., the hardships taking place in her city sparked motivation to create a fundraiser called Estela's Messengers. With generous contributions from local organizations and Maria's friends, co-workers and family, Estela's Messengers distributed an estimated \$70,000 in groceries from May to August 2020 — totaling approximately 2,300 bags.

## ArcBest Technologies Team Offered Tutoring

In March 2020, local schools closed, resulting in students completing the year at home. In April and May, members

of ArcBest Technologies Research & Development (R&D) team offered free virtual tutoring sessions for high school math and science students on subjects like arithmetic, partial differential equations, computer science, physics and chemistry.

## Choice Benefits Team Served at Hope Campus

Members of the Choice Benefits team in Fort Smith volunteered to cook and serve meals at [Hope Campus](#), a social services campus where regional partners offer comprehensive assistance to impoverished individuals and families in the River Valley.

## ArcBest Employee and Spouse Donated Masks to Elementary School

In August, Dan Lathrop, rating coordinator — rules application, and his wife, Suzanne, donated 1,100 face masks to students and staff at [Rena Elementary School](#) in Van Buren, Arkansas.

## Fort Smith Employees Send Letters to Student Pen Pals

As part of its Partner in Education relationship with [Trusty Elementary School](#) in Fort Smith, Arkansas, ArcBest pairs

employees with upper elementary students to exchange letters throughout the school year. The 2019-2020 year marked the seventh year of the pen pal program.

Typically, as the school year is coming to an end, pen pals can finally meet face to face and enjoy lunch together while visiting and exchanging gifts. But with social-distancing recommendations in place and schools closing early due to COVID, in-person interactions were not possible in 2020. Instead, more than 90 ArcBest employees sent a final letter to their student and coordinated with Trusty Elementary School Principal to ensure the letters were delivered.

## ArcBest Donated Water Bottles to Elementary School

As a longtime Partner in Education with Trusty Elementary School, we wanted to find a way to help fulfill a need during the COVID-19 pandemic. The teachers at Trusty said water bottles were the most critical items, so at the beginning of the 2020 fall semester, we donated a reusable water bottle to every student.

### ArcBest Participated in Walk to End Alzheimer's

---

In September, ArcBest employees and their friends and family participated in the [Walk to End Alzheimer's](#). Due to COVID-19, the walk's format changed from a large in-person gathering to participants walking with their own small, safe teams throughout the community. The ArcBest team set a goal of raising \$2,000, but they well exceeded that, raising \$4,545 for the [Alzheimer's Association](#).

### Akron Team Raised Money for Local Foodbank

---

In September, team members from the Akron, Ohio service center raised \$1,070 for the [Akron-Canton Regional Foodbank](#) — a distribution center that provides food and other essential items to hunger-relief programs in eight northeast Ohio counties.

### ABF Drivers Take Part in Special Olympics Convoy

---

In late September, four ABF Freight road drivers participated in a truck convoy challenge, which helps raise awareness and funds for [Special Olympics Arkansas](#). Drivers in the 2020 Truck Convoy Challenge reached 48 states in 14 days.

### CX Week Raised Money for Three Organizations

---

In October, during CX Week, the CX team and People and Culture team partnered together to host the first ArcBest Virtual 5K. This event raised over \$18,000 for the United Way of Fort Smith Area, St. Jude Children's Research Hospital and Polaris.

### Medina Team Partnered with Toys for Tots

---

In November, Ed Wadel, executive vice president – asset-light expedite services and capacity, and David Kessler, vice president – expedite fleet and operations, hit the road to raise money for [Medina County Toys for Tots](#), an organization that helps bring the joy of Christmas to less fortunate children. Over the course of one week, Wadel and Kessler traveled over 3,200 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, along with donations from vendor sponsorships, friends, family and Medina Campus employees — totaling over \$18,600.

### Medina Team Sponsored Angel Tree

---

In November, Medina employees collected gifts for the campus' annual [Salvation Army Angel Tree](#) program and provided Christmas gifts to 50 children in their local community.

### ABF Provided ReloCube Containers for Toys for Tots Collection

---

In December, ABF Freight partnered with [Camp Hill Borough](#) to provide empty ReloCubes as storage for a [Marine Toys for Tots Foundation](#) toy drive at Siebert Park, near Harrisburg, Pennsylvania. During the event, the ReloCubes were decorated with Christmas lights to spread holiday cheer, and they were later delivered to local U.S. Marines to help ensure the gifts were available to be distributed for Christmas.



## Two ABF Drivers Aid Wreaths Across America

In December, ABF Freight road drivers Nate McCarty and Sammy Brewster participated in the 29th annual [Wreaths Across America](#) event, transporting 5,913 wreaths from Maine to Arlington National Cemetery in Virginia. Wreaths were placed on 1.7 million military graves at over 2,500 participating locations across the country on National Wreaths Across America Day, held December 19.

## U-Pack Donates ReloCubes for Project Hero

[Project Hero](#) is 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. The organization builds and provides adaptive bikes to physically challenged and injured veterans and first responders and hosts a variety of bike riding events across the nation. U-Pack is a long-term partner to Project Hero, helping them move their equipment from event to event, and in 2020, we donated the use of 10 ReloCubes for storage and transportation.





# Closing Thoughts

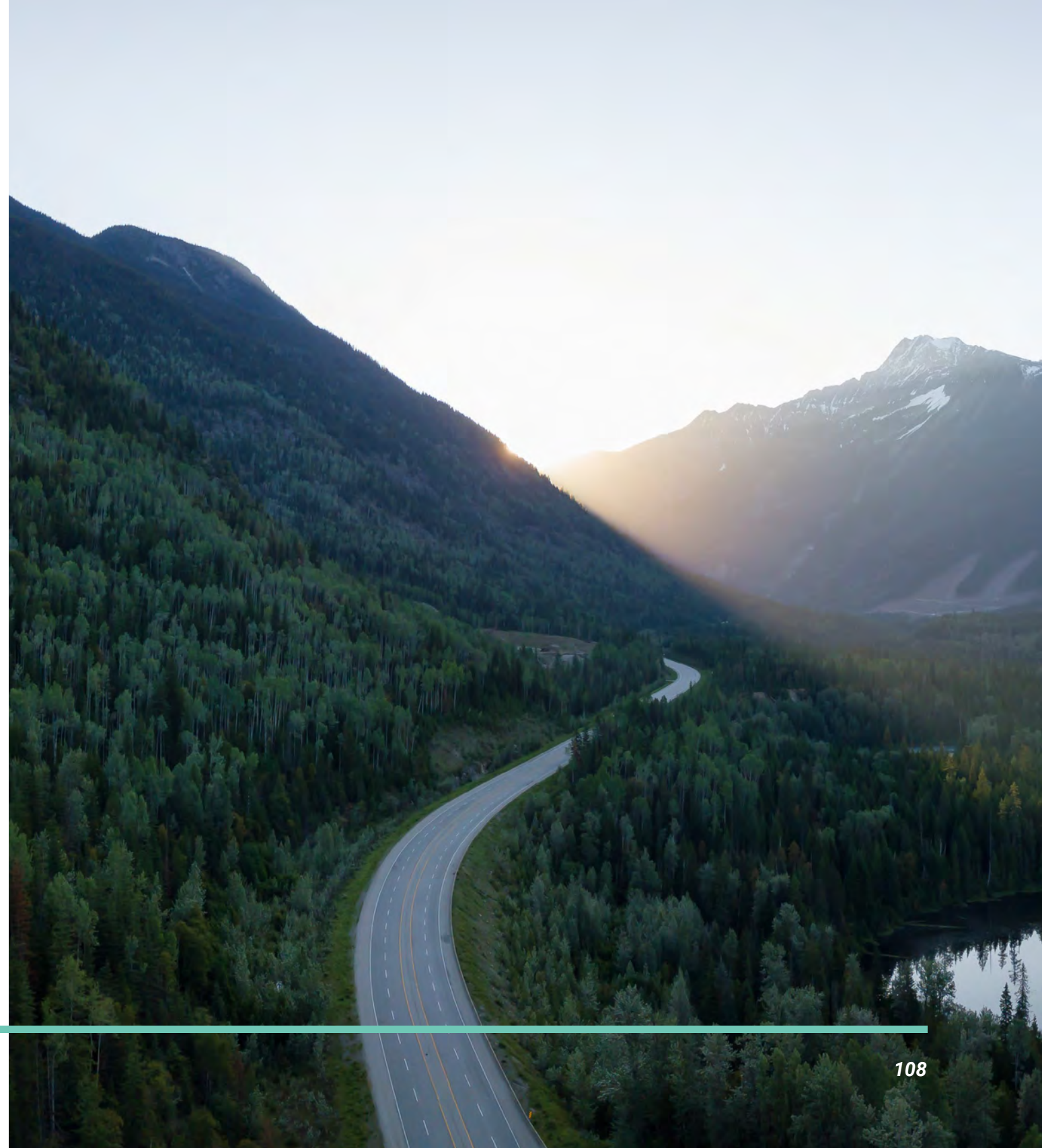
---

Despite having to face and emerge from a global pandemic, we are incredibly proud of what we accomplished in 2020 — for our customers and employees, and toward our ESG goals.

As we reflect on the past year, we were challenged in many ways. 2020 tested our responsiveness, capabilities and endurance. But ArcBest persevered. As we look ahead, we are confident in the work we have done and the progress we are making.

As a company, we will continue to pursue, develop and disclose environmental, social and corporate governance initiatives. We look forward to sharing more about our evolving ESG approach and materiality assessment in next year's report.

We will also continue to operate by upholding our values of **Creativity, Integrity, Collaboration, Growth, Excellence** and **Wellness** in all that we do, and by living out our mission to connect and positively impact the world through solving logistics challenges.





# Appendix

ESG Governance Chart

Nominating/Corporate Governance Committee of the Board of Directors	Responsible for overseeing the ESG Committee and any risks associated with environmental, social and corporate governance issues.
<b>ESG Executive Sponsors</b>  Includes: <ul style="list-style-type: none"><li>Investor Relations</li><li>Capacity (supplier procurement)</li><li>General Counsel</li><li>Chief HR Officer</li><li>Customer Experience</li><li>Employee Relations and Safety</li><li>Real Estate</li></ul>	Responsible for providing guidance and general management oversight of the ESG Committee. Executive Sponsors have the power to change ESG membership at any time and to appoint the Chair of the ESG Committee.
<b>ESG Committee</b>  Departments involved: <ul style="list-style-type: none"><li>Carrier Relations</li><li>Corporate Accounting</li><li>Customer Experience</li><li>Data Science</li><li>Fleet Services</li><li>People and Culture</li><li>Internal Audit</li><li>Investor Relations</li><li>Legal</li><li>Real Estate</li><li>Safety and Security</li></ul>	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, environmental sustainability, social concerns, and other public issues.

Primary Board Committee Roles

<b>Overview of Our Primary Board Committees</b>  <ul style="list-style-type: none"><li><a href="#">Audit Committee</a> — responsible for oversight of the company's risk management policies and processes, including financial reporting, information technology, data security, cybersecurity, and related party transactions, and also directly oversees risk management relating to public disclosure and the steps management has taken to monitor and control those exposures, among other duties.</li><li><a href="#">Compensation Committee</a> — 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</li></ul>	Ownership Incentive Plan, including setting performance goals and determining the extent to which those goals were achieved, among other duties.  <ul style="list-style-type: none"><li><a href="#">Nominating/Corporate Governance Committee</a> — responsible for 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.</li></ul>
--	--



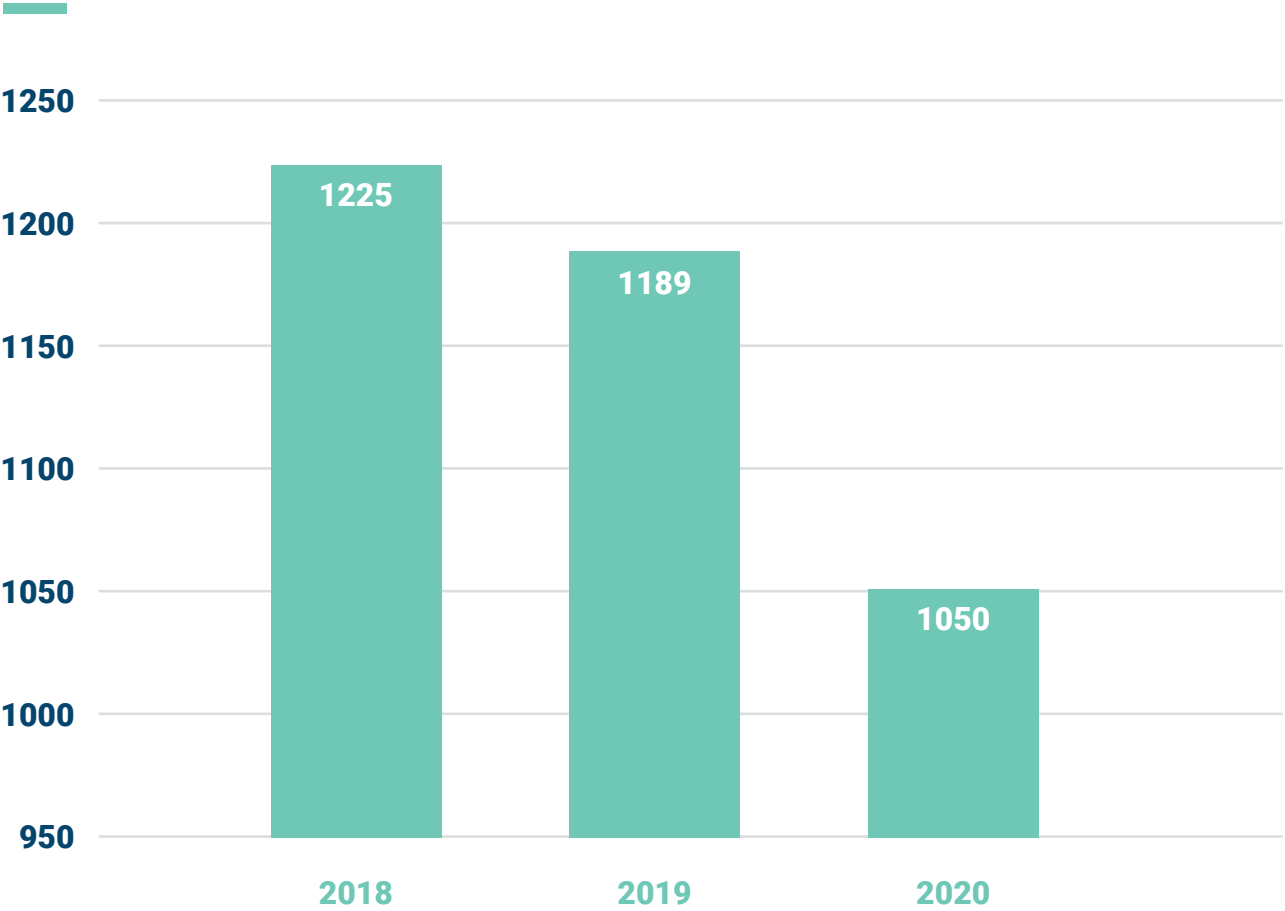
Board of Directors Data



Board Skills Profile Data

Expertise/Qualification	Conrado	Eliasson	Gorman	Hogan	McElligott	McReynolds	Philip	Spinner	Stipp
Acquisitions									
Audit									
Corporate Governance									
Current CEO/CFO									
Entrepreneurial Experience									
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									

Total Safety Data for Incidents Claims, Lost Time Claims and Medical Only Claims



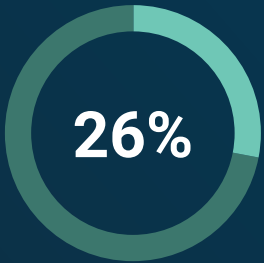
Workforce Demographics

ArcBest					
Ethnicity and Race	Male	Female	Not Specified	ArcBest Totals¹	
2 or More Races	191	32		223	1.6%
American Indian or Alaska Native	60	23		83	0.6%
Asian	118	56		174	1.3%
Black or African American	1,498	112		1,605	11.7%
Caucasian	8,199	1,702		9,901	72.0%
Hispanic or Latino	1,349	153		1,502	10.9%
Native Hawaiian or Pacific Islander	32	4		36	0.3%
None Specified	43	29	150	222	1.6%
ArcBest¹ Totals	11,485	2,111	150	13,746	
	83.5%	15.4%	1.1%		

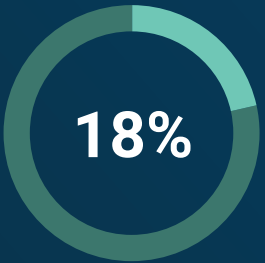
¹ In 2020, we realigned company definitions to ensure consistency. Unless otherwise noted, demographic statistics represent data for our entire organization.



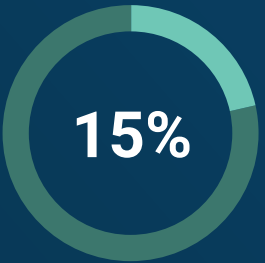
Female Workforce Highlights



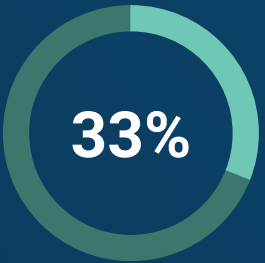
of expedite fleet  
drivers are female



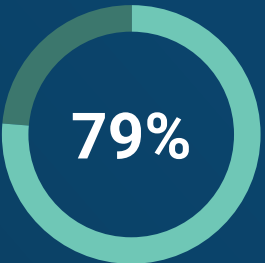
of ArcBest  
supervisors are female <sup>2,3</sup>



of ArcBest executives  
are female <sup>4</sup>



of our Board of  
Directors are female



of our ESG Committee  
members are female

<sup>1</sup> In 2020, we realigned company definitions to ensure consistency. Unless otherwise noted, demographic statistics represent data for our entire organization.

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

<sup>3</sup> In the 2019 ESG report, we stated 30% of ArcBest supervisors were female. This statistic has now been expanded to include our entire organization.

<sup>4</sup> In the 2019 ESG report, we stated 27% of ArcBest executives were female. This statistic has now been expanded to include all corporate vice presidents and above.\*ArcBest female executives include director-level positions and up

### 2020 Employee Succession Planning Data

---

- 99% of all non-union employees participated in succession planning
- 171 roles with succession plans (department directors and above and certain other key roles)
- 299 successor candidates with specific development recommendations
- 78% of directors and above have active development plans
- 83% of VP-level roles have internal candidates as first successor choice
- 91% of director-level roles have internal candidates as first successor choice

### 2020 Employee Annual Survey Data

---

**Highest-Rated Statements:**

- I want to do a good job for the company — 99%
- I am personally responsible for reporting business abuses — 95%
- I am aligned with the company’s values — 94%
- I am proud to tell people I work for the company — 93%

**Big Moves:**

- I am an active participant in my performance evaluation — 85% (↑8% YoY)
- Employees are educated about, rather than punished for, errors — 83% (↑4% YoY)
- I am encouraged to be creative — 79% (↑4% YoY)
- ArcBest facilitates a culture of innovation — 77% (↑4% YoY)
- The information technology at the company adequately supports my needs — 75% (↑5% YoY)



***ArcBest***<sup>®</sup>