



2022 ESG Report

# Caring for the World We Carry



# Table of Contents

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|                                                         |           |
|---------------------------------------------------------|-----------|
| Executive Message .....                                 | 2         |
| About Atlas Air Worldwide.....                          | 3         |
| Our ESG Strategy .....                                  | 6         |
| <b>ENVIRONMENTAL STEWARDSHIP .....</b>                  | <b>9</b>  |
| Aircraft Emissions.....                                 | 10        |
| Aircraft Noise.....                                     | 15        |
| Resource Consumption .....                              | 16        |
| <b>CAREER, CULTURE &amp; EQUITY FOR OUR PEOPLE.....</b> | <b>18</b> |
| Employee Experience.....                                | 19        |
| Safety & Security .....                                 | 29        |
| Labor Relations .....                                   | 32        |
| <b>SOCIAL IMPACT &amp; COMMUNITY ENGAGEMENT .....</b>   | <b>33</b> |
| Community Impact & Philanthropy.....                    | 34        |
| Global Prosperity .....                                 | 38        |
| <b>RESPONSIBLE BUSINESS GROWTH .....</b>                | <b>40</b> |
| Corporate Governance.....                               | 41        |
| Ethics & Integrity.....                                 | 43        |
| Compliance.....                                         | 46        |
| Data Privacy & Cybersecurity.....                       | 48        |
| Public Policy Advocacy.....                             | 52        |
| <b>APPENDIX .....</b>                                   | <b>53</b> |
| TCFD Index.....                                         | 54        |
| SASB Index .....                                        | 57        |

# Executive Message

At Atlas Air Worldwide, we believe we do well when we do good. Our commitment to environmental, social and governance [ESG] performance is embedded in how we do business and reflected in our commitment to **Caring for the World We Carry**.

In 2022, we made progress in all four areas of our ESG program: Environmental Stewardship; Career, Culture & Equity for Our People; Social Impact & Community Engagement; and Responsible Business Growth.

During the year, we formalized our carbon emissions reduction goal to reduce our Scope 1 emissions by 20% by 2035. Atlas also supports the International Air Transport Association [IATA] and Airlines for America [A4A] goal to achieve net-zero carbon emissions by 2050. To work toward our 2035 goal, we have prioritized technology investments that expand our capabilities and lower our carbon footprint. In 2022 and early 2023, we introduced four new, sophisticated and efficient [Boeing 747-8F freighters](#) to our fleet and announced the purchase of four new [Boeing 777-200LRs](#). We also continue to identify opportunities to incorporate sustainable aviation fuels (SAFs) into our jet fuel mix and utilize and enhance our fuel management software to measure and improve fuel and route efficiency.

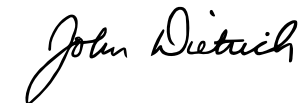
Beyond our work to protect the environment, we continued our strong focus on improving the employee experience and enhancing our culture of diversity, equity and inclusion [DEI]. We believe we are stronger when people feel empowered to bring their true selves

to work each day and are supported with rewarding career and professional development opportunities. During the year, we introduced new DEI training; enhanced our employee engagement initiatives; and expanded our internal initiatives and external partnerships and workforce development programs to grow our diverse talent pipeline.

All of us at Atlas believe in making a difference in the lives of our neighbors and communities where we operate around the world. In 2022, this included our ongoing support of U.S. service members, veterans and their families; students pursuing education in STEM fields; and global humanitarian efforts, including our work to deliver critical relief supplies to refugees impacted by the crisis in Ukraine.

In addition to the progress we made in continuing to integrate ESG across our operations, we recently marked a new chapter in Atlas' growth and evolution. In March 2023, Atlas became a privately held company upon being acquired by an investor group led by private equity firm Apollo Global Management, together with J.F. Lehman & Company and Hill City Capital. This transaction enabled value creation for our shareholders and accelerates our ability to achieve our growth objectives while continuing to serve the increasingly complex global supply chain. Our new partners share our commitment to ESG, and with their support, we believe we are poised to take the next steps in our journey as a responsible corporate citizen.

Thanks to the dedication of our 4,500 employees around the world, Atlas is tackling the challenges of today while laying the groundwork for an even more sustainable and prosperous future.



**John Dietrich**

President and Chief Executive Officer

## LEADERSHIP TRANSITION

On May 4, 2023, Atlas announced that Michael Steen, Executive Vice President and Chief Commercial Officer of Atlas, had been appointed Chief Executive Officer of the Company. The appointment, which aligns with the Company's long-term succession plan, becomes effective June 15, 2023. Mr. Steen, who brings leadership experience, a strong track record of innovation and success, and a consistent focus on the Company's customer-centric mission to his new role, succeeds Mr. Dietrich, who is retiring from the Company after a highly accomplished, nearly 25-year career at Atlas.



John Dietrich (left) and Michael Steen (right)

# About Atlas Air Worldwide

Atlas Air Worldwide is a leading global provider of outsourced aircraft and aviation operating services. It is the parent company of Atlas Air, Inc. and Titan Aviation Holdings, Inc., and is the majority shareholder of Polar Air Cargo Worldwide, Inc. Our companies operate the world’s largest fleet of 747 freighter aircraft and provide customers the broadest array of Boeing 747, 777, 767 and 737 aircraft for domestic, regional and international cargo and passenger operations.



## Innovative Services and Solutions

Atlas Air Worldwide delivers value. Every day of the year. In nearly every corner of the world. Through an array of innovative services and solutions.

We empower our express, e-Commerce, airline, freight forwarder and charter customers to increase fleet flexibility and network efficiency, drive an expanded global presence and more quickly capitalize on market-growth opportunities.

**Our ACMI [Aircraft, Crew, Maintenance and Insurance]** customers receive a 747-8F, 747-400F or 777-200LRF crewed, maintained and insured by us. Our complementary **CMI [Crew, Maintenance, Insurance]** service provides crews, maintenance and insurance for 747, 777, 767 and 737 freighter aircraft supplied by our customers [which they may lease from us].

Leading global shippers, freight forwarders, manufacturers and the U.S. military rely on our **Charters** and our modern 747 freighter fleet to carry their cargo safely, efficiently and cost-effectively. Airlines, charter brokers, sports teams and fans, entertainers and the U.S. military also depend on our reliable 747 and 767 passenger service.

Titan offers global customers the added benefits of **Dry Leasing**, a solution that provides access to aircraft, such as our 777 and 767 freighters, and engines through lease rather than purchase.

We also provide related aviation services, including **Flight-Crew Training** for pilots selected to fly the President of the United States’ Air Force One and the E-4B National Airborne Operations Center, schedule analysis and management, and route- and traffic-rights management.

## About Atlas Air Worldwide

### OUR VALUES GUIDE US AS WE NAVIGATE EVERYTHING TOMORROW HOLDS

Our Commitment to Our Customers, Our Company and Each Other

|                           |                                                         |
|---------------------------|---------------------------------------------------------|
| <b>SAFETY</b>             | Safety is paramount in everything we do.                |
| <b>SERVICE EXCELLENCE</b> | We are committed to extraordinary performance.          |
| <b>INTEGRITY</b>          | We are honest, fair and transparent.                    |
| <b>INNOVATION</b>         | We are passionate about continuous improvement.         |
| <b>TEAMWORK</b>           | It takes a team to deliver on our commitments.          |
| <b>RESPONSIBILITY</b>     | We care for each other, our planet and our communities. |

### Our Sustainable Growth Plan

Our ESG strategy supports the long-term growth of the Company.

**Grow and Diversify Our Business** by building new and existing customer relationships and identifying opportunities to add value for our customers and shareholders.

**Elevate Our Team** by investing in our people and focusing on work-life quality, while also leveraging diversity as an innovation driver.

**Boost Our Corporate Performance** by capitalizing on our competitive advantages and increasing operating efficiency.

**Advance Our Corporate Citizenship** through environmental stewardship, contributing to social impact and demonstrating industry-leading governance.

### ATLAS BY THE NUMBERS\*

 **~4,500**  
employees

 **\$4.5 billion**  
revenue

 Approximately  
**61,000** flights, serving  
**265** destinations in **60** countries

Total Fleet: **112**

Operating Fleet: **105**

Dry Lease: **7**

**57** Boeing 747s

**32** Boeing 767s

**15** Boeing 777s

**8** Boeing 737s

\*As of December 31, 2022

## About Atlas Air Worldwide



### Delivering for Our Customers

In 2022, Atlas operated approximately 61,000 flights to 265 destinations in 60 countries, connecting producers to consumers and carrying everything from military equipment and pharmaceuticals to fresh fruit and flowers.

Before any flight takes off, the Atlas team follows a rigorous set of procedures to ensure the safety of the flight, its crew, passengers and cargo.

Intense preparation and planning go into every flight, with a load plan created to meet the needs of each type of specialized cargo. Our load plans analyze the cargo's weight, size and shape to determine how it should be stowed while taking into account the aircraft's balance and capacity requirements.

As an operator of "pure freighters," we are able to move special loads to locations throughout the world. These pure freighters have extra-large cargo doors, including a nose-loading cargo door.

Many types of cargo require carefully maintained temperature control – flowers, pharmaceuticals and produce, for example. Atlas' load plans include consideration of the amount of time that sensitive cargo must spend outside. Once the load is in place on the aircraft, crewmembers are given instructions for setting temperatures for the flight deck and cargo deck through the aircraft's Environmental Control Systems.

Our teams work together to make sure the cargo we fly around the world arrives at its destination safely and as our customers expect.

# Our ESG Strategy

Our environmental, social and governance (ESG) journey began with our founding in 1992 and is rooted in our core values, including our unyielding commitment to care for each other, our planet and our communities.

We believe long-term growth and success are achieved by sustaining and protecting our natural resources, empowering our employees and business partners, and demonstrating transparency and accountability. As such, we have identified what is paramount to our stakeholders, as expressed in our 13 material topics, and aligned them to our overarching priorities. These include:



## ENVIRONMENTAL STEWARDSHIP

Understanding where and how we can reduce our environmental impact is a priority embraced across our organization. From industry-leading fuel efficiency innovations to modernizing our fleet, we will achieve results for the planet we all share.



## CAREER, CULTURE & EQUITY FOR OUR PEOPLE

There is no greater asset than our people. By prioritizing the safety, professional development and equitable treatment of all employees, we have built a culture that embraces openness, teamwork and collaboration. Elevating the employee experience increases opportunities for all team members while positioning our Company for continued growth.



## SOCIAL IMPACT & COMMUNITY ENGAGEMENT

Our commitment to “Caring for the World We Carry” conveys our dedication to the places where our business takes us. By engaging our workforce and contributing to efforts locally and across the globe, we are delivering on the desire for our communities to thrive.



## RESPONSIBLE BUSINESS GROWTH

Growing our business means looking beyond the bottom line. Practices that help ensure integrity, compliance and the protection of data, while engaging with our industry and our Board, help drive sustainable growth today and into the future.



## Our ESG Strategy



### Our ESG Strategy and Policy

Our ESG vision, priorities and management approach are formalized through our defined material topics, which inform our ESG strategy and policy. The ESG priorities we have identified are important to our business as well as our stakeholders and are issues on which we believe we can have a meaningful impact in a cost-effective and efficient manner.

#### Our Priorities

##### ENVIRONMENTAL STEWARDSHIP

- Aircraft Emissions
- Aircraft Noise
- Resource Consumption

##### CAREER, CULTURE & EQUITY FOR OUR PEOPLE

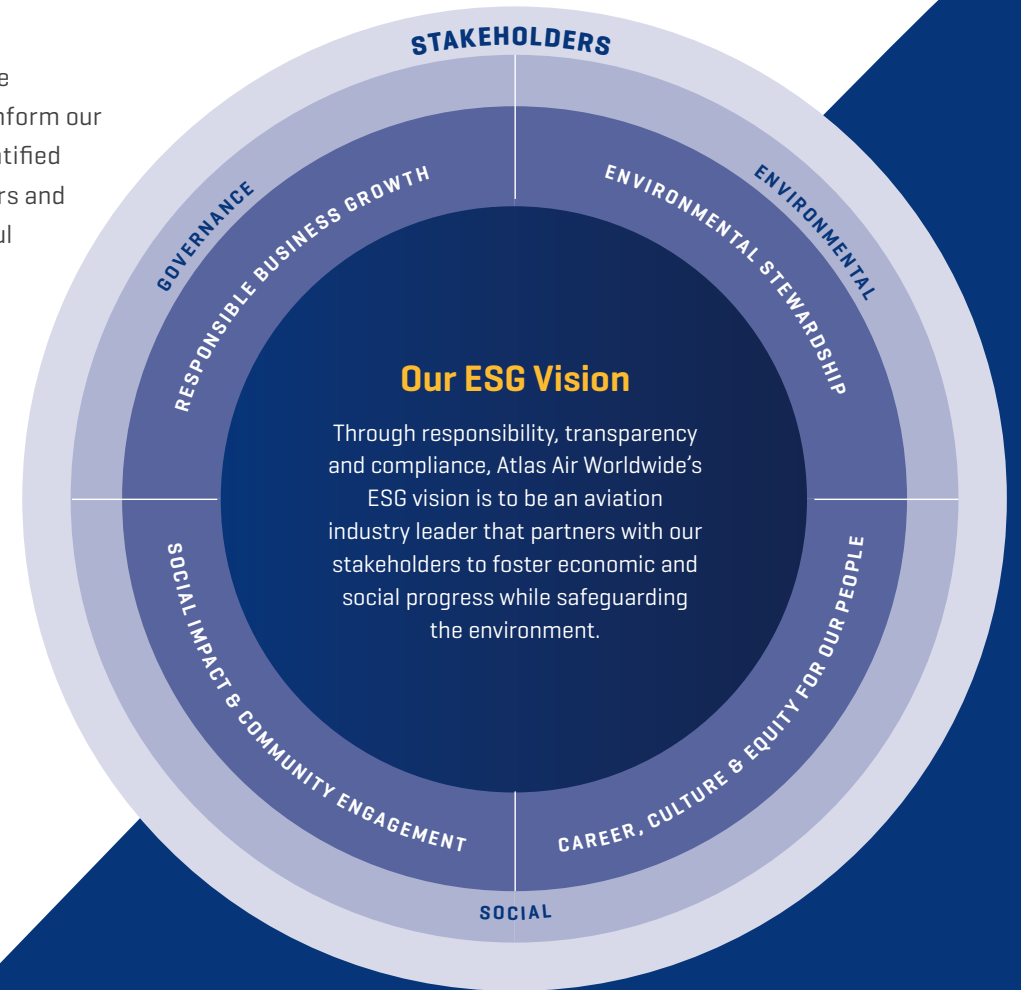
- Employee Experience
- Safety & Security
- Labor Relations

##### SOCIAL IMPACT & COMMUNITY ENGAGEMENT

- Community Impact & Philanthropy
- Global Prosperity

##### RESPONSIBLE BUSINESS GROWTH

- Corporate Governance
- Ethics & Integrity
- Compliance
- Data Privacy & Cybersecurity
- Public Policy Advocacy





## Our ESG Strategy

### Stakeholder Engagement

Our commitment to ESG is guided by our desire to build long-term, sustainable growth and value for our stakeholders. Through our ESG strategy and performance, we are committed to addressing the needs of stakeholders, including investors, customers, employees, suppliers, partners and communities. We regularly engage with our stakeholders to communicate our priorities and progress and to better understand the issues important to them.

|                    | METHODS OF ENGAGEMENT                                                                                                                                                                                                            | PRIMARY ESG TOPICS OF INTEREST                                                                                                                                                                |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Investors*</b>  | Investor outreach, investor meetings, analyst conferences, road shows, phone and email inquiries, corporate website and annual meeting                                                                                           | Financial performance; corporate governance; environmental strategy and performance; labor relations; diversity, equity & inclusion; and ethics & integrity                                   |
| <b>Customers</b>   | Regular business reviews, regional business alliances, corporate website and social media                                                                                                                                        | Environmental strategy and performance; fuel efficiency; noise reduction; ethics & integrity; supplier diversity; and community impact & philanthropy                                         |
| <b>Employees</b>   | Regular town hall and roundtable meetings, leadership meetings, officer meetings, departmental meetings, biennial employee experience survey, corporate intranet, InsideAtlas internal newsfeed, social media and special events | Employee experience; diversity, equity & inclusion; community impact & philanthropy; ethics & integrity; global prosperity; environmental strategy and performance; and financial performance |
| <b>Communities</b> | Regular outreach, volunteer board and civic engagement, corporate website, social media and volunteerism                                                                                                                         | Community impact & philanthropy; diversity, equity & inclusion; global prosperity; ethics & integrity; and environmental strategy and performance                                             |

\*As of March 17, 2023, Atlas Air Worldwide is a private company.

### Alignment with United Nations Sustainable Development Goals

We have identified seven United Nations (UN) Sustainable Development Goals (SDGs) that align with our ESG priorities and that we believe we can directly impact. Alignment with the UN SDGs reflects our holistic, macro-conscious approach to driving change for our stakeholders and the world around us. The seven UN SDGs we have aligned with are:





# Environmental Stewardship

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We operate in a global economy to support the needs of markets, regions, customers, businesses big and small, as well as the U.S. Department of Defense. Companies like ours are facing increased interest from regulators, investors, customers and other stakeholders to disclose how they are impacting or contributing to the environments in which they operate. We believe that climate change, brought on by worldwide industrial growth that often results in the use of fossil fuels, can only be addressed when we all act.

Atlas Air Worldwide is committed to reducing our carbon footprint in the regions and communities where our business takes us by improving operational efficiencies that produce fuel savings. Through efficient flight planning, we minimize the fuel our aircraft carry and burn. We also implement best practices and protocols that empower our teams to promote recycling, waste reduction and natural resource preservation. We collaborate with industry peers and associations to raise awareness of the need for broader governmental adoption of policies that reward industries for developing new technologies and for the use of lower-impact fuel sources, such as sustainable aviation fuel [SAF].

## IN THIS SECTION

Aircraft Emissions

Aircraft Noise

Resource Consumption

## 2022 HIGHLIGHTS

- Ongoing commitment to environmental initiatives to lower our carbon footprint.
- Continued support for greater availability, price competitiveness and adoption of SAF.
- Fleet upgrades, which include the integration of three new 747-8 and one new 777 aircraft, to improve fuel efficiency and further reduce aircraft noise.
- Publication of our 2022 TCFD and SASB disclosures [\[see Appendix\]](#).

# Aircraft Emissions

Operational efficiency, safety and innovation enable Atlas Air Worldwide to operate one of the world's largest air cargo fleets, serving customers across the globe. We operate in a global marketplace that has an increased focus on climate change, and as such, we are continuously striving to lower our aircraft emissions and improve our fuel efficiency as part of our commitment to address climate change and promote a cleaner environment.

We are prioritizing multiple initiatives to address this issue, including continuing to enhance our operating efficiencies, investing in an increasingly efficient aircraft fleet and expanding SAF procurement.

## Our Commitment to Addressing Climate Change

We align with a number of reporting frameworks to demonstrate our commitment to transparency and corporate responsibility. Specifically, we abide by the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA), which was developed by the United Nations International Civil Aviation Organization (ICAO) in 2016 to govern the global airline industry. Our participation began in 2018 with the submission of an emissions monitoring plan. Currently, we are voluntarily participating in the pilot phase (2021–2023), reporting our carbon emissions data for the 2021 and 2022 reporting years. Atlas will continue to participate in CORSA, progressing into the first phase (2024–2026) and then the second phase (2027–2035).

Atlas has also been reporting emissions under the European Union Emissions Trading Scheme (EU-ETS) since 2010 and under the UK Emissions Trading Scheme (UK-ETS), which replaced the UK's participation in the EU-ETS in 2021.

Beyond these reporting schemes, we collaborate with key industry trade groups such as the International Air Transport Associate (IATA) and Airlines for America (A4A). We support the commitment made by IATA and A4A to achieve net-zero carbon emissions in aviation by 2050, which aligns with the Paris Agreement goal to keep global warming under 1.5°C. Achieving this goal will require a collective effort by the entire industry in partnership with governments, fuel producers and investors.



## Aircraft Emissions

### Reducing Our Greenhouse Gas Emissions

In 2022, Atlas continued to enhance the structure of our greenhouse gas (GHG) emissions reporting strategy, which included our engagement with an external environmental agency to ensure we are guided by leading-edge, best-practice protocols. We are consistently working to be transparent and meet our environmental targets by refining our path forward based on our own operations and business model. We align with leading global standards and frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and the Sustainability Accounting Standards Board (SASB) standards. See the [Appendix](#) for our TCFD and SASB disclosures.

To support the environmental goals of the industry and meet our own Company target, we continue to focus on three key areas:

- Continuing to drive operational efficiency, especially for our aircraft.
- Upgrading our fleet with more fuel-efficient aircraft.
- Expanding our use of SAF when possible.

In 2021, we established our baseline for Scope 1 emissions, and in 2022, we conducted deeper analysis to further refine our methodology based on our business model, operations and best practices. As a result, we have redefined our Scope 1 emissions and restated our 2021 baseline.

### PROGRESS TOWARD OUR CARBON EMISSIONS REDUCTION GOAL

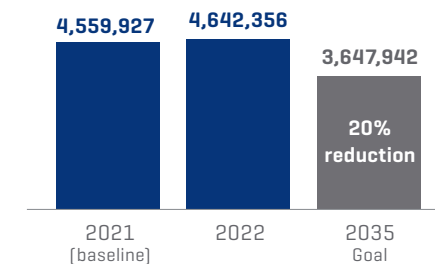
We are doing our part to **support the commitment made by IATA and A4A to achieve net-zero carbon emissions in aviation by 2050**. Our contribution to this industry objective is **reflected in our goal to reduce our absolute Scope 1 emissions by 20% by 2035, compared with a 2021 baseline**.

We believe we can reach this goal through a combination of SAF use, investment in new aircraft, improved fleet efficiencies and fuel-savings best practices. More specifically:

- Our dedicated fuel procurement team is actively engaging in discussions to develop contracts with fuel providers and other fuel partners to address our customers' growing interest in the use of SAF. In addition, we are actively exploring the use of SAF in our charter flights.
- Our planned fleet expansion includes the integration of four new 747-8 and four new 777 aircraft, which will enable us to optimize resource consumption. These integrations will be completed in 2023. The 747-8 offers a 16% improvement in fuel use and CO<sub>2</sub> emissions per tonne.
- We will realize operational efficiencies from investments in scheduled major maintenance events and fleetwide engine water wash protocols.
- We continue to leverage our FuelWise initiative, which helps us develop best practices such as engine-out taxi-in protocols and reduced thrust, along with other existing and developing best practices that have proven fuel-savings benefits.

#### SCOPE 1 EMISSIONS

(metric tons CO<sub>2</sub>e)



The year-over-year increase in Scope 1 emissions is attributed to our fleet expansion in 2022, including three 747-8s and one 777.



## Aircraft Emissions



### Driving Operational Efficiency

Aircraft engine emissions that can affect air quality include nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO), sulfur oxides (SO<sub>x</sub>), unburned hydrocarbons (HC) and smoke and particulate matter (PM). Improved engine designs have gradually helped reduce the emissions of NO<sub>x</sub> and CO and have almost eliminated emissions from HC and smoke.

We strive to reduce our carbon emissions through ongoing improvement in our operations and the efficiency of our aircraft. We regularly analyze the emissions and fuel efficiency of our aircraft through industry-leading software and tracking metrics, and we leverage this data during our decision-making processes to verify equipment is functioning within specified parameters. Our analyzing technology includes our FuelWise and SkyBreathe fuel efficiency software.

Carbon-reducing efficiencies come from a range of activities, which include the following practices: operating new aircraft/engines, efficient flight planning, efficient flight crew procedures, reducing auxiliary power unit (APU) usage, aircraft performance monitoring (APM), aircraft weight reduction, drag reduction, engine washes and other routine maintenance, and working with our partners and government officials to advocate for further modernizing air traffic control, road traffic and other ground activities.

### INDUSTRY ENGAGEMENT MAXIMIZES IMPACT

Our leaders are proud to contribute their thought leadership and expertise to industry association boards and councils. We believe that coordinating our efforts to support advocacy and public policy issues maximizes our collective voice and enhances our capacity to meet the aviation industry's environmental stewardship goals.

Atlas President and CEO John Dietrich is a member of IATA's Board of Governors, and Executive Vice President and Chief Commercial Officer Michael Steen serves as Chair of IATA's Cargo Advisory Council. Additionally, Atlas Executive Vice President, General Counsel and Secretary Adam Kokas is Chair of the IATA Legal Advisory Council, and Atlas Executive Vice President and Chief Operating Officer Jim Forbes serves on the Cargo Airline Association (CAA) Board of Directors.

Our membership in A4A enables us to join industry peers to amplify our advocacy for policies that benefit the entire aviation sector. Mr. Dietrich serves on the Board of Directors at A4A, and several individuals serve on A4A councils, committees and working groups that contribute to sector-wide environmental and sustainability advocacy, such as the Environmental Sustainability Council and the Sustainable Aviation Fuel Committee.

Our work with our industry peers through A4A groups supports the trade association's climate and SAF goals, including achieving net-zero carbon emissions by 2050 and increasing SAF availability to U.S. aircraft operations to 3 billion gallons by 2030. Through these affiliations, we are also able to address an array of other environmental impacts such as aircraft noise and local air quality, advance our own ESG initiatives and encourage private-public partnerships to facilitate progress.

## Aircraft Emissions

### Enhancing Our Aircraft Fleet

We have invested in new and innovative aircraft solutions to drive customer service, operational efficiency and GHG emissions reductions. Our goal is to ensure that any new aircraft we purchase is more fuel efficient than the previous generation of aircraft it replaces and improves safety and performance.

In 2022 and early 2023, we introduced four new Boeing 747-8 freighters to our fleet. This aircraft is among the most capable, technologically advanced and environmentally responsible widebody freighters available. The 747-8F offers 20% higher payload capacity and 16% lower fuel consumption than previous 747 models while meeting or exceeding the strictest ICAO emissions standards. It also reduces noise by approximately 30% compared with the previous generation of aircraft.

In addition to our four new 747-8Fs, Atlas ordered four new Boeing 777-200LRs. These aircraft are the largest and longest-range twin-engine freighters in the world and will help us further improve our flight operations efficiency.

### Advancing the Sustainable Aviation Fuels Agenda

Atlas continues to pursue opportunities to incorporate SAF into our conventional jet fuel mix. Our dedicated fuel procurement team is actively engaging in discussions to develop contracts with fuel providers and other fuel partners to address our customers' growing interest in the use of SAF.

SAFs, which can be made from vegetable oils, sugars, animal fats and even waste biomass, can be used to help fuel existing aircraft engines without equipment modification or retrofitting.

SAF has been shown through lifecycle analyses to reduce carbon emissions by up to 80% compared with traditional fuel. SAF is a significant component of our strategy to meet our GHG emissions reduction goal and the industry's 2050 target for net-zero carbon emissions.

### SAF Partnerships and Where We Serve

We are actively involved in advancing SAF adoption in the aviation industry to increase access and moderate costs. Significant changes in government policy, infrastructure and funding, as well as multisector cooperation, will be necessary for SAF to have a significant impact on the air cargo industry's fuel sourcing practices. Currently, Atlas partners with the following coalitions and organizations to streamline the SAF procurement and policy process:

- Latin American and Caribbean Air Transport Association (ALTA)
- International Air Transport Association (IATA)
- International Civil Aviation Organization (ICAO)
- Kentucky Sustainable Aviation Fuel Coalition

### IMPLEMENTING INNOVATIVE FUEL TRACKING SOFTWARE

At the end of 2022, Atlas invested in FuelPlus, a software that will enable us to track global fuel purchases with the goal of enhancing our own system. With implementation taking place in 2023, the FuelPlus technology will empower us to account for our book-and-claim SAF purchases from our customers. Since SAF is currently produced in limited locations, the book-and-claim model allows us to work with our customers to utilize SAF while reducing SAF-related logistics costs and lowering our own emissions by purchasing SAF from alternate locations. We continue to focus on enhancing our fuel software and SAF procurement processes so our customers all over the world have SAF purchasing options available to them.



## Aircraft Emissions

In Kentucky, where we have a global operations center near the Cincinnati/Northern Kentucky International Airport (the seventh-largest cargo airport in North America), Atlas joined with key partners, airlines and airports to form the Kentucky Sustainable Aviation Fuel Coalition.

The coalition's goal is to encourage the state to lead SAF production by leveraging the state's reputation as an aviation powerhouse and leader in innovation to spur investment. Through the coalition, we are collaborating with state organizations to identify opportunities to further SAF production, which could include investing in technologies to convert municipal waste and hydrogen into new fuel alternatives.

We believe SAF production can yield all the benefits of a major capital investment project while simultaneously creating high-quality technology jobs and research activities that could benefit local colleges and universities. Atlas is a proud member of the coalition and is working so that SAF production has the potential to create a ripple effect of benefits for this community, job seekers and the environment in the near future.

### Electrification of Our Ground Operations Vehicles

As part of our strategy to reduce our GHG emissions, Atlas has invested in hybrid and electric fleet vehicles. Currently, 13% of our vehicle fleet is comprised of hybrid and electric vehicles, with plans for this percentage to increase to approximately 50% by 2030. Our transition to alternative fuel vehicles is being led by our Ground Operations division, which has been progressively rolling out hybrid

### INNOVATING AND IMPROVING FUEL EFFICIENCY

One of the best ways to optimize our aircraft's fuel efficiency is through advanced flight planning and tracking. For more than a decade, Atlas has been working to optimize flight speeds, altitudes, routes, climb, cruise and descent segments through our FuelWise initiative.

Atlas uses SkyBreathe fuel efficiency software developed by OpenAirlines to track real-time data from multiple sources – including aircraft Quick Access Recorders (QARs), flight plans, load sheets, Aircraft Communications Addressing and Reporting Systems (ACARS) data, weather and navigation databases – to analyze fuel usage and suggest efficiency improvements.

Atlas also incorporates best practice reporting via a tablet-enabled application that our flight crews rely upon to evaluate their own fuel usage decisions.

We supplement our ongoing emissions-reduction strategies with investments in ground power units (GPUs), which are used to provide access to electricity, heat and air conditioning for the crew and staff while the aircraft is on the ground. GPUs help reduce Jet-A fuel consumption in comparison to traditional alternative power units (APUs) by enabling direct fuel hookups, which requires much less energy and fuel.

and electric cars and vans to replace traditional gas-powered vehicles. Today, 48% of Polar's and 6% of Atlas' vehicles are powered by alternative fuel sources, with this number expected to increase in the coming years.

Additionally, we are transitioning other equipment, including forklifts, to hybrid and electric options where possible. Presently, 20% of our equipment is electric or hybrid, and we are exploring opportunities to increase that percentage as part of our efforts to replace older equipment with more modern alternatives. This includes plans to replace all propane and diesel forklifts at our facilities with electric alternatives.



# Aircraft Noise

Minimizing the impact of aircraft noise is a long-standing priority for Atlas Air Worldwide. Through our investments in new equipment and technology, as well as our ongoing operational improvements, we are advancing a quieter fleet of aircraft.

## Our Approach to Noise Reduction

Atlas works with recognized aviation organizations, airport authorities, associations and regulators to adopt best practices for mitigating aircraft noise as part of our commitment to be good neighbors in our communities. We take a comprehensive and multifaceted approach to demonstrate this responsibility.

We subscribe to the International Civil Aviation Organization's (ICAO) Balanced Approach for addressing aircraft noise. The Balanced Approach was codified by ICAO in 2001, and its aircraft noise standards have been updated several times since, most recently in 2018. Through these standards, ICAO identifies four strategies for addressing aircraft noise:

- Noise reduction at source
- Land use management and planning
- Operational procedures
- Operating restrictions

Our Planning teams build and manage flight schedules to arrive and depart in compliance with airport curfews and quiet hours. Some airports have restricted operating hours based on engine manufacturer and we manage our schedules to comply with those restrictions.

We optimize our flight departures and arrival paths to minimize noise. Additionally, we voluntarily adjust flight schedules to address potential concerns from community leaders and neighbors in densely populated residential areas. We believe operating restrictions, which can negatively impact the airline industry, customers and local economies, are a last resort, and we proactively pursue other means to effectively address potential noise concerns.

Atlas lobbies and advocates for the implementation of the "NextGen" ATC system, which allows for more efficient arrival and departure procedures by eliminating altitude stepping, thus reducing fuel burn and engine noise.

Our new aircraft investments also play a significant role in continuing to reduce the noise associated with our fleet. Specifically, our recent investments in Boeing 747-8F and Boeing 777 aircraft will yield improved performance along with lower decibel output. We currently have 14 747-8Fs and 15

Atlas was selected as the 2022 winner of O'Hare Noise Compatibility Commission's (ONCC) Fly Quiet Recognition Award in the cargo carrier category. The [Fly Quiet Program](#) specifically aims to reduce the impact of aircraft noise within the O'Hare International Airport region during overnight hours by designating nighttime preferential runways and flight tracks.

Boeing 777s, with three additional 777 aircraft ordered and pending delivery. As a result of technological improvements, the noise footprint of these new aircraft is at least 15% less than that of the aircraft they replace. In addition, we plan to operate our 747-400F aircraft at maximum payload.

As Atlas has grown, so too has our emphasis on improving our noise reduction efforts. We continue to collaborate with our partners, conduct research and perform analysis on new technologies to help identify opportunities to reduce our noise footprint.







# Resource Consumption

Our promise to protect the environment is reflected in how we manage our aircraft, our facilities and our resources. We strive to minimize our environmental footprint by reducing our natural resource consumption and responsibly managing the lifecycle of the materials we use. We work to promote clean air and water, waste diversion and recycling, and energy efficiency across our operations.

## Protecting Our Natural Resources

We manage our environmental programs locally within our operating network, which spanned over 265 destinations and 60 countries in 2022. We are committed to complying with all applicable local, state, federal and foreign environmental regulations in the areas in which we operate, and we strictly enforce policies aimed at protecting and conserving natural resources. In addition to our headquarters in Purchase, New York, we have operations centers near the Cincinnati/Northern Kentucky International Airport, at Anchorage International Airport in Alaska and in Hong Kong. We also have an operations hub and training center in Miami and logistics centers around the world.

Our local program management structure is backed by environmental compliance support, program management guidance and safety and operational auditing oversight, which includes a highly detailed program for onboarding new sites and facilities.

## Local Actions Make a Difference

Our local approach to resource conservation has resulted in the development of a variety of sustainability programs and strategies implemented at our sites. Steps we are taking to reduce our resource consumption include:

- Incorporating **recycling and waste separation programs** at our facilities and repurposing boxes for packaging.
- Using energy-reducing alternatives such as **LED lighting and replacing gas-powered machinery, such as forklifts, with electric options.**
- **Repurposing old aircraft parts**, such as galley carts, for furniture or artwork.
- Using a **baler to flatten garbage**, which reduces the number of times dumpsters need to be emptied.

- Driving efficiencies at our headquarters, including utilizing both **ice farms and solar power** for more energy-efficient power sources and **reducing our physical footprint**, which has minimized our HVAC needs and reduced waste tonnage by 50%.
- **Exploring WELL Building Standard and Green Building Initiative (GBI) certification** to verify the environmental, health and wellness performance of our buildings.

**In 2022, our Cincinnati/Northern Kentucky and Los Angeles teams transitioned to using electric forklifts, reducing carbon emissions in our ground operations by 272 metric tons of CO<sub>2</sub>, compared with 2021.**

## Resource Consumption

### Environmental Considerations for New Facilities

As we plan for the development and construction of new facilities, we are focused on challenging the status quo and integrating forward-looking environmental principles and practices related to safety, energy efficiency, electrification of equipment and the ground fleet into our operations. We commit to these practices in conjunction with our pledge to continue providing unparalleled levels of customer service to those who rely on us.

Our key environmental considerations include:

- Reducing the use of material handling equipment via installation of material handling systems. Using truck docks, roller decks and vertical conveyors decreases the need for forklifts, tugs and dollies. Reduced truck dwell times also minimizes transit time emissions during idling.
- Converting material handling equipment from fossil fuel to electric power, which provides a healthier work environment and reduces emissions.
- Maximizing use of vertical storage in warehouses to enhance capacity within the same footprint and building infrastructure.
- Ensuring appropriate infrastructure to support electric vehicle charging for passenger/light commercial vehicles, commercial trucks and electric cargo loaders and transporters.
- Introducing sustainable energy sources, including rooftop solar arrays, regenerative technology used to recapture energy and on-site battery storage systems used to offset spikes in demand for electricity.
- Employing smart panel technology to monitor electrical consumption of our equipment, which enhances preventative maintenance and energy efficiency.

### GLOBAL OPERATIONS CENTER OFFICE RECEIVES GREEN GLOBES CERTIFICATION

Built and opened in 2021, Atlas' Global Operations Center at Cincinnati/Northern Kentucky (CVG) received a Two Green Globes certification in November 2022 from the Green Building Initiative. This accomplishment demonstrates noteworthy achievements in resource efficiency and reflects Atlas' total approach to mitigating our environmental impact and improving employee wellness. Some of the significant achievements recognized by the Green Globes certification include the following:

- We continuously track energy and water use at our facility using ENERGY STAR Portfolio Manager to target potential energy efficiency improvements and highlight best practices.
- Our Energy Performance score of 86 resulted in the facility earning an ENERGY STAR certification.
- We optimized sunlight at our employees' workstations while installing glare-proof glass to lessen our lighting needs.
- We introduced a lactation room on each floor of the facility, demonstrating our commitment to an inclusive workplace.
- We minimized the need for potable water for irrigation, conserving water and improving plant species.

This facility highlights our commitment to sustainability and will serve as a model for other operations moving forward as we further our companywide sustainability practices.

### PARTNERING FOR A BETTER ENVIRONMENT IN HONG KONG

Over the last few years, we have been working to actively engage our Hong Kong employees in more environmental activities. Last year, Atlas Air and Polar employees participated in the Swire Properties Smart Waste Reduction Pilot Program with the goal of reducing our office waste. Swire is our real estate manager in Hong Kong, and in partnership with other Swire tenants participating in the program, we were able to track on-site waste diversion metrics and identify areas of opportunity and improvement.

In early 2022, the Atlas Air and Polar teams were recognized by Swire with the following awards:

- Lowest Total Waste Per Employee – Silver
- Lowest Contamination – Silver

In addition, the Hong Kong facility has also invested in hybrid and electric vehicles and equipment, with a plan to switch to 100% alternative energy by 2035. Along with pursuing this goal, in 2021, our Hong Kong team signed a Green Performance Pledge, which sets and enforces safety, health and environmental standards for private building tenants.

**In 2022, 38% of our waste was diverted and recycled, and we decreased average waste per employee by 12.3%.**



# Career, Culture & Equity for Our People

Our people are the source of our strength and what drives our business forward. Their collective skills and experiences contribute to our competitive advantage, and we are committed to the continuous improvement of their experience throughout the employee life cycle. Atlas Air Worldwide employees understand that what we do matters, and we care for the world we carry. Pride is a fundamental characteristic of our culture and the essence of who we are.

Many factors contribute to, and ensure the endurance of, a great culture. As our Company has grown in size and influence, we have added resources that enable us to have an even greater impact on our employees, the aviation industry and the global communities in which we operate.

## IN THIS SECTION

Employee Experience  
Safety & Security  
Labor Relations

## 2022 HIGHLIGHTS

- Continued to build a culture of inclusion and drive business outcomes through diversity of thought and experience, supported by our diversity, equity and inclusion (DEI) councils, employee education initiatives and quarterly DEI meetings.
- Expanded our Pathway to Success Program, an employment-based initiative designed to help recruit, train and hire new pilots from top aviation programs, with a focus on providing more equitable and affordable access to career opportunities.
- Developed and implemented standard operating procedures to improve the recruiting process.
- Launched LIFT, a new employee development program designed to help individuals adopt growth mindsets and own their career development.



# Employee Experience

## Atlas Culture

At Atlas, we believe we are stronger because of the talents of our people. We offer careers that celebrate the unique backgrounds, goals and professional aspirations of all employees, and we work to continuously improve the employee experience by upholding a collaborative and inclusive culture that reflects our Company Values and Leadership Principles. At the same time, our employees are encouraged to actively participate in programs that influence the ways in which we work today and how we will work in the future.

## Diversity, Equity and Inclusion

The diversity of our team enables us to better understand and meet the needs of all those we serve. Diversity, equity and inclusion (DEI) is integrated into our operations through defined policies and programs and is a key consideration in driving our overall business strategy.



We are guided by our DEI philosophy, which ensures we will:

- Reflect the composition of the world we carry;
- Meet the needs of a diverse customer base;
- Spark innovation through diversity of thought and experiences;
- Stand out as an employer of choice;
- Listen to the voices of the employees who reflect the world in which we live; and
- Generate long-term value for our stakeholders.

Atlas developed a three-year DEI road map in summer 2020 that outlines our actions to build a culture of inclusion and drive business outcomes through diversity of thought and experience.

## DEI Councils

Our DEI councils focus on refining our approach to DEI and creating pathways to connect our people to the senior leadership team in a way that ensures the voices of all our employees are heard. Our DEI councils are composed of two groups:

- The **Employee Council** is representative of all functions and levels across our global businesses. The Council executes strategies defined by our three-year DEI road map.
- The **Executive Council** is comprised of senior leadership members who provide support to the Employee Council and enable an environment to share new ideas, launch initiatives and provide sponsorship on communication and strategy.

## Employee Experience

Introduced in the fourth quarter of 2022, our **Quarterly DEI meetings** bring together employees from across the organization who volunteer their time to issues related to DEI. These meetings give employees the opportunity to review the latest DEI data, discuss their respective initiatives and provide feedback on ways to improve our culture of inclusivity.

In late 2022, we opened the application process for the Employee Council, and in the first quarter of 2023, we welcomed 12 new members to the Council who bring fresh perspectives and will help advance our DEI agenda.

**Lillian Dukes, Senior Vice President, Technical Operations for Atlas, was recognized as one of the Most Influential Black Executives in Corporate America for 2022 by Savoy Magazine, a leading African American business lifestyle magazine.**



### **Employee Resource Groups and Affinity Groups**

Our Employee Resource Groups (ERGs) and Affinity Groups celebrate diversity of thought and the multicultural backgrounds of our team members. These groups also serve to provide targeted learning, growth and development opportunities that are meaningful to our employees. Our current groups include the following:

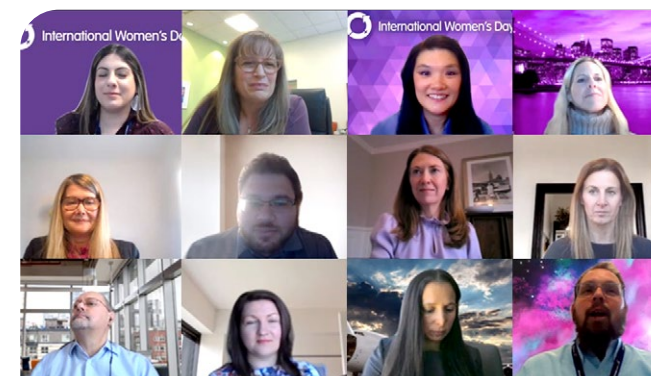
- The **Women’s Network** is focused on connecting and developing pathways for women to support their professional growth and the success of the organization. Initiatives include critical leadership development and networking opportunities.
- The **Atlas Welcome Group** serves as a key resource and knowledge center for orienting new hires and internal transfers. This network provides a welcoming and positive onboarding experience and creates opportunities for personal and professional connections. The Welcome Group is currently working to update the Atlas onboarding module as part of our commitment to continuously find better ways to serve our people.

In 2022, the DEI Employee Council developed an **ERG Toolkit** to provide accessible, detailed guidance and resources to make it easier for Atlas employees to establish new ERGs to enhance our culture and business. We are working to foster additional ERGs in 2023. For example, our **Pride ERG** will help our LGBTQ+ employees feel seen, heard and valued within the Company through support, outreach and education.

### **CELEBRATING INTERNATIONAL WOMEN’S DAY**

We believe our differences make us a richer, more multifaceted organization. Atlas encourages employees to feel comfortable expressing themselves and celebrating their unique backgrounds. This philosophy is exemplified in our participation in events and days of recognition that reflect our collaborative spirit.

In celebration of International Women’s Day in 2022, our Women’s Network hosted an event with Dr. Sharon DeVivo, the first female president of Vaughn College of Aeronautics and Technology in New York. Dr. DeVivo gave a keynote speech to nearly 100 employees discussing the urgent need to improve diversity in aviation. As a follow-up to the celebration, Atlas’ Learning & Development team released a collection of professional development courses focused on communication and encouraging self-expression.



## Employee Experience



### ***Engaging Our Employees in Our DEI Efforts***

In 2022, Atlas launched several employee education initiatives aimed at sparking conversation and learning on a variety of DEI topics important to our organization.

We launched a new virtual employee training series, Unconscious Bias to Conscious Inclusion, which is designed to help employees recognize their own prejudices and social stereotypes. To date, four sessions have been offered and nearly 70 employees have completed the training.

Building a culture of inclusion relies on equipping our leaders with necessary tools. We piloted Medici, an inclusion training, with 75 participants. This program, which was composed of weekly virtual lessons, offered personal coaching to enable leaders to create a more inclusive environment for all team members. Some of the course topics included identifying and nurturing “hidden heroes,” using “share sooner” to get proactive feedback on issues and opportunities for improvement and breaking out larger groups into “micro-teams” to encourage and develop diverse ideas. In 2023, we will roll out Inclusive Leadership Training to leaders at all levels. This training will also be open to any team member who is interested.

Employees also can access a curated collection of self-paced digital learning resources on topics such as race, gender, inclusive leadership, unconscious bias and allyship to drive personal and professional growth along their DEI journeys.

### **LIVING OUR VALUES**

In alignment with our DEI philosophy, we emphasize the two hallmarks of our culture: Family First and Employee Empowerment.

- Atlas takes a family-first approach for all employees, from celebrating important milestones to supporting an employee through a personal hardship. In alignment with “Caring for the World We Carry,” caring for our employees is a top priority.
- From the first day of their job, our employees become a trusted partner. The Company outlines the mission and empowers our employees to make it happen.

### ***Advocacy for Career Pathways***

We operate in a highly regulated industry, and we take our responsibility seriously to ensure local and federal governments understand how policy decisions can impact our talent pipeline. Along with our industry partners, we are working with legislators and regulators across the U.S. to forge rewarding career pathways for new pilots, mechanical and technical personnel and other aviation services professionals.

Among our primary initiatives, we are working to attract underrepresented groups to the pilot profession. We are focused on creating more opportunities for training and certification and reducing the out-of-pocket cost of those programs, particularly for underrepresented minority groups where cost is a significant barrier. This includes supporting legislation to allow students to fully access federal financial aid to cover the average cost of a flight education and training program.

## Employee Experience

### ELEVATE Atlas

Our passion for continuous improvement includes striving to elevate the employee experience to help attract top talent to our organization.

The ELEVATE program, launched in 2020, aims to improve the quality of work life of our employees so that they can operate more efficiently and be better prepared to serve our customers. ELEVATE is driven by a cross-functional group of employees who dedicate time outside of their primary roles to develop initiatives that will improve the overall quality of work life for their colleagues.

In 2022, we furthered the ELEVATE program in several ways.

### Employee Experience Surveys

Surveys enable us to listen intently to feedback from our employees and act on what we learn. As a direct result of employee feedback, we took the following actions:

- Added employee surveys that capture feedback from our new hire pilots to gain insights into their experience earlier in their tenure.
- Continued to provide visibility of our commitment to “Caring for the World We Carry” through our social responsibility efforts, which builds pride and engagement with our employees. This included Company match donation programs for natural disasters worldwide.
- Launched [Leadership Principles](#) to develop a consistent leadership experience across the Company and harmonize our culture across all locations.
- Elevated the employee experience through data-driven initiatives focused on improving the quality of work life for our teams.

### Transforming the Employee Experience

All ELEVATE initiatives rely on a data-driven approach to increase employee engagement and retention. In 2022, we conducted an artificial intelligence-based study to better understand our team’s reliance on the Global Control Center for support services such as crew scheduling, dispatch and travel. As a result, we:

- Started developing new self-service tools and improving back-end systems that will lead to a better user experience for everyone.
- Improved the tools our crewmembers use in their day-to-day work, including communication devices and our expense processing system, for greater ease of operation and an enhanced user experience.
- Opened additional crew bases to improve the quality of work life through less commuting time to and from work.

### Principles of Tomorrow

We view the transition from the traditional in-office approach to remote work as an opportunity to incorporate more flexibility and purpose into our employees’ lives. Focusing on the concept of Principles of Tomorrow has enabled us to reimagine more inclusive, innovative and nimble ways of working that maximize productivity and employee wellness.



To develop our future of work plans, we assembled a cross-functional team of leaders and group members representing various constituents throughout the organization.

Leaders and group members are developing a framework and policies for working in a flexible environment using the following fundamental principles as a guide:

- Listen to the feedback of our employees.
- Acknowledge the global shifting dynamics of the workplace and the market for talent.
- Recognize that different departments work differently – no one size fits all.
- Continue to cultivate our culture.
- Ensure continued collaboration between employees working on-site, remotely and in hybrid work environments.
- Manage productivity, performance and continued development of our teams.

## Employee Experience

### Talent Acquisition and Development

#### Talent Acquisition

Our approach to talent acquisition starts with our employee value proposition: We are extraordinary people doing extraordinary things. As a global organization delivering a wide range of services, we seek individuals who have the skill sets required to deliver for our customers in a fast-paced environment and embody the potential to grow with the Company well into the future. The expansion of e-Commerce, global supply chains and distribution channels provide endless opportunities for our people to solve important, unique challenges.

The Talent Acquisition team uses a variety of channels to attract people who are passionate about our business and the aviation industry. We recognize that, as an airline, many of our positions require deep technical expertise acquired through years of experience, and we seek individuals who fulfill those specific job requirements. We also seek individuals who demonstrate the potential for growth to ensure they can develop and thrive over time in their careers.

Our teams actively pursue diverse candidates to join Atlas, and last year, 30% of our new hires were diverse. In addition to our media outreach campaigns, we participate in events and programs specifically focused on the military and veterans' organizations such as RecruitMilitary and DOD SkillBridge. We regularly attend Women in Aviation, Organization for Black Aerospace Professionals, and National Gay Pilots Association events to attract diversity into our workforce and leadership teams.



In 2022, we extended our outreach to the Asian community via our engagement with the Professional Asian Pilots Association.

Last year, we also worked to create and maintain a streamlined recruiting process to more efficiently identify and onboard talent by aligning our Recruiting team with our Continuous Improvement team. Through this collaboration, we developed and implemented standard operating procedures (SOPs) for the recruiting process.

**We employ a data-driven approach to better understand where we can recruit more diverse candidates. In 2022, we began collecting student demographics data, as well as intern conversion rates to full-time employment, so we can compare against industry averages and determine ways to improve our recruiting efforts. From our 2022 intern class, 14% converted to a full-time role, with 36% racially and/or ethnically diverse and 32% gender diverse.**

### RECRUITING MILITARY PERSONNEL

At Atlas, we are honored to support the brave men and women of the U.S. Armed Forces and their families. As the largest provider of military passenger and cargo airlift globally to U.S. service members, we consistently demonstrate our ability to meet stringent, military-level reliability standards and offer full capacity at peak levels of demand.

Our support for U.S. service members, veterans and their families extends beyond our ability to fly men, women and cargo across the world – we provide a home for military members transitioning to civilian life. Last year, 16% of Atlas employees were military members.

We actively recruit and are a leading employer of former military members, including many of our pilots, logistics team, ground crew personnel and members of our management team. In 2022, we hired more than 200 former military members to join our crew and ground operations teams. As we continue to grow Atlas in 2023 and beyond, we look forward to strengthening our partnership with the U.S. Armed Forces to fill vital openings across our Company.



## Employee Experience

Establishing recruiting SOPs has never been more important for Atlas. In 2022, we experienced rapid operational and business growth. At the same time, the nationwide and industrywide labor shortage accelerated talent acquisition efforts for both crew and ground roles. Our recruiting teams worked tirelessly to achieve record hiring rates to support our growing needs and ensure we delivered for our customers.

### ***Creating Career Pathways in Aviation***

We believe it is our responsibility to contribute to the continuous improvement and economic development of the areas in which we operate. Our teams are actively involved in a number of initiatives focused on providing opportunity in key regions, and we continue to improve our relationships with our partner organizations to maximize our impact at the local level. This includes partnering with schools, such as Embry-Riddle Aeronautical University, Purdue University and Vaughn College of Aeronautics and Technology, and industry organizations to develop a strong and diverse talent pipeline for today as well as the future of Atlas and our industry.

In partnership with CAE, Inc., we continued to expand our **Pathway to Success Program**, an employment-based initiative designed to help recruit, train and hire new pilots from top aviation programs, with a focus on providing more equitable and affordable access to career opportunities. In 2022, 27 students participated in the program, with 22 students moving into full-time positions with Atlas at the completion of the program. In addition, we provided a \$10,000 scholarship to fund pilot training at CAE.

We are always looking to increase the visibility of our employer brand, and we partner with organizations to help reach more prospective candidates. In 2022, we hosted an event at our Global Operations Center in Kentucky with the Louisville Bluegrass Chapter and the Wright Chapter of Women in Aviation – an organization for students and young professionals who are interested in aviation. The event provided Women in Aviation members the opportunity to learn more about career paths, connect with our recruiting teams and tour Atlas and airport facilities. We also hosted several other groups, including a team from Purdue Aviation and high school students from the Kentucky Aviation Museum summer camp.

**To raise awareness of our employer brand and the aviation jobs we offer, Atlas is developing a teacher externship program with our K-12 education partners. The curriculum is being finalized for a multiday opportunity in summer 2023 that will allow teachers to learn about Atlas so they can help raise awareness of career opportunities in aviation among their students. Additionally, we are creating a job shadowing program for high school students to gain insight into the benefits of entering the field.**

### **GROWING A CRITICAL SKILL SET IN OUR OPERATIONS**

Our crew schedulers perform a critical role in maintaining efficient operations at Atlas. They plan and coordinate our flight crews' and pilots' schedules, keeping in mind every potential variable, including delivery needs, compliance commitments, target takeoff and landing times, and even weather.

In 2022, through the Kentucky TRAINS program, Atlas partnered with Kentucky Community and Technical College System [KCTCS] Workforce Solutions division to complete a comprehensive review of our crew scheduler job profile. The review included research into high performers, necessary training, the career paths available to people in the role, and hiring, recruiting and attrition benchmarking. The findings from this research are being used to refine our hiring practices and training programs, identify ways to close skills gaps and develop an apprenticeship program.

## Employee Experience



### Talent Development

Building a resilient and diverse organization requires an ongoing commitment that continues beyond the hiring phase. We believe that prioritizing the learning and development of our talent leads to high performance and engagement at all levels, and this is a key tenet in how we invest in our people.

To support the career development of our employees, we provide the training and tools for employees and managers to facilitate conversations about skill assessment, long-term career goals and opportunities for development based on their current needs and future career ambitions. We also provide opportunities for employees to develop both position-specific and leadership skills through various learning formats and methods to effectively gear these programs to how our employees learn best.

As part of our continuous improvement approach and commitment to comply with all regulations in the areas in which we operate, our flight crew undergo recurring training and certification. In addition, our ground staff participates in an annual performance review process, which includes the opportunity to submit a self-review and receive developmental feedback. Managers also have the opportunity to submit recommendations for promotion through this process.

We believe our emphasis on ensuring transparency and open communication across the organization helps certify that employees are evaluated fairly and judged against consistent criteria. Uniform criteria are essential in evaluating our employees for advancement opportunities in accordance with our long history of promoting from within.

As team members elevate to manager positions, we strongly encourage participation in our comprehensive leadership development program designed to ensure a successful transition from individual contributors to leaders of people. In particular, we focus on the development of our mid-level management as they represent the top leadership of the future. We take intentional steps to build a diverse talent pipeline from which top leadership can be selected to reflect our organizational DEI initiatives and our adherence to building an inclusive talent pool.

## Employee Experience

### Leadership Principles



#### CLEAR THE RUNWAY

Leaders work across departments and remove all obstacles to deliver for customers.



#### OPERATE EFFICIENTLY & EFFECTIVELY

Leaders operate with fierce efficiency and effectiveness to fuel our growing Company.



#### NAVIGATE COURAGEOUSLY

Leaders are transparent with themselves and others, even when it is unpopular.



#### ONBOARD & ELEVATE TALENT

Leaders hire, promote, differentiate and reward the best talent.



#### INNOVATE & INSPIRE

Leaders know that execution pays off today and innovation pays off tomorrow.

### PROMOTIONS BY THE NUMBERS

Over the past 10 years:

# 51%

of our current managers were a result of internal promotions

# 75%

of our current senior managers were internal promotions

# 68%

of our current directors were internal promotions

# 66%

of our current senior directors were internal promotions



## Employee Experience

### **LIFT Program**

At Atlas, we are committed to empowering our employees to prioritize their career development so they can give “lift” to their careers. In October 2022, we launched a new employee development program, LIFT, to help individuals adopt growth mindsets and own their career development. LIFT provides resources to help our employees along their career development journeys. These resources include career development toolkits with self-assessments that allow individuals to create an independent development plan. With the launch of LIFT, we hosted a variety of live events and workshops to introduce the importance of personal development and teach our team members how to build it into their daily lives.

In 2022, we launched the **Leadership Exploration and Discovery (LEAD) Program** – a four-month learning journey that included a combination of instructor-led training, individual study and group projects. The curriculum covered four key elements of leadership: self-awareness, leadership at Atlas, business acumen and leadership presence. Nineteen high-potential employees were nominated by the executive leadership and senior leadership teams for participation in the inaugural LEAD class, which ran from June to September. Participant feedback will be used to further refine the program in 2023.

With a focus on ensuring learning is inclusive and accessible to all employees, we are introducing two new platforms to support all employees’ learning and development goals. Launched in

March 2022, **Get Abstract** provides summaries of educational and development books to help employees extract the learnings in a fraction of the time. **Actionables** provides short, 10- to 15-minute lessons with summaries and e-learning and includes webinars with the authors. This will be added to the Get Abstract platform in 2023. Both learning platforms are self-paced, available at any time and can be viewed in six different languages.

### **Strengthening Our Teams Through Mentorship**

Outside perspective and coaching can be invaluable tools for development, which is why we actively look to third-party resources to foster our employees’ growth. We are in our fourth year of partnering with the 30% Club Cross-Mentoring program, which aims to strengthen the pipeline of women moving into senior leadership and board roles. Since 2019, several of our high-potential female leaders have had the opportunity to be mentored by external senior-level leaders. In exchange, our senior-level executives have mentored several high-potential females serving at other organizations.

In 2022, two of our executives served as mentors, and four of our female employees received mentorship from non-Atlas executive leaders. Atlas is the only airline organization to participate in this program.

**The average Company tenure of our vice president and above population is approximately 15 years, demonstrating our culture of promoting from within and success in retaining executive talent.**

### **Preparing Pilots So Their Careers Can Take Flight**

Our culture of excellence starts with the quality of our employees. All new pilots that join our ranks are required to complete a rigorous training regimen to demonstrate their knowledge and fitness for the position. This training begins with three months at Atlas’ Training Center, which covers crucial topics such as indoctrination, security and emergency training, and aircraft systems and system integration training. After passing an oral exam, new pilots move on to simulator training, followed by on-aircraft flight training. Many of our instructors are retired pilots who share their decades of knowledge and experience to help new pilots understand what to expect on the job and how to work together with their crew to handle all the requirements of the position.

## Employee Experience



### Care and Well-Being for Our Employees

We prioritize the well-being of all Atlas employees and offer competitive compensation and benefits to attract and retain the talented individuals that comprise our workforce. Our benefit plans are designed to encourage wellness, promote preventative care and mitigate out-of-pocket expenses. We actively manage our medical plan so that our costs remain stable year over year, and we retain an actuarial value that exceeds market competitive levels.

In recent years, we have expanded our health and wellness offerings to include classes, workshops and webinars on topics such as meditation, anxiety, sleep, nutrition and financial fitness. The Atlas Benefits team partners with select hospitals and health care providers to bring a diverse set of offerings to employees throughout the year.

In 2022, we made significant progress through the following initiatives:

- The creation of a quarterly calendar that offers a **wide range of wellness activities**, including exercise and mindfulness programs.
- Expanded course offerings through the **employee assistance program**.
- **Enhanced employee health plan** to assist with family building, mental health, cancer prevention and other health services.

- A partnership with Memorial Sloan Kettering Cancer Center to **support employees and their families through cancer treatment and diagnosis**.
- Health care coverage for the **diagnosis and treatment of autism for individuals and their dependents**.
- A partnership with White Plains Hospital near our headquarters to provide **enriched well-being programs for employees**.
- **Support services through Rethink** for parents and children with disabilities.

### Compensation

We seek to offer our employees highly competitive compensation to attract, motivate and encourage retention. As part of our annual review process, compensation for all positions is benchmarked against qualified current market data and internal benchmarks. We analyze this information to ensure compensation remains competitive with external positions and is equitable internally across similar roles.

Learn more about our benefits on our [Careers page](#).



## Safety & Security

Atlas Air Worldwide's core value of Safety is paramount to everything we do. We are committed to a culture with safety, security and compliance as top corporate priorities, and we demonstrate these commitments in how we provide a safe, healthy and secure workplace for our approximately 4,500 employees and safely operate more than 61,000 flights annually around the world.

### Our Safety Management System

Safety management is critical to the overall health of our organization. We set high standards for safety and regulatory compliance, as outlined in our Corporate Safety Policy Statement, to ensure a viable and effective safety management program. We believe that safety and regulatory compliance can be achieved through robust safety management practices, and we are committed to providing the resources necessary to implement and maintain our Safety Management System (SMS) – a cornerstone of our operational safety program. Through our dedication to continuous improvement, we strive to identify opportunities to enhance existing, and develop new, processes to advance our SMS in alignment with our values. For example, we have systematized



and standardized our various notification processes by leveraging a software platform already in use for the Atlas Emergency Response Center activation.

We believe a formal SMS is critical for minimizing risks and maximizing opportunities to improve the overall safety of our global operations. As such, we were among the aviation industry leaders that participated in the U.S. Department of Transportation/Federal Aviation Administration (DOT/FAA) SMS Pilot Program in early 2010 prior to these requirements being mandated. We formally introduced our SMS in 2016 through a regulator-approved SMS Implementation Plan, and we rolled out an accepted and fully implemented SMS in 2018. As a result of our commitment to regularly refining our processes, our SMS has matured greatly in just a few short years.

Our SMS reflects a coordinated effort with the FAA, and we believe exceeds international standards, provides formalized structure to safety oversight, and signifies our risk-based approach to managing safety. In addition, our SMS supports operational excellence, reduced costs, increased efficiency and profitability, and ensures an enhanced level of safety for our employees, customers and stakeholders.

Our SMS is governed by our Chief Operating Officer and SMS Accountable Executive, who is responsible for establishing and implementing the SMS and allocating resources to maintain and continuously improve it. Additionally, our Safety & Regulatory Compliance team is comprised of more than 90 employees worldwide who support our SMS. This team facilitates safety policy, promotion and assurance, as well as risk management best practices, throughout the Company as part of Atlas' commitment to a safe and transparent culture.

## Safety & Security

Our confidential, nonpunitive and proactive reporting process encourages employees to report workplace safety issues or noncompliant conditions, including hazards, accidents, incidents or injuries. Our defined safety programs, combined with an effective safety communications strategy, inform and support our employees in identifying hazards and mitigating risks. Additional program highlights include:

- **Regular workplace safety employee communications** promote safety awareness, compliance and accountability.
- **Internal and external audits** monitor the safety performance of the organization and provide for a robust inspection process.
- Our emphasis on **building and enhancing our partnerships with customers and contractors** regarding safety matters includes working with our contractors to help them establish and expand their own SMS.

### OUR CULTURE OF SAFETY

Atlas' culture of employee safety is built upon four principles:

- Your role is critical.
- We are all responsible for safety.
- We must all remain compliant.
- We must all remain focused on our core mission: Safety.

Looking forward, Atlas strives to identify opportunities to enhance existing, and develop new, processes to advance our SMS. This includes using historical data to evolve from a platform of reactive processes to more of a forward-looking, predictive approach in enhancing our safety measurement and reporting, auditing, and risk assessment processes.

### Safety Training

Ongoing training for our approximately 4,500 pilots, flight attendants and ground staff is at the heart of our ability to maintain safe operations and engage our employees. We provide SMS training throughout the Company for all operational departments, including: Flight Operations, Ground Operations, Technical Operations, Security and System Operations. Our training consists of SMS fundamentals and components, our Corporate Safety Policy, safety and compliance responsibilities and expectations, reporting, goals and objectives, and risk management and safety communication best practices.

Our training facilities are widely recognized as some of the best in the aviation industry. The Atlas Air Training Center is located at our primary operational hub in Miami. This training center is where all our pilots and flight attendants receive their initial, transition and recurrent flight trainings. This facility has FAA approval to grant Airline Transport Pilot [ATP] certifications, which is FAA's highest certificate. In addition to training our own pilots, Atlas trains flight crews for the U.S. Department of Defense [DOD], NASA and FAA. In fact, Atlas is contracted to provide training for the crews of U.S. Air Force One and the E-4B National Airborne Operations Center.



## Safety & Security



### Safety Performance

Atlas is committed to maintaining an industry-best safety practice program in full compliance with our regulatory obligations. Our program meets all requirements of the FAA, the International Civil Aviation Organization (ICAO) and the International Air Transport Association (IATA). Since 2007, Atlas has been listed on the IATA Operational Safety Audit (IOSA) registry, the prevailing international safety and compliance standard, with zero findings of infraction or wrongdoing since the inception of the program.

We track and report safety performance for Atlas' overall operations, as well as for our specific Flight Operations, Ground Operations and Technical Operations teams. A review of our safety performance report is conducted each month by our Executive Vice President and Chief Operating Officer during an Executive Forum. The purpose of this review is to:

- Ensure compliance with established safety risk controls;
- Evaluate the performance of the SMS;
- Evaluate safety risk controls with identification of ineffective controls;
- Identify changes to the organization's operational environment that may introduce new hazards; and
- Identify new hazards.

Our safety metrics include incidents, injuries and regulatory compliance data, and we establish internal annual control limits for each measure. We strive to outperform industry averages and our internal control limits. In 2022, we had zero work-related fatalities.

### ATLAS' SAFETY MANAGEMENT SYSTEM

Our SMS promotes a positive and just safety culture featuring:

- Oversight of all operational departments;
- Formal, proactive methods for identifying hazards and mitigating risks;
- Assistance to the Company's leadership, managers, management teams and staff in making effective and informed safety decisions;
- Comprehensive safety reporting tools;
- Continued investment in leading safety technologies such as wireless quick access recorders (WQARs), flight data analysis and visualization, Emergency Vision Assurance Systems (EVAS) and automated external defibrillators (AEDs);
- Feedback on safety performance to all operational departments and management teams; and
- Continued investment in safety training, education and awareness throughout the organization.





# Labor Relations

The dedication of talented employees is essential to our growth and success. We are committed to ensuring our employees are treated fairly and are equitably compensated for their work, and we respect their rights as employees.

## Labor Management Cooperation

Atlas Air Worldwide is committed to full compliance with applicable labor laws. This includes recognizing the rights of our employees to exercise freedom of association and collective bargaining. As of Dec. 31, 2022, we had approximately 4,500 employees, roughly 2,700 of whom were pilots. Atlas Air pilots and Atlas Air and Polar flight dispatchers are represented by the International Brotherhood of Teamsters (IBT). These employees represented approximately 60% of our workforce as of Dec. 31, 2022.

As part of our commitment to promoting a rewarding employee experience and positive labor relations, Atlas is focused on ensuring our employees receive fair, competitive compensation and are provided with a safe, professional and inclusive work environment. Atlas and our employees, particularly our pilots, have legal and contractual obligations to adhere to rigorous safety standards established by the U.S Federal Aviation

Administration (FAA), U.S. Department of Defense (DOD) and International Air Transport Association (IATA). We also work on multiple fronts, including through joint committees with the IBT and collaboration with ERGs, to address key topics on the safety and well-being of our pilots and all our employees. This includes the Company's response throughout COVID-19 and our commitment to a work environment that is free from harassment and discrimination.

Our world-class pilots and dispatchers are critical to our success. We implemented a new collective bargaining agreement (CBA) for our pilots, which became effective in September 2021 and has a five-year term. Similarly, we entered into a CBA with our dispatchers in September 2022, which also has a five-year term.

We are pleased to have these contracts in place that will provide our pilots and dispatchers competitive compensation and benefits packages while positioning the Company for continued growth.

## ENHANCING COMMUNICATION AND COLLABORATION

We value our roster of approximately 2,700 pilots and rely on their valuable input and keen insight to support our safe and efficient operations around the globe. To encourage ongoing two-way communication, we have established comprehensive communications forums with our crewmembers, including ongoing Crew Town Halls, podcasts, fleet-specific roundtables, updates from our Chief Pilots, Check Pilot meetings and Worldwide Command Events. In 2022, we continued to support teams throughout the globe on various labor and employment matters such as adapting to the ongoing COVID-19 pandemic and related evolving laws and the amicable resolution of crew member grievances through our communication efforts. We welcome the collaboration and teamwork these communications channels foster.

## ATLAS PARTICIPATES IN DISTINGUISHED NATIONAL FORUM

Atlas is committed to contributing to thought leadership in support of advancing the industry. In 2022, Employment and Labor Counsel Lynsey Ramos represented Atlas in a panel discussion at the American Bar Association (ABA) Forum on Air and Space Law's Washington Update Conference in Washington D.C.

Ramos participated in the Labor and Employment Panel, which covered some of the critical employment issues affecting aviation, such as the ongoing impact of COVID and vaccine mandates, supply chain issues, the labor shortage as well as diversity, equity and inclusion. As the only representative from air cargo on the panel, Ramos had the opportunity to share Atlas' unique perspective and contribute to these important conversations happening across the industry.



# Social Impact & Community Engagement

Our commitment to “Caring for the World We Carry” conveys our dedication to the places where our business takes us. By engaging our workforce and contributing to efforts locally and across the globe, we are delivering on the desire for our communities to thrive.

## 2022 HIGHLIGHTS

- Hosted our 21st annual Atlas Air Charity Golf Tournament, raising \$50,000 for three organizations: K9s For Warriors, Food Bank of Lower Fairfield County and Liberty City Optimist Club of Florida.
- Partnered with Flexport.org to deliver 100,000 metric tons of medical aid to Ukrainian refugees.
- Supported our passionate employees in volunteering their time to inspire the next generation of STEM [science, technology, engineering and math] professionals.
- Awarded 10 recipients with \$30,000 in scholarships through the inaugural Atlas Scholarship Fund.

## IN THIS SECTION

Community Impact  
& Philanthropy

Global Prosperity



# Community Impact & Philanthropy

Atlas Air Worldwide is committed to enhancing lives in the communities where we live and work across the globe.

To align our business strategy and logistics expertise with impactful initiatives that make a difference across the world, our community impact mission is focused on four areas of critical need:

- Supporting U.S. Service Members, Veterans and Their Families
- Enabling Students to Achieve in STEM Learning
- Environmental Stewardship
- Being There When Our Communities Need Us – Locally and Globally

Each focus area is supported by corporate philanthropy – through contributions, sponsorships and in-kind donations – as well as employee volunteerism. Care and respect for the communities where we operate; our desire to heighten awareness of aviation as a rewarding, viable career for all; and a passion for developing tomorrow's leaders underpin our community engagement efforts.

## Supporting U.S. Service Members, Veterans and Their Families

We are honored to support the brave men and women of the U.S. armed forces and their families. As the largest provider of military passenger and cargo airlift globally to U.S. service members, we consistently demonstrate our ability to meet stringent, military-level reliability standards and offer full capacity at peak levels of demand.

Our support for U.S. service members, veterans and their families extends beyond each mission. Atlas is proud to train some of the most elite aircrews in the U.S. Air Force, including pilots and flight engineers for Air Force One and flight crewmembers assigned to the E-4B National Airborne Operations Center. We actively recruit and are a significant employer of former members of the military, including many of our pilots, logistics team, ground crew personnel and members of our management team.



Additionally, we provide support to military charities and other organizations through our annual Atlas Air Charity Golf Tournament. In 2022, we hosted our 21st golf tournament raising \$50,000 to benefit three organizations:

- **K9s For Warriors**, the nation's largest provider of trained service dogs to military veterans suffering from PTSD, traumatic brain injury and/or military sexual trauma.
- **Food Bank of Lower Fairfield County**, which provides nutritious food to nonprofit organizations that feed the hungry in surrounding areas and raises awareness of ways to combat hunger.
- **Liberty City Optimist Club of Florida**, which is acutely focused on improving the lives of others. Dedicated to the underserved Miami community of Liberty City, the Club [located just 5 miles from the Atlas Miami Training Center] has been a safe haven for thousands of at-risk youth, providing after-school programming and academic tutoring, sports, meals and more.

## Community Impact & Philanthropy

### PROVIDING HOPE WITH K9S FOR WARRIORS

Through Atlas' partnership with K9s For Warriors, we supported the construction of a "mega-kennel" capable of comfortably housing and training more than 150 service dogs. This expanded structure helps shorten the organization's veteran waitlist, which is four years, by 50%. Our financial support has also gone toward the training and placement of a service dog, Atlas, with a Warrior. In early 2023, the Company's second sponsored dog, Titan, began training in preparation to be matched with a Warrior.

### Enabling Students to Achieve in STEM Learning

Atlas is invested in developing and strengthening the pipeline of diverse, qualified talent versed in the STEM disciplines of science, technology, engineering and math needed to ensure the aviation industry remains strong for years to come. We nurture relationships with a variety of programs, including Vaughn College of Aeronautics and Technology in New York, to recruit the next generation of STEM talent into the aviation industry. Ranked No. 1 in upward mobility nationwide, Vaughn provides a distinct education to a diverse population of students in an environment that cultivates personal growth and leadership, creating lifelong learners who make significant contributions to the field of aeronautics.

Atlas has hired approximately 100 Vaughn College graduates, and approximately 10% of our workforce in our Purchase, New York, headquarters is composed of Vaughn College graduates. Several of our employees are now teaching at Vaughn College. Atlas employees have mentored Vaughn College students through our ongoing internship program. Since 2013, Atlas has donated over \$560,000 in funds and equipment to Vaughn College to support student flight training and scholarships, including an endowment scholarship for Black students at Vaughn.

We also have an extensive internship program that reaches across the technical, engineering, operations, information technology, financial, procurement, legal and communications functions of our organization. In addition to immersion in their area of expertise, our interns work on a variety of cross-functional projects. Past initiatives have focused on developing strategies around corporate responsibility, the Fourth Industrial Revolution and innovating our customer service proposition.

Other partnerships in 2022 included:

- **Ignite Institute:** Ignite Institute is a high school in Northern Kentucky specializing in science, technology, engineering, arts and math (STEAM) curriculum. In 2022, Atlas hosted two Ignite interns who participated in meaningful learning opportunities and data and analytics projects to better understand our business and gain hands-on experience.

- **ACE Academy:** Atlas Air and Polar Air Cargo were once again significant contributors to the 2022 Aviation Careers Education (ACE) Academy hosted by Los Angeles World Airports (LAWA). The weeklong program, designed for high school and middle school students interested in learning about possible careers in aviation, invited participants to engage in a variety of learnings and discussions with aviation professionals, culminating with a tour of the Polar warehouse.
- **Flight Path Flyers:** The Flight Path Flyers program, led by Atlas First Officer Karen Gerharter-Goodman, aims to inspire young women and individuals from underrepresented backgrounds to explore a potential career in aviation. Inspired by her own mother-in-law who was denied the opportunity as a young woman to enter a career in aviation, the nine-week program includes a curriculum written by Karen herself as well as discussion panels with individuals in the aviation industry.



Students visiting Atlas Air Worldwide's Global Operations Center in CVG.

## Community Impact & Philanthropy



Women in grades 9-12 participating in GirlVenture.

### ATLAS AWARDS INAUGURAL SCHOLARSHIPS

The Atlas Scholarship Fund's inaugural employee dependent scholarship program drew an impressive pool of candidates for 2022. Awarded to 10 recipients, the scholarship allots \$3,000 to students from diverse backgrounds pursuing goals ranging from the entertainment to the medical fields. Administered through Scholarship America, the recipients are all dependents of Atlas' U.S.-based employees.

### Atlas Employees Inspire the Next Generation with STEM Learning

Atlas employees are passionate about STEM learning and regularly give their time in support of inspiring the next generation. In 2022, our employees volunteered their time in the following ways:

- Encouraging females to pursue careers in aviation by working with organizations such as The 99s, GirlVenture, The International Society of Women Airline Pilots, and Women In Aviation International.
- Serving as panelists at The STEM Alliance's First LEGO League (FLL) Robotics Team Virtual Night for a middle school in Larchmont, New York.
- Teaching students engaged with the Scout Aviation Maintenance Experience (SAME) Program in Oscoda, Michigan, how to install landing gear and install and rig flight controls.
- Participating in Junior Achievement of New York Lower Hudson Valley's "JA in a Day," a special Junior Achievement delivery method that brings business professionals into the classroom to share their real-life experiences combined with economic-based curriculum.

### Environmental Stewardship

We emphasize environmental stewardship through our community impact and volunteerism efforts as part of our commitment to protect our planet.

In 2022, our Polar team members volunteered at D.I.G. FARM to help with weeding and planting at the North Saalem, New York-based organic farm. D.I.G. FARM is a nonprofit organization focused on reconnecting communities to the natural good of agriculture. As part of its mission, D.I.G. FARM's Westchester Local Food Project aims to connect and collaborate with organizations, schools and the community at large to help rebuild a new, strong and sustainable local food system in Westchester, New York.

Atlas employees also participated in rooftop gardening, coastal cleanups and other activities in support of the environment.



## Community Impact & Philanthropy

### Being There When Our Communities Need Us

As one of the world's largest air carriers, we have a unique ability to expedite the movement of large quantities of goods and personnel to regions that need them most in the wake of a natural disaster or during a public health emergency. In response to crises in the U.S. and around the globe, our teams have mobilized humanitarian relief efforts to deliver lifesaving supplies and disaster recovery items – including drinking water, medical supplies and equipment, living essentials, food and battery-powered devices.

### Providing Humanitarian Relief

Our relief efforts are some of our most important missions. In 2022, the ongoing events in Ukraine led to a humanitarian crisis with devastating impacts felt around the world.

Guided by our commitment of “Caring for the World We Carry,” we enabled troop and cargo movements to support the U.S. military's operations in the surrounding areas. We also partnered with Flexport.org and others to deliver critical relief supplies to Ukrainian refugees. More than 100,000 metric tons of medical aid were delivered to over 300,000 refugees through this partnership.

Additionally, we made donations to Flexport.org and Airlink. These organizations were instrumental in providing relief supplies to Ukrainian refugee sites across Eastern Europe. Atlas also matched our employees' donations, and collectively, we contributed more than \$56,000 to this cause.

Through our partnership with Airlink, Atlas President and CEO John Dietrich serves on the Governor's Council for the organization and our Executive Vice President and Chief Commercial Officer Michael Steen is an Airlink Ambassador.

### POLAR DELIVERS FOR CHILDREN IN NEED

During unprecedented global supply chain constraints in March 2022, Polar and DHL Global Forwarding China (DGF) collaborated to complete shipments of Iowa Braces, a breathable brace for children born with congenital clubfoot. Sister organizations, Clubfoot Solutions and the Ponseti Foundation, produce and distribute this nonsurgical treatment worldwide. Through this partnership, Polar and DGF were able to ship 360 units of the brace from China to the U.S., helping hundreds of children and their families.





## Global Prosperity

The air cargo industry is a powerful catalyst for spurring broad economic and social progress. Atlas Air Worldwide (including Polar Air Cargo) is the third-largest mover of airfreight in the world, and we are driven to be a leader in boosting the global flow of goods, people, capital, technology, ideas and social well-being.

Everything we do starts with our team of approximately 4,500 talented employees and our operating network spanning 265 destinations in 60 countries. Our people at our headquarters in Purchase, New York, as well as those serving at our operations centers near the Cincinnati/Northern Kentucky International Airport, at Anchorage International Airport in Alaska and in Hong Kong help uphold our promise of being a good corporate citizen, in part, by positively impacting the communities where we conduct business. Additionally, our operations center in Northern Kentucky, training center in Miami and logistics centers around the world extend our reach and increase our possibilities to create a safer, brighter future for all.

### Working with Our Customers to Make a Difference

Atlas' operating philosophy is to grow our business by helping our customers grow theirs. Together, we are aligned with trends that are driving the global supply chain. These trends include:

- The increasing global middle class
- E-commerce growth
- The need for speed and efficiency in supply chains and markets
- Urbanization, which centralizes the demand for goods and services

Our customer base includes the world's leading express and e-commerce delivery providers, airlines, freight forwarders, shippers and charter brokers. We are also the largest provider of military cargo and passenger airlift to the U.S. Department of Defense. Through our work, we enable large companies and organizations to access growing markets and manage highly efficient supply chains. We also help open markets for small businesses, including technology startups, farmers and craftsmen. Regions and communities in all parts of the world benefit from our reach and impact.



## Global Prosperity

### Enabling Diverse Business Growth

One of our primary areas of focus is to increase our support of woman-owned, veteran-owned, service-disabled-owned, disadvantaged, HUBZone and small businesses. In 2022, our spend with diverse businesses was nearly \$650 million.

We continue to develop policies and facilitate strategies to support these organizations, including by:

- Engaging a small-business program consultant to assist with initial program development, plans and goals.
- Submitting an annual commercial subcontracting plan and related goals to appropriate contracting officers.
- Performing regular outreach activities to further engage diverse small businesses.
- Conducting training and small-business sourcing activities and incorporating these activities into our procurement processes.
- Communicating with all our U.S. vendors annually to verify their status.
- Tracking annual small-business spend internally.
- Participating in conferences and events geared toward small businesses.
- Soliciting small businesses to engage in our RFI/RFP processes whenever possible.



### Serving Global Supply Chains

Through our global operations, we provide dozens of industries and small businesses with year-round access to the global marketplace without the commitment or expense of leasing an aircraft.

Examples of our global impact include:

- Ensuring environmental and quality control to deliver life-saving medicines.
- Facilitating delivery of high-value consumer electronics.
- Providing just-in-time delivery of auto parts.
- Delivering millions of pounds of flowers from South America each year.
- Shipping agricultural products, including asparagus, mangoes, cherries and more, from Peruvian farmers.

International airline regulations are always evolving. One recent regulation that has impacted global businesses is the U.S. Transportation and Security Administration's [TSA's] mandatory export screening requirements. We stay abreast of such changes to ensure we deliver for our customers. We place the utmost focus on maintaining on-time reliability, and we closely collaborate with our customers to help meet their evolving needs.





# Responsible Business Growth

Growing our business means looking beyond the bottom line. Practices that help to ensure integrity, compliance, the protection of data, and engagement with our industry and our Board help to drive sustainable growth today and into the future.

## 2022 HIGHLIGHTS

- Completed a comprehensive review of the Employee Handbook to ensure it reflects best practices and recent developments.
- Launched our next-generation security awareness training program, which enables us to more effectively test and address gaps in employee awareness pertaining to data protection.
- Continued to make progress with respect to our key advocacy initiatives: advancing sustainability, bolstering the aviation workforce and supporting global trade.

## IN THIS SECTION

- Corporate Governance
- Ethics & Integrity
- Compliance
- Data Privacy & Cybersecurity
- Public Policy Advocacy

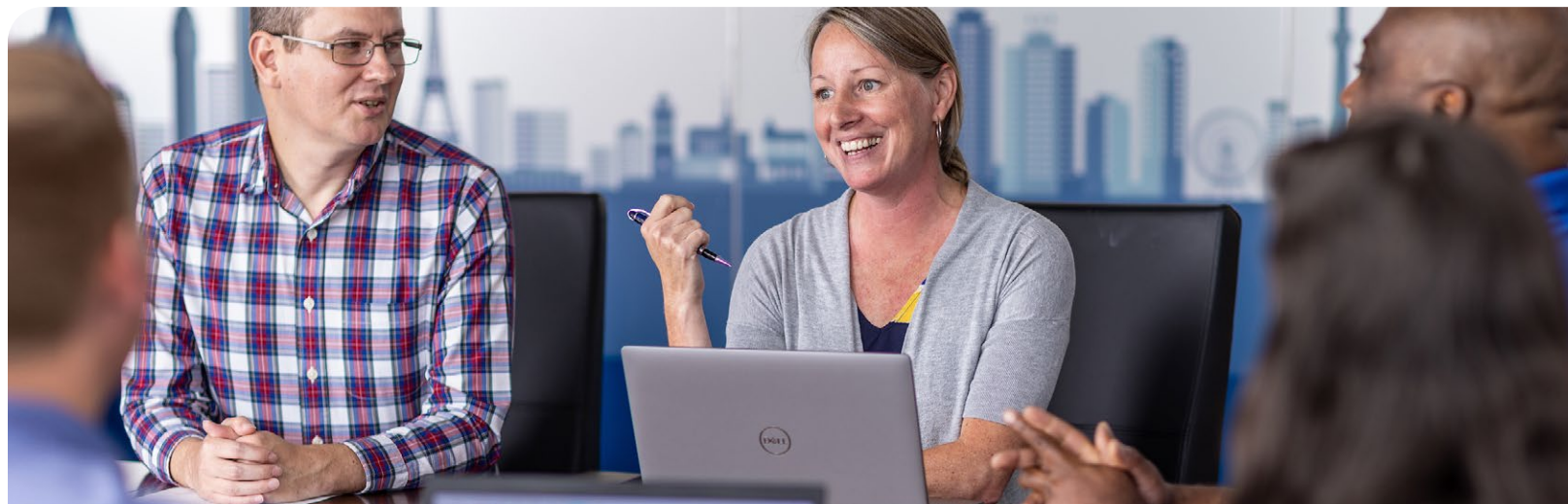


# Corporate Governance

Maintaining a sound corporate governance structure is central to fulfilling Atlas Air Worldwide's mission of being our customers' first choice and most valued partner. We strive to outperform expectations and lead responsibly in everything we do. Our corporate governance program is built on complete transparency, which helps build and sustain public trust in our Company.

## Corporate Governance Principles

Sound corporate governance practices provide an important framework to assist the Board of Directors and our executives in fulfilling responsibilities to our stakeholders. Our [Corporate Governance Principles](#) are intended to reflect industry best practices and ensure we operate our Company with the highest standards of honesty and integrity. We believe that doing business the right way is the only way.



Following the completion of the acquisition of Atlas by Apollo Global Management, together with J.F. Lehman & Company and Hill City Capital in early 2023, we continue to apply principles of regulations-driven corporate governance to ensure we meet or exceed what is required and expected of us. This includes:

- Maintaining a dedicated Board and management team to provide effective checks and balances, as well as oversight of our operations and ESG programming.
- Conducting regular Board meetings and maintaining Board-level committees.
- Regularly assessing organizational and ESG risks and opportunities across our organization.
- Engaging with key stakeholders to effectively address the evolving expectations of those who rely on us.
- Auditing our financial performance and closely monitoring key performance indicators to ensure consistency and reliability across our operations.

## Our Leadership Structure

Under our new organizational structure, we announced our new **Board of Directors** in March 2023, which consists of 10 Directors, two of whom are independent.

Our **Executive Management team** consists of six leaders, each bringing extensive airline, transportation and logistics experience. Our management team is responsible for developing and executing our business strategy and objectives. The team meets regularly and provides reports to Apollo leadership with respect to our performance, progress and organizational initiatives.

## Corporate Governance

### ESG Oversight

Our commitment to delivering against our ESG objectives is a shared responsibility across the organization. From our Executive Management team to all our employees, we hold ourselves accountable for creating a sustainable future for all.

Additionally, we are already putting measures in place to regularly engage with Apollo’s Sustainability and Corporate Responsibility Committee to share best practices, discuss our progress and align our efforts with the needs and expectations of our parent company and key stakeholders.

### ENHANCING OUR ESG OVERSIGHT AND REPORTING

We are committed to continuously improving our ESG oversight and reporting. In early 2023, Atlas’ Internal Audit team performed a review of key metrics for the 2022 ESG report. Specifically, the team confirmed the completeness, accuracy, relevance, timeliness and consistency of the following metrics:

- Greenhouse gas emissions
- Air quality
- Supply chain management

As a result of this exercise, we have identified opportunities to enhance our data collection processes to streamline our data gathering and reporting in future years.

### ESG Accountability at a Glance





# Ethics & Integrity

At Atlas Air Worldwide, being a trusted partner means upholding an unwavering commitment to the highest level of legal and ethical conduct, honesty and integrity. Integrity is one of our core values, and we are committed to accountability and transparency in all our global operations and in how we interact with our customers, suppliers, regulators, investors and each other.

## Employee Handbook and Code of Conduct

Our Employee Handbook and Code of Conduct (Handbook) outlines the basic employment policies and practices that govern day-to-day activities. We routinely conduct a comprehensive review and update of our Handbook to maintain compliance with applicable laws and to ensure we are following current best practices. Most recently, in 2022, we completed a comprehensive review of the Handbook, as well as our California State Handbook Supplement, to ensure they reflect best practices and recent developments, including COVID-related requirements and other relevant changes. We also enhanced select policies and procedures, including the Company's policies related to conflicts of interest, social media,

cybersecurity, flexible work arrangements, and harassment, discrimination and retaliation. In addition, our legal team continues to lead the effort to ensure we remain mindful of current issues and new applicable laws and regulations on an ongoing basis throughout the year.

As outlined in our Handbook, we require all employees to act responsibly and in full compliance with all applicable laws and standards and to maintain the highest level of ethical conduct in their interactions with customers, suppliers, regulators, investors, other stakeholders and one another. The Handbook includes more than 25 "rules of conduct" that provide guidance and establish expectations related to several critical topics, including use of Company resources and data, confidentiality, anti-harassment and anti-discrimination policies, regulatory compliance, workplace safety, conflicts of interest and other matters to ensure a high degree of ethical conduct across our organization. Employees of all operating entities of Atlas have access to the Handbook, which is posted on the Company's intranet, and all employees are required to acknowledge they have received and reviewed it.

We also maintain our Code of Ethics applicable to the Chief Executive Officer, Senior Financial Officers and Members of the Board of Directors. This Code addresses Officers' and Directors' responsibilities for honest and ethical conduct, avoiding and reporting conflicts of interest, and compliance with all governmental laws, rules and regulations.

**Our updated Handbook continues to reflect our commitment to our employees and to our values – Safety, Service Excellence, Integrity, Innovation, Teamwork and Responsibility. All employees have a personal responsibility to ensure they are familiar with and understand our core employment policies and guidelines.**

## Ethics & Integrity

### Reporting and Addressing Critical Concerns

We are committed to maintaining a professional, respectful workplace environment and have made effective reporting resources an integral part of our routine business practices. Our commitment to ethics and integrity and related checks and balances allow us to address potential issues before they may become larger problems.

### Corporate Compliance Policy

Our Corporate Compliance Policy governs our compliance programs and our commitment to prevent and detect any violations of the law or Company policy. This policy is applicable to Directors, Officers, other employees and agents of the Company and its subsidiaries. It is designed to promote:

- **Compliance with all applicable laws, rules and regulations** in the jurisdictions in which we operate;
- **Honest and ethical conduct**, including appropriately addressing actual or apparent conflicts of interest in professional and personal relationships;
- **Prompt internal reporting** of potential and actual violations of the Company's compliance policies; and
- **Accountability** for adherence to the Company's compliance policies.

In addition to the Corporate Compliance Policy, Atlas has specific policies to address our myriad compliance responsibilities. We update these policies as regulations change, and we review all policies regularly to ensure that we are keeping pace with the evolution of best practices. We provide new hire and recurrent compliance training to our employees that supports their ability to act responsibly and in full compliance with all legal and Company requirements.

### Encouraging Vigilance through Our Compliance Hotline

Our Compliance Hotline is an important resource that helps us uphold our commitment to integrity. Our toll-free Compliance Hotline accepts reports and complaints related to potential violations of Company policy, including but not limited to, concerns or complaints about the Company's accounting, internal controls or auditing matters, as well as instances of suspected fraudulent conduct. Our Compliance Hotline allows anyone, both inside and outside the Company, to anonymously report concerning conduct.

The Compliance Hotline is available seven days a week, 24 hours a day via phone or online, and can be contacted from anywhere in the world. To ensure anonymity, the Compliance Hotline is serviced exclusively by an independent outside vendor. All matters are promptly and thoroughly investigated, and internal legal resources are mobilized to address or escalate issues as needed and appropriate.

### ENSURING COMPLIANCE THROUGH TRAINING

Maintaining the highest level of compliance is a core value at Atlas. Our online training program is a key element of our compliance program, and all employees are required to complete trainings on an annual basis as assigned. We provide approximately four compliance training courses per year, and training courses are selected based on industry, key focus areas, legal considerations and developments in law and compliance matters. When possible, we seek to customize courses to focus on the most relevant materials. Due to the global nature of our business, trainings are often focused on global trends and their potential impact on Atlas.

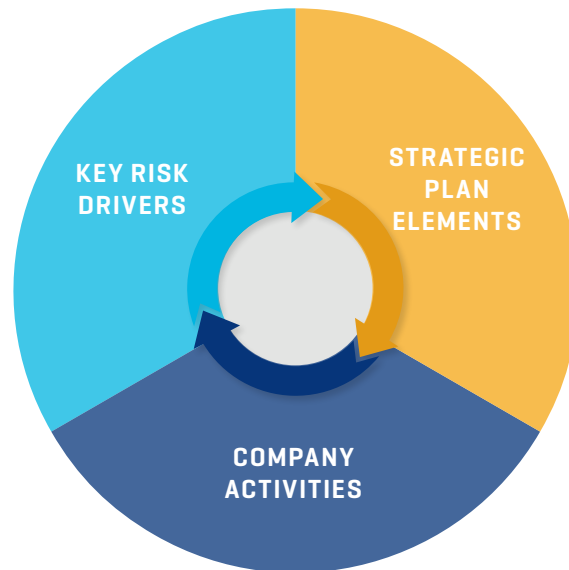
Training topics include anti-bribery; cybersecurity; privacy; harassment and discrimination prevention; diversity, equity and inclusion; insider trading; social media and sanctions laws; among others. We track completion of our online training courses, apply leading practices to drive prompt employee completion of courses, and achieve high rates of course completion across our employee population. We also supplement our online training program with certain targeted in-person trainings on key topics for relevant employees and certain other representatives.

## Ethics & Integrity

### Enterprise Risk Management

Our Internal Audit team relies on a continuous risk assessment process to ensure responsiveness to the Company's growth and evolving business model complexity. The agile process enables the development of a risk-driven strategy supported by a flexible and adaptive plan. Some of the activities and exchanges that make up our assessment process include the following: quarterly enterprise risk profile updates, business unit meetings, station visits, on-site and virtual inventory counts, advanced data analysis, audit committee reporting and predictive risk modeling.

The complexity and coverage of our process incorporates:



Environmental, social and governance (ESG) topics are front and center for Atlas and our stakeholders. In 2022, we evolved how we monitor and address issues that present potential risks to our ESG priorities. The Company and our Internal Audit team proactively expanded the definition of the following existing risk categories to reflect the increasing complexity of these issues:

- Climate-Related Risks:** This risk category examines the ability of Atlas to reliably measure, evaluate and accurately report on our environmental impacts, and includes compliance with eventual required carbon regulations and disclosures and recognition of the social responsibility that accompanies the operation of an airline and managing public and stakeholder perceptions of excessive carbon emissions to the atmosphere.
- Corporate Responsibility and Social Compliance:** This risk examines the Company's ability to establish strategies to address social compliance and sustainability issues. This risk includes the ability of the Company to understand, reliably measure, manage and accurately report on the direct and indirect impacts our actions have on individuals, customers, communities and environments in which we operate.
- Culture, Diversity and Workforce:** This risk examines workforce-related challenges [e.g., erosion of organizational culture, employee engagement, diversity and inclusivity] to the Company's operational, financial and reputational outcomes, including skills and talent management and responsiveness to changing workforce expectations.

Our Internal Audit team actively monitors these risk categories and includes them in the semiannual update of the Company's enterprise risk process. The update process includes organizational voting on the dollar impact, potential likelihood and velocity of our enterprise risks. The approach actively engages other components of Atlas' risk management process and enables the implementation or refinement of mitigation strategies. Internal Audit monitors work streams, data and ongoing results to identify changes in the risk profile and adjust coverage of internal control testing.





# Compliance

Atlas Air Worldwide's business is built on safety, security and compliance. We regard legal and regulatory compliance and cooperation with regulatory authorities as core responsibilities. As such, we take every opportunity to lead in the development and application of best practices and compliance with emerging rules and policies even before they become mandatory.

## Leading with Best Practices for Compliance

Given our position in the global air cargo industry, Atlas is subject to a complex web of U.S. and international legal frameworks, regulatory requirements and industry standards. First and foremost, we comply with all laws and regulations applicable to us. We believe our compliance programs and partnership with regulatory bodies enhance our industry-leading compliance efforts.

We seek to go beyond straightforward compliance to develop proactive best-practice relationships with key regulatory bodies, including U.S. agencies such as the Federal Aviation Administration (FAA), Department of Defense (DOD) and Department of Homeland Security (DHS); local and regional authorities; and international bodies such as the International Civil Aviation Organization (ICAO).

Here are a few examples of how we are leading with compliance best practices:

- **Aviation safety:** Atlas maintains an industry best-practice safety program meeting all applicable FAA, ICAO and International Air Transport Association (IATA) standards. Atlas was among the aviation industry leaders participating in the FAA's Safety Management System (SMS) before it was required. Read more in the [Safety & Security](#) section of this report.
- **Anti-corruption:** Our anti-corruption policy exists to ensure compliance with the U.S. Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act of 2010 and other similar statutes around the globe. We supplement this policy with mandatory training provided to our employees, vendor due diligence and related policies and procedures.
- **Greenhouse gas emissions reductions and reporting:** Atlas has been reporting emissions under the European Union Emissions Trading Scheme (EU-ETS) since 2010 and has set the groundwork for our participation in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), the global carbon emissions program governing international flying, was instituted on Jan. 1, 2021.

- **Office of Foreign Assets Control (OFAC):** OFAC, which is part of the U.S. Department of the Treasury, administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign countries and regimes. In 2022, we completed a comprehensive review of our policies and procedures related to export controls and sanction laws to ensure they reflect best practices and recent developments, including new U.S. sanctions against Russian and Chinese entities. Based on these findings, we have bolstered our efforts to protect against even inadvertent violations of OFAC requirements and guidelines.
- **U.S. government contracts:** As a U.S. government contractor with a significant role in international trade, we partner with various federal agencies on compliance regulations and best practices related to areas such as preventing human trafficking and endangered species trafficking.

## Compliance



### IT Security: Cybersecurity Compliance

As a U.S. government contractor, Atlas is obligated to adhere to the National Institute of Standards and Technology (NIST) 800-171 Control Framework, which is designed to protect technology infrastructure, computing resources and the Company's data from compromise and corruption.

Atlas employs a defense-in-depth approach that leverages technology, education, testing and audits to ensure a secure network and computing environment. We work closely with internal and external subject matter experts to understand the environment, outside risks and attack vectors. We track and report several key metrics to measure the health and effectiveness of our security posture. Our program is measured against NIST 800-171 and the Center for Internet Security – Cyber Control frameworks. Progress is judged based on improvements made against the control sets and is reported to the Board of Directors.





# Data Privacy & Cybersecurity

Atlas Air Worldwide is committed to protecting our business and our stakeholders by upholding the highest standards of conduct and performance concerning our data privacy, cybersecurity and business resiliency practices. We rely on best-in-class technologies, procedures and training to enforce the safety and security of our systems and assets and to protect our data and the data entrusted to us by our customers and partners.

## Our Approach to Data Management and Security

The airline industry relies on increasingly sophisticated, digitally enabled fleets to increase efficiencies, reduce environmental impacts and maximize performance. Our modern aircraft are equipped with computers that track system operation, tablets that streamline communication between pilots and ground operators, and dashboard software that allows our teams and our customers to assess real-time performance metrics. These systems generate large amounts of proprietary data that require strong governance and management practices supported by well-secured information systems.

At Atlas, we believe the integrity of our information systems is critical to the continuity and reliability of our business. We configure our information systems to be resilient, redundant and supported by an equally fault-tolerant data center and network environment. This conscientious approach to protecting data allows us to maintain consistent operations even in the event of potential disruptions, for which we have been recognized as an industry leader by the U.S. Department of Defense and airline industry associations.

Additionally, we maintain compliance with the National Institute of Standards and Technology (NIST) 800-171 standard as required by the U.S. government. Beyond observing this standard, we benchmark ourselves annually to the Center for Internet Security (CIS) framework, with plans to expand our benchmarking by 2025 in accordance with CMMC Level 2 compliance protocols.

We use input from these exercises, combined with third-party penetration tests and tabletop exercises, to practice operational responses in the event of a breach. These practices have informed our work establishing a multiyear road map of cybersecurity investments in support of our data protection initiatives. This road map, which contains priority items based on risk and value to our business, allows us to take progressive action in alignment with the NIST standard and CIS framework to improve our cybersecurity posture.

## DELIVERING BEST-IN-CLASS SERVICE, RELIABILITY AND INSIGHT

Atlas has been recognized as an innovative leader in capturing cargo-related data from every point in the transportation value chain, enabling our customers to better plan their overall shipping activities, minimize their carbon footprint and improve supply chain performance. Using cargo data loggers, integrated dashboards and other technologies, we continue to improve the way we deliver data to our customers to better support their operations. For example, a customer can track the arrival of deliveries, use historical averages to determine unloading times and more accurately schedule when ground transportation arrives at the destination warehouse, and in what order, to line up trucks. This reduces wait times at handling facilities and emissions from idled trucks.

## Data Privacy & Cybersecurity

We undergo an annual third-party cybersecurity assessment that grades our cybersecurity posture and road map against a maturity model. This allows us to measure our year-over-year maturity score against our target maturity score across several categories to ensure we are optimizing our cybersecurity protections. We are also planning to conduct a review in 2023 by an assessor chosen by the United States Transportation Command to provide objective feedback on our cybersecurity approach to further align with industry best practices.

### OUR 2022 MILESTONES

We are proud of the progress we continue to make in fortifying our data privacy and cybersecurity practices. In 2022, some of the significant steps we took include:

- Migrating our cybersecurity event monitoring capabilities to a new platform, which has enhanced our ability to detect and respond to cyber incidents.
- Launching our next-generation security awareness training program, which enables us to more effectively test and address gaps in employee awareness pertaining to data protection.
- Conducting presentations and briefings to expand understanding and adoption of best practices across the aviation industry.
- Revising our password policy to be more secure and more user-friendly in line with the latest data security best practices.

### Threat Detection and Response

Effective cybersecurity requires ongoing due diligence to thwart the daily emergence of new threats. Atlas continuously monitors our platforms to identify and stop these threats in real time. Our threat awareness programs are designed to remediate exposure before it becomes an issue and intuitively respond in a programmatic and professional manner for any threats to which we are exposed. While we observe the utmost caution in protecting all Atlas data, we are especially vigilant in subjecting sensitive data to additional management requirements to guard against tampering or exfiltration.

Our multiyear road map has been designed to include specific initiatives aimed at strengthening our protections of sensitive data and cyber resiliency to protect the interests of our business and our stakeholders. We are also proactive in searching for new solutions and opportunities to bolster our cybersecurity competence. In 2022, we invested in a new cybersecurity platform to enhance our event monitoring capabilities, which has augmented our ability to detect and respond to various cyber incidents.

To ensure our systems and networks remain at the highest level of known protection, we maintain compliance with multiple cybersecurity standards. We were the first member of the Civil Reserve Air Fleet to declare compliance with the NIST standard, which is required of defense contractors. Observance of



these standards requires keeping up with robust maintenance processes. Simultaneously, these standards serve as a baseline for aligning with and implementing industry-recognized procedures.

In addition to our daily oversight and compliance practices, we remain nimble in instituting programs and processes to help educate our employees and protect our organization from external threats. In 2022, we launched our next-generation security awareness training program for all employees. This new ongoing training program enables us to more effectively test and address gaps in employee awareness to improve data protection practices across the Company. We also revised our password policy to be more secure and user-friendly in line with the latest data security best practices.

## Data Privacy & Cybersecurity



### Providing Leadership and Support for the Industry

Atlas is a recognized leader and innovator in cybersecurity and data privacy across the air cargo industry. Examples include:

- **Participating in leadership roles in numerous global cybersecurity organizations**, including the Aviation Information Sharing & Analysis Center (A-ISAC), which serves as a focal point for security information sharing across the aviation sector and the Defense Industrial Base of the U.S. Department of Defense (DOD).
- **Chairing the Air Transport cybersecurity committee** of the U.S. National Defense Transportation Association (NDTA), a collaboration between transportation carriers and the U.S. Transportation Command, one of 11 unified commands under the DOD.
- **Working with the U.S. Department of Homeland Security (DHS)** to deliver training for other organizations on preventing and responding to cyberattacks. We also recently reached a cooperative R&D agreement for threat information systems with DHS.
- **Working with partners such as Boeing and the U.S. Federal Aviation Administration** on software management and system security for the Boeing 747-8, one of the most advanced and successful cargo and passenger aircraft in the world.

- **Working independently and with Airlines for America (A4A) and the U.S. Chamber of Commerce** to ensure cybersecurity legislation is developed as a constructive tool to improve the security of the entire industry.
- **Delivering cybersecurity presentations and seminars to communicate our industry-leading expertise** with organizations such as A4A, A-ISAC, the Defense Industrial Base, and the Aviation Cyber Initiative.

### Our Business Resiliency Approach

We have developed a business resiliency program that helps us prepare for, and insulate our business against, both human-made and natural disasters. In preparation of any such event, we have assembled a global network of critical teams and functions to work in concert to safeguard our operations against any threats or vulnerabilities. Atlas has appointed a Senior Director of Business Resiliency to serve as a dedicated resource in managing this program.

In 2022, we continued to implement measures to improve resiliency across our operations. At our headquarters in Purchase, New York, we contracted with a new vendor to increase our versatility in the event we need to temporarily vacate our facilities and utilize off-site backup locations

## Data Privacy & Cybersecurity

during an emergency. This new partnership will offer us access to multiple recovery sites and will allow us to better leverage Company assets in the region if needed during a business disruption event. We also updated our emergency notification system in 2022 to better target and communicate with Atlas employees during severe weather events.

We conduct testing and training, including regular tabletop exercises and recovery strategy testing, to identify any adjustments needed to improve our business resiliency performance. Our Senior Director of Business Resiliency also works with department leaders across the organization to ensure annual reviews are completed to incorporate employee feedback into our strategy.

Our customers benefit from our continuous improvement approach to managing evolving threats, including cyberattacks and business disruptions, as we have defined protocols for protecting confidential customer data with the same rigor we apply to secure our own systems. We also have defined practices to communicate with customers and critical vendors during business disruption events to ensure transparency with, and access to, our stakeholders.

### Investing in Our Business

We continue to invest in flexible and superior fleet management capabilities to protect our business. Our global operation and infrastructure includes the following:

- Three fully operational business resiliency backup sites for our critical staff at our operations centers at Cincinnati/Northern Kentucky [CVG] and Hong Kong, and at our headquarters in Purchase, New York.
- Comprehensive, tested business recovery plans, including recovery from a cybersecurity event.
- Highly available computing infrastructure designed to provide nonstop computing, including resilient computing and network capabilities.
- State-of-the-art Voice over Internet Protocol [VoIP] telecommunications and remote computing capabilities, enabling our Operations Control Center to be redirected to alternate locations and staff to service customers from anywhere in the world.
- Cybersecurity regularly validated for NIST 800-171 compliance by independent third parties to ensure we operate in accordance with DOD standards and protect sensitive customer data.

### PREPARING FOR SEVERE WEATHER EVENTS

We put our business resiliency planning into action during a pair of severe weather events in 2022.

In September 2022, our Severe Weather and Emergency Management teams based out of our Miami location coordinated with airport station managers across Florida in preparation for Hurricane Ian. Preparations included strategizing to protect key assets, including aircraft, facilities, parts and ground equipment. Additionally, we leveraged our newly implemented emergency notification system to communicate with employees throughout Florida and South Carolina to ensure readiness for the impending hurricane. Use of the notification system helped provide a greater understanding of which employees needed assistance and allowed our teams to quickly pivot to provide necessary solutions.

In July 2022, our Human Resources teams also used our emergency notification system to check in on local employees within a 10-mile radius of a category EF2 tornado that touched down in Goshen, Ohio. The system allowed Atlas to seamlessly confirm the safety of our employees in the region. Thankfully, no employees were injured during these severe weather events, and we were able to mitigate any damage to our assets or disruptions to our service because of our investments and organization in ensuring business resiliency.



# Public Policy Advocacy

Atlas Air Worldwide engages with policymakers to advocate on a range of policy issues that are important to our customers, employees and our business. Our Company connects the world and keeps supply chains moving. Frequently, legislative and regulatory proposals are introduced that, if passed, could complicate our work connecting global markets.

It's important that Atlas maintains open channels of communication with policymakers to protect our ability to deliver for our customers. We weigh in on numerous issues, including those related to increased tariffs, state and local tax initiatives, airport development, or proposals that could erode our strong safety record. However, when meeting with policymakers, our Company highlights three advocacy initiatives – advancing sustainability, bolstering the aviation workforce and supporting global trade.

## Promoting a Sustainable Aviation Industry

Atlas works in partnership across the aviation sector to advocate for policies that will help us meet our climate-related goals. Our Company is an active member of the Commercial Aviation Alternative Fuels Institute (CAAFI), a public-private partnership with the U.S. Federal Aviation Administration (FAA) that aims to increase the production of sustainable aviation fuel (SAF). Our advocacy for SAF includes seeking tax credits, grants and loan guarantees at the federal and state levels of government to increase production.

Atlas also recognizes the environmental benefits that could result from a more efficient air traffic management system. We have long advocated for more federal funding of the FAA's NextGen program. When complete, NextGen will allow airlines to dramatically reduce fuel burn and emissions while also enhancing safety. Finally, our Company supports increased federal funding for the FAA's environmental and research programs such as the Continuous Lower Energy, Emissions and Noise program (CLEEN).

## Building and Diversifying the Aviation Workforce

Our focus on diversifying the aviation workforce is grounded in our belief that our industry is stronger when we can attract a range of talent. Pilots are critical to our business, and Atlas supports

policies that would attract more people into the pilot profession, including people from populations historically underrepresented in the industry. Atlas has been a leading advocate for the Federal Education Access Act, which will make flight education and training more affordable. We also understand our responsibility to expose students to aviation careers at a young age. Atlas is pleased to offer a variety of scholarship and internship programs in close coordination with our airport partners. Read more about these efforts in [Community Impact & Philanthropy](#).

## Safeguarding Supply Chains to Keep Global Commerce Moving

Trade is at the heart of Atlas' operations, and we are proud of our important role in connecting producers with consumers around the globe. We appreciate the opportunities created by policies promoting market access and e-Commerce. For example, trade allows small- to medium-sized business to reach a broader customer base while giving consumers more choices at lower prices. Atlas champions trade agreements that open markets, reduce barriers and are strongly enforced. This includes protecting the 30-year U.S. Open Skies policy. Operating under the Open Skies framework, Atlas and other airlines can build efficient global operating networks, reduce our carbon footprint and boost military readiness.



# Appendix

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## IN THIS SECTION

- TCFD Index
- SASB Index

# Task Force on Climate-related Financial Disclosures

The following provides Atlas' disclosures pertaining to the Task Force on Climate-related Financial Disclosures (TCFD) recommended disclosure pillars.

## GOVERNANCE

a) Describe the board's oversight of climate-related risks and opportunities.

Atlas Air World Wide Board of Directors recognized the importance of climate-related risks to Atlas' future and conducted a review of relevant actions and progress at regular intervals, at every Nominating and Governance Committee meeting and with the full Board in attendance, as needed.

b) Describe management's role in assessing and managing climate-related risks and opportunities.

Atlas' experience of managing high-value capital assets subject to changing markets over the long- and short-term is applicable to the nature of risks and opportunities arising from climate-related aspects of the airfreight and charter businesses.

Management continues to integrate climate-related aspects within current risk assessment and management processes to provide an overall assessment of business risk.

Atlas' management brings and can apply specific experience to risk assessment and management of:

- Markets with significant variation in volumes, destinations and cost;
- Operational conditions similar to those anticipated to increase with climate change, such as weather-related route choices; and
- Managing risk in financial markets, now expected to be subject to climate-related influences.

In addition, management undertakes regular specific reviews of climate-related aspects of strategic business areas.

\* Per 100 full-time workers

\*\* Atlas is reporting on freight ton kilometers (FTK), which is defined as one metric ton of freight traffic transported one kilometer. FTK is computed by multiplying the vehicle-kilometers traveled on each leg by the number of tons of freight traffic carried on that leg.

\*\*\* Estimate not available. Atlas will review options for providing this metric on a yearly basis.

## Task Force on Climate-related Financial Disclosures

### STRATEGY

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.

The airfreight and charter markets depend on demand in a wide range of product and service markets, each differently affected by climate-related risks. In addition, aviation markets are affected by climate-related policy and regulatory developments at national and international levels – such as additional carbon costs, as well as physical changes including airport weather conditions. Effects over the long term are expected to be greater than in the short term.

Key risks identified by Atlas are:

- General demand risk from an overall increase in the costs of, or access to, aviation services due to regulations addressing climate change;
- Demand risk in markets that are directly affected by climate change, such as from horticultural growing conditions;
- Demand risk in markets that are sensitive to price increases from increased carbon costs;
- Demand risk in markets arising from the influence of wider societal change, such as “flight-shaming”;
- Risks to costs arising from the availability and price of low/zero carbon fuels or from the increased costs from continued use of existing types of fuel, due to regulatory requirements; and
- Risks from competition with passenger services for limited resources such as low/zero carbon fuels.

Climate-related effects are expected to be limited in airfreight and charter markets where transport is essential and for high-value cargos where additional costs are a small proportion of payload value.

In addition, climate-related effects may increase demand for airfreight in some markets, such as to provide emergency relief from the expected increase in extreme climatic events and reduced belly capacity if commercial flights are reduced.

b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.

Atlas recognizes that managing climate impacts is key to the long-term financial resilience of the business.

c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

We have a structure in place to evaluate and understand climate risk, in addition to expertise in responding to changes in financial and regulatory markets.

We are evaluating new scenarios to better understand climate risks and opportunities, in addition to any financial impact related to these risks. These new scenarios will include both 2°C and 1.5°C scenarios.



## Task Force on Climate-related Financial Disclosures

| RISK MANAGEMENT                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) Describe the organization's processes for identifying and assessing climate-related risks.                                                             | Atlas uses the Enterprise Risk Framework to represent climate risks, which are identified and assessed using our understanding of our upstream supply chain (i.e., fuel) and downstream customer markets, together with climate and aviation projections from authoritative organizations (i.e., International Air Transport Association [IATA], Airlines for America [A4A] and European Union [EU]).                                                                                                                                                                                                                                                                                                                                                                                                                         |
| b) Describe the organization's processes for managing climate-related risks.                                                                              | Atlas has a Business Resiliency team dedicated to managing impacts from weather and other perils that have the potential to interrupt systems and facilities. The Enterprise Risk Management and Flight & Ground Operations teams are also involved in anticipating and managing these potential risks.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.   | Atlas has established an organizational structure and associated processes for aligning climate-related risks within Atlas' Enterprise Risk Framework to manage climate risks alongside our other business risks.<br><br>Environmental Sustainability, which includes Climate Change, is now identified as a separate enterprise risk, whereas previously it was combined with all ESG topics.                                                                                                                                                                                                                                                                                                                                                                                                                                |
| METRICS AND TARGETS                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| a) Describe the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. | Atlas is currently conducting a strategic review of existing business metrics, which include market share from geographies that experience more weather events, fuel volumes/sustainable aviation fuel (SAF) and prices in carbon markets for the purpose of climate reporting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.                                          | Atlas discloses Scope 1 emissions alongside this TCFD disclosure. Refer to our <a href="#">SASB disclosure table</a> for this data.<br><br>The dominant source of air emissions is the use of fuel in our aircraft. Atlas continues our program of work to ensure optimum efficiency across our fleet. We are also actively working with industry partners to extend access and use of SAF.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.                       | Atlas supports IATA and A4A's goal to achieve net-zero carbon emissions by 2050. Atlas has also set its own Scope 1 emissions reduction goal for 2035 to achieve a 20% reduction in CO <sub>2</sub> through a combination of increased SAF use, operational efficiencies and the implementation of innovations designed to reduce fuel burn among its fleet of air cargo freighters.<br><br>To address Scope 2 emissions, Atlas is conducting an inventory of electricity providers across its major sites and operations to identify the availability of renewable energy sources. The intent is to transition away from electricity produced by fossil fuels, where available.<br><br>Atlas is also evaluating the materiality of Scope 3 emissions (aside from CMI lease activity) across its operations and supply chain. |

## Sustainability Accounting Standards Board Disclosures

The following provides Atlas' disclosures pertaining to the Sustainability Accounting Standards Board's (SASB's) industry standard for Air Freight & Logistics.

| TOPIC                                                  | CODE         | ACCOUNTING METRIC                                                                                                                                                      | CATEGORY; UNIT OF MEASURE                                      | DISCLOSURE                                                                              |
|--------------------------------------------------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| <i>Greenhouse gas emissions</i>                        | TR-AF-110a.1 | Gross global Scope 1 emissions                                                                                                                                         | Quantitative; metric tons CO <sub>2</sub> e                    | 4,642,356 MT CO <sub>2</sub> e                                                          |
|                                                        | TR-AF-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                                          | Discussion: See <a href="#">page 11</a> of the 2022 ESG Report                          |
|                                                        | TR-AF-110a.3 | Fuel consumed by road transport, percentage natural gas                                                                                                                |                                                                | 0                                                                                       |
|                                                        |              | Fuel consumed by road transport, percentage renewable                                                                                                                  |                                                                | 0                                                                                       |
|                                                        |              | Fuel consumed by air transport, percentage alternative                                                                                                                 | Quantitative; gigajoules, %                                    | 0                                                                                       |
| Fuel consumed by air transport, percentage sustainable |              |                                                                                                                                                                        | 25,946 GJ;<br>0.04% of total fuel consumed                     |                                                                                         |
| <i>Air quality</i>                                     | TR-AF-120a.1 | Air emissions of the following pollutants: [1] NO <sub>x</sub> [excluding N <sub>2</sub> O], [2] SO <sub>x</sub> , and [3] particulate matter [PM <sub>10</sub> ]      | Quantitative; metric tons                                      | 1) 24,773 MT<br>2) 729 MT<br>3) 0.9 MT                                                  |
| <i>Labor practices</i>                                 | TR-AF-310a.1 | Percentage of drivers classified as independent contractors                                                                                                            | Quantitative; %                                                | Atlas does not have employees, contractors or term employees that drive a ground fleet. |
|                                                        | TR-AF-310a.2 | Total amount of monetary losses as a result of legal proceedings associated with labor law violations                                                                  | Quantitative; reporting currency                               | 0                                                                                       |
| <i>Employee health &amp; safety</i>                    | TR-AF-320a.1 | 1) Total recordable incident rate (TRIR) and [2] fatality rate for (a) direct employees and (b) contract employees                                                     | Quantitative; rate                                             | 1a) 0.57*<br>2a) 0                                                                      |
| <i>Supply chain management</i>                         | TR-AF-430a.1 | Percentage of carriers with BASIC percentiles above the FMCSA intervention threshold                                                                                   | Quantitative; %                                                | Atlas does not have employees, contractors or term employees that drive a ground fleet. |
|                                                        | TR-AF-430a.2 | Total greenhouse gas (GHG) footprint across transport modes                                                                                                            | Quantitative; metric tons, CO <sub>2</sub> e per ton-kilometer | Scope 1 [in tCO <sub>2</sub> e]<br>Air: 4,635,543<br>Ground: 6,813                      |

\* Per 100 full-time workers

\*\* Atlas is reporting on freight ton kilometers (FTK), which is defined as one metric ton of freight traffic transported one kilometer. FTK is computed by multiplying the vehicle-kilometers traveled on each leg by the number of tons of freight traffic carried on that leg.

\*\*\* Estimate not available. Atlas will review options for providing this metric on a yearly basis.

## Sustainability Accounting Standards Board Disclosures

| TOPIC                                                                          | CODE                                                                                    | ACCOUNTING METRIC                                                                       | CATEGORY; UNIT OF MEASURE | DISCLOSURE                                                                              |
|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|---------------------------|-----------------------------------------------------------------------------------------|
| <i>Accident &amp; safety management</i>                                        | TR-AF-540a.1                                                                            | Description of implementation and outcomes of a Safety Management System                | Discussion and analysis   | Discussion: See <a href="#">page 29</a> of the 2022 ESG Report                          |
|                                                                                | TR-AF-540a.2                                                                            | Number of aviation accidents                                                            | Quantitative; number      | 0                                                                                       |
|                                                                                | TR-AF-540a.3                                                                            | Number of road accidents and incidents                                                  | Quantitative; number      | Atlas does not have employees, contractors or term employees that drive a ground fleet. |
|                                                                                | TR-AF-540a.4                                                                            | Safety Measurement System BASIC percentiles for Unsafe Driving                          | Quantitative; percentile  | Atlas does not have employees, contractors or term employees that drive a ground fleet. |
|                                                                                |                                                                                         | Safety Measurement System BASIC percentiles for Hours-of-Service Compliance             |                           | Atlas does not have employees, contractors or term employees that drive a ground fleet. |
|                                                                                |                                                                                         | Safety Measurement System BASIC percentiles for Driver Fitness                          |                           | Atlas does not have employees, contractors or term employees that drive a ground fleet. |
|                                                                                |                                                                                         | Safety Measurement System BASIC percentiles for Controlled Substances/Alcohol           |                           | Atlas does not have employees, contractors or term employees that drive a ground fleet. |
| Safety Measurement System BASIC percentiles for Vehicle Maintenance            |                                                                                         | Atlas does not have employees, contractors or term employees that drive a ground fleet. |                           |                                                                                         |
| Safety Measurement System BASIC percentiles for Hazardous Materials Compliance | Atlas does not have employees, contractors or term employees that drive a ground fleet. |                                                                                         |                           |                                                                                         |
| <i>Activity metrics</i>                                                        | TR-AF-000.A                                                                             | Revenue ton kilometers (RTK) for: [1] road transport and [2] air transport              | Quantitative; RTK         | 14,467 M**                                                                              |
|                                                                                | TR-AF-000.B                                                                             | Load factor for: [1] road transport and [2] air transport                               | Quantitative; rate        | N/A***                                                                                  |
|                                                                                | TR-AF-000.C                                                                             | Number of employees                                                                     | Quantitative; number      | 4,591                                                                                   |
|                                                                                |                                                                                         | Number of truck drivers                                                                 | Quantitative; number      | 0                                                                                       |

\* Per 100 full-time workers

\*\* Atlas is reporting on freight ton kilometers (FTK), which is defined as one metric ton of freight traffic transported one kilometer. FTK is computed by multiplying the vehicle-kilometers traveled on each leg by the number of tons of freight traffic carried on that leg.

\*\*\* Estimate not available. Atlas will review options for providing this metric on a yearly basis.



200 Westchester Avenue | Purchase, NY 10577-2543, USA [ATLASAIRWORLDWIDE.COM](https://www.atlasairworldwide.com)