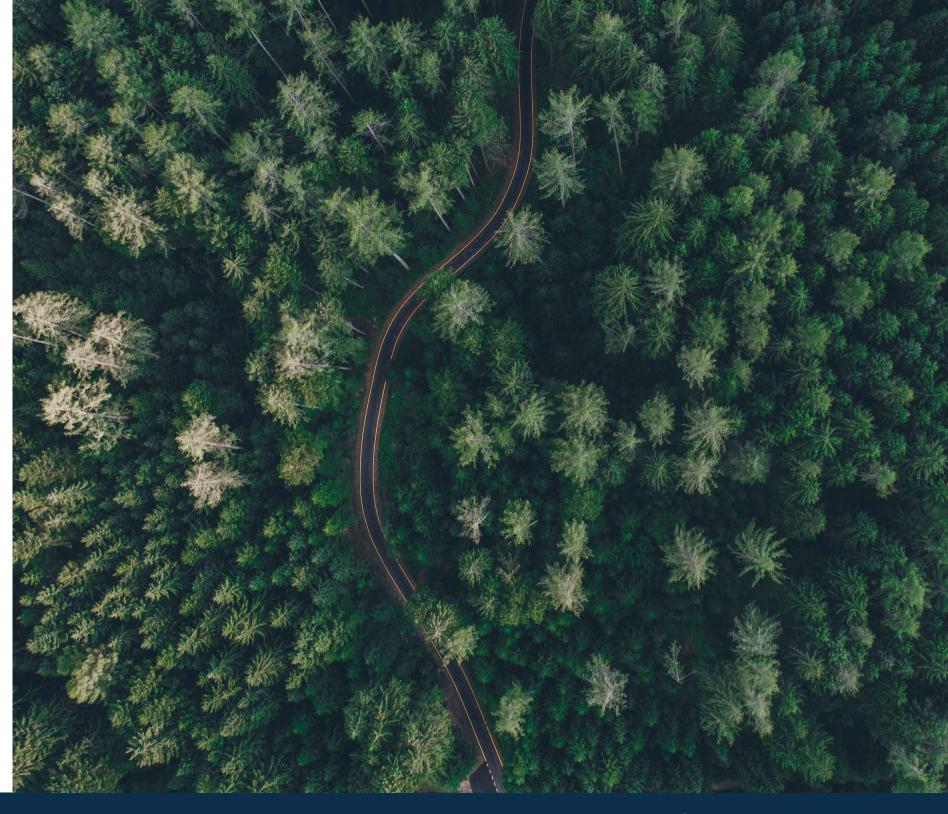
## ArcBest

## 2023 Sustainability Report



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### **CEO Letter**

In 2023, we celebrated our centennial year of business — a monumental achievement for ArcBest. It was a remarkable year as we reflected on our accomplishments and honored the people who made them possible. Much has changed over the last century as the world has evolved, from logistics processes and operations to technological capabilities and how customers want to connect. Through it all, we have remained focused on conducting business responsibly and efficiently.

We began our official sustainability journey in 2019. This journey has been both informative and challenging as we seek to navigate the best way to address, advance and report on important sustainability topics for our industry and stakeholders. Through our annual sustainability reports, we have shared updates that depict our commitment to sustainable excellence and tell our story. However, being a responsible business is more than a good story. It involves understanding our impact and working toward creating positive change that affects our employees, customers, communities, company and industry.

We've made notable progress over the last five years, and 2023 was no exception. This is one of the reasons ArcBest was named one of America's Most Responsible Companies 2024 by Newsweek and Statista. Our sustainability teams closely monitor industry and global sustainability standards and trends, and make recommendations where our company can take intentional actions that can help drive meaningful change.

In our 2023 report, you will read about our continued progress toward being an industry leader in sustainability and environmental stewardship. Four years ago, we made a formal pledge of support to the United Nations Global Compact, and in this report we're focusing on four United Nations Sustainable Development Goals (SDGs) that align closely with our current initiatives: Good Health and Well-Being (SDG 3), Decent Work and Economic Growth (SDG 8), Climate Action (SDG 13), and Peace, Justice and Strong Institutions (SDG 16). Additionally, we established a formal Corporate Environmental Policy to help guide and promote certain environmentally sustainable business practices across the organization.

Our people are at the heart of our success, and we champion them daily, investing in their professional development and experiences. During our 100th year, we planned special ways to highlight and celebrate their hard work and dedication to our company and customers. For example, we launched the ArcBest Values in Practice awards, which recognize teams that exemplify our six core values (Creativity, Integrity, Collaboration, Growth,

Excellence and Wellness) as they make a difference for our customers and each other. We also recognized 269 ABF Freight drivers who achieved record safety milestones and demonstrated a superior commitment to keeping our roadways safe.

We're dedicated to making a difference in our local communities because it is important to serve and give back to the areas where our employees live and our business operates. Last year, we gave a total of \$2 million to over 250 charitable organizations through various initiatives that align with our philanthropic pillars of Community, Education and People, and through our Centennial Giving Campaign.

As I reflect on our journey and the areas where we've made progress, I'm reminded of something Robert Young, retired ArcBest chairman, president and CEO, mentioned last year in our 100<sup>th</sup> Anniversary docuseries: "Some people fight change; some people embrace it. Our people have always embraced it — and that's why we're still here."

I'm proud of how our people live out our Vision, "We'll find a way." They say yes to change, finding better ways to operate and serve customers, and creating more efficient solutions and supply chains.

I look forward to what we'll accomplish in 2024 as we work together to help create a more sustainable industry and world.

Judy R. McReynolds
ArcBest chairman, president and CEO

### **About ArcBest**

#### **Our Company Structure**

ArcBest® is a multibillion-dollar integrated logistics company that helps keep the global supply chain moving. We offer ground, air and ocean transportation through various capacity providers, including our LTL carrier ABF Freight®, our truckload service MoLo®, and our expedite fleet, Panther Premium Logistics®. Through our managed solutions, we partner with customers to create logistics strategies that increase operational efficiencies, reduce costs and give better insights into their supply chains. We also offer moving services through U-Pack®. Our technology and innovations team, ArcBest Technologies, provides custom-built solutions, leading-edge technology, and advanced analytics that help support our customers and optimize supply chains.

#### **Solutions and Services**

Using our technology, expertise and scale, we help our customers find the best mix of solutions for their needs — from ground, air and ocean transportation to fully managed supply chains — serving as a single logistics resource. We're a trusted advisor. We listen, put ourselves in our customers' shoes and constantly look for opportunities to optimize. The solutions we recommend align with their goals. And when the unexpected happens, we're there to

help. This integrated approach, combined with our expertise, helps ensure customers have the right solutions and capacity to get the job done — no matter the shipment size, type of product, or speed of delivery.

#### We Offer:

- Managed Solutions
- Truckload
- Less-than-Truckload
- Expedite and Time Critical
- International Ocean and Air
- Supply Chain Optimization
- Retail Logistics
- Product Launch
- Final Mile
- Trade Show Logistics
- Household Moving

#### **Our Mission**

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

#### **Our Vision**

We'll Find a Way.

#### **2023 Company Profile**

\$4.4 BILLION

> in 2023 total revenues

15,000 employees

250

campuses and service centers

100 Years

of serving customers

40,000+

owned and operated assets (tractors, trailers, straight trucks, ReloCube containers and other equipment)

## Our values-driven culture sets ArcBest apart













## **2023 Highlights**

Introduced our revolutionary freight movement technology

**VAUX**<sup>™</sup>

which was selected as a

**2023 TIME BEST INVENTION** 

Celebrated



**Years in Business** 

Held our first

**EARTH DAY CLEAN-UP** 

event at ArcBest headquarters

Established a

CORPORATE ENVIRONMENTAL POLICY

Gave

\$2 MILLION TO OVER 250 CHARITABLE ORGANIZATIONS Began piloting a

## THIRD ELECTRIC STRAIGHT TRUCK

totaling 7 EV trucks in our fleet

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## 2023 Awards and Recognitions | Company Awards

#### **Sustainability**

- America's Most Responsible Company 2024 by Newsweek and Statista
- EcoVadis Bronze medal for the 3rd consecutive year
- Inbound Logistics Green (G75) Supply Chain Partner for the 12th year

#### **Tech and Innovation**

- Vaux<sup>™</sup> selected as a 2023 TIME Best Invention
- 2024 FreightWaves FreightTech 25 Most Innovative Company
- 2024 FreightWaves FreightTech 100 Company for the 4th time

#### **Excellence**

- American Trucking Associations' 2022 Excellence in Cargo Claims and Loss Prevention award — the first 10X winner (ABF Freight)
- Ouest for Ouality awards by readers of Logistics Management. ArcBest and ABF Freight were named winners in five categories: Intermodal Marketing Companies, 3PL Transportation Management, Household **Goods & High Value Goods, Expedited Motor Carriers** (ABF), and National LTL Carriers (ABF). This is the 7th year ABF has been named a top National LTL carrier
- **Inbound Logistics Top 100 Trucker for the 10th** consecutive year

- **Inbound Logistics Top 100 3PL**
- America's Leading 3PL by Global Trade Magazine
- Top Food Chain Provider by Food Shippers of America (MoLo)
- 2023 Inc. Power Partner
- **FourKites Premier Carrier**
- Arkansas Money & Politics (AMP) 2023 Most Admired **Companies for Trucking**
- Chairman's Award and the Outstanding Achievement Award from the United Way of Fort Smith Area for our 2022-2023 campaign efforts
- American Truck Historical Society recognition for our 100th anniversary
- Supply Chain Brain's 2023 list of Top 100 Great Supply **Chain Partners**

#### **Employee Experience, Development and Recruiting**

- **▼** Forbes list of America's Best-in-State Employers for the 4th consecutive year. ArcBest ranks No. 3 in Arkansas and No 1. in the state's transportation and logistics sector. The company was also named a top employer in Ohio, ranking No. 65
- Women in Trucking Association's list of Top Companies for Women to Work For in Transportation
- Gold Honoring Investments in Recruiting and Employing American Military Veterans (HIRE Vets) Medallion Award from the U.S. Department of Labor

- **VETS Indexes 4 Star Employer designation in the 2023 VETS Indexes Employer Awards**
- Ranked No. 17 on *Training* magazine's APEX Awards list. 2023 was our 14th year to be recognized, our 7th consecutive year in the top 20 and our 10th time overall in the top 20
- Six Comparably awards as part of their 2023 Best Places to Work Series for large companies: Best Leadership Team, Best Compensation, Best Perks & Benefits, Best Company Culture, Best Company for Women and Best CEOs for Women. 2023 marks the 3rd consecutive year that ArcBest Chairman, President and CEO Judy R. McReynolds has been honored on Comparably's list of Best CEOs for Women

#### **Performance Rankings**

- No. 36 on Armstrong & Associates, Inc.'s Top 50 U.S. 3PLs List
- No. 17 on the Commercial Carrier Journal's Top 250 list of forhire trucking companies
- Transport Topics' 2023 list of Top 100 For-Hire Carriers for the 10th consecutive year, ranking No. 12 in 2023
- Transport Topics' list of 2023 Top Freight Brokerage Firms for the 9th consecutive year, ranking No. 14 in 2023
- No. 25 on FreightWaves Top 500 For-Hire Carriers list

See more of ArcBest's awards and recognitions.



## 2023 Awards and Recognitions | Individual Awards



**JUDY R. MCREYNOLDS** ArcBest Chairman, President and CEO

of Distinction

**DAVID COBB** 

- Inducted into the Arkansas Business Hall of Fame Class of 2023
- Named to the Women's Foundation of Arkansas and Little Rock Soiree Top 100 Women of Impact in Arkansas list



**MATT BEASLEY Chief Financial Officer** Recognized as one of AY (About You) Magazine's 2023 Men



Former Chief Financial Officer Named an Arkansas Money and Politics 2023 C-Suite **Award Winner** 



**CHRISTOPHER ADKINS** Vice President of Yield Strategy and Management

Won the University of Arkansas College of Engineering **Early Career Award** 



**ERICA BRIGANCE Vice President of Data Science** 

Received the AI 100 Award at MachineCon 2023



**FAITH WILMOTH Director of Managed Operations** 

Recognized as a 2023 Pros to Know by Supply & Demand **Chain Executive** 



**BOB BRAMWELL ABF Freight City Driver** 

Named a recipient of the American Trucking Assocations' 2023 Mike Russell Trucking Image Award

## Our Approach to Sustainability

ArcBest strives for sustainable excellence. We understand that operating responsibly and efficiently are key components to carrying out our mission to connect and positively impact the world through solving logistics challenges. Since our beginning, more than 100 years ago, we've been committed to conducting business in a way that's good for our customers, our employees, our business partners and our communities. While being a good steward is core to who we are, we set out on an official journey five years ago to communicate our sustainable business efforts and to take more intentional actions that improve environmental, social and corporate governance initiatives across our organization.

In 2021, we engaged a variety of stakeholders — employees, customers, carriers and investors — to participate in our company's first priority assessment for sustainabilityrelated matters. Through their participation, we learned which sustainability topics they care about most for our company and industry. Using those results, we created a Sustainability Roadmap to help us take actions and set targets that are purposeful, achievable and drive positive outcomes for ArcBest stakeholders.



#### Through the assessment, we identified more than 20 sustainability-related topics important to our stakeholders and to our success. Throughout our history, especially over the last five years, we've made exciting and encouraging progress in these areas:

- Sustainability Reporting and Stakeholder Engagement
  - Published an annual sustainability report every year since 2020
  - Regularly report sustainability data to external reporting and rating agencies, including CDP, EcoVadis, the United Nations Global Compact, S&P Global Corporate Sustainability Assessment and the Environmental Protection Agency's SmartWay® Program
  - Engaging internal and external stakeholders in conversations about ArcBest's sustainability progress and priorities
- Climate Change Strategy/GHG Emissions
  - Disclosed our Scope 1 and Scope 2 greenhouse gas (GHG) emissions
  - Invested in electric vehicles, including straight trucks, forklifts and yard tractors to test throughout our network
  - Continue to invest annually in a more modern fleet to help reduce GHG emissions
- **Energy Use and Efficiency** 
  - **Developed our Facility Enhancement and Growth** Roadmap that standardizes facility renovations and sustainability updates across our network of 240 ABF Freight service centers
  - Continue to improve efficiency across our ArcBest campuses, including installing automated lighting and more energy-efficient HVAC units in several locations
- **Driver and Dock Safety Management** 
  - We have 12 Regional Managers of Safety and Security

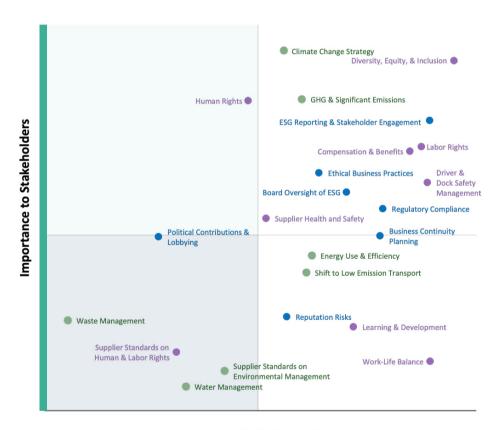
- assigned to specific regions across our ABF network who are responsible for overseeing service center activity, driver coaching, equipment inspections, road tests and more
- The ABF Safety team works closely with the Learning and Development team to provide updated monthly safety training to all service centers
- Human Rights
  - We partner with TAT and Polaris to educate our employees on how to identify and safely report human trafficking
  - In 2022, we signed the U.S. Department of Transportation's (DOT) Transportation Leaders Against Human Trafficking pledge to educate employees and raise public awareness with a goal of eliminating human trafficking
  - **Established the ArcBest Human Rights Statement of Policy**
- Diversity, Equity and Inclusion
- Established an official Diversity, Equity and Inclusion (DEI) strategic focus comprised of four main areas: workforce, workplace, marketplace and community
  - Formed a DEI Task Force
  - Launched employee resource groups (ERGs)
- Learning and Development
- ArcBest's award-winning training and development initiatives are designed to engage employees at all levels to cultivate their careers for professional and personal success
  - Implemented the Innovation Ambassador Program, which was developed to help strengthen our culture of innovation, increase employee engagement and identify growth

opportunities by helping discover and vet new ideas, provide insights and updates related to strategic focus areas, and help develop, support and maintain external relationships relevant to innovation activities

- Work-Life Balance and Employee Well-Being
- Through ArcBest's Choice Benefits health insurance. we provide our nonunion employees with a robust benefits package that includes medical, dental and vision plans that focus on helping our people stay healthy and feel their best
- We also have several policies and programs that support total wellness, including paid time off, paid maternity and parental leave, paid bereavement and caregiver leave, and we provide access to various health programs for nutrition coaching, fertility support and more
- **Board Oversight of Sustainability-Related Issues**
- The ArcBest Board of Directors and the Nominating/Corporate Governance Committee of the Board have direct oversight of the company's strategy, practices and policies relating to sustainability such as environmental, social and governance matters, and receives quarterly updates regarding such matters
- **Business Continuity Planning**
- Developed an official ArcBest Crisis Management Framework
- Began conducting assessments in 2022 with department leaders to identify, test and create action plans for potential disruptions



### 2021 ArcBest Priority Assessment

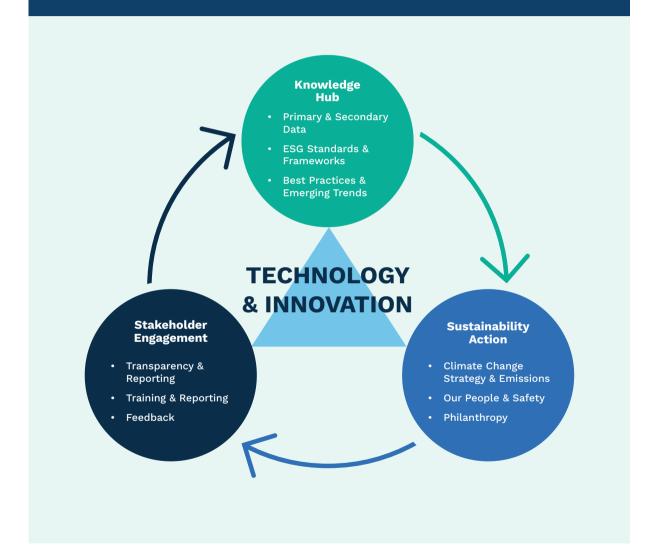


#### **Importance to Business Success**

Environment Social Governance

The data on this chart depicts responses from stakeholders including employees, customers, carriers and investors to a written survey in 2021. It does not represent the views of ArcBest regarding the importance or materiality of any of the matters set forth on this chart. Instead, the results of this survey helped ArcBest identify and understand the sustainability topics that its stakeholders may consider important within the industry or as concerns ArcBest. The results of this initial survey guided the company in its creation and navigation of the following Sustainability Roadmap.

### **ArcBest Sustainability Roadmap**



## **United Nations Sustainable Development Goals**

In January 2020, ArcBest pledged a formal commitment of support to the United Nations Global Compact (UNGC), joining over 20,000 participants in the world's largest corporate sustainability initiative. Since our pledge, we've spent time researching and expanding our understanding of the UNGC's 17 Sustainable Development Goals (SDGs), how they impact our business and stakeholders and where we can take meaningful action to advance specific SDGs that align with our company's mission and business strategy. At this point in our sustainability journey, we are committing to focusing on the following four SDGs:













































**SUSTAINABLE DEVELOPMENT GOALS** 



#### #3: Good Health and Well-Being

To advance our core value Wellness, ArcBest embraces total health across four areas physical, financial, developmental and emotional health. We encourage employees to live their best life, and support their wellness journeys through a robust benefits package, various medical, health and nutrition programs and policies, on-site and virtual learning opportunities, wellness challenges, behavioral health support, financial planning resources and more. Our commitment to Wellness for all is also present through our community support of groups like the Alzheimer's Association, Epilepsy Foundation and the Fisher House Foundation. Additionally, we prioritize safety across the company and throughout our operations to maintain a safe environment for our employees, customers and other business partners.



#### #8: Decent Work and Economic Growth

Growth is an ArcBest core value, and we're focused on growing our people and our business. We're committed to attracting and retaining top talent with a strong recruiting strategy. Our award-winning training and development programs provide employees with the tools and resources for career mobility and personal development. We encourage innovative thinking at every level across the organization to empower our people to dedicate time to think creatively and innovatively, including through our newly implemented Innovation Ambassador Program. Many of our successes, including the concept of Vaux™, our innovative suite of hardware and software that completely transforms material handling, have emerged through employees' brainstorming and sharing revolutionary ideas. They also originate through conversations with leaders and during ArcBest Imagine, our company's annual innovation competition. As a result, we're developing groundbreaking solutions that make it easier and more sustainable for our customers to do business.



#### #13: Climate Action

ArcBest remains aware of the impact our company and operations can have on the environment. We've made meaningful progress in measuring and reporting our Scope 1 and Scope 2 GHG emissions in accordance with the Greenhouse Gas Protocol, and we are actively working toward measuring and reporting our Scope 3 GHG emissions. For decades, we've been committed to improving efficiency by optimizing operations and maintaining a modern fleet, which has resulted in our ability to avoid some GHG emissions — and this priority continues today. We also continue to pilot and evaluate lower-carbon solutions, including electric forklifts and trucks and renewable power production from solar panels. Additionally, we're beginning to incorporate climate risks and opportunities into our risk management strategy.



#### **#16: Peace, Justice and Strong Institutions**

For over 100 years, ArcBest has led with integrity, establishing strong corporate governance policies, seeking to promote inclusiveness and equality at all levels of our organization, and being vigilant in upholding our ethical standards. We encourage and expect all ArcBest stakeholders to do the right thing and report misconduct through the appropriate channels. We have developed policies and procedures to combat corruption and manage cybersecurity risks. We also support the ongoing fight against human trafficking through partnerships with TAT and Polaris, and through our pledge to the U.S. DOT's Transportation Leaders Against Human Trafficking initiative.

## **Sustainability Governance**

#### **ARCBEST BOARD OF DIRECTORS**

Responsible for overseeing company strategy and risk management, including as related to sustainability matters.

#### NOMINATING/CORPORATE GOVERNANCE **COMMITTEE OF THE BOARD OF DIRECTORS**

Responsible for overseeing the company's sustainability strategy, practices and policies, and as appropriate, provide updates, make recommendations to the Board, and monitor emerging trends, best practices and regulatory developments related to sustainability matters, including environmental, social and corporate governance issues.

#### **SUSTAINABILITY EXECUTIVE SPONSORS**

#### **Sponsors:**

- **Chief Human Resources Officer**
- Chief Legal Officer and **Corporate Secretary**
- Executive Vice President of **Asset-Light Services**
- **Vice President of Customer Experience**
- Vice President of Engineering
- **Vice President of Investor Relations**
- Vice President of Real Estate

Responsible for providing guidance and general management oversight of the employee-level Sustainability Committee.

#### SUSTAINABILITY COMMITTEE CHAIR

Responsible for the organization's overall sustainability strategy and positioning, as well as coordinating and leading quarterly meetings with the Sustainability Committee and providing progress reports to the Sustainability Executive Sponsors to align the Committee's focus and actions with the company's strategy and value objectives. The current Chair also helps the company communicate sustainability updates and progress to key stakeholders through the right channels, serving (along with the Manager of Sustainability and Vice Chair) as an advisor and collaborator with customers, shareholders and other third-party groups around current sustainability initiatives.

#### **SUSTAINABILITY COMMITTEE**

#### **Departments:**

- **Carrier Relations**
- **Corporate Accounting**
- **Customer Experience**
- **Employee Experience**
- Enterprise Sales
- Fleet Services
- Human Resources, **Compliance and Safety**
- Information Services
- Internal Audit
- Investor Relations
- Legal
- Real Estate

Employee-level committee responsible for providing guidance to the company and its Board on matters relating to corporate citizenship, and executing and making recommendations concerning the company's sustainability initiatives, policies and practices relating to safety and health, climate and environmental sustainability, social concerns and other public issues.

#### MANAGER OF SUSTAINABILITY AND SUSTAINABILITY COMMITTEE VICE CHAIR

Serves as an internal subject matter expert, guides strategy, facilitates initiatives for our sustainability program and serves as an advisor and advocate, collaborating with various departments and organizational leaders to identify opportunities for improved sustainability. Alongside the Sustainability Committee Chair, helps coordinate and lead quarterly meetings and reports progress to the Sustainability Executive Sponsors and other leadership.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR) TEAM**

Leads the development of ArcBest's DEI roadmap and strategic initiatives and partners with the DEI Task Force and leaders across the organization to implement and manage employee and community policies and programs. In addition, the CSR Team works closely with our employee resource groups to support employee engagement.

## Technology and **Innovation Spotlight**

In March 2023, ArcBest launched the Vaux Freight Movement System, a revolutionary suite of hardware and software that allows customers to completely unload an entire trailer in just minutes.

At the core of the Vaux Freight Movement System is the Vaux MP, a mobile platform that slides into and out of a trailer in one swift motion — eliminating the need for multiple forklift entries, creating a safer working environment and reduced material handling. The MP is equipped with a customizable racking system that can be configured thousands of ways to meet virtually any need. It makes previously unstackable freight stackable, enabling more efficient loading — minimizing empty miles and partial shipments while also reducing GHG emissions. And, when it's time for equipment rebalancing, MPs can be broken down and stacked multiple times into a single trailer, resulting in fewer trucks on the road.

Once outside of the trailer, MPs can be accessed from all four sides, resulting in remarkable efficiency gains compared to traditional methods where products are handled piece by piece. The Vaux Freight Movement System connects seamlessly to our customers' warehouse operations through the Vaux OS™, our suite of proprietary software that includes orchestration, operator fulfillment and tracking technology. Vaux OS offers visibility into freight movement within the warehouse to help ensure efficient equipment utilization and minimize empty blade time and fuel consumption.

The Vaux Freight Movement System was named a 2023 TIME Best Invention.





## Environment



## **Our Progress Toward Environmental Efficiency**

ArcBest is committed to ongoing sustainability and environmental stewardship — across our organization, campuses, service centers and logistics operations. Every day, we focus on providing a best-in-class experience for our employees and customers, and that includes being mindful of efficiency in our operations.

We continue prioritizing efficiency by investing in our ABF fleet and operations, which includes our efforts to:



Maintain a young, modern fleet

**Disclose our Scope 1** and Scope 2 **GHG** emissions

Make updates to service centers

**Test electric** vehicles

Make progress toward disclosing **Scope 3 GHG emissions** 

**Collaborate across** the organization to identify where we can make the most impact

Enter into meaningful partnerships with other businesses that share a similar outlook on sustainability

As we continue our environmental journey,

# WE STRIVE FOR SUSTAINABLE EXCELLENCE

and remain committed to aligning the work we do and the progress we make with our mission to connect and positively impact the world through solving logistics challenges.

## **Equipment**

We intentionally invest in our ABF fleet, understanding that the equipment we purchase and operate impacts the environment, our daily operations and our drivers' experiences. The fleet is comprised of over 40,000 owned and operated assets and is serviced on a regular schedule to check for compliance with OEM safety standards and regulations. We also follow a strategic, data-driven replacement cycle to enable us to maintain an updated fleet for operational efficiency that helps reduce our emissions output and protect our drivers and our customers' freight. As of December 31, 2023, the average age of our ABF road tractor fleet was 1.8 years, and the average age of the ABF city tractor fleet was 6.9 years.

Historically, our replacement cycle involved purchasing new equipment for our road operations and transitioning road equipment to our city operations. Our team of fleet experts and data scientists analyze specific criteria and internal data to determine when and where to transition road units to city units, helping to optimize efficiency for both operations. In 2023, we invested directly into our city fleet, purchasing 41 Class 7 tractors to replace a portion of our city fleet at many locations. In general, Class 7 tractors experience better fuel economy and can reduce our GHG emissions when compared to the Class 8 tractors we typically transition to our city operations. However, we've determined that operating a mix of Class 7 and Class 8 tractors in our city fleet enables us to

meet specific customer needs while also working to improve fuel efficiency and reduce emissions.

Through this investment in Class 7 tractors, we are reducing the age of our city fleet and providing ABF city drivers with a more comfortable cab environment and more modern safety features.

Our progress in 2023

On average, we increased the fuel efficiency of our city fleet by

4.0%

497,037

reduced gallons consumed

5,082

tons of CO,e emissions avoided

EQUIPMENT TYPE	AMOUNT PURCHASED	SAFETY FEATURES	SUSTAINABILITY FEATURES
CLASS 8 TRACTORS	438	<ul> <li>Governed top speed of 70 MPH</li> <li>Collision avoidance system</li> <li>Adaptive cruise control</li> <li>Lane departure warning systems</li> <li>Roll stability</li> <li>Traction control system</li> </ul>	<ul> <li>Five-minute engine idle shutdown</li> <li>Single-drive axle</li> <li>SmartWay low-rolling resistance tires</li> <li>Aero shields</li> <li>Side extenders</li> <li>3-piece aerodynamic bumper</li> </ul>
CLASS 7 TRACTORS	41	<ul> <li>Governed top speed of 65 MPH</li> <li>Active brake assist</li> <li>Adaptive cruise control</li> <li>Lane departure warning</li> <li>Side guard assist</li> </ul>	<ul> <li>Single-drive axle</li> <li>Lighter duty engine with better MPG than the Class 8</li> <li>5-minute engine idle shutdown</li> <li>SmartWay low-rolling resistance tires</li> </ul>
CLASS 6 STRAIGHT TRUCKS	20	<ul> <li>Speed governors</li> <li>Antilock braking system</li> </ul>	<ul> <li>Computerized engine shut-offs (idle limiters)</li> <li>Low-rolling resistance tires</li> </ul>
28' PUP TRAILERS	1,750	<ul><li>Air disc brakes</li><li>Tire inflation system</li></ul>	<ul><li>Aero skirts</li><li>SmartWay low-rolling resistance tires</li></ul>

EQUIPMENT TYPE	AMOUNT PURCHASED	SAFETY FEATURES	SUSTAINABILITY FEATURES
FORKLIFTS	350	<ul> <li>Blue reverse lights to help prevent collisions</li> <li>360-degree visibility</li> <li>Operator alert system</li> </ul>	Three-way catalytic converter to reduce exhaust emissions
SMARTWAY CERTIFIED TIRES	17,057		Low-rolling resistance
RETREAD TIRES*	45,415		<ul> <li>Low-rolling resistance</li> <li>Retread tires use 15 gallons less oil to produce than a new tire</li> <li>Retread production, per tire, reduces CO2 emissions by 24%</li> <li>Reduces water consumption by 19%</li> <li>According to the U.S. EPA, retread tires contain up to 75% post-consumer recycled material</li> <li>Almost 40 pounds of raw material is saved in every retreaded tire, including rubber, steel, and carbon black</li> </ul>

<sup>\*</sup>https://archive.epa.gov/epawaste/conserve/materials/tires/web/html/markets.html

#### **Alternative Fuels**

We also work to reduce our emissions by using renewable diesel and various biodiesel blends in our ABF Freight operations across several states. The percentages of these blends range from 2% to 100% in California, Illinois, Minnesota and Pennsylvania.

While other emissions reduction options may require significant investments in equipment and infrastructure and currently have limited applicability in our operations, renewable diesel and biodiesel are drop-in options that require minimal to no additional technical or operational changes.

We have been using these alternative fuels for several years, and we're actively exploring expanding our use, particularly of renewable diesel. Additionally, in 2023, we improved our sustainability data methodology to more accurately collect and report our alternate fuel use, which we highlight in the **SASB index.** 

#### **Electric Vehicles**

Investing in and testing electric vehicles (EVs) is an ongoing initiative for ABF. In 2023, we continued monitoring the EVs we were piloting in certain parts of our network to discover where they have the most impact. Updates include:

- Operating two Lion Electric Lion6 Class 6 straight trucks full-time in San Bernardino, California
- Piloting the Mack MDe EV straight truck at our service center in Oakland, California
- Continuing testing our four Orange EV electric yard tractors — one in Dallas, Texas; one in Salt Lake City, Utah; and two in San Bernardino, California



## ABF City Route Optimization

We continually analyze ABF's operations, looking to create more efficient routes that eliminate unnecessary miles, reduce fuel use and save time between stops — all to help enhance customer experiences, enable better business outcomes and improve sustainability. Last year, we announced that we were testing and implementing City Route Optimization (CRO) technology in certain parts of our ABF Freight network.

Using machine learning and artificial intelligence, our expert teams of data scientists and operational specialists built CRO, which creates algorithms for optimization by leveraging information on existing routes to build more efficient city routes. Through rigorous statistical A/B testing at locations across our network, we achieved promising results — leading to our decision to implement CRO at all 240 service centers in 2023, completely transforming ABF's city operations.

#### To date, this innovation has delivered

increase in street productivity

1.5%

17%

reduction in using local cartage agents

a cost savings of over

\$12.3 MILLION

In addition to efficiency gains and optimized routes that enable us to handle more shipments and grow our business, improved fleet deployment impacts our equipment pools, enabling us to better service new and existing customers by offering the right capacity at the right time.

#### **Deep Dive into CRO Technology**

Throughout our ABF Freight LTL network, we own and operate over 40,000 assets out of 240 service centers across North America — and we understand the impact operations like this can have on the environment. When we took a closer look at our operations, we identified opportunities to enhance the utilization of our daily capacity, reduce miles driven between stops and address our environmental impact. Our solution was City Route Optimization, which changes how shipments are routed to ensure every truck is filled to optimal capacity. This approach contrasts our previous method, which relied on routing using software driven by ZIP codes, customer data and legacy knowledge to set the daily route structure.

CRO uses artificial intelligence and historical data to create algorithms for optimization and provide the optimal route structure throughout our LTL network. It uses hexagonal geospatial technology — an innovative approach for determining geographic zones compared to standard U.S. Postal ZIP codes, which we discovered were inadequate and contributing to route inefficiencies. Often, ZIP codes encompass areas too large to cover, span physical boundaries like rivers and aren't consistently updated as zones change. Mapping routes using circles was also ineffective because it produced overlaps and gaps. Instead, we mapped the entire United States and some areas in Canada using hexagons enabling us to place every point of latitude and longitude into a single hexagon to create pickup and delivery zones. While hexagonal zoning technology isn't new, there wasn't a service or platform that provided a large-scale logistics version.

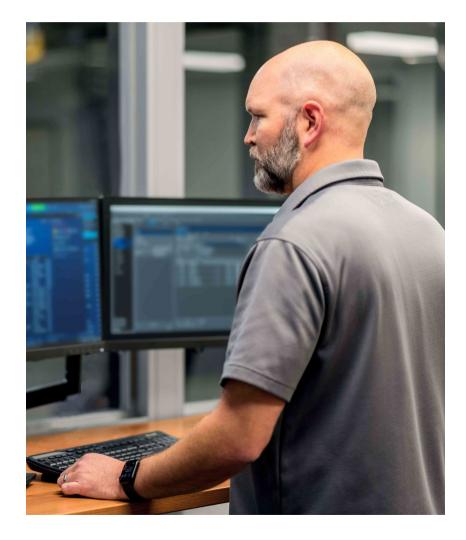
Using hexagonal zoning and artificial intelligence and machine learning algorithms, our skilled team of data scientists pulled and unified historical, operational, customer and geographical data from each service center to develop CRO software.

Additionally, this technology allowed us to account for service center and freight profile differences, enabling us to further optimize routes based on specific characteristics rather than relying on a one-size-fits-all approach offered by most software vendors. This was a critical differentiator when considering that pickup and delivery requirements can differ vastly from area to area. For example, a residential delivery in Manhattan looks entirely different than a residential delivery in rural Kansas.

After a year of research and development, in late 2021, we began testing Phase 1 — which involved prescribing daily static routes based on historical trends and data mined from each service center, tracking when the prescribed routes were used and analyzing how they improved the local freight environment. We started testing at one location and slowly added more service centers. As we saw positive results, we began a broader rollout, fully implementing CRO technology at all 240 ABF service centers in 2023.

We are piloting Phase 2, which increases real-time visibility. The technology and algorithms we are building consider daily fluctuations in freight levels and freight characteristics, providing an even greater opportunity to optimize routes and improve productivity.

We believe that ABF is the first LTL carrier to use this sophisticated and intuitive technology to optimize routes. Implementation in our network has reduced costs, enhanced productivity, created positive customer experiences and improved sustainability.



## ABF Freight Service Centers

As part of our Facility Enhancement and Growth Roadmap that launched in 2021, we have continued to prioritize updating ABF service centers and expanding our network capacity in certain locations — seeking to increase efficiency, improve operational productivity and our ability to service customers, and create a safer, more comfortable work environment for our employees. While we have experienced some delays due to supply chain and contractor challenges, we've made good progress on facility improvements. All new and remodeled facilities will have energy-efficient LED lighting and water-efficient plumbing, and we are actively replacing HVAC units with high-efficiency units as needed.



#### **Environmental Compliance**

We are committed to environmental compliance at all 240 ABF Freight service centers, including complying with the U.S. Environmental Protection Agency's (EPA) Clean Water Act (CWA). Under federal law, we have a responsibility to obtain the appropriate stormwater permits, meet applicable standards, develop and implement pollution prevention procedures, and accurately maintain reporting.

Throughout 2013-2014, we hired external environmental experts to conduct stormwater audits at all U.S. service centers, which uncovered CWA compliance issues. We voluntarily self-reported our audit results to the EPA in 2015 and immediately began taking action to correct these issues.

As a result, ABF entered an official negotiation with the EPA, leading to a resolution of all concerns and our full cooperation with the EPA's Consent Decree, which went into effect on September 14, 2023. The Consent Decree requires ABF to continue to implement and enhance our company-wide stormwater compliance program by performing audits and inspections of our U.S. service centers beyond what's required by the CWA and implementing additional employee training.

To date, all U.S. service centers have the appropriate stormwater permits or No Exposure Certificates, and we have hired additional personnel to help us maintain the compliance of our service center stormwater strategy and procedures with the terms outlined in the Consent Decree.

Through these actions, we are working to minimize our adverse environmental impact and contribute to healthier water sources.

Read the EPA's settlement resources for more information.



## **ArcBest Campuses**

Part of our sustainability commitment focuses on having efficient facilities and healthy campuses for our employees to feel good about and enjoy. We've been proactive over the last decade when building, remodeling or leasing campus locations to make environmental features part of our decision process. Learn more about our sustainable facilities and their features.

In 2023, ArcBest partnered with FoodLoops, an Arkansas-based company specializing in sustainability solutions, on four campus events. At each event, compostable plates, forks, cups and napkins were used instead of traditional disposable materials. FoodLoops staff members and ArcBest employee volunteers collected the waste and separated it into bins for compost, recycling and landfill. All food waste and compostable materials were then transported to the FoodLoops industrial composting facility in Rogers, Arkansas, to be turned into high-quality compost. Through the four events, we collected 974 pounds of materials and food waste for composting and 287 pounds of materials to be recycled —

1,261 pounds that would have otherwise been sent directly to the landfill.

The discovery of FoodLoops as a potential partner on waste and recycling came through our 2022 ArcBest Imagine innovation competition. Teams were encouraged to pitch ideas to help ArcBest improve our environmental footprint and reduce our industry's adverse environmental impact. One team proposed FoodLoops as a solution to reduce office waste, and after the competition ended, ArcBest pursued their idea and formed an official partnership with the organization.

Event	Compost	Recycling	Total Diversion
Employee Appreciation Day	224 lbs	27 lbs	251 lbs
IT Professionals Day / Burger Burn	130 lbs	20 lbs	150 lbs
Imagine Competition	110 lbs	24 lbs	134 lbs
ArcBest Family Day and 5K	510 lbs	216 lbs	726 lbs
Totals for the Year	974 lbs	287 lbs	1,261 lbs

## **Spotlight:** Earth Day Cleanup

To celebrate Earth Day in 2023, ArcBest's manager of sustainability, with help from our corporate social responsibility analyst and director of corporate facilities, led several employees and their family members in a trail cleanup at ArcBest's headquarters in Fort Smith, Arkansas. The employee-led event originated from anonymous feedback through our Digital Creativity Suggestion box and provided the opportunity for our people to take action toward contributing to a healthier planet and keeping our campuses beautiful.

"I firmly believe in the importance of Earth Day and putting time and effort into taking care of the Earth at every opportunity. With just a couple hours of work, we filled 15 trash bags and several recycling bags. I hope this is an event that we continue for years to come!"

**Rob Seal** manager of sustainability



## Greenhouse Gas Emissions

We know that emissions reduction is a critical topic for many stakeholders, so we began disclosing our Scope 1 and Scope 2 GHG emissions each year and are making encouraging progress toward being able to report Scope 3 GHG emissions, too. We're committed to transparency and to finding sustainable, costeffective ways to reduce our emissions overall.

Throughout 2023, we continued developing our GHG emissions reporting processes, streamlining how the data is collected, calculated and organized. This has provided us better insight into our Scope 1 GHG and Scope 2 GHG emissions across our operations and facilities and has given us the ability to report alternate fuels separately from petroleum-based diesel. As a result, we're able to report our GHG emissions more accurately and account for our use of more sustainable fuels.

We also began collaborating externally with an expert architecture and engineering consultant to evaluate potential emissions reduction strategies. Our sustainability team is heading the partnership, collaborating closely with leadership across all parts of the business and operations, to identify possible strategies for setting targets, their current and future feasibility, and the impact these targets might have on our emissions. We will continue to provide updates on our progress.

Additionally, last spring, several members of our sustainability committee participated in the <u>Guidehouse Supplier Leadership</u> on <u>Climate Transition Program</u>. The group completed a course on Scope 3 GHG emissions footprinting, taking part in five

modules focused on GHG emissions and detailed steps toward reporting Scope 3 GHG emissions. Through this educational opportunity, we are continuing to learn and understand more about our Scope 3 GHG emissions.

Gross Global
Scope 1
GHG Emissions

Gross Global
Scope 1
GHG Emissions
related to alternative

fuel usage

Gross Global
Scope 2
GHG Emissions

512,209

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

10,511

Metric tons (t) CO,e

15,188

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

# Social





# Our Focus on People and Culture, Customers and Communities

Throughout our 100th year, we focused on celebrating our employees, strengthening business partnerships, improving customer experiences and giving to philanthropic organizations intentionally — making important progress across the organization to improve social sustainability.

We continued investing in safety and security and recognized hundreds of our ABF drivers for achieving record safety milestones. We hosted a variety of diversity, equity and inclusion events and welcomed four more voluntary employee resource groups open to all as part of our ongoing commitment to supporting a workplace that embraces and respects all people and cultures. Through training and development initiatives, company-wide employee recognitions and new wellness programs, we're working every day to continually improve employee experiences and career development, and remain a company our people are proud to be part of.

We make decisions and take action in response to our customers' needs, and we work to provide solutions that make it easier for them to do business. We're also dedicated to giving back to the places where our employees work and live because we know that when our communities thrive, our people thrive.

"Whether an employee or visitor, we want every person at every one of our locations to feel welcome, safe and valued. And we want every customer to trust that we're moving their freight in the safest and most efficient way. With a 100-year reputation that precedes us, we're dedicated to making it easier to do business, providing our employees a great place to work and investing in our communities."

## Erin Gattis ArcBest chief human resources officer



## Safety and Security

Safety and security are ingrained in our company's culture and communicated as a top priority to all employees. The ArcBest Safety and Security Team, ABF Safety Team and ABF Security Team are diligent in maintaining a safe and secure environment across our campuses, service centers and operations. Through policies and procedures, required role-specific training, emergency drills, on-site risk assessments, our Stay Safe initiative, external partnerships and several other efforts, we promote safety company-wide — helping prevent workplace accidents and set industry standards.

2023 safety updates include:

#### **ArcBest Campuses:**

- Formed Campus Safety Teams at all ArcBest campuses.
   These teams are trained to assist in response to emergency situations and in evacuations
- Upgraded the camera system at our second campus location in Fort Smith, Arkansas
- Provided CPR and AED training to over 100 employees across our Fort Smith, Arkansas; Medina, Ohio; and Chicago, Illinois campuses
- Completed rolling out training on the company's
   Emergency Action Plans to our online learning portal —
   this training is required for all new hires and must be reviewed annually by all employees
- Engaged our human resources and safety and security

teams in a Certified Threat Analyst course that educated them on how to recognize pre-incident indicators of potentially violent situations, determine danger levels and keep people safe

#### **ABF Freight Service Centers**

- Continued collaborating with ArcBest Technologies to build our new hazmat tracking system, enabling our Hazardous Materials team to capture, track and respond to hazardous, nonhazardous and diesel spills more efficiently
- Rolled out an updated hazardous materials training video that covers current hazmat safety regulations and compliance, which is required viewing for all field employees
- Awarded 13 Stay Safe Excellence awards, which recognizes drivers who prevented a potential fatality accident or other severe crash
- Presented 209 Stay Safe Awards to drivers who prevented or avoided accidents by using defensive driving and to employees who helped promote safety across the organization
- Continued deploying deterrent camera boxes and 360° monitoring platforms at service centers across the network. If needed, these systems provide quality, highdefinition records for law enforcement
- Collaborated with ArcBest Technologies to internally develop and implement a more flexible, cost-efficient closed-circuit television (CCTV) server and platform that

- improves surveillance visibility across our service centers
- Piloted thermal cameras at several service centers to create a perimeter detection and alert system
- Built a solar lighting system prototype that is considerably less expensive than traditional lighting installations and will supplement existing light sources in our service center yards



## Safety Spotlight: Safety Communications and **Support Team Helps Reduce Driver Service Violations**

In 2022, we created the ABF Safety Communications and Support team to assist drivers and field employees 24/7 with calls, reporting and other critical concerns. In January 2023, the team began collecting daily reports for personal conveyance. hours of service (HOS) and missing driver certification violations. By June 2023, the team was sending weekly reports to service center managers, linehaul managers, regional vice presidents of operations, regional safety and security managers, and city dispatchers — bringing awareness to these potential violations and helping each team determine the most efficient way to correct and eliminate these issues. Additionally, the Safety Communications and Support team continues to work with drivers in real time to answer questions about potential violations and ways to proactively avoid them. As a result, between June and December of 2023, our drivers achieved a significant reduction in average monthly personal conveyance violations, HOS and missing hours violations, and missing driver certification violations. ABF Freight has been a top performing carrier in HOS compliance BASIC for the last two years.



## **Spotlight:** Kansas City Safety Blitz

Employees at the ABF service center in Kansas City, Missouri, took proactive action and hosted a Safety Blitz to prepare for the 2023 International Roadcheck — a 72hour inspection and enforcement event across North America held by the Commercial Vehicle Safety Alliance (CVSA). The 2023 Roadcheck focused on anti-lock braking systems and cargo securement. Andy Thomasson, an ABF Freight regional safety and security manager, helped create and coordinate Kansas City's practice blitz, organizing a checkpoint to ensure drivers completed a proper pre-trip inspection before heading out on the road.

"Safety blitz events help drivers understand the importance of a proper pre-trip inspection and bring awareness to defects that are easily overlooked. They can also prevent an 'out of service' violation at a roadside inspection. We want each driver to have a safe trip out and back in a timely manner to service our customers and get home to their families. It's important to keep the motoring public safe and for them to know that when they're traveling next to an ABF truck, our equipment is well maintained and our drivers are focused professionals."

PJ Kelly manager of linehaul operations



## **ABF Freight Driver Safety Highlights**

## **2023 Safe Driving Awards**

ABF Freight defines safe driving as consecutive hours behind the wheel or miles driven without a preventable accident. Each year, we recognize our city and road drivers who achieve safety milestones and honor them for their commitment to safe driving. In 2023, we awarded 269 drivers.

SAFE DRIVING MILESTONES SAFE DRIVING MILESTONES **Road Drivers City Drivers** 109 **Drivers Drivers Drivers** Drivers **Bronze Award Silver Award One Million Two Million** (5,000 Consecutive Hours) (30,000 Consecutive Hours) Miles Miles 18 Drivers **Drivers** Driver Drivers **Gold Award Platinum Award Four Million Three Million** Miles

Miles

(45,000 Consecutive Hours)

(60,000 Consecutive Hours)

## **ABF Freight Road and Load Teams**

The <u>ABF Freight Road and Load Teams</u> are elite groups of ABF drivers and dock workers handselected by leadership to represent the company within the industry. They exhibit the highest standards of professionalism, skills and safety, engage with leadership regularly regarding updates on company initiatives, and they provide feedback on certain topics.

"We feel these teams represent the best of the best! These men and women exemplify commitment, dedication and knowledge, making them some of the safest truck driving and freight-handling professionals in our industry."

## Ed Myers vice president of linehaul operations

## **ABF Freight Road Team**

Road Team members serve a two-year term as ambassadors for ABF Freight and the trucking industry through numerous public appearances at career days, school events and various civic and fraternal organizations.

They must have at least 10 years of professional driving experience and an exemplary driving record to be considered for the ABF Road Team.

The 2023-2024 ABF Road Team consists of 15 professionals.

## **ABF Freight Load Team**

Load Team members serve a one-year term and are selected based on their safety records, expert freight-handling and loading skills, involvement in ABF's Quality Process and their personal integrity. The 2023 ABF Load Team consisted of 19 professionals.



**ABF Road Team** 



**ABF Load Team** 

## **Spotlight Story:** Brianna Wasko Makes ABF Road Team History as its First Female Team Member

More than a decade ago, Brianna took a leap of faith to change careers, moving to Nevada to earn her CDL-A and become a professional truck driver. Since then, she has achieved a 6-year safe driving record with ABF, competed in the twin trailer and four-axle classes in Nevada's Truck Driving Championships and most recently, became the first woman to earn a spot on ABF's Road Team.

The 2023-2024 road team was chosen from a group of approximately 500 eligible road and city drivers that was narrowed to 45 drivers who competed for the 15 spots. Brianna is proud of her place on the team, and the Road Team is proud to celebrate Brianna's career as a professional truck driver and provide her with an additional platform to promote safety and truck driving in our communities.

"It's very significant. Not only because I'm the first female, but because I'm the only female driver at our service center. Being a professional truck driver takes commitment to what you're doing, and I've enjoyed the opportunities that being on the ABF Road Team has given me to share that commitment to safety and our customers."

**Brianna Wasko** city driver





## 2023 ABF Freight Road and Load Team Week

During the 2023 ABF Freight Road and Load Team events, ArcBest Chairman, President and CEO Judy R. McReynolds and ABF Freight President Seth Runser welcomed both teams to Fort Smith, Arkansas, for a week of networking, education and skills tests. Several past and present America's Road Team Captains also attended to help facilitate events, mentor current team members, and plan and execute the truck driving and forklift competitions. It's an exciting week for our Road and Load Team members to be honored and recognized for their superior safety and professionalism.

"Road and Load Team Week is my favorite week of the year! It's exciting to see our safest, top performers from the dock, yard, city and road teams collaborate in Fort Smith. These team members learn in-depth about our company in an open format with executive leadership. They also learn more about how their roles impact one another while forming connections with each other. After spending a week with the Road and Load Teams, it's clear to see why our people and culture have made us successful for over 100 years."

Robin Johnson project manager of systems and linehaul



## **Truck Driving Championship**

ABF's Truck Driving Championship is a fun way for drivers to show off their skills and enjoy a friendly competition. Each driver has an opportunity to compete and is scored on a written exam, pre-trip inspection and safety driving course. This year's pre-trip inspection required drivers to look for defects such as faulty seatbelts, a screw in the steer tire, a grommet missing on an air line and unsecure hazardous materials. During the driving course, drivers put their skills to the test as they maneuvered through the intricate course, tackling sharp angles and driving cautiously to avoid obstacles.

"Winning first place was encouraging. The fact that my good friend, practice partner and mentor Tony Spero [ABF driver since 1989 and an America's Road Team Captain] was there to witness my win and tell me he was proud of me made it extra special!"

Ernie Wood driver/salesman

## **ABF Truck Driving Championship**

## Top three winners:



1st Place
Ernie Wood
driver/salesman at Brattleboro, Vermont



2nd Place
Ben Atkinson
driver/salesman at Jacksonville, Florida



3rd Place
Joe Busch
driver/salesman at Omaha, Nebraska

## Forklift Driving Championship

Our Forklift Driving Championship is a unique way for ABF Load Team members to compete in challenges that showcase their forklift driving skills. The 2023 competition included three individual events, each measured for time, and two group events that were not counted toward scores but were offered as team-building opportunities. During the solo events, competitors attempted to avoid incurring penalties as they maneuvered the courses, with each penalty adding five seconds to their time. The competitor with the least amount of time wins the competition. Final results were determined based on the competition and scores from a written test.

"I really enjoyed the forklift championship because it gives us a chance to put our skills to the test in a fun, competitive way.

Overall, I'm so glad I got to be part of this unique experience and meet several of our leaders in person!"

Robert Hopper dock worker

**ABF Forklift Driving Championship** 

## Top three winners:



1st Place Robert Hopper dock worker at Salt Lake City, Utah



2nd Place John Lewis driver/salesman at Delray Beach, Florida



3rd Place
Joe Ciccocioppo
dock worker at Winston-Salem, North Carolina

## A History of ABF Drivers as America's Road Team Captains

The American Trucking Associations established America's Road Team in 1986 as an outreach initiative designed to educate the motoring public, lawmakers and the media on the trucking industry. ABF joined the program in 1991, and John Holland, a former road driver at our Albuquerque, New Mexico service center, became the first ABF driver to be named an America's Road Team Captain. Since then, 35 of our drivers have been named Captains — each taking part in the rigorous nomination and selection process, including a trip to Washington, D.C. to compete with drivers from across the industry.

At least one or more of our ABF drivers have been selected to serve on America's Road Team each year since 1991, demonstrating their commitment to safety and excellence. In 2023, we nominated six drivers for the 2024-2025 America's Road Team, and five were chosen as finalists — our highest number of finalists in a single year to date. To prepare for the final competition, drivers convene at our headquarters in Fort Smith, Arkansas, and participate in rigorous, strategic exercises, including practicing their speeches in front of ABF leadership and large audiences, and participating in mock Q&A sessions and media interviews.

On January 16, 2024, the ATA announced the 2024-2025 America's Road Team, naming Ben Atkinson, Terry Bennett and Dave Hedicker as Captains. Each will serve a two-year term as ambassadors of the Road Team, which involves attending a wide range of events and speaking engagements to educate the public about our industry and the importance of safety.

Learn more about these exemplary drivers.



## Spotlight: ABF Freight Driver Bob Bramwell Wins ATA Mike Russell Image Award

Bob Bramwell — an ABF Freight city driver in Missouri, America's Road Team Captain and former ABF Freight Road team member — was one of five recipients of the prestigious American Trucking Associations' (ATA) 2023 Mike Russell Trucking Image Award. The award recognizes companies, organizations and individuals who have made exceptional efforts to promote positive awareness of the trucking industry. Learn more about the Mike Russell Trucking Image Award.

### **Bob Bramwell Professional Truck Driver Profile:**

- Became a professional truck driver in 2004
- Joined ABF Freight in 2009
- Awards: ABF Freight Bronze Medal Driving Award, ABF Freight 10-year Safety
   Performance Award, ABF Freight 10-year Safe Driving Certificate
- Community Involvement: 2022-2023 America's Road Team Captain; member of the American Truck Historical Society, Missouri Cattleman's Association and Teamster Local Union 41; actively involved in his local community as a youth sports coach, school board member and 4-H member.

"Growing up on a farm, you learn first-hand how essential this industry is and what it offers as a career. Remember, if you bought it, a truck brought it."

Bob Bramwell city driver



## 2023 Highway Angels

Throughout our history, ABF drivers have demonstrated their concern for others on the road through acts of kindness and bravery by helping motorists in need on America's highways. While we've been intentional in recognizing their heroism, the

Truckload Carriers Association (TCA) established the Highway Angels Program in 1997, formalizing a way to recognize and celebrate drivers who have gone out of their way to help others and save lives on the road. The TCA acknowledges the impact that the drivers have on the trucking industry and communities across the country. Since 1997, over 100 ABF drivers have been recognized as Highway Angels — 11 in 2023.

"When we're informed of a Highway Angel event, it's usually another person telling us rather than the ABF driver involved. ABF Highway Angels are very humble and don't think anything about their actions because that's just what they do every day to help others in need."

Vonda Hicks
senior manager of safety and security administration



## **Chicory Calhoun**

In January, Chicory was headed to work when he saw debris from a car that had crossed several lanes and crashed into a ditch. He pulled over, dialed 911, grabbed his safety vest and ran to check on the driver. The car was balanced on an edge, so Chicory and others who had stopped to help, held the car in place until emergency services arrived.



### Thomas Itczak

In February, Thomas was traveling in Kansas when he saw a car driving in the opposite direction cross the median and westbound lanes into the grass. He pulled over and ran to the vehicle to find a mother and baby. He helped them both to safety and then waited with them for the police.



### Willie Kouneski

In March, Willie was headed home when he saw a car wrecked against trees. He and another motorist stopped to check on the crash. After opening the car door, they found the driver unconscious and the passenger leaned over, breathing abnormally. Willie attended to the passenger, called 911 and stayed at the scene until emergency services arrived.



## **Terry Whittington**

In March, Terry was on I-40 in California when a semi-truck lost control, almost hitting him before driving into the ditch. He pulled over, called emergency services and approached the crash site, waiting with the driver until the Highway Patrol arrived. This is Terry's second time to be named a Highway Angel.



### **Travis Braun**

In March, Travis was traveling on I-44 in Oklahoma when he saw a truck and trailer crash into a concrete median barrier. He pulled over, ran to check on the driver, called 911 and stayed until emergency responders arrived. The driver was asked to move his vehicle but was too disoriented to operate the truck, so police gave Travis permission to move it to a safe location.



### **Scott Allen**

In April, Scott was driving his delivery route in stop-and-go traffic when he noticed a truck moving slowly at an intersection with a green light. Others were starting to go around the vehicle, but Scott knew something was wrong. He parked his truck on the side of the road safely, approached the car and noticed the driver was leaned over the console. Scott and another motorist stopped the vehicle and called 911.

## 2023 Highway Angels



### **Joshua Dav**

In June, Joshua was driving in Kentucky when he witnessed a pickup with a camper trailer cross two lanes of traffic and flip four times. Pulling over, Joshua dialed 911 and helped the driver out of the vehicle, which was leaking propane. First responders arrived soon after.



## **David Williams**

In July, David was driving through West Virginia when a truck driver going the opposite direction lost control and flipped his vehicle. David stopped, blocked oncoming traffic and worked with others to pull the injured driver through the broken windshield while another volunteer put out a fire that had started. David waited with the driver for emergency officials.



## **Casey Waidelich**

In October, Casey was driving through Wyoming when he saw a driver on the opposite side of the road using a flashlight to try to get someone's attention. He pulled over and found a truck that had hit an elk and gone over a guardrail. Casey called 911 and attended to the driver who had a gash on her head, staying until EMS arrived.



### **John Dunne**

In August, John was traveling on I-294 in Illinois when he noticed an accident. He positioned his truck to block traffic and protect the wrecked car, and then found the passenger pinned inside with a large dog. John talked with the woman to keep her calm and helped the frightened dog out of the car as they waited for emergency vehicles.



## **Kevin Maher**

In July, Kevin was traveling through Arizona when traffic stopped due to bad weather. Knowing his tractor and trailer were at risk of flipping due to strong winds and hail, he carefully maneuvered his truck into a safer position to wait out the storm. When the heavy winds subsided, he slowly drove ahead, stopping to help remove windshields from tractors that had turned over and freeing drivers and passengers. He relied on his 17 years of experience in the medical field to assess injuries and help people remain calm until emergency services arrived.

## **Human Trafficking**

In an industry that often witnesses potential events of human trafficking, raising awareness among our employees of this horrific crime is an ongoing priority. We partner with leading nonprofits to address the issue, including educating our people on how to recognize and safely report potential trafficking situations. Our drivers can serve as the eyes and ears of the road, helping identify and report potential instances of human trafficking so that law enforcement can take action.

Ongoing partnerships and 2023 updates:

## **✓** TAT

- 2016 Formed partnership
- 2017 Became a copper-level sponsor
- 2018 Initiated mandatory TAT training for all ABF drivers
- 2023 Increased sponsorship to Diamond level

## Polaris

- 2019 Formed partnership
- 2022-2023 Trained over 100 Fort Smith educators on historical data on human trafficking among teens and how to safely identify and report these crimes
- 2023 Became a Wall of Champions corporate sponsor
- To date Trained more than 4,800 employees on Polaris' human trafficking curriculum

## Transportation Leaders Against Human Trafficking (TLAHT)

 2022 — Signed the TLAHT pledge, joining the commitment to educating employees, raising public awareness and measuring collective impact in the ongoing fight against human trafficking



# Spotlight: TAT Training Helps ABF Driver Spot Trafficking Victim

While driving on a rural road with his family last year in a private vehicle, ABF Freight driver and America's Road Team Captain Bob Bramwell saw a woman walking alone in the dark and knew immediately something was wrong. Leaning on his TAT training, Bob pulled over, rolled down the windows and made sure the woman saw he was traveling with his family. She explained she had been trafficked and that her child was still being held. After hearing her story, Bob continued to use his training to encourage and support her in seeking help from the local authorities.

Many drivers, including Bob, think they will never encounter situations like this. However, the training they receive enables them to spot red flags in their workdays that could help save lives. Learn more about how Bob's training helped him take action.

## Spotlight Story: Inaugural Human Trafficking Summit

In October, ArcBest employees attended Arkansas Attorney General Tim Griffin's Inaugural Human Trafficking Summit. The event — free and open to the public — aimed to build community knowledge and awareness around human trafficking. National and local presenters discussed topics on familial trafficking, traumainformed investigations, human trafficking in the private sector, and strategies to strengthen public and private partnerships.

"Working in an industry that often intersects with routes where human trafficking can occur has opened my eyes to the realities of this horrific crime. The details and statistics we learned at the summit are distressing, but it's critical to learn about what can be done to help current victims, support survivors and drive awareness that can help prevent trafficking in any situation."

Autumnn Mahar

director of external communications and public relations



## Diversity, Equity and Inclusion

Our Corporate Social Responsibility (CSR) team and DEI Task Force remain focused on creating and maintaining a workplace where all employees feel accepted, respected and appreciated through various **DEI initiatives**. Our commitment to supporting an inclusive, diverse atmosphere drives us to continuously work to foster a sense of belonging. We provide employees with a library of online modules around diversity, equity and inclusion, and offer people leaders opportunities to learn more about unconscious bias during live training sessions. We also encourage employees to learn from one another by sharing their unique perspectives and cultures.

Since beginning our DEI journey, we've focused on listening to what our employees say and taking action to address those concerns and recommendations. Throughout 2023, we continued making positive progress.

## **DEI Oversight**

ArcBest's Corporate Social Responsibility (CSR) team works directly with the Chief Human Resources Officer (CHRO) to oversee all diversity, equity and inclusion initiatives, training and events, and our CHRO provides quarterly updates to the ArcBest Board of Directors.



## **DEI Events**

The DEI Task Force organized 15 events and experiences in 2023 to promote meaningful engagement with, and provide education around, several cultures our employees identify with.

A few examples include:



## **Black History Month Panel**

In February, employees participated in a panel discussion about the importance of Black History Month. Each panelist shared their ArcBest journey and perspectives on the importance of supporting underrepresented talent in the workplace.



## The Noble Eight Lion Dance Group

In honor of Asian American and Pacific Islander Heritage Month, the Noble Eight Lion Dance Group, which includes two ArcBest employees, performed the Lion Dance at two of our Fort Smith, Arkansas, campuses. The Lion Dance is a traditional Asian art form that originated in China and dates back 5,000 years. The dance is performed in a lion costume, telling a story and bringing good luck and fortune to the audience.



## **National Hispanic Heritage Month**

In October, employees celebrated National Hispanic Heritage Month with a live-streamed Latin American dance class, learning about the variety of Latin dance styles while promoting the company's core value of Wellness.

## **Employee Resource Groups**

ArcBest ERGs are voluntary, employee-led groups that help create an open and welcoming space to foster community building for employees' shared identities, experiences or interest in supporting underrepresented talent. The company supports each ERG through allocated resources.

Employees formed four additional ERGs in 2023 for a total of six ERGs across the organization, with 767 members, and held or participated in over 100 ERG events.







**Colleagues Networking & Embracing Community Ties (Conect)** focuses on creating a welcoming community for employees who are new to the company, have recently relocated or are looking for support in making new connections

**Pride Network** focuses on creating a positive experience for LGBTO+ employees and promoting education, visibility and allyship

**Distinct Minds** focuses on supporting and fostering belonging for neurodivergent employees as well as employees caring for neurodivergent loved ones







Military Veterans Employee Resource Group (VERG) focuses on enhancing the work environment for employees who are military veterans, are currently serving military members or are military family members

Women in Supply Chain (WISC) focuses on empowering, supporting and advocating for all women in the supply chain industry

Mosaic focuses on elevating the experiences and highlighting the needs of employees of color

## 2023 ERG Events\*

### CoNECT

- Organized Trivia Night events for our Fort Smith,
   Arkansas, campuses and for remote employees
- Organized a Cornhole Tournament and Picnic

### Distinct Minds

- Hosted autistic comedian Michael McCreary\*\*
- Hosted ADHD professional speaker Alex Partridge\*\*

### VERG

- Welcomed board-certified psychiatrist Dr. Nikole Benders-Hadi for a conversation on suicide awareness and prevention\*\*
- Participated in a Veterans Day panel that featured discussions on transitioning from a military to a civilian career and included five ArcBest veterans/ veteran family members who represent different branches of service and backgrounds
- Hosted a "Lunch and Learn" with The American Legion Post #31

### Pride Network

- Hosted events at our campuses in Fort Smith,
   Arkansas, and Medina, Ohio, to celebrate Pride Month with employees
- Participated in the Northwest Arkansas Pride Parade
- Participated in a virtual panel discussion with

  ArcBest's DEI Task Force, highlighting Pride Month\*\*

### WISC

- Hosted a women's networking event with a welcome from Judy McReynolds, chairman, president and CEO, and Erin Gattis, chief human resources officer
- Hosted career coach Dr. Uzoma F. Obidike to discuss personal branding and thriving in a male-dominated industry\*\*
- Organized book club discussions that explored the intersection of gender and science

"ArcBest's ERGs give employees a sense of belonging, and I am honored to be a part of such an active and growing community. Each ERG is doing a fantastic job promoting diversity and inclusion, and I'm excited to see so many allies eager to learn and educate themselves. When you feel free to be who you are at work and don't spend time trying to hide it, productivity gets a boost."

Traci Perkins
client care coordinator, Pride Network communications chair



<sup>\*</sup>Mosaic formed in October 2023, with plans to begin hosting ERG events in 2024.

<sup>\*\*</sup>Virtual event

## Workforce Demographics\*

## ArcBest

Ethnicity, Race and Gender	ArcBest Percentages
Two or More Races	1.51%
American Indian or Alaska Native	0.81%
Asian	1.86%
Black or African American	13.23%
Caucasian	67.95%
Hispanic or Latino	12.78%
Native Hawaiian or Pacific Islander	0.37%
None specified (Ethnicity and Race)	1.49%
Female Female	15.49%
Male	84.25%
Not specified (Gender)	0.26%

\*Employee data is as of December 31, 2023

View ArcBest's EEO-1 data to see our workforce demographics in the U.S. government's mandated reporting categories.

New hires were

54%

diverse as defined by gender, race, ethnicity or veteran self-reported status

Hired

210

self-reported veterans across the organization in 2023



## Female Workforce Statistics 1

29%

of expedite fleet drivers are female

20%

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

20%

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

33%

of ArcBest Board of Directors are female 15%

of ArcBest employees
\_\_\_\_\_ are female

<sup>1</sup> Employee data is as of December 31, 2023
 <sup>2</sup> Supervisor data represents employees with one or more direct reports
 <sup>3</sup> Executive data represents all vice presidents and above



## **Spotlight: Diwali Celebration**

In November, ArcBest employees and several members of the leadership team gathered to observe Diwali — an Indian festival of lights that celebrates the triumph of good over evil. The event, which included traditional Indian food and decor, helped to foster a sense of unity and alleviate homesickness for employees unable to travel home to India for the holidays. Participants wore traditional clothing and participated in the ceremony by lighting diyas to broadly signify the hope for a brighter future. One employee's family sent traditional clothing from India to offer everyone the opportunity to experience Indian culture during the observance of the holiday.

"I felt genuinely moved by the fact that numerous leaders dedicated time from their busy schedules to celebrate together. The gathering of so many leaders for the celebration conveyed a genuine concern and care for the well-being of employees."

**Koyal Bhartia** robotics engineer III



## **Employee Experience**

Our people are special. It's something we've known for 100 years, and it's something we tout every chance we can. Because of their hard work, dedication to our company and customers, and determined spirit to embrace change and exceed expectations no matter what, ArcBest has evolved into the logistics powerhouse it is today. For ArcBest to achieve continued success, we understand that we must prioritize our employees — because when we take care of them, they're confident and motivated to take care of one another and take care of our customers. But for us, creating positive employee experiences is more than a means to achieve great customer service; it keeps the heart of our company beating. With this in mind, we aim to meet our employees' needs, from recruitment to retirement and every stage of their career and life in between.

Our Employee Experience Team constantly looks for ways to make working at ArcBest better. They're dedicated to researching, reviewing and analyzing feedback and survey results, communicating company updates, employee stories and spotlights, and leader support. They also engage with teams across the organization and executive leadership to take actions that create meaningful experiences, improve work-life balance, foster growth and development, support total health and inspire creativity.



## **2023 Recruiting Highlights**

Our recruiting strategy focuses on analyzing market and industry hiring trends, creating a positive candidate experience and being transparent about our company culture — helping us recruit, develop and retain top talent. Here are our 2023 recruiting highlights:

>65K

Applications received

~10K

Interviews conducted

~2K

People added to the organization\*

Hosted

2023, we:

**2023 ABF Hiring Events Highlights** 

hiring events across the ABF network Welcomed

ABF hiring events take place at service centers across our

network. Attendees can complete applications, participate in

interviews and in many cases, receive a same-day job offer. In

**>1,000** attendees

Conducted

>900 interviews

\*includes full-time union and nonunion employees



### **Learning and Development**

Growth is an ArcBest core value that is ingrained in our culture, demonstrating our commitment and responsibility to "growing our people and our business." For nearly four decades, ArcBest's Learning and Development team — segmented into three specialized focus areas (Field Training, Campus-Based Training and Quality Awareness) — has led the incredible task of providing employees the tools and knowledge needed to serve customers well and reach their career aspirations. But it's more than training courses — it's also engaging employees and leadership in consistent performance reviews, career conversations and strategic succession planning.

As our industry evolves, we enhance our learning and development strategies, technologies and best practices, and we invest heavily in curriculum and coaching methods — all to help foster positive results for our people, customers and other stakeholders. Our Learning and Development team collaborates with ArcBest executives and leaders across the organization to create industry-leading learning opportunities that align with business strategies and educate a diverse group of professionals like software developers, data scientists, sales members, customer service representatives, engineers, drivers, mechanics and more.

Through ArcBest University, we have established the colleges of Learn, Perform and Achieve to ensure employees have access to purposeful and relevant education, regardless of where they are in their career. The College of Learn focuses on foundational job skills training and helps employees understand our history, culture and values through courses like ArcBest Fundamentals. The College of Perform offers classes on professional development and "human skills" such as emotional intelligence and communication. The College of Achieve is geared toward supporting all levels of an employee's leadership development through programs such as the Aspiring Leaders Program, Leadership Series and Leadership Academy.

## **Learning and Development Breakdown**



**Field Training** — Focuses on delivering high-quality training to service center employees that enhances their knowledge and skills while promoting career development. This team supports all major IT initiatives and delivers on-site training to new and tenured employees.



**Campus-Based Training** — Specializes in helping employees across all ArcBest brands and companies gain job-specific skills to perform their day-to-day duties effectively and efficiently.



**Quality Awareness** — Since 1984, the tools and principles of the Quality Process have enabled our employees to exceed customers' expectations by encouraging creative problemsolving. Our goal is to provide every employee the knowledge and understanding of how to use the Quality Process to eliminate errors, Do It Right The First Time and develop a Zero Defects attitude.

## **2023 Training Statistics**

In 2023, all nonunion employees participated in at least two training courses.

70,000

enrollments in our online or instructor-led training courses, with 950 unique course titles available

**Approximately** 

80%

of those enrollments were in self-guided online courses

**Approximately** 

20%

of those enrollments were in instructor-led training courses via webinar or in person, totaling more than 61,000 hours of live training

## **Leadership Development**

For several years, ArcBest has engaged current and potential leaders in exclusive, comprehensive development programs. ArcBest Leadership Academy is the company's most distinguished leadership program that engages high-potential team members while preparing them for future roles. It focuses on four key areas: self-leadership, developing others, strategic thinking and decision-making. Participants are chosen annually after a rigorous nomination and review process that involves the executive leadership team and a selection committee.

Our Leadership Series Program guides participants through an in-depth journey of eight critical ArcBest competencies across three training sessions. We also offer the Aspiring Leaders Program, which is designed for any employee who wants to advance their career and allows the employee to participate in the learning and developing of critical leadership skills.

## 2023 leadership development highlights:

- 32 employees graduated from Leadership Academy, increasing our total graduates to over 250 since the program began
- 106 employees completed the Leadership Series Program for a total of over 1,300 employees since the program began
- 201 participants took part in the Aspiring Leaders Program for a total of more than 350 participants since the program began

"Being part of the 2023 Leadership Academy was memorable in many ways. From a work perspective, there's no doubt ArcBest invests in its people and truly wants the best for us. On a personal note, I was selected to participate during the company's 100th anniversary, and it was also my 10th anniversary, which made for a unique, once-in-a-career experience."

## Luke Boen manager of customer experience and engagement



## **Spotlight:** MoLo Leadership Kick Start Program

The MoLo Leadership Kick Start Program launched in March 2023, introducing people leaders from our Truckload team to ArcBest's talent strategy, including our approaches to leadership development and career mobility. The two-day program involved networking events, hands-on activities and informative discussions on building trust, employee engagement, social styles and more. In 2023, 97 participants completed the program.





## Field Development

Our field employees are front-line workers who engage with customers and handle their freight daily. Their development is crucial to our ability to provide our customers with service that exceeds expectations and delivers their freight on time, intact and without damage. From drivers and dock workers to the service center leaders and administrative staff, we offer the training and resources they need to help them follow our Quality Process and Do It Right The First Time.

- 170 employees completed our six-week paid Driver Development Program, which provides participants with over 150 hours of behind-the-wheel experience and classroom and hands-on instruction to earn a CDL-A license.
- 281 operations supervisors, operations managers and service center managers completed one or more of our Frontline Management Training (FMT) courses:
  - 200 employees completed our FMT I course, which introduces ArcBest's values, culture, solutions and history to new members of the field leadership team. It also teaches leadership skills such as communication, coaching and consistency.
  - 81 employees completed our FMT II course, which uses participation to build a more in-depth understanding of leadership topics such as focus groups, change management and generational differences.
- 230 operations employees were trained on using PowerBI, a new way to track, monitor and drill into service center

- efficiency and reliability metrics in a more streamlined manner.
- 22 employees completed Operations Manager Skills Training (OMST), which launched in October 2023. OMST provides operations managers with the skills and knowledge needed to maximize their location's efficiency and reliability, promote employee development and maintain compliance with all company processes and procedures.
- 72 employees participated in a two-week training class for new operations supervisors. In November 2023, the course expanded to include content for end-of-line service centers in addition to distribution centers — 51 employees completed the distribution center version of the class, and 21 employees completed the end-of-line version of the class.
- 105 operations supervisors participated in one of three strategy sessions. During these sessions, ABF leaders spoke about the strategic impact each operations department has on the business. Operations supervisors also participated in networking opportunities and a focus group on work-life balance.

## **Innovation Ambassadors Program**

In 2023, we launched our Innovation Ambassador Program, which was formerly the ArcBest Innovation Accelerator program, to help strengthen our culture of innovation, increase employee engagement and identify growth opportunities. We

selected seven individuals from across the organization to serve as ArcBest's inaugural group of Innovation Ambassadors. Each member will serve a two-year term, supporting ideation within the company by helping discover and vet new ideas, providing insights and updates related to strategic focus areas, and helping develop, support and maintain external relationships relevant to innovation activities.

## **Educational Assistance Program**

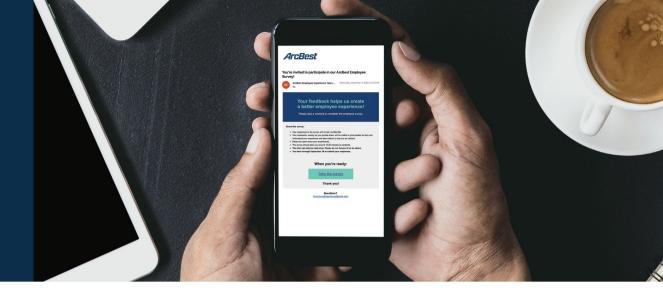
The ArcBest Educational Assistance Program reimburses a percentage of the costs associated with certain higher education courses, providing additional financial support to full-time employees pursuing a degree. In 2023, 40 employees completed coursework for bachelor, master or graduate-level degrees and certificates, and ArcBest reimbursed over \$193,800 — an average of more than \$4,800 per employee.



## **Engagement**

ArcBest values our employees' feedback, which gives us insight into where we're doing a good job and where we may need to improve. We use a variety of channels including surveys, a digital suggestion box and focus groups to engage employees across all locations. Our most-used channel is the annual anonymous employee survey, which we've invited employees to participate in for over a decade. Since we began this survey process, our leadership and employee experience teams have spent thousands of hours reading and analyzing responses, then meeting to create solutions that address suggestions or concerns.

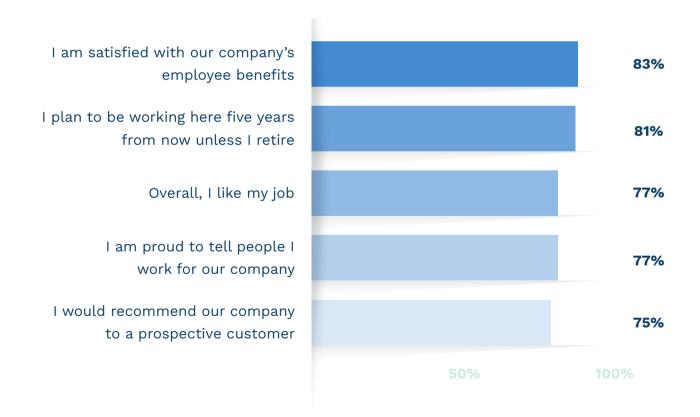
In 2023, 78% of nonunion and 45% of union employees completed the survey.



## **Highest-rated statements by nonunion** employees by favorability scores



## **Highest-rated statements by union** employees by favorability scores





## **CEO Circle of Excellence**

ArcBest's CEO Circle of Excellence recognizes people leaders under the director level who excel at leading their teams. For the third year, the Employee Experience team calculated annual employee survey results to identify people leaders who scored in the top 10% of direct leadership mean scores and favorability across three categories: small teams (3-4 direct reports), medium teams (5-7 direct reports) and large teams (8+ direct reports). In 2023, 54 people leaders were recognized in a company-wide email and were invited to attend a virtual recognition event with senior leadership to celebrate this achievement. They also received a crystal award and a letter signed by ArcBest Chairman, President and CEO Judy R. McReynolds.

## **Employee Values in Practice Awards**

In honor of our 100th year, we launched a new awards program — the ArcBest Values in Practice (VIP) Awards to recognize teams at the heart of our success. The VIP Awards honor teams that exemplify our core values as they make a difference for our customers and each other. Employees were encouraged to nominate either their team or others in one or more of our core value categories: Creativity, Integrity, Collaboration, Growth, Excellence and Wellness. ArcBest Chairman, President and CEO Judy R. McReynolds presented the 2023 VIP Awards during a virtual presentation. 2023 winners:





## Creativity

Robotics and Automation - Mechatronics



## Growth

General Robotics Team



## Integrity

Human Resources Coaching and Compliance



## **Excellence**

Regional Administrative Assistants



## Collaboration

Financial Services – Strategy and Analytics



## Wellness

Field Training



"I've been with ABF my entire career. My dad worked as a road driver for ABF for 30 years and encouraged me to apply. I've had the opportunity to learn a lot, and I know I will continue to learn for many years to come."

Lisa Stoa service center clerk



"The people you work with every day are what make this company special. When I first started here, my supervisor always made sure I had the tools I needed to succeed. She is a prime example of what ArcBest is all about."

Joseph Portillo equipment planning and recruiting coordinator



"ArcBest strives to do the right thing, with values and morals that I support. I find myself saying 'where there is a will, we'll find a way' all the time. My team values my opinion and makes work fun."

Sharon Dobbs software engineer



"I started with ArcBest as a student worker and have now been blessed with nearly 20 years of service. ArcBest is my home, and my hope is that someday I will have had the impact on others that my supervisors have had on me."

Derek Green senior manager of customer success operations

## **Spotlight: 100th Year Celebration**

In September, we honored our 100th anniversary with a once-in-a-century celebration that included leaders, employees, and current and former ABF Freight America's Road Team captains. The event began with a speech from Fort Smith, Arkansas', mayor, George McGill, and one of Fort Smith's city directors (and former ArcBest employee), Lavon Morton, who gave an official proclamation that September 14th would be called ArcBest Day in Fort Smith, followed by a special message from ArcBest President, Chairman and CEO, Judy R. McReynolds. Our ABF drivers in attendance also received a standing ovation during the ceremony for their hard work and dedication to our company, customers and industry.

In a special documentary series that premiered at the celebration, past and current leaders and employees took part in several round-table discussions that highlight our company's history, growth and core values. At the event, employees watched the first installment of the documentary. Following the formal gathering, employees and leaders enjoyed dancing and food, a confetti booth, a wine pull fundraiser with proceeds of over \$4,100 donated to the United Way of Fort Smith Area, and several other fun activities.

"It was a historical night for ArcBest. 100 years is an amazing milestone, but more importantly, it's a foundation and responsibility for our next century. I'm proud to be a part of this great company and to take on the next century with the best team in the industry."

**Dennis Anderson ArcBest chief strategy officer** 



## **Spotlight:** Manager of Tech **Employee Experience**

In 2022, ArcBest Technologies formed a Manager of Tech Employee Experience role to centralize talent-focused initiatives and create a focal point for workforce development and innovative workplace strategies. Brianne Campbell, a software developer for ArcBest Technologies since 2015, was immediately intrigued.

Brianne began her career with ArcBest Technologies as an intern during her junior year in college. At the end of the internship, as she was deciding what came next, she remembers her ArcBest Technologies mentor encouraging her with the idea that there is no one career path in STEM. This advice inspired Brianne to become a programmer, which led to her current role as manager of tech employee experience. She is committed to integrating technology and innovation into employee experience initiatives and using it to inspire the next generation of STEM professionals.

"In this role, I get to do all the things I'm passionate about from helping people improve their workplace experiences to educating and encouraging students to pursue careers in STEM. I want others to know that going into STEM won't mean they have to sit behind a desk all day. There are so many directions this career path can take you."

Since starting in this role, Brianne has focused on listening to ArcBest Technologies employees and working to make them feel more connected and valued. Her technical background and history with the company have uniquely positioned her to relate to others on the team, resulting in increased employee engagement and satisfaction.

Throughout 2023, Brianne partnered with teams to implement new initiatives and bring back several employee-favorite events. One new program is **ArcBest Technologies School Days**, an event that brings students from local schools on campus to learn about the tech careers offered close to home. She also helped build a more consistent cadence for All-Hands meetings, a quarterly opportunity for employees to hear from Chief Innovation Officer and President of ArcBest Technologies Michael Newcity and other senior leaders.

Looking toward the future, Brianne hopes to help ArcBest Technologies continue to become a beacon of innovation and a sought-after employer while inspiring the next generation about careers they may never have considered.





### **Benefits and Wellness**

ArcBest's core value Wellness, focuses on the physical, financial, developmental and emotional well-being of our people. We strive to provide our employees with a robust benefits package and various health and wellness programs they can use to embrace total health, knowing that when they do, they will be more engaged in contributing to their success and the success of the organization.

"I think of Wellness as our foundational value. To be creative, work with excellence to exceed expectations and grow personally and professionally, you need to feel well. So a very intentional focus on physical, financial, developmental and emotional health is imperative."

## Erin Gattis ArcBest chief human resources officer



Throughout 2023, we also continued to grow our team of Wellness Champions, adding nine new members for a total of 77. These individuals promote our Wellness value by embracing total health inside and outside the workplace.

### **New Wellness Benefits in 2023**

- Launched <u>Bloom</u>: a digital pelvic therapy resource that provides digital, clinical-grade pelvic health care from home. Bloom covers all life stages, including pregnancy, postpartum and menopause. Choice Benefits participants can use this service at no extra cost.\*
- Began offering flexible spending accounts through Forma, giving nonunion employees access to enhanced health care and dependent care spending accounts through a pre-loaded FSA debit card that can be used for copays, coinsurance and other eligible medical expenses.\*
- Created a Doctor On Demand (DOD) room at ArcBest headquarters to provide employees with a private, convenient space to meet with their DOD physician during virtual appointments. The room includes an iPad with the DOD app, a digital thermometer and a scale.
- Doubled our expectant mother parking spaces at our ArcBest headquarters, providing close, easily accessible parking spots for mothers throughout their pregnancies.
- Launched the ArcBest Wellness Bus, which travels to campuses and service centers across the country to support wellness events, provide seasonal flu shots and assist with on-site physicals and drug screenings at ABF Freight hiring events. The bus includes a reception area, two exam rooms and a restroom.

Introduced pet insurance with various levels of coverage through <u>MetLife</u>. Coverage provides 24/7 Telehealth Concierge Services, the freedom to visit any U.S. licensed vet and access to the MetLife Pet mobile app to submit claims.\*

## **Wellness Steps Challenges**

In 2023, we held two step challenges: the Centennial Steps Challenge and the Reach the Peak Leaderboard Challenge. The Centennial Steps Challenge was an individual competition with over 1,500 participants who took more than 320 million steps. Participants were encouraged to increase their steps by walking with friends to gain extra points, resulting in over 4,600 recorded walks with friends. The challenge winner took 1,134,733 steps. The Reach the Peak Leaderboard Challenge was a team competition with over 285 teams participating and the winning team taking 4,042,142 steps. Employees walked 259 million steps during the Reach the Peak Challenge.



## **Customer Experience**

Customer obsession is more than something we say — it's a mindset ingrained in our company and culture. Every day, we ask ourselves, "Is this best for our customers?" If the answer is no, we keep working on a solution until we find one. Following our customer obsession blueprint — being customer-led, insights driven, fast and connected — we're dedicated to helping our customers keep their commitments to their customers.

Our Customer Experience experts spend thousands of hours each year studying customer journeys and working crossfunctionally with teams across the organization to identify pain points and create solutions and processes that enhance the overall customer experience. In 2023, this included projects that focused on:

- Improving proactive notifications about shipment status and weather delays
- Reducing call wait times and creating more efficient phone routing experiences
- Streamlining billing processes for faster, more efficient processing times
- Enhancing onboarding processes for drivers and onboarding systems for carriers
- Improving the shipment pickup experience for LTL customers
- Working on digital enhancements for improved data and shipment visibility

"We have customers who have been doing business with us for over 40 years. If we stay connected to them, truly listen and work to understand their needs, we can navigate whatever challenges come our way and continue to grow with them throughout our next 100 years."

## **Dennis Anderson ArcBest chief strategy officer**

## **Customer Interaction Quality Review**

Our customer experience quality team reviewed 84,662 customer interactions throughout 2023, including:

47,159

Calls

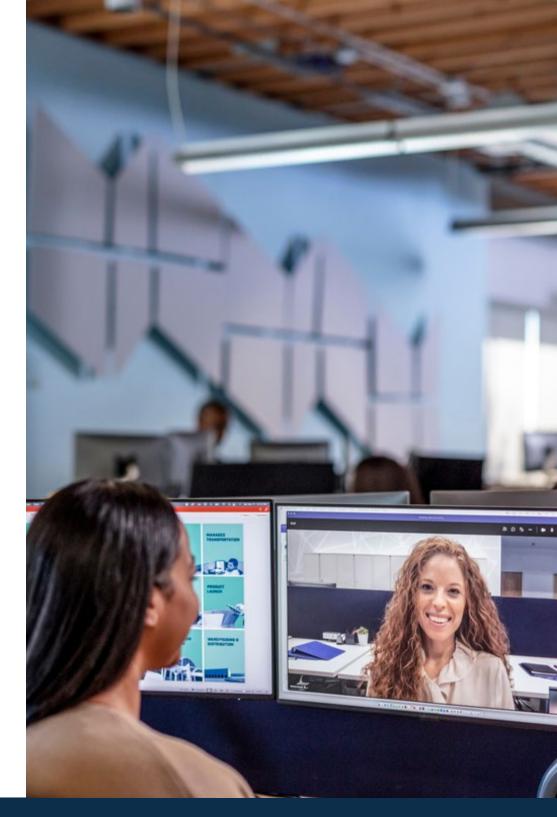
19,714

Emails

17,428 Invoices

Chats

361



## **ArcBest Imagine 2023**

The fifth annual ArcBest Imagine competition focused on customer obsession, encouraging employees to present ideas on how we could improve our ability to meet the needs of our customers and make it easier for them to do business. Held in September, employees participated in the event in one of three ways: an idea sweepstakes, an elevator pitch contest or a hackathon.

The idea sweepstakes again allowed employees to participate by submitting an idea, without having to present. The elevator pitch — new in 2023 — was a chance to showcase an idea to technical leaders online in a 60-second brief.

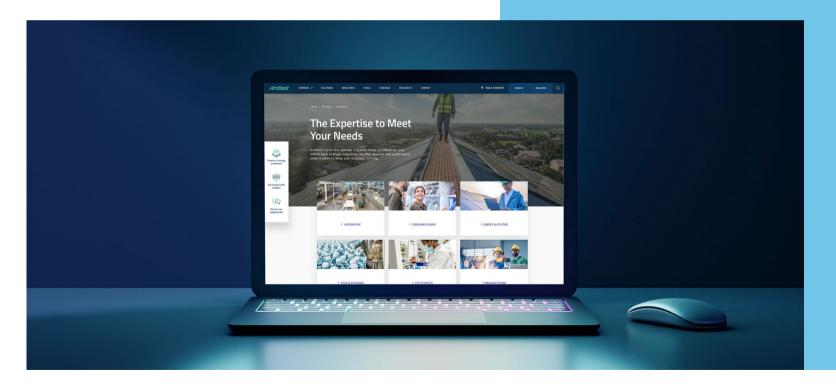
The hackathon required assembling or joining a team and collaborating to bring an idea to life through a functional and technical competition, and then presenting a working prototype to a panelist of leaders. Presentations included a new dynamic transit model, a two-hour window customer delivery experience using existing data and using artificial intelligence to gain customer feedback. Senior leaders continue to discuss how each idea can impact customer experiences with the potential to implement ideas that make sense for the business.



## **Website Redesign**

In January 2023, we announced the launch of our newly redesigned website, arcb.com. With a streamlined, modern design, it now offers an easier and more engaging way for customers to connect with ArcBest. The new site works alongside the company's other digital connectivity options, like API and EDI, providing updated content, easier ways for shippers and carriers to digitally self-serve, and quick access to shipment tracking and customer tools.

Additional updates and testing are ongoing as we work to create the best digital experience for customers and carriers.



## **Philanthropy**

## **100 Years of Impact**

We understand the choices we make reach beyond the logistics industry, so we live out our Values and Mission by giving back and partnering with various causes that align with our three philanthropy pillars — Community, Education and People. We're giving back to the causes our people care about, are impacted by or are involved in.

In 2023, we gave a total of

\$2 million

to over

**250** 

philanthropic organizations.

## **Celebrating our Centennial Through Giving**

It's not every day that a company celebrates 100 years in business. Alongside our people and customers, we're incredibly thankful for the communities that have been a significant part of our history. In addition to our usual philanthropic efforts, we announced our **Centennial Giving Campaign** to honor the places where we live and work in a special way. Through this

campaign, we committed to giving \$1 million to causes and organizations, including the following:

## Centennial Giving Highlights:

- \$100,000 total to the recipients of Spot-A-Trailer:
  - \$25,000 to Feeding America®
  - \$25,000 to <u>Dolly Parton's Imagination Library</u>
  - \$25,000 to <u>St. Christopher Truckers Development and</u>
    Relief Fund
  - \$25,000 to Fisher House Foundation
- \$147,000 to recipients of our ABF Centennial Grant Program:
  - We partnered with 89 nonprofits that support foster care, alleviate food insecurity, advocate for veterans, fund scholarships and research for various diagnoses, promote humane care for animals and aid disaster relief efforts
- \$125,000 to build new trails in Chaffee Crossing in Fort Smith, Arkansas, helping increase mobility in the region and extending current trails to nearly 40 miles of multiuse nature and mountain biking trails
- \$100,000 to a matching campaign with the CALL in Crawford and Sebastian Counties in Arkansas, helping support the more than 500 area children in foster care in these counties
- \$100,000 to <u>Arkansas Children's Hospital</u>, supporting Arkansas Children's mission of making children better

- today and healthier tomorrow
- \$50,000 to the <u>Appalachian Trail Conservancy</u> (ATC), helping the ATC pursue its mission to protect the Appalachian Trail
- \$25,000 to Comprehensive Juvenile Services, Inc. in support of their campaign to relocate their youth shelter to a new location in Mulberry, Arkansas

Learn more about our Centennial giving initiatives.













## **Community:**

Contributing to stronger, healthier places to raise our families and live our lives

### 988 Suicide & Crisis Lifeline

The 2022 Leadership Academy (LA) class raised funds throughout 2023 for **988 Suicide & Crisis Lifeline** — a national network of local crisis centers that provides free and confidential emotional support 24/7 to people in suicidal crisis or emotional distress. Through several fundraising events, the class raised over \$62,000, exceeding their goal of \$50,000.

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

For most of our 100 years, our organization and employees have supported the **United Way of Fort Smith Area**® and its partners that work to bring people, resources and service providers together to address critical issues in the community. In 1996, ArcBest became a Pacesetter company for the United Way of Fort Smith Area, formally committing to provide support through an annual campaign, which involves employee pledges and a company match. In 2023, ArcBest gave over \$420,000 to the United Way of Fort Smith Area, and many of our employees volunteered at various events:

2023 Day of Caring: More than 100 employees volunteered at this event, working alongside other community

- members to help with over 100 community projects in western Arkansas.
- United Way Golf Classic: Employees spent over 100 hours helping organize volunteer positions, serving as caddies for the professional players and refilling ice and water throughout the event.
- Community Services Clearinghouse: ArcBest teams donated over 200 pounds of plastic bags, provided nonperishable food items for the food pantry and participated in various fundraisers that support the Community Services Clearinghouse's mission to alleviate hunger in the seven counties they serve.

### **Alzheimer's Association Fundraisers**

In 2023, Team ArcBest, our employee-led Walk to End Alzheimer's team, raised over \$8,500 for the Alzheimer's Association® through various quarterly fundraisers. ArcBest was also the official stage sponsor of the 2023 Arkansas River Valley's Walk to End Alzheimer's® event and donated \$5,000 in addition to the amount raised by employees. With a total of over \$13,500 given to the cause, ArcBest was once again the top fundraiser in the Arkansas River Valley and named an ALZSTAR for the second consecutive year.

## **ArcBest Family Day and 5K**

At ArcBest's annual Family Day and 5K event, we raised

over \$13,000 for the <u>United Way of Fort Smith Area</u>, <u>Project Hero</u>, <u>988 Suicide & Crisis Lifeline</u>, <u>St. Jude's Children's Research Hospital</u>, <u>Foster Love</u> (formerly Together We Rise), <u>Ronald McDonald House Charities</u>, <u>Habitat for Humanity</u> and <u>Polaris</u>.





### True Grit Ride and 5K

In June, ArcBest sponsored and volunteered at the 2023 True Grit Ride and 5K, donating \$10,000 to benefit the **Community Services Clearinghouse**. The event included a 5K and the option to complete a 30-, 45-, 62- or 105-mile bike ride — 25 of our employees participated in the 5K and 30 joined in the bike ride.

## **Appalachian Trail**

In June, a group of ABF employees from our Carlisle,
Pennsylvania, service center teamed up with the <u>Cumberland</u>
<u>Valley Appalachian Trail Club</u> to help with conservation
efforts such as maintaining the trail's foundation and repairing
storm damage. The Cumberland Valley Appalachian Trail Club
focuses on maintaining and protecting the 19-mile stretch of
the Appalachian Trail that runs through Pennsylvania.

### **Maui Wildfire Relief Efforts**

In early August, a series of wildfires broke out in Maui, Hawaii, causing damage to more than 2,000 homes and impacting over 800 businesses and 7,000 people. In response, Maui's local ABF Freight service center partnered with another area shipping company to transport donations, including two full truckloads of food, supplies, blankets and eight pallets of water. Our team provided a combined total of 50 volunteer hours on the first day.

### The Pack Shack

In September, ArcBest partnered with <u>The Pack Shack</u> and the University of Arkansas Pine Bluff to pack 30,600 meals for 10 food pantries across Jefferson County, Arkansas — ArcBest donated \$12,000 to cover the ingredients for red beans and rice meals. The Pack Shack, whose mission is to supply provisions and opportunities for neighbors in need, hosts events for organizations looking for meaningful group activities, helping fuel their objective to pack delicious, healthy meals for those in need.







## Walk to End Epilepsy

In October, employees formed an ArcBest team to support the Epilepsy Foundation's Walk to End Epilepsy, an event and organization committed to leading the fight to overcome the challenges of living with epilepsy and to accelerate therapies to stop seizures, find cures and save lives. Due to poor weather, the walk was canceled but local attendees, members of the Epilepsy Foundation staff and local businesses still gathered to share their stories and support each other. This was ArcBest's first year to support the foundation, and through donations and sponsorships, our team raised \$1,000 toward the cause.

## **Footprint Project**

In 2022 and 2023, ArcBest donated the cost of storing 52 pallets of donated solar power equipment for the **Footprint Project** — an organization on a mission to provide cleaner energy for communities in crisis by building mobile solar power stations to support recovery efforts during emergencies and natural disasters. Additionally, we collaborated with the team on best practices for shipping to Puerto Rico and Mexico.

"ArcBest was instrumental in helping us store and distribute one of our largest in-kind equipment donations ever. With their support, we have been able to distribute over 50 solar inverters to disaster response and resilience projects across

the country. We rely on their warehousing and shipping expertise to ensure our on-the-ground partners get the equipment they need."

## Will Heegaard operations director at Footprint Project

## **Medina Campus Fundraising Campaign**

Several leaders and employees from our Medina, Ohio, campus participated in the third annual road trip to deliver expedite shipments across the country while raising money for local charities. During the 2023 trip, four teams drove over 3,800 miles and raised \$15,000 for Toys for Tots, \$7,500 for CASA of Akron and over \$2,200 for Hope Recovery. Many employees also donated toys directly to Toys for Tots.

"I'm so proud of our team's contributions to local Medina charities. Our annual campaign is a great way to give back to our local community while bringing our team closer together in a fun and rewarding way."

## **David Kessler** vice president of expedite fleet and operations



## Education: Actions to grow our people and invest

in local education

## **Employee Dependent Scholarship Program**

In collaboration with Scholarship America, we established the ArcBest Employee Dependent Scholarship Program — providing 10 scholarship awards of \$2,000 each year. The scholarship fund is open to dependent children of full-time employees in the United States, Puerto Rico and Canada who have worked for the company at least three years (excludes dependents of directors and above). Applicants must be high school seniors who are enrolling in college for the first time and have a cumulative GPA of 2.5 or higher. Applications opened January 2024 for the Fall 2024 semester.

## **Educational Match Program**

Through the ArcBest Educational Match Program, ArcBest matches employee donations to primary, secondary, two- and four-year colleges and universities to help enhance higher education across the country. In 2023, our employees donated \$47,800, and with the company match, we gave a total of \$95,600.

### **EAST Seminar**

ArcBest Technologies served as a gold-level sponsor at the **2023 EAST Seminar** in Hot Springs, Arkansas, participating as

a presenter and exhibitor. Our employees talked with over 200 educators, providing information about ArcBest, our ArcBest Technologies tech and innovations team, the company's technology-focused internships and outreach programs, and insight into the benefits of introducing students to tech careers at an early age.

### 24-Hour Hackathon

Volunteers from ArcBest Technologies served as judges for the University of Arkansas' 2023 24-hour Spring Hackathon. Hosted by the Association for Computing Machinery, the competition asked students to develop a working prototype focused on sustainability and eco-friendliness and present their creations in front of a panel of judges. Judges assessed each project based on the level of innovation, feasibility, impact and presentation quality. In addition to helping judge the event, ArcBest Technologies sponsored third and fourth place and the "Most Aligned with the Theme" award category.

## **Partners in Education Programs**

Our mentorship programs at several Fort Smith, Arkansas, schools continued into the 2023-2024 school year, with 26 employees volunteering with high school students and 29 employees volunteering with elementary students. Through these partnerships, students can connect with a trusted mentor, build a positive relationship and rely on them for helpful advice about their educational journeys.



#### **Touch-A-Truck Event**

Kirk Haggard and Dave Hedicker, ABF Freight drivers and ABF Road Team members, participated in Touch-A-Truck events in their local communities. Kirk took part in a Touch-A-Truck event at the Stay In Your Lane Driving Academy in Winnsboro, Louisiana. During his class, young drivers had the opportunity to climb into his truck as he taught them about blind spots and how the cab functions. Dave, along with other team members from our Dayton, Ohio, service center was part of the Touch-A-Truck held in Kettering, Ohio. This was Dave's third year participating in the event, which introduces kids to various trucks in transportation and public safety.

#### **Girls Who Code**

Who Code (GWC) clubs at Southside High School and Kimmons Middle School in Fort Smith, Arkansas, for the 2023-2024 school year. Last year, the Southside club added a variety of events to their program, including competing in a local coding competition — two of the students won in the high school category. Throughout the year, the Southside students worked with AI art generators and video game and animation programs. The Kimmons students worked on a beginner and intermediate level Scratch game. This is the fourth year we've partnered with Fort Smith schools to lead Girls Who Code.

#### **Arkansas Tech University Mentorship**

Several employees volunteered as mentors for the

Arkansas Tech University College of Business and Economic Development Women's Leadership Pilot Program for the 2023-2024 school year. The program aims to inspire incoming freshmen through connection with successful, local businesswomen. Throughout the year, mentors met in-person and virtually with their students to share life experiences and motivate them to pursue opportunities that will benefit them academically, professionally and personally.

#### **Bernie's Book Bank**

In September, the MoLo team gave nearly \$15,000 to **Bernie's Book Bank** through employee fundraising and a corporate donation — providing books to over 10,000 Chicagoland students and sponsoring the purchase of 100 newly published books written by Black, Indigenous and People of Color. Team members also visited a local Chicago school to give books to 4th and 5th graders and helped sort donated books at the Bernie's storage facility.

#### iCan Career Expo

In October, many employees took part in a two-day iCan Career Expo at the Fort Smith Peak Innovation Center. The Expo invited 8th graders to learn about future career opportunities in the region. Our employees chatted with students about the various jobs across our organization, what a day in the life could look like and the educational requirements for those roles. Over 2,000 students from 16 local schools attended.





#### People:

Resources we provide to organizations that support underserved and underfunded groups

#### **Safety Drive for a Cure**

In March, 10 ABF Freight truck drivers participated in the **2023 Safety Drive for a Cure**, helping raise funds for the Pediatric

Brain Tumor Foundation while promoting safe driving. Through a combination of sponsorships, driver registration fees, skills contests, a silent auction and a raffle, more than \$35,000 was raised for the 2023 event. ABF has sponsored the Safety Drive for a Cure since 2015, and in addition to the 10 ABF driver participants, two retired and two current ABF employees helped set up the event's driving course.

#### Girls on the Run

Alexandrea Horton, an account manager at ArcBest, is the head coach of a local **Girls on the Run** (GOTR) team. GOTR is an organization aiming to strengthen the social, emotional, physical and behavioral skills of 3rd to 8th grade girls by inspiring participants of all abilities to recognize their individual strengths while building a sense of connection in a team setting. As head coach, Alexandrea strives to foster positive relationships between the girls on her team, helping build self-confidence and assisting the girls in reaching their goals.

#### **Special Operators Transition Foundation**

Through fundraising and a corporate donation, the MoLo team gave approximately \$6,000 to the **Special Operators Transition**Foundation — an organization committed to helping Special Operations Forces (SOF) veterans transition from the military into their next successful career.

#### **TCF Founders Club**

In August, ArcBest became the 23rd member of the <u>American</u>

<u>Trucking Associations' Trucking Cares Foundation (TCF)</u>

<u>Founders Club</u> — a special class of donors that includes

individuals and corporations committed to a \$100,000 contribution over 10 years. The Trucking Cares Foundation focuses on humanitarian and disaster relief, eradicating human trafficking, leadership development, strengthening the industry's relationships with law enforcement and military and veterans' organizations, and safety and research opportunities.



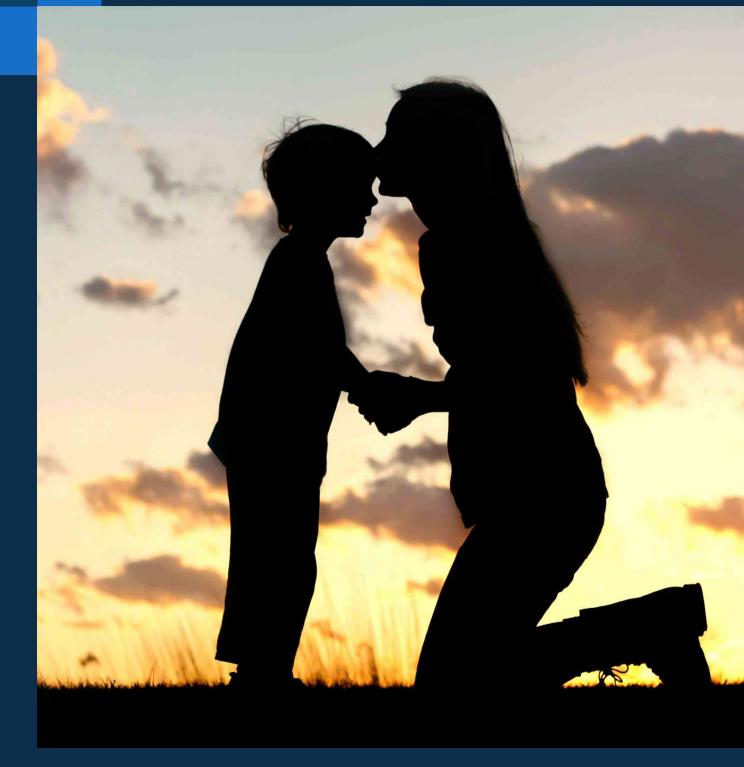
# Employee Fundraising Spotlight: FAST

Hong France, ArcBest quotation analyst, is an advocate for finding a cure for Angelman Syndrome (AS) — a rare neurogenetic disorder that can cause developmental delays, sleep and seizure disorders, coordination and balance problems and limited speech capabilities.

Hong's son Josh was born with AS, which is when she became passionate about raising awareness and funds for AS research. One way she does this is by selling homemade eggrolls. In 2023, Hong made and sold over 200 dozen eggrolls, donating the profits to the **Foundation for Angelman Syndrome Therapeutics (FAST)**. Additionally, ArcBest donated \$250 to the cause, for a total of \$3,300 given to FAST.

"I am humbled by ArcBest and my workplace community's generosity toward this cause. When Josh was first diagnosed, there were no options. Today, thanks in large part to organizations like FAST, there are several approaches to treat AS, and I truly believe a cure is not only possible, it is probable."

Hong France quotation analyst





#### **2023 Veterans Day Celebration**

Employees at our South Chicago, Illinois, and Dayton, Ohio, service centers celebrated Veterans Day by donating \$55,000 to local organizations that support veterans through fundraising and transition and housing resources. The South Chicago team raised \$40,000 (company match included) for the Canaryville Veterans Riders Association (CVRA) and the Point Man Project Foundation. The Dayton team raised \$15,000 (company match included) for the Fisher House Foundation.

#### **Wreaths Across America**

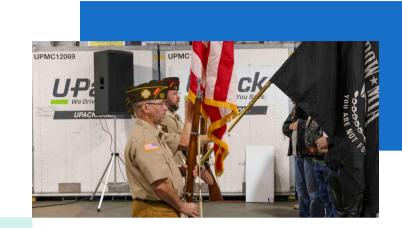
For the second year, Teddy Butler, ABF Freight driver, America's Road Team Captain and Army veteran, participated in the ATA's **Wreaths Across America** convoy. Driving the ATA's Share the Road truck, Teddy helped transport wreaths to Arlington National Cemetery, making stops along the way to interact with emergency response teams, children and other community members.

"Everything about driving for Wreaths Across America is exciting and memorable — from stopping at schools and seeing emergency responders standing at attention to driving through towns where crowds are waving the American flag. It was an honor to participate in this event again and remember those who have fallen and those who are serving."

Teddy Butler road driver

#### Salvation Army's Angel Tree

In December, members of ArcBest's CoNECT employee resource group organized a volunteer event at the Salvation Army for employees to help process gifts for the Angel Tree. The **Salvation Army's Angel Tree** provides new clothing and toys to hundreds of thousands of children in need around the country each year. Volunteers made sure donated gifts were appropriate and met the needs and wishes of the children receiving them. They also helped sort cans for the holiday food drive.





# Corporate Governance



# Maintaining Trust through Responsible Business Practices

Since 1923, we've set high standards to operate with integrity, conduct business transparently and respect one another. We've followed a disciplined approach to do what's right every time, regardless of who is or isn't watching, and we seek to hold ourselves, our suppliers and business partners accountable to comply with applicable laws and regulations.

We detail our expectations and standards for corporate governance through various codes of conduct and policies. Additionally, to set clear standards for employees' effective and ethical performance, we assign annual ArcBest Code of Conduct training to nonunion employees that covers compliance with laws, rules and regulations; conflicts of interest; prohibition of discrimination and harassment; safe working environments; confidentiality; reporting illegal or unethical behavior; and more. Union employees receive and acknowledge the Code of Conduct during onboarding, and all employees can review it and its policies at any time on our employee site.

We encourage employees to report concerns without fear of retaliation to their supervisor, Human Resources or any other appropriate party as described in our Code of Conduct, or to forward complaints (whether on a confidential basis or not) to ArcBest's Chief Legal Officer, the Vice President of Internal Audit or to EthicsPoint — an anonymous ethics and compliance reporting tool that is completely independent of the company. The chairman of the ArcBest Audit Committee receives individual complaints from EthicsPoint, and the Audit Committee and the Nominating/Corporate Governance Committee receive a summary of the complaints each quarter.

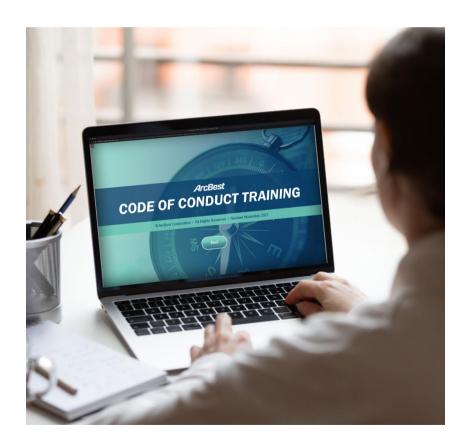
Additionally, we expect our suppliers, vendors and other service providers to report any concern related to issues such as unethical, illegal or questionable behavior through the appropriate channels outlined in our Supplier Code of Conduct.

Learn more about ArcBest's expectations and commitment to Integrity:

ArcBest Code of Conduct
Supplier Code of Conduct
Governance Charters
Corporate Governance Guidelines
Insider Trading Policy
Antitrust Laws Compliance Policy
Anti-Discrimination, Harassment and Retaliation Policy
Human Rights Policy
Environmental Policy

"Everything we do is with a high level of trust. We have the reputation that when we say something, people believe us because we do the right thing. It's really what makes our company special. When you work with people that you trust, it makes it a more enjoyable work environment and business partnership. You don't get that everywhere."

Seth Runser ABF Freight president



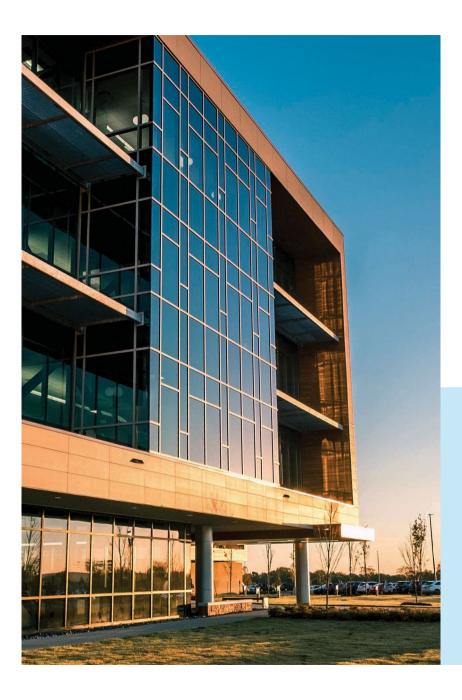
# ArcBest Board of Directors

ArcBest's Board of Directors sets the standard for the company's ethical behavior. Comprised of three primary committees and nine members, the Board oversees the establishment of corporate governance policies, strategic decisions and leadership. We hold these individuals to the highest standards and rely on them to provide guidance on our company's most significant risks — helping us evaluate decisions and investments regarding our organization and operations that are sustainable, drive our business forward and align with our mission to connect and positively impact the world through solving logistics challenges.

## Learn more about ArcBest's Board of Directors and the Committees of the Board.

#### **Crisis Management**

ArcBest operates out of 250 campuses and service centers, meeting customers' needs across the nation and globe. Because of our extensive reach, we have a responsibility to prioritize proactive preparedness — we strive to equip our organization with specific strategies and procedures to help mitigate and respond to a crisis event. Should a significant event occur, our primary focus is on the safety and security of our employees, customers and other stakeholders.



ArcBest's Crisis Management Framework provides the planning structure to improve our ability to proactively plan for and respond to crisis events. Our Crisis Management Team (CMT), led by ArcBest Chairman, President and CEO Judy R. McReynolds, includes leadership from across the organization who collaborate regularly to continually enhance response capabilities for a wide variety of potential emergencies.

Each year, the CMT conducts tabletop exercises for specific crises to test, validate and continually improve our ability to effectively prepare and respond. Additional planning efforts focused on crisis communications, business continuity, emergency management and **information security**.

#### **Risk Management Oversight**

The ArcBest Board believes the company's current management structure facilitates risk oversight by combining experienced leadership with an independent review by the Board and its committees periodically. Potential risk factors that are monitored through this structure include financial, operational, technological, disaster, environmental, social, cybersecurity, talent, legal, reputational and more.

# Appendix

#### **About this Report**

ArcBest's 2023 Sustainability Report provides updates on our sustainability performance and continued efforts to advance key initiatives during the calendar year. We also regularly report sustainability metrics and information to several external platforms throughout the year. We've prepared this report with reference where appropriate to the Sustainability Accounting Standards Board (SASB) standards and the Task Force on Climate-Related Financial Disclosures (TCFD) frameworks. For questions about our 2023 report or any of our sustainability initiatives, please email esg@arcb.com.

Read more about ArcBest's sustainability journey and view our previous reports.



#### **Forward-Looking Statement**

Certain statements and information in this report may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts are statements that could be deemed forward-looking statements. Words such as "anticipate," "assume," "believe," "could," "continue," "endeavor," "estimate," expect," "efforts," "foresee," "forecast," "intend," "goal," "may," "momentum," "opportunity," "plan," "project," "possible," "potential," "pursue," "position," "predict," "strategy," "seek," "should," "strive," "target," "view," "would," "will," variations of such words, and similar expressions and the negatives of such terms are intended to identify such forward-looking statements. In addition, any statements that refer to (1) our goals, commitments and programs; (2) our plans, strategies, initiatives and objectives; (3) our assumptions, outlooks, and expectations; (4) the scope and impact of our sustainability risks and opportunities; and (5) standards, engagement, disclosure, and expectations of third parties are forwardlooking. Company goals are aspirational and not guarantees or promises that all goals will be met.

The actual conduct of our activities, including the development, implementation, progress towards, or continuation of any goals, commitments, strategies, initiatives and objectives, discussed or forecasted in this report may differ materially in the future. Moreover, statistics, metrics and

measurements relating to sustainability matters are estimates and may be based on assumptions or developing standards. Assumptions, standards, statistics, metrics and measurements used in preparing this report continue to evolve and are based on management's beliefs, assumptions and expectations based on currently available information, are not guarantees of future performance, and are subject to risks and uncertainties that are difficult to predict and may be beyond management's control, including, without limitation, technological innovations and scientific developments, physical and transition risks associated with climate change, increased attention to sustainability-related matters, risks related to our public statements with respect to such matters that may be subject to heightened scrutiny from public and governmental authorities related to the risk of potential "greenwashing," i.e., misleading information or false claims overstating potential sustainability-related benefits, risks that the Company may face regarding potentially conflicting anti-sustainability initiatives from certain U.S. state or other governments, and those identified in our most recent filings with the Securities and Exchange Commission (SEC) on Form 10-Q and Form 10-K, including in the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", and subsequent SEC filings. Other unpredictable or unknown factors not discussed in this report could also have material adverse effects on the Company, our operations, performance or the outcomes described in the forward-looking statements in this report. For additional

information regarding known material factors that could affect the Company's performance and cause results to differ materially from management's expectations, please see our filings with the SEC, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K.

While this report describes potential future events and matters that may be significant, and with respect to which the Company may even use the word "material" or "materiality", the potential significance of these events and matters should not be read as equating to "materiality" as the concept is used in connection with the Company's required disclosures made in response to applicable rules and regulations, including the rules and regulations of the SEC.

Moreover, while we have provided information on several sustainability topics, including goals and ambitions, there are inherent uncertainties in providing such information, due to the complexity and novelty of many methodologies established for collecting, measuring and analyzing sustainability data. In some cases, the information is prepared, or based on information prepared, by governmental agencies, third-party vendors, consultants, and other third parties and is not independently verified by the Company. The information herein should not be interpreted as any form of guaranty or assurance of accuracy, future results or trends, and the Company makes no representation or warranty as to this

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information. Some of the data provided in this report may be estimated or reliant on estimated information, which are inherently imprecise. While we endeavor to note throughout this report where such estimates are made, we cannot guarantee that estimates are identified as such in every instance. Furthermore, unless explicitly noted in each instance where it occurs, the relevant sustainability or related data provided in this report has not been audited or subject to any third-party assurance process.

While we anticipate continuing to monitor and report on certain sustainability information, we cannot guarantee that such data will be consistent year-to-year, as methodologies and expectations continue to evolve. We hereby expressly disclaim any obligation or duty not otherwise required by legal, contractual, and other regulatory requirements to update, correct, provide additional details regarding, supplement, or continue providing such data, in any form, in the future. Furthermore, there are sources of uncertainty and limitations that exist that are beyond our control and could impact the Company's plans and timelines, including technological and regulatory advancements and changes in market participants' behaviors and preferences.

The forward-looking statements and statements of intention in this report speak only as of the date of the preparation of this report. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise. This information may be modified, updated, changed, deleted or supplemented from time to time without notice, and we reserve the right to make any such modifications in our sole discretion. Unless otherwise provided, the information contained in this report is expressly not incorporated by reference into any filing of the Company made with the SEC, or any other filing, report, application, or statement made by the Company to any governmental authority.



# SASB Index

(Includes additional sustainability metrics)

Table 1. Sustainabilit	y Disclosure Topics an	d Accounting Metrics
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Торіс	SASB Code	Activity Metric		Category	Unit of Measure	2023 Response	2022 Response	2021 Response
	TR-RO-110a.1	Gross global Scope 1 Emissions¹	CO <sub>2</sub> (Standard) CH <sub>4</sub> (Standard) N <sub>2</sub> O (Standard) Total (Standard) CO <sub>2</sub> (Renewable) <sup>2</sup> CH <sub>4</sub> (Renewable) <sup>2</sup> N <sub>2</sub> O (Renewable) <sup>2</sup> Total (Renewable) <sup>2</sup>	Quantitative	Metric tons (t)	500,504 84 1,110 501,698 10,504 4 3 10,511 512,209	500,411 84 1,098 501,593    501,593	486,169 80 1,054 487,303   487,303
Greenhouse Gas Emissions	TR-RO-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.		Discussion & Analysis	See Table 5			
	TR-RO-110a.3	Total fuel consumed % Natural Gas % Renewable		Quantitative	Gigajoules (GJ) Percentage	7.32 million 1.00% 2.05%	7.17 million 1.22% 0.73% <sup>3</sup>	6.96 million 1.11% 0.69% <sup>3</sup>
Air	TD DO 100-1	Air emissions of NO <sub>x</sub> (excluding N <sub>2</sub> O)		0				,
Quality	TR-RO-120a.1 Air emissions of $SO_X$ Air emissions of $PM_{10}$		Λ	Quantitative	Metric tons (t)	Not yet measured.⁴		•

## Table 2. Sustainability Disclosure Topics and Accounting Metrics

Topic	SASB Code	Activity Metric		Category	Unit of Measure	2023 Response	2022 Response	2021 Response
	TD DO 000 4	Total recordable	incident rate (TRIR) (per 200,000 workhours)	Quantitative		7.71	6.83	7.34
	TR-RO-320a.1	Fatality rate for direct employees (per 200,000 workhours)			Rate	0	0	0.02
Driver		Volunt	Voluntary turnover rate for all employees			10.6%	12%	12.4%
<b>Working Conditions</b>	TR-RO-320a.2	Involun	tary turnover rate for all employees			4.4%	5%	3.6%
	TR-RO-320a.3	Description of approach to managing short-term & long-term driver health risks		Discussion & Analysis	See Table 5			
	TR-RO-540a.1	Numbe	Number of Road Accidents and Incidents <sup>5</sup>		Count	298	276	232
		-RO-540a.2 System BASICs <sup>5</sup>	Unsafe Driving	Quantitative	Percentage	13%	10%	11%
			Hours of Service Compliance			17%	21%	24%
	TR-RO-540a.2		Driver Fitness			15%	16%	24%
			Controlled Substance/Alcohol  Vehicle Maintenance			0% 59%	0% 50%	3% 51%
Accident & Safety			Hazardous Materials Compliance			71%	59%	58%
Management	Number of spills and releases to the environment <sup>5,7</sup> TR-RO-540a.3 Aggregate volume of spills and releases to the environment <sup>5,7</sup>	Hazardous Materials		Count	132	16	16	
		spills and releases to	Hazardous Materials	Quantitative	Cubic meters (m^3)	5.32	5.65	4.81

## Table 3. Activity Metrics

Topic	SASB Code	Activity Metric	Category	Unit of Measure	2023 Response	2022 Response	2021 Response
TR-RO-000.A		Revenue ton miles (RTM)⁵		RTM	3.60 billion	3.52 billion	3.44 billion
TR-RO-000.B		Load Factor (Linehaul only) <sup>6</sup>		Percentage	91.49%	92.29%	92.76%
TD DO 000 0		Number of Employees®		0 1	14,871	15,684	14,526
TR-RO-000.C		Number of Truck Drivers	Count	7,383	7,374	7,078	

### **Table 4. Additional Metrics**

Activity Metric			Unit of Measure	2023 Response	2022 Response	2021 Response
Scope 1 GHG Emissions Intensity			gCO <sub>2</sub> e/Mile	1,536.35	1,540.17	1,543.98
Electricity Consumption			mWh	39,069.61	43,855.94	41,133.54
	Location-Based <sup>9</sup>		Metric Tons (t) CO <sub>2</sub> e	15,188	16,364	15,348
Gross Global Scope 2 GHG Emissions	Market-Based <sup>10</sup>	Quantitative		15,188	16,364	15,348
Water Consumption			Gallons	51.78 Million	60.06 Million	55.79 Million
Waste <sup>11</sup>				11,562	10,869	
Recycling <sup>12</sup>			Tons	969	958	
eWaste Recycling <sup>13</sup>				11.75	9.0	10.5

#### **Table 5. Additional Metrics**

Scope 1 emissions management and reduction strategy (TR-RO-110a.2)

Driver safety risk management (TR-RO-320a.3)

Our emissions management and reduction strategy primarily focuses on improving efficiency. This includes limiting truck speeds and purchasing equipment with computerized engine shutoffs to reduce idling, which in turn conserves fuel and reduces emissions. We actively replace old equipment with newer, cleaner models that have aerodynamic bumpers, hoods and air deflectors and low-rolling resistance tires, many of which are SmartWay certified — all contributing to improved fuel efficiency and reduced emissions. We also continuously review and develop better ways of scheduling and routing to further reduce inefficiencies in our operations. Additionally, we are piloting electric straight trucks, yard tractors and forklifts at several ABF service centers across our network. We monitor our emissions by source and location as we work to better understand our current footprint and look for options to make reductions. Please see the environment section, starting on page 19 for more information on our emissions management and reduction strategy.

We prioritize our drivers' safety by upholding and enforcing several safety protocols and procedures and by providing the proper training and tools. Within our ABF Freight Safety department, we have 12 Regional Managers of Safety and Security assigned to specific regions across our ABF network who are responsible for overseeing service center activity, equipment inspections, injury and accident investigations, road tests, driver coaching and theft investigations. The ABF Safety team also collaborates with the Learning and Development team to provide updated monthly training. Additionally, we maintain compliance with the National Transportation Safety Board (NTSB) and Federal Motor Carrier Safety Administration (FMCSA) regulations and recommendations for hours of services and scheduling. Please see the Safety and Security section of this sustainability report, starting on page 34, for more details on our approach to driver safety.

<sup>&</sup>lt;sup>1</sup>Emissions calculated using US EPA Factor Hub, published September, 2023 <sup>2</sup>Renewable fuels used includes Renewable Diesel (R100) and biodiesel blends (B2 to B20).

<sup>&</sup>lt;sup>3</sup>Recalculated to reflect lower energy values of alternate diesel fuels <sup>4</sup>We are working to develop processes to measure and report air quality data. <sup>5</sup>For Owned assets under ABF Freight Only

<sup>&</sup>lt;sup>6</sup>For Owned assets under ABF Freight Only; inverse of "% Empty Road Miles"

A new service was adopted for monitoring and reporting hazardous spills resulting in increased reporting capabilities.

<sup>&</sup>lt;sup>8</sup>Count as of 12/31 for respective year includes full-time, part-time and casual employees.

<sup>&</sup>lt;sup>9</sup>Calculated using the national average emissions factor provided by US EPA Factor Hub, published September 2023

<sup>&</sup>lt;sup>10</sup>We do not currently have power purchase agreements and use national average emissions factors, so our market-based Scope 2 emissions are equal to our location-based Scope 2 emissions. <sup>11</sup>Includes 75% coverage of ArcBest facilities. Reporting not available for 2021.

<sup>&</sup>lt;sup>12</sup>Includes 75% coverage of ArcBest facilities. Reporting not available for 2021. Does not include recycled materials from equipment maintenance.

<sup>&</sup>lt;sup>13</sup>Includes majority of ArcBest facilities.

# TCFD Disclosure

#### Governance

#### **Board Oversight**

Our Board of Directors (Board) has ultimate oversight of environmental risks including those related to climate change and is responsible for reviewing and providing guidance on the company's climate change-related strategy and major plans of action as part of its wider sustainability oversight. The Nominating/Corporate Governance Committee is responsible for providing oversight with respect sustainability strategy, practices and policies, and as appropriate, providing updates and making recommendations to the Board and monitoring emerging trends, best practices and regulatory development. The Audit Committee is responsible for the company's risk management policies and processes for identifying, monitoring and managing significant risk exposures, including sustainability-related risk. (view committee charters).

#### **Management Oversight**

ArcBest has designated sustainability executive sponsors including the Chief Human Resources Officer, Chief Legal Officer and Vice President of Investor Relations, among others, who are responsible for providing guidance and general management oversight of the Sustainability Committee.

The Sustainability Committee is responsible for providing guidance to the company and its Board to address environmental sustainability for the entire enterprise, including issues related to climate change, assessing actions, and identifying areas of improvement. This cross-functional committee is composed of members from a range of departments across the organization, including our Manager of Sustainability and individuals with responsibilities specifically related to climate such as the Senior Manager, Real Estate Compliance; Director, Engineering and Construction; and VP, Fleet Services. The Sustainability Committee meets monthly and the committee chair reports to the Board annually.

Our Enterprise Risk Management program (ERM), facilitated by Internal Audit, includes a quarterly risk survey with risk owners and an annual meeting with leadership to update the status of existing risks and identify new potential risks. The ERM team provides an update on risk assessments to the Risk Management Committee (RMC) quarterly and to the Board annually.

#### **Strategy**

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

#### **Regulatory Risks**

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

#### **Reputational Risk**

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

minimize fuel consumption and limit emissions. We are also actively testing and/or purchasing electric straight trucks, forklifts and yard tractors at several of our ABF service centers.

#### **Physical Risk**

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

#### **Technology**

Investments in technology represent an opportunity for ArcBest. A primary use of technology as a climate-related opportunity is reflected in our proprietary systems that match shipments to optimized routes and consolidate loads, not only reducing the number of shipments, but also empty miles. This can result in fuel savings and lower emissions. Additionally, the use of newer

model trucks, with newer technology, can do the same. Another climate-related technology opportunity is our Facility Enhancement & Growth Roadmap (FEGRM), which was developed to help us standardize environmental updates across all facilities. As part of the FEGRM, we will discuss and consider a process for converting current lighting systems to LED systems to improve sustainability measures and save on energy. We recognize the potential impact climate-related risks may pose to our daily operations and we are considering these risks in our business strategy and business continuity plans. We are striving to reduce the severity of the potential impact of these risks with our continual work toward efficiency and more sustainable operations. Increasing efficiency and continuing to invest in new technologies, such as electric vehicles and solar power, increase our ability to mitigate the potential risks posed by climate change.

### **Risk Management**

ArcBest's overall Enterprise Risk Management program includes the analysis of the company's top existing risks, including recent trends and how these risks are addressed by the company's strategy and mitigating activities. The ERM team evaluates current risks quarterly using a survey of risk owners. The same metrics used to measure achievement of strategic initiatives are also used to evaluate the mitigation of risks and the effectiveness of risk management. Results of the quarterly surveys are reported to the RMC, which is made up of controllers and representatives from each relevant department, for further evaluation, and then provided to senior leadership. Additionally, leadership interviews are conducted annually as part of the process of identifying new potential and emerging risks. The ERM team and the RMC Chair present risks and risk management to the Board annually.

ArcBest's Sustainability Committee supports the development of our environmental sustainability strategy for the entire enterprise. This includes assessing environmental risks such as, climate change-related risks and identifying opportunities for improvements. Our senior leadership team and Board are focused on managing and mitigating various risks to our business and financial performance, including climate-related risks.

#### **Metrics**

We recently created a sustainability dashboard to track quantitative metrics related to the environmental impact of our operations, including climate-related metrics. The dashboard pulls data from various sources across the company and allows us to filter GHG emissions by type, equipment, location and timeframe, and it also allows us to measure GHG emissions, benchmarking our progress and identifying areas for improvement, and to track our Scope 1 and 2 GHG emissions.

As we continue to develop the dashboard, we will be able to provide insights to customers on emissions related to their supply chains. Our Scope 1 and Scope 2 GHG emissions metrics will also be utilized in assessing our climate-related risks and opportunities.

Metric	2023	2022	2021
Total Scope 1 GHG Emissions	512,209 MT CO <sub>2</sub> e	501,593 MT CO <sub>2</sub> e	487,303 MT CO <sub>2</sub> e
Total Scope 2 GHG Emissions	15,188 CO <sub>2</sub> e	16,364 MT CO <sub>2</sub> e	15,348 MT CO <sub>2</sub> e
Scope 1 GHG Emissions Intensity	1,536.35 g CO <sub>2</sub> e/mile	1,540.17 g CO <sub>2</sub> e/mile	1,543.98 g CO <sub>2</sub> e/mile

