

ArcBest Corporation

Corporate Governance  
Guidelines

# ArcBest Corporation Corporate Governance Guidelines

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# ArcBest Corporation

## Corporate Governance Guidelines

### I. Introduction

The Board of Directors of ArcBest Corporation (the “Company”), acting on the recommendation of its Nominating/Corporate Governance Committee, has developed and adopted a set of corporate governance guidelines (the “Guidelines”) to promote the functioning of the Board and its committees and to set forth a common set of expectations as to how the Board should perform its functions.

### II. Board of Directors

#### A. Board Composition

The composition of the Board should balance the following goals:

- The size of the Board shall be established pursuant to the provisions of the Company’s bylaws and should facilitate substantive discussions of the whole Board in which each director can participate meaningfully. Directors are elected annually.
- The composition of the Board should encompass a broad range of skills, expertise, industry knowledge, diversity of opinion and contacts relevant to the Company’s business.
- A majority of the Board shall consist of directors who qualify as independent directors under the listing standards of The Nasdaq Stock Market, LLC, and the rules and regulations of the Securities and Exchange Commission.
- The Nominating/Corporate Governance Committee reviews and assesses the composition of the Board, including directors’ independence and qualifications.
- The Lead Independent Director shall be appointed by the Board and preside over executive sessions of Independent Directors, if the Chairman is not “independent” or if otherwise necessary.

#### B. Selection of Chairman of the Board and Chief Executive Officer

The Board is free to select its Chairman and the Company’s Chief Executive Officer in the manner it considers in the best interests of the Company at any given point in time. These positions may be filled by one individual or by two different individuals.

#### C. Selection of Directors

*Nominations.* The Nominating/Corporate Governance Committee is responsible for selecting, or recommending for the Board’s selection, the slate of director nominees for election to the Company’s Board of Directors and for selection of nominees for director between annual meetings of stockholders.

*Criteria.* The Nominating/Corporate Governance Committee shall, in recommending nominees for Board service, consider the following criteria:

- Any special training or skill, and experience with businesses and other organizations of comparable size and scope;
- Experience with businesses or organizations that are particularly relevant to the Company's current or future business plans;
- Financial expertise;
- The candidate's experience compared to the experience of the other directors;
- Sufficient time to devote to the responsibilities of a director;
- Freedom from conflicts of interest or legal issues; and
- The extent to which, in the Nominating/Corporate Governance Committee's opinion, the candidate would be a desirable addition to the Board.

In addition, the Nominating/Corporate Governance Committee shall consider the degree to which nominees satisfy the requirements of the Nasdaq rules with respect to independence, as applicable and other relevant factors including enhancement of Board diversity. The Nominating/Corporate Governance Committee shall periodically review the foregoing criteria and modify them as appropriate.

*Invitation.* The invitation to join the Board should be extended by the Board itself via the Chairman of the Board and CEO of the Company, together with an independent director, when deemed appropriate.

*Orientation and Continuing Education.* Management, working with the Board, will provide an orientation process for new directors, including background material on the Company, its business plan and its risk profile, and meetings with senior management. Periodically, management may hold educational sessions for directors on matters relevant to the Company, its business plan and risk profile. The Board encourages each director to participate in continuing education programs. The Nominating/Corporate Governance Committee and other directors may make recommendations to directors regarding needs for Continuing Education on subjects that would assist them in discharging their duties including leading-edge corporation governance issues. Directors will be reimbursed by the Company for all reasonable expenses incurred in connection with their duties as directors.

#### **D. Election Term**

The Board does not believe it should establish term limits. The absence of term limits allows the Company to retain directors who have been able to develop, over a period of time, increasing insight into the Company and its operation.

#### **E. Retirement of Directors**

A director reaching 75 years of age shall submit his or her resignation from the Board effective on the date of the annual meeting of shareholders following his or her 75<sup>th</sup> birthday.

#### **F. Expectations for Directors**

The business and affairs of the Company shall be managed by or under the direction of the Board in accordance with Delaware law. In performing their duties, the primary responsibility of the

directors is to exercise business judgment in the best interests of the Company and its shareholders. The Board has developed a number of specific expectations of directors to promote the discharge of this responsibility and the efficient conduct of the Board's business.

1. *Commitment and Attendance.* All independent and management directors should make every effort to attend meetings of the Board and meetings of committees of which they are members. Members may attend by telephone or virtually when necessary. It is the Company's policy that all directors attend each annual meeting of its stockholders, except when illness or other personal matters prevent such attendance.

2. *Participation in Meetings.* Each director should be sufficiently familiar with the business of the Company, including its financial statements and capital structure, and the risks and competition it faces, to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves. Upon request, management will make appropriate personnel available to answer any questions a director may have about any aspect of the Company's business. Directors should also review the materials provided by management and advisors in advance of the meetings of the Board and its committees and should arrive prepared to discuss the issues presented.

3. *Loyalty and Ethics.* In their roles as directors, all directors owe a duty of loyalty to the Company. This duty of loyalty mandates that the best interests of the Company take precedence over any interests of a director.

The Company has adopted a Code of Conduct, including a compliance program to enforce the Code. Certain portions of the Code deal with activities of directors, particularly with respect to transactions in the securities of the Company, potential conflicts of interest, the taking of corporate opportunities for personal use, and competing with the Company. Directors should be familiar with the Code's provisions in these areas and should consult with the Company's counsel in the event of any issues.

4. *Conflicts of Interest and Related Party Transactions.* If a director develops an actual or potential conflict of interest with the Company, he should immediately notify the Vice President - General Counsel and Corporate Secretary or his or her designee of all material facts and circumstances.

5. *Other Directorships.* The Company values the experience directors bring from other boards on which they serve but recognizes that those boards may also present demands on a director's time and availability and may present conflicts or legal issues. Directors should advise the Chair of the Nominating/Corporate Governance Committee and the CEO and obtain approval of the Board before accepting membership on other boards of directors or other significant commitments involving affiliation with other businesses or governmental units. No director may serve on the board of directors of more than two other public companies without approval of the Board.

6. *Contact with Management.* All directors are invited to contact the CEO at any time to discuss any aspect of the Company's business. Directors also have complete access to other members of management. The Board expects that there will be frequent opportunities for directors to meet

with the CEO and other members of management in Board and committee meetings and in other formal or informal settings.

Further, the Board encourages management to, from time to time, bring managers into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement and substantial knowledge in those areas, and/or (b) are managers with future potential that the senior management believes should be given exposure to the Board.

7. *Reliance on Management and Outside Advice.* In performing its functions, the Board is entitled to rely on the advice, reports and opinions of management, counsel, accountants, auditors and other expert advisors. The Board shall have the authority to retain and approve the fees and retention terms of any independent legal, financial or other experts and advisors as it may deem necessary.

8. *Contact with Other Constituencies.* It is important that the Company speak to employees, institutional investors, analysts, press, customers and other outside constituencies, with a single voice, and that management serve as the primary spokesperson.

Any reports received from employees, customers or other parties of concerns regarding accounting, internal auditing controls, or other irregularities or concerns whether financial or otherwise are required to be brought to the attention of the Chairman of the Audit Committee and certain executive officers, including the General Counsel. These reports are confidential and may be anonymous if made using the anonymous reporting hotline overseen by the Audit Committee. The General Counsel will provide reports concerning hotline submissions and other concerns at regularly scheduled Board meetings or sooner, if necessary.

9. *Stockholder Communication with the Board.* Company stockholders may communicate with the Company's Board of Directors, or any individual member of the Board, by sending the communication as follows: Board of Directors (or Individual Member's Name), c/o Corporate Secretary, P.O. Box 10048, Fort Smith, AR 729170048.

All communications to the Board, or an individual member, will be opened and reviewed by the Corporate Secretary prior to forwarding to the Board or individual Board member. This review will facilitate a timely review of any matters contained in the communication if, for any reason, the Board member is unavailable to timely review the communication.

10. *Trading in Company Securities.* Directors will comply with all applicable stock trading regulations - Securities and Exchange Commission, the Nasdaq Stock Market, and State of Delaware - regarding their transactions in Company stock as well as the Company's Insider Trading Policy that includes anti-hedging provisions.

11. *Confidentiality.* The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director. Each director shall abide by all applicable confidentiality policies and obligations applicable to each such director, including any confidentiality obligations set forth in the Company's Board Confidentiality Policy.

*12. Company Stock Ownership.* In the interest of aligning the interests of the Company's Directors, executives and shareholders, Directors are subject to the Stock Ownership Policy for Directors and Executives. The Policy requires Directors to own a minimum value of shares as specified in the Policy in order to sell any shares of Company stock (except to pay the exercise price of stock options or taxes generated as a result of equity grants or vesting).

*13. Annual Performance Evaluation.* The Board will conduct an annual self-evaluation to determine whether the Board and its committees are functioning effectively. During the year, the Nominating/Corporate Governance Committee shall receive comments on the Board's performance from all directors and will discuss the input with the full Board and oversee the full Board's review of its performance. The assessment will focus on the Board's contribution to the Company and specifically focus on areas in which the Board or management believes that the Board or any of its committees could improve.

### III. Meetings

#### A. Board Meetings

The Board currently plans at least five meetings each year, with further meetings to occur (or action to be taken by unanimous consent) at the discretion of the Board. The meetings will usually consist of committee meetings and the Board meeting.

The agenda for each Board meeting will be prepared by the Office of the Corporate Secretary in consultation with the Chairman of the Board, the CEO (if separate) and the Lead Independent Director, if applicable. Management will seek to provide all directors with an agenda and appropriate materials in advance of meetings, although the Board recognizes that this will not always be consistent with the timing of transactions and the operations of the business and that in certain cases it may not be possible. Each Board member may suggest the inclusion of additional items on the agenda.

The Board will also review, from time to time, the Company's long-term strategic direction.

Materials presented to the Board or its committees should be as concise as possible, while still providing the desired information needed for the directors to make an informed judgment.

#### B. Executive Sessions

To ensure free and open discussion and communication among the independent directors of the Board, the independent directors will have at least two regularly scheduled executive sessions each year, and more frequently as necessary or desirable, in conjunction with regularly scheduled meetings of the Board, at which only independent directors are present. The Chairman (if eligible) or, otherwise, the Lead Independent Director or a director of his or her selection will preside at the executive sessions and will be responsible for preparing an agenda for such meeting.

#### IV. Committees of the Board

##### A. Standing Committees

The Company shall have at least the committees required by the rules of the The Nasdaq Stock Market, LLC. The Company has formed the required Audit Committee and the Compensation Committee, both of which have adopted written charters satisfying the rules of The Nasdaq Stock Market, LLC. The Audit Committee must also satisfy the requirements of SEC Rule 10A-3. The Company has also formed a Nominating/Corporate Governance Committee and adopted a formal written charter addressing the director nominations process in lieu of electing alternative Nasdaq requirements.

All directors, whether members of a committee or not, are invited to make suggestions to a committee chair for additions to the agenda of his or her committee or to request that an item from a committee agenda be considered by the Board. Each committee chair will give a periodic report of his or her committee's activities on the Board.

Except as permitted by Nasdaq Rule 5605(c)(2)(B), (d)(2)(B), and (e)(3), each of the Nominating/Corporate Governance Committee, the Audit Committee and the Compensation Committee shall be composed of directors who are not officers or employees of the Company or its subsidiaries (and have not been officers or employees within the previous three years), who do not have relationships which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, and who are otherwise "independent" under the rules of The Nasdaq Stock Market. The required qualifications for the members of each committee shall be set out in the respective committees' charter. A director may serve on more than one committee for which he or she qualifies.

##### B. Management Succession

The Nominating/Corporate Governance Committee makes recommendations to the Board regarding succession planning for the Chief Executive Officer.

##### C. Executive Compensation

*1. Evaluating and Approving Salary for the CEO.* The Board, acting through a majority of the independent directors meeting in executive session, or through action of the Compensation Committee comprised solely of independent directors meeting in executive session, determines the compensation of the CEO. The determination of compensation includes working with the Nominating/Corporate Governance Committee to evaluate the performance of the CEO and the Company against goals and objectives. The determination of compensation is also subject to the Company's "Granting of Equity Based Compensation Policy", "Stock Ownership Policy for Directors and Executives", and "Guidelines for Recoupment of Incentive Compensation".

*2. Evaluating and Approving Compensation of Management.* The Compensation Committee comprised solely of the independent directors evaluates and determines the proposals for overall compensation policies applicable to, and compensation for, executive officers. This determination is subject to the Company's "Granting of Equity Based Compensation Policy",



“Stock Ownership Policy for Directors and Executives”, and the “Guidelines for Recoupment of Incentive Compensation”.

The primary objectives of the Company’s executive compensation program are to:

- Attract and retain highly qualified executives;
- Motivate the Company’s leaders to work together as a team to deliver superior business performance;
- Balance rewards between short-term results and the long-term strategic decisions needed to ensure sustained business performance over time; and
- Ensure that the interests and risk tolerance of the Company’s leaders are closely aligned with those of the Company’s stockholders.

#### **D. Board Compensation**

The Nominating/Corporate Governance Committee comprised solely of independent directors evaluates and recommends to the Board, proposals for overall compensation policies applicable to, and compensation for, non-employee directors. Directors who are also employees of the Company receive no additional compensation for serving on the Board. This determination is subject to the Company’s “Granting of Equity Based Compensation Policy” and “Stock Ownership Policy for Directors and Executives”

The primary objectives of the Company’s non-employee director compensation program are to:

- Balance rewards between short-term results and the long-term strategic decisions needed to ensure sustained business performance over time; and
- Seek to align the interests of the Company’s non-employee directors with those of the Company’s stockholders.

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Approved by the ArcBest Corporation Board of Directors and its Nominating/Corporate Governance Committee as of January 27, 2022.