

Our Commitment to ESG

Caring for the World We Carry



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Introduction



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Executive Message



To Our Stakeholders:

“Rise Above” is the spirit of all of us at Atlas Air Worldwide and our companies – Atlas Air, Southern Air, Polar and Titan. In a typical year, rising above takes great collaboration and commitment from everyone. In 2020, our people’s resolve was extraordinary, and, in fact, it was crucial in the face of the global adversity that challenged all of us.

The nature of our business model is to do good in the world, and we responded with resilience, resourcefulness and the kind of teamwork where care and delivering on our purpose were essential.

In 2020, the Atlas mantra of “caring for the world we carry” became more mission-critical than ever before. Our long-standing commitment to be a responsible corporate citizen served as the foundation for how we navigated the year’s challenges. Throughout, we stayed committed to our values of Safety, Service Excellence, Integrity, Innovation, Teamwork and Responsibility.

Above all, we were steadfast in our dedication to deliver excellence daily, do business the right way and be our customers’ most valued partner – when and where they need us. Together, we moved life-saving personal protective equipment and medical supplies, vaccines, pharmaceuticals, educational supplies, e-commerce, daily necessities and people – with the safety, speed and reliability that only our essential air-freight and passenger charter services can provide.

There is no greater asset than our people, and their safety and well-being are paramount in everything we do. From the cockpit and cargo bay of every plane to every home office, we worked tirelessly to protect our people from the COVID-19 virus and contribute to their greater health and wellness. When many of us were called to a higher level of consciousness about racial injustice and inequality, we responded with care and compassion, listening and learning. All companies have

a responsibility to do more, and we are working to further drive diversity, equity and inclusion in our workplace and in the aviation industry.

At the same time, we continued to take actions to enhance our environmental stewardship and reduce our carbon footprint. Our signature FuelWise program focuses on more efficient operations to further minimize our fuel burn and reduce carbon emissions. We are also working with fellow industry leaders to advocate for wider acceptance and availability of sustainable aviation fuel (SAF) and have completed multiple pilot projects using such fuel.

We are dedicated to advancing our environmental, social and governance (ESG) commitments and helping to lead the aviation industry forward. As we look to the future, I am inspired by our drive and momentum to foster economic and social progress while safeguarding the environment.

I would like to thank our employees for their extraordinary efforts on behalf of our customers, shareholders and each other, and for their continued commitment to “caring for the world we carry.”

A handwritten signature in black ink that reads "John W. Dietrich". The signature is fluid and cursive, with a large initial 'J'.

John W. Dietrich
President and Chief Executive Officer

About Atlas Air Worldwide



Our Company

Atlas Air Worldwide is a leading global provider of outsourced aircraft and aviation operating services. We are the parent company of Atlas Air, Inc., Southern Air Holdings, Inc. and Titan Aviation Holdings, Inc., and 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 hour of every day of the year. In every corner of the world. Through an array of innovative services and solutions.

We empower our express and e-commerce delivery, 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 747-8 or 747-400 freighter crewed, maintained and insured by us. Our complementary **CMI** (Crew, Maintenance, Insurance) service crews, maintains and insures 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 benefits of **Dry Leasing**, a solution that provides access to efficient aircraft, such as our 777 and 767 freighters, and engines through lease.

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

Our Values

Our Values demonstrate our commitment to our customers, our company and each other.

- ▲ **SAFETY**
Safety is paramount in everything we do
- ▲ **SERVICE EXCELLENCE**
We are committed to extraordinary performance
- ▲ **INTEGRITY**
We are honest, fair and transparent
- ▲ **INNOVATION**
We are passionate about continuous improvement
- ▲ **TEAMWORK**
It takes a team to deliver on our commitments
- ▲ **RESPONSIBILITY**
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, including:

- **Growing and Diversifying Our Business** by building new and existing customer relationships and identifying opportunities to add value for our customers and shareholders.
- **Elevating Our Team** by investing in our people and focusing on work-life quality, while also leveraging diversity as an innovation driver.
- **Boosting Our Corporate Performance** by capitalizing on our competitive advantages and increasing operating efficiency.
- **Advancing Our Corporate Citizenship** through environmental stewardship, contributing to social impact and demonstrating industry-leading governance.

ATLAS BY THE NUMBERS*

~**4,100** employees

\$3.21 billion revenue

Total Fleet: **115**

Operating Fleet: **107**

Dry Lease: **8**

54 Boeing 747s

38 Boeing 767s

14 Boeing 777s

9 Boeing 737s

68,000+ flights serving
300+ destinations in nearly
75 countries

*As of December 31, 2020

Our ESG Strategy



Our environmental, social and governance (ESG) journey began with Atlas’ 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, sustainable growth is achieved by demonstrating transparency and accountability through responsible corporate governance, sustaining and protecting our natural resources, empowering our employees and business partners, and caring for our communities. As such, we have identified what is paramount to our stakeholders, as expressed in our 13 priorities for ESG, and aligned them to our overarching priorities:



Responsible Business Growth

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



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 enhancing our modern, efficient 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. We have built a culture that embraces both openness and collaboration by striving to ensure safety, professional development and equity for all employees. Elevating the employee experience increases opportunities for individual professional growth and will help fuel our company’s growth.



Social Impact & Community Engagement

Our commitment of “caring for the world we carry” conveys our dedication to the places where our business takes us. By engaging our workforce and contributing to the global economy, we are delivering on the desire for our communities to thrive.

Our ESG Strategy & Policy

In 2019, we formalized our ESG strategy and policy, which outline our vision, priorities and management approach. The priorities we have identified are important to our business and our stakeholders, and are issues on which we believe we can have a meaningful impact in a cost-effective and efficient manner. In 2020 and early 2021, we reorganized our ESG material topics to align with our four overarching priorities and company values.

Atlas Air Worldwide's ESG Strategy



Our Priorities

RESPONSIBLE BUSINESS GROWTH

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

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

READ MORE IN THE ATLAS AIR WORLDWIDE ESG POLICY.

Stakeholder Engagement

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

Engaging with Our Key Stakeholders

	Methods of Engagement	Primary ESG Topics of Interest
Investors	Investor outreach, investor meetings, analyst conferences, road shows, phone inquiries, corporate website and annual meeting	Financial performance; compliance; environmental strategy and performance; labor relations; diversity, equity & inclusion; and ethics and integrity
Customers	Periodic business reviews, regional business alliances, corporate website and social media	Environmental strategy and performance; fuel efficiency; noise reduction; ethics and integrity; supplier diversity; and community impact & philanthropy
Employees	Regular town hall and roundtable meetings, biennial employee experience survey, corporate intranet, InsideAtlas internal newsfeed, social media and special events	Employee experience; diversity, equity & inclusion; community impact & philanthropy; ethics and integrity; global prosperity; environmental strategy and performance; and financial performance
Communities	Regular outreach, volunteer board and civic engagement, corporate website, social media and volunteerism	Community impact & philanthropy; diversity, equity & inclusion; global prosperity; ethics and integrity; and environmental strategy and performance

2020 ESG Highlights



Responsible Business Growth

- Added environmental and sustainability matters to the purview of the Board of Directors' Nominating and Governance Committee.
- Created a new role, Director of Corporate Social Responsibility, and hired an experienced ESG leader to accelerate and expand our sustainability efforts.

Environmental Stewardship

- Completed a transoceanic sustainable aviation fuel (SAF) test flight powered by a blend of fuel containing SAF sourced from fresh vegetable oil. SAF has been shown to reduce carbon emissions by up to 80%.
- Began voluntary tracking and reporting emissions in accordance with the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA), which is an emissions mitigation approach that aims to reduce net CO₂ emissions by 50% by 2050.
- Continued to upgrade our fleet. Our Boeing 747-8F and 777F aircraft are approximately 15% more fuel efficient (which translates to approximately 15% lower CO₂ emissions) and also run quieter than previous-generation 747 aircraft. In January 2021, we ordered four new Boeing 747-8F.

Career, Culture & Equity for Our People

- Strengthened our commitment to the employee experience through the launch of our Elevate Atlas initiative, which is focused on elevating our employees' quality of work life.
- Enhanced our diversity, equity and inclusion (DEI) strategy through the formation of two DEI Councils – Employee Council and Executive Council. Our DEI Councils focus on defining the blueprint of DEI at Atlas and connecting our people to the C-suite to take action on key DEI initiatives.
- Celebrated employee-led initiatives, including the second anniversary of Atlas Women's Network. Membership grew throughout 2020, driven by the extraordinary efforts of the team to stay active and connected in a virtual environment.
- Transitioned to virtual hiring, onboarding and training during the COVID-19 pandemic.

Social Impact & Community Engagement

- Transported critical personal protective equipment and e-commerce deliveries around the world, including:
 - » Supported U.S. Federal Emergency Management Agency (FEMA) relief missions.
 - » Arranged charter flights to multiple U.S. destinations – carrying 130,000 N95 masks, nearly 1.8 million surgical masks and gowns, more than 10.3 million gloves and more than 70,000 thermometers.
 - » Donated cargo lift support to transport critical supplies on behalf of numerous organizations, including New York University Langone Health, Inditex, Guardians of the Angeles Charitable Foundation and U.S.-based alumni of Peking University.
- Donated to charitable organizations to support our local communities, including:
 - » Food donations to frontline responders in our local communities, including near our primary operations in Purchase, New York; Cincinnati/Northern Kentucky (CVG); and Miami, Florida.
 - » Organizations dedicated to ending childhood hunger in South Florida and Alaska.
 - » Liberty City Optimists Club, an organization focused on supporting at-risk youth in Miami.
 - » Freestore Foodbank, which supports more than 500 community food pantries in 20 counties throughout Northern Kentucky, Southern Ohio and Eastern Indiana.
 - » Covenant House, which is committed to supporting youth experiencing homelessness in New York City.
- Provided opportunities for our employees to support disaster and pandemic relief efforts in the communities we serve.
- Continued our long-standing commitment to Junior Achievement.

Responsible Business Growth



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

IN THIS SECTION:

- Corporate Governance
- Ethics and Integrity
- Compliance
- Data Privacy and 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. Our corporate governance program is characterized by complete transparency, which helps build and sustain public trust in our company.

Our Board of Directors believes that sound corporate governance practices provide an important framework to assist the Board and our executives in fulfilling responsibilities to stakeholders. Our [Corporate Governance Principles](#) are intended to reflect industry best practices in areas such as powers and responsibilities of the Board of Directors, Director nominations and qualifications, Board committees, Director compensation, Director access to outside advisors and employees, stock ownership, Director education, stakeholder communications with the Board, financial statements and disclosure matters, among other areas.

Additionally, our [Code of Ethics Applicable to the Chief Executive Officer, Senior Financial Officers and Members of the Board of Directors](#) is described in the Ethics and Integrity section of this report. For more information, please see [Structure & Governance](#) on our website.

Our Board and Committees

Our Board consists of 10 Directors, nine of whom are independent, effective May 2021. Each independent Director serves on at least one Board committee. Our Committee Charters serve to fulfill the Board’s responsibilities through smaller, more focused subsets of Directors.

- **Audit and Finance Committee** is responsible primarily for overseeing activities related to the quality and integrity of Atlas’ financial statements; financial reporting and disclosure processes; independent auditor qualifications; internal audit functions; and legal and regulatory compliance.

The Committee Charter was amended in 2020 to add oversight of Atlas’ financial policies, investment strategies and capital structure to its areas of responsibility.

- **Compensation Committee** is responsible chiefly for overseeing activities related to executive compensation; compensation plans, policies and programs; succession planning; and employee benefits for our executives.
- **Nominating and Governance Committee** is responsible principally for overseeing activities related to identifying and reviewing the skills and characteristics for the election of new and continuing Directors; identification and review of persons who are qualified and available to serve as Directors; Director independence assessments; oversight of our Corporate Governance Principles; and our Board and each Committee’s performance and self-evaluation. The Committee amended its Charter in 2020 to include oversight of key environmental and sustainability initiatives to its responsibilities.

CONTINUOUS IMPROVEMENT

Our customer focus and commitment to the highest standards of service excellence are ingrained within our culture of continuous improvement. Throughout our organization, we strive to improve business process performance to deliver measurable results for our investors, customers, employees, suppliers, partners, communities and other stakeholders.

Board Refreshment and Diversity

We endorse the concept of Board and Committee refreshment, which has resulted in the election of several new Board members over the last five years and the rotation of the Chairman of the Board and the Chairs of our three standing Committees over the last two years. In 2021, we added two new gender-diverse Board members. With these additions, our Board is 60% diverse (40% gender diverse and 30% ethnically diverse). The Board believes that diversity with respect to gender, ethnicity, background, professional experiences and perspectives is an important element in the Board selection process.

Shareholder Engagement Efforts

To effectively address the evolving expectations of our shareholder base and the broader investment community, we remain focused on frequent and extensive shareholder engagement. Our outreach program generally targets shareholders representing approximately 70% to 75% of our outstanding shares, and we have generally held discussions with shareholders representing well in excess of 60% of our outstanding shares. Key topics of discussion have included our corporate governance, sustainability and executive compensation practices, as well as our business strategy and performance and public disclosures. As a result of specific feedback from shareholders, we have made numerous substantive changes to our compensation program, practices and disclosures, as well as to our governance practices.

Board Diversity*

60% gender or ethnically diverse

40% gender diverse

30% ethnically diverse

*As of May 2021

Recognition for Our Corporate Governance Program

In 2020, *Corporate Secretary* magazine rated Atlas' legal team as a finalist for best compliance and ethics program (small- to mid-cap), best proxy statement (small-cap), Governance Team of the Year (small- to mid-cap) and Governance Professional of the Year (small- to mid-cap). The company was also recognized by 2020 Women on Boards, with a top rating of "W" for having 20% or more female Directors on our Board. Atlas was named to "The Responsible 100," an annual list that represents New York's 100 "most outstanding corporate citizens."

RECENT CORPORATE GOVERNANCE ACCOMPLISHMENTS

Atlas is committed to working toward best-in-class corporate governance and, over the past two years, we were once again recognized for our practices.



2020 and 2019 Corporate Secretary Awards

2020 Finalist and 2019 Winner:
Governance Professional of the Year (small- to mid-cap)



2020 and 2019 Finalist:
Best Proxy Statement (small-cap)
Best Compliance and Ethics Program (small- to mid-cap)
Governance Team of the Year (small- to mid-cap)

2019 Finalist:
Best Shareholder Engagement



2019 Women's Forum of New York

Recognition for commitment to, and progress in, gender parity in the boardroom

2019 Ethical Boardroom Magazine

Best Corporate Governance – Airlines – North America

50/50 Women on Boards™

Included among companies with a top 'W' rating
Winning 'W' Companies: 20% or more women

Ethics and 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. As such, Integrity is one of our core values – we are honest, fair and transparent. 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.

Code of Conduct

As outlined in our Employee Handbook and Code of Conduct, we require all employees to act responsibly 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 and other stakeholders. The Code of Conduct includes more than 25 employee “rules of conduct” related to use of company resources and data, confidentiality, anti-harassment and anti-discrimination policies, regulatory compliance, workplace safety, conflicts of interest, and other topics to ensure a high degree of ethical conduct across our organization. Employees of all operating entities of Atlas receive a copy of the Code of Conduct and acknowledge receipt.

We routinely review and conduct a comprehensive update of our Employee Handbook and Code of Conduct [“Handbook”] to maintain compliance with applicable laws and to ensure we are conforming to the most current best practices. Our current Handbook was updated and distributed in January 2019, when we enhanced select policies and procedures to reflect evolving developments in areas such as harassment and discrimination, social media, intellectual property, cybersecurity and leave policies. In 2021, we are beginning another comprehensive review as part of our commitment to best practices and in response to the myriad pandemic-related impacts. As with our last review process, our legal team is leading the effort to ensure we remain mindful of current issues and any new applicable laws and regulations.

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, conflicts of interest, and compliance with all governmental laws, rules and regulations. Our Board’s Audit Committee oversees this Code and related party transactions.

▲ **Our Employee Handbook and Code of Conduct outlines the basic employment policies and practices that govern day-to-day activities. Each employee has a personal responsibility to ensure he or she is familiar with and understands our core employment policies and guidelines.**

Reporting and Addressing Critical Concerns

We are committed to maintaining a strong control environment and have made effective controls an integral part of our routine business practices. Our commitment to ethics and integrity and related checks and balances allows us to address potential issues before they could become larger problems. 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. 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.

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's state-of-the-art compliance. 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 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, which began on January 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 recent years, we have bolstered our efforts to protect against even inadvertent violation 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 and best practices related to areas such as preventing human trafficking and endangered species trafficking.

COMPLIANCE HOTLINE IS AVAILABLE TO ALL

Atlas maintains a toll-free Compliance Hotline to accept reports and complaints related to potential violations of company policy. The Compliance Hotline may also be used to report concerns or complaints about the company's accounting, internal controls or auditing matters, as well as instances of suspected fraudulent conduct. The Hotline is available to employees and other callers on an anonymous basis. To ensure anonymity, the Hotline is serviced exclusively by an independent, outside vendor. The Hotline is available seven days a week, 24 hours a day and can be contacted from anywhere in the world.

IT Security: Cyber 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. The framework is designed to protect technology infrastructure, computing resources and the company's data from compromise and corruption. Disruption of crucial technology networks or systems would have an almost immediate adverse impact on the company's ability to fulfill our missions and conduct business. Depending upon the type of incident, potential risks include, but are not limited to, business disruption, reputational, monetary, data breach and national security.

Atlas employs a defense-in-depth approach that leverages technology, education, testing and audit to ensure a secure network and computing environment. Atlas works closely with internal and external subject matter experts to understand the environment, outside risks and attack vectors. Every month, the company tracks and reports several key metrics to measure the health and effectiveness of our security posture. Independent penetration tests are regularly run to gauge the control environment's efficacy, and results of these tests are analyzed and adjustments are made as needed. The 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.

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 many 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 overall 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.

Data Privacy and Cybersecurity



Atlas Air Worldwide is committed to applying a strong governance and control environment for all aspects of our business, and that includes the areas of business resiliency, data privacy and cybersecurity. We utilize best-in-class technologies, procedures and training to ensure 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

Given the sophistication of today's modern aircraft, Atlas' planes generate large amounts of data that we capture, analyze and use to improve business operations, including improving operational safety and reducing fuel usage. Our business has been digitally transformed – with tablet computers used by pilots and ground operators for flight planning and takeoff. Digital technologies also provide access to performance dashboards for our teams and our customers. Efficient management and use of this data require strong governance and management practices, supported by well-secured information systems.

In the air and on the ground, the operational integrity of our information systems is critical to the continuity and reliability of our business. We configure our information systems to be resilient and redundant, and we support them with an equally fault-tolerant data center and network environment with the objective of maintaining constant operation. Atlas has been recognized by the U.S. Department of Defense and airline industry associations as a leader in preparing for and maintaining operational continuity in the event of a disruption.

Being cybersecure is paramount to our focus on quality and reliability. We maintain compliance with the National Institute of Standards and Technology (NIST) 800-171 standard, as required by the U.S. government. We exceed

these requirements and benchmark ourselves annually to the Center for Internet Security (CIS) framework. Input from these exercises, combined with third-party penetration tests and tabletop exercises to practice operational responses in the event of a breach, is used to establish a multiyear roadmap of cybersecurity investments. Planning and results are monitored by the executive team and the Board.

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 transport 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 in which 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 the trucks. This reduces wait times at handling facilities and emissions from idled trucks.

Threat Detection and Response

In cybersecurity, we know that new potential threats emerge every day. With strong support from our Board and executives, Atlas seeks out and responds to vulnerabilities on a continuous basis. We maintain compliance with multiple cybersecurity standards, which require robust maintenance processes to ensure systems and networks remain at the highest level of known protection. In fact, we were the first member of the Civil Reserve Air Fleet to declare compliance with the NIST standard, which is required of defense contractors.

Our many programs for threat awareness feed into responsive processes designed to remediate exposures before they become an issue, or to respond in a programmatic and professional manner if they do. This includes ensuring that sensitive data are subject to additional management requirements to guard against tampering or exfiltration. We also maintain a multiyear roadmap of projects designed to continually evolve and strengthen the security around sensitive data and cyber resiliency.

Providing Leadership and Support for the Industry

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

- **Participating in leadership roles in a number of 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 cyber attacks. 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 commercial 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.

Atlas Is There When Our Customers Need Us

Our robust business resiliency program mitigates the impact of human-made and natural disasters on operations through a global network of information sharing among critical teams and functions. Confidential customer data are managed with the same security and controls used to secure our own systems. Our customers benefit from our continuous improvement approach to managing evolving threats such as cyber attacks and business disruptions. Our flexible and superior fleet management capabilities offer additional benefits.

OUR GLOBAL OPERATION AND INFRASTRUCTURE INCLUDE:

- 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.

Business Resiliency and the COVID-19 Pandemic

In 2020, the world faced unprecedented challenges stemming from the global presence of COVID-19. Like many companies, Atlas had to transition our people and functions to remote work, which presented a significant test of our systems and security infrastructure. Fortunately, our planning and preparation had begun years in advance, and through teamwork and Atlas' innate culture to respond quickly, we were able to provide continuous support to our customers, employees and the global supply chain. In fact, Atlas was the first airline to receive FAA approval for our Operations Center staff to work remotely.

OUR BUSINESS RESILIENCY APPROACH INCLUDES:

- Annual department-level recovery plan reviews to keep our strategies timely and effective.
- Periodic testing and training at our recovery sites to maintain employee familiarity and ensure functionality of technology infrastructure.
- Tabletop exercises that train, test and improve crisis management and recovery strategies for diverse types of disruptive events, such as building evacuations and cyber attacks.
- Enhanced crisis management processes with an integrated notification and website collaboration system.
- Investments in new networking technologies to extend business resiliency capabilities to serve customers from any web-enabled device, anywhere.

Public Policy Advocacy



On a global, national and local basis, we advocate for the interests of our company, the air cargo industry and our key stakeholders. This includes being an active collaborator on a range of policy and legislative issues. Our priorities include attracting the aviation workforce of the next generation, protecting and promoting the U.S. policy on Open Skies, and supporting government policies to help our industry reduce its greenhouse gas emissions.

Building and Diversifying the Aviation Workforce

The issuance of new pilot certificates has decreased by more than 60% since 1980. Similar trends can be seen in the decline of highly skilled maintenance and technical support crews that support our industry.

We are working with legislators and regulators across the U.S. to forge pathways for new pilots, mechanical and technical personnel, and other aviation services professionals. We actively seek to create more opportunities for training and certification, and to reduce the out-of-pocket cost of those programs, particularly for underrepresented minority groups where cost is a significant barrier. We are working with industry partners on initiatives to attract underrepresented groups to the pilot profession. 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.

Protecting and Enhancing Open Skies Agreements

We are steadfast in advocating for Open Skies agreements, which enable airlines, not governments, to make decisions about routes, capacity, frequency and pricing of their services, based on market demand. Open Skies agreements promote competition in the aviation sector, increase choice and reduce costs for consumers, while also facilitating exports for U.S. businesses and enhancing U.S. national security.

Since 2015, we have been a founding member, along with FedEx, JetBlue and the Cargo Airline Association, of the U.S. Airlines for Open Skies coalition. Atlas and industry partners are involved in supporting these agreements around the world and, where possible, expanding them. For Atlas, these agreements enable us to maintain global delivery networks to transport troops and vital supplies, including food and medical products, for the U.S. military, especially those military personnel based in the Middle East. In addition to the priorities described above, Atlas is engaged in a range of public policy matters related to aircraft regulations, environmental policy, infrastructure and international trade, among other areas.

2019-2020 ADVOCACY HIGHLIGHTS

Our public policy efforts have had an impact in key areas related to education and training, safety and international trade and travel:

- Securing bipartisan support for legislation aimed at attracting the next generation of pilots and the development of the aviation maintenance workforce.
- Advocating for the establishment of U.S. Federal Aviation Administration [FAA] advisory boards to advance diversity in the aviation workforce, including pilots.
- Protecting and enhancing Open Skies agreements around the globe.
- Maintaining the harmonization of U.S. and International Civil Aviation Organization [ICAO] regulations regarding the air transport of lithium cells and batteries.
- Securing U.S. government support for the Group of Seven [G7] Statement of Principles, which sought to harmonize the treatment of transportation workers during the COVID-19 pandemic.
- Actively engaging in important public policy discussions in U.S. jurisdictions where we have a significant presence, including Alaska, Miami, New York and Northern Kentucky.
- Continued participation on Boards or Committees with associations advocating for the air cargo industry, such as the Cargo Airline Association [CAA] and the National Air Carriers Association [NACA].

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 enhancing our modern, efficient fleet, we will achieve results for the planet we all share.

IN THIS SECTION:

- Aircraft Emissions
- Aircraft Noise
- Resource Consumption

Aircraft Emissions



Atlas Air Worldwide addresses the need to reduce greenhouse gas emissions and improve aircraft fuel efficiency in multiple ways, including driving operating efficiencies, upgrading our fleet and advancing the sustainable aviation fuels agenda. Our approach is intended to be good for the environment and good for business.

Our Commitments

Even though air transportation accounts for a small portion of total greenhouse gas emissions, our industry and our company are committed to contributing to a more efficient, lower-emissions world. Aircraft fuel is one of Atlas' most significant expenses. We strive to play a leadership role in our industry's fuel efficiency efforts. Examples include:

- President and CEO John Dietrich serves on the **Board of Directors of Airlines for America (A4A)**, a key industry trade association, which has adopted aviation-specific emissions targets: 1.5% average fuel efficiency improvement through 2020; carbon neutral growth from 2020 to 2035; and a 50% net reduction of CO₂ in 2050 compared with 2005 levels.
- We are participating in the **Carbon Offsetting and Reduction Scheme for International Aviation (CORSA)**, an emissions mitigation approach for the global airline industry developed by the United Nations International Civil Aviation Organization (ICAO). CORSIA began governing international flying on January 1, 2021, and is designed to offset any annual increases in total carbon emissions from international civil aviation above a baseline level determined by 2019 and 2020 emissions.

Driving Operating Efficiencies

We seek to optimize efficiency in many business processes, including flight planning. For more than 12 years, Atlas has been using our FuelWise program in conjunction with our flight-planning software to identify additional opportunities to conserve fuel by optimizing flight speeds, altitudes, routes, climb, cruise and descent segments. In 2016, the company adopted a Fuel Management Information System to track and promote fuel-efficient best practices throughout the organization. The system enables Atlas to analyze fuel consumption performance and identify opportunities for improvement. Current best practices include:

- Reduced extra fuel uplift
- Engine-out taxi-in
- Idle reverse thrust usage on landing
- Contingency fuel reduction initiative
- Route and altitude planning alignment with air traffic control assignments

We routinely evaluate and enhance our operating procedures to help drive efficiency, including:

- Completing more frequent engine washes and other routine maintenance procedures and reducing unnecessary weight to **address fuel efficiency factors**.
- Running ground power units to **reduce jet fuel use** while our aircraft are on the ground.
- Working with our partners and government officials to **advocate for air traffic control modernization**.

Upgrading Our Fleet

Our approach to further reducing emissions includes continuing to invest in more energy-efficient aircraft. Generally, each generation of aircraft is approximately 15% to 20% more fuel efficient than its predecessor.

We are proud to be the world's largest operator of Boeing 747 freighter aircraft, many of which offer industry-leading fuel efficiency, and we are the only outsource provider of Boeing's 747-8F aircraft.

In January 2021, we ordered four new Boeing 747-8F freighters, with scheduled delivery beginning in May 2022, to help meet strong customer demand in the airfreight market while adding fuel efficiency and decreasing our fleet's impact on the environment. The Boeing 747-8F freighter is the most capable, technologically advanced and environmentally conscious wide-body freighter. It provides 20% higher payload capacity and 16% lower fuel consumption than the 747-400F, its predecessor. Learn more about the [additions to our fleet](#).

Advancing the Sustainable Aviation Fuels Agenda

Atlas participates in ongoing efforts to expand the use of sustainable aviation fuels (SAF), which can be made from vegetable oils, sugars, animal fats and even waste biomass. SAF is mixed with conventional jet fuel and used with existing aircraft engines without equipment modification.

We have collaborated with industry partners to address three levels of SAF acceptance and availability:

- **Safety**, which has been documented and proven; the fuel must be third-party-certified under accepted international standards.
- **Environmental benefits**, established by life cycle analysis, which has shown SAF can reduce carbon emissions by up to 80%.
- **Commercial viability**, which unfortunately, remains a significant challenge for the industry; except for select markets such as the U.S. West Coast and parts of Europe, SAF is largely unavailable and cost prohibitive.

To help drive SAF adoption, in November 2017, Atlas joined eight other aviation industry leaders in the "Fly Green Day" demonstration project at Chicago's O'Hare Airport. Atlas was among the airlines flying out of O'Hare that day using fuel that was a mixture of traditional jet fuel and alcohol-based biofuel. In December 2020, Atlas completed a transoceanic SAF test flight from Spain's Zaragoza Airport to Mexico City International Airport. Believed to be the first transoceanic commercial cargo flight in Spain to use SAF, the transport carried a shipment of goods from an Atlas customer and included a blend of SAF and Jet A-1 fuel. Read more in the feature story on page 25.

FuelWise: Innovating and Improving Fuel Efficiency

For years, Atlas has been at the forefront of the aviation industry for its innovative approach to fuel efficiency. FuelWise isn't a system or software you can access – it is ingrained in our DNA.

Atlas has collaborated with OpenAirlines, using the software company's SkyBreathe system to access information from multiple sources – quick access recorders [QAR], flight plans, loadsheets, Aircraft Communications Addressing and Reporting System [ACARS] data, weather, navigation databases and more – to analyze fuel usage and suggest efficiency improvements.

Once rolled out to all Atlas pilots, the integrated system will allow crewmembers to view their own fuel data via a mobile device application. Pilots will be able to use the data to help us improve our policies, procedures and the overall airline system. In addition, air traffic control groups throughout the world use SkyBreathe to aggregate anonymous airline data and help make more efficient airspace design decisions. [Learn more](#) about the partnership with OpenAirlines.

In addition, we have created a web-based repository of FuelWise data to better track initiatives and their effectiveness. We are investing in innovations, such

as machine learning, to harness the power of technology to ensure we remain on the cutting edge. Initiatives currently under development include:

- Electronic flight plans and electronic logbooks to reduce paper use.
- Advanced aircraft performance monitoring to identify potential flight control surface rigging issues.
- Flight trajectory monitoring to map our flights and identify where air traffic control shortcuts are most common in our route structure.

Emissions Disclosures

We believe in being transparent with our stakeholders, and as such, we report our carbon emissions by participating in the following disclosures:

- **European Union Emissions Trading Scheme (EU-ETS):** Atlas Air, Polar Air Cargo and Southern Air have participated in EU-ETS for the aviation sector since its inception in 2010.
- **Carbon Offsetting and Reduction Scheme for International Aviation (CORSA):** Atlas Air, Polar Air Cargo and Southern Air participate in CORSIA, which was developed by the United Nations International Civil Aviation Organization [ICAO] and includes a baseline and three-phase implementation. We participated in the baseline period in 2019 and 2020.

Aircraft Noise



Minimizing the impact of aircraft noise has been a long-standing priority for Atlas Air Worldwide. Similar to how we work to reduce aircraft emissions, we address potential aircraft noise reductions through a combination of advancements in technology and ongoing refinements in our operations.

Our Approach to Noise Reduction

Atlas subscribes to the International Civil Aviation Organization (ICAO)'s Balanced Approach for addressing aircraft noise. This approach assumes each situation is unique and there is no one-size-fits-all solution. It identifies four strategies for addressing this issue:

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

The Balanced Approach was codified by ICAO in 2001, and aircraft noise standards have been updated several times since, most recently in 2018. The U.S. Department of Transportation (DOT) and U.S. Federal Aviation Administration (FAA) have authority to monitor and regulate aircraft engine noise. We believe all aircraft in our fleet materially comply with current DOT, FAA and international noise standards.

In addition, ongoing investment in new aircraft, most notably Boeing 747-8F and Boeing 777 planes, is one of the most significant ways for Atlas to continue to reduce aircraft noise. We currently have 10 747-8Fs and 14 Boeing 777Fs. Both models have advanced engines that are approximately 30% less noisy than engines in the previous generation of aircraft. As previously reported, we ordered four new Boeing 747-8F freighters in January 2021. The 747-8F meets or exceeds the strictest ICAO emissions standards and meets global noise regulations.

From an operations standpoint, we complete more frequent engine washes and other ongoing, routine maintenance to help reduce in-flight, takeoff and landing aircraft noise. We have voluntarily adjusted flight schedules to address potential concerns from community leaders in densely populated residential areas. We believe operating restrictions, which can negatively impact the airline industry, customers and local economies, are a last resort – other means should be sufficient to effectively address any noise concerns.

Resource Consumption



Atlas Air Worldwide is proactive on multiple fronts to minimize our facilities' environmental footprint and reduce natural resource consumption. This includes meeting and exceeding the requirements of air quality, water and waste standards, recycling and managing our energy usage.

Committing to Protecting Our Natural Resources

We provide environmental compliance support, program management guidance, and safety and operational auditing oversight to our facilities, including a highly detailed program for onboarding new sites and facilities. We are subject to a variety of regulations administered by numerous local, state, federal and foreign agencies.

Throughout our global operating network spanning over 300 destinations in more than 70 countries, implementation of our environmental programs is managed locally. 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 have an operations hub and training center in Miami, Florida, and logistics centers around the world.

Local Actions Make a Difference

Our facilities are involved in a variety of innovative, impactful initiatives, including the following:

- **Recycling and waste separation programs** at our major facilities.
- Select stations coordinate the **cleaning of crew blankets for donation** to homeless shelters or pet rescue organizations.
- **Our Purchase, New York, corporate headquarters building**, which we lease and share with another tenant, is LEED certified (Gold), hosts a large solar field on site and utilizes a large ice farm to support the majority of the cooling required for air-conditioning.
- **Energy use reduction systems** such as LED lighting and high-efficiency HVAC systems are in use in all new facilities, including our operations center in Northern Kentucky where we host electric vehicle charging stations for visitors and staff.
- **We continue to maximize sustainable options** for shoring and dunnage supplies such as lumber used during cargo buildup.

Partnering with Customers and Suppliers to Create a More Sustainable Future

In December 2020, Atlas completed a transoceanic sustainable aviation fuel (SAF) test flight from Spain's Zaragoza Airport to Mexico City International Airport. Believed to be the first transoceanic commercial cargo flight in Spain to use SAF, the transport carried a shipment of goods from an Atlas customer and included a blend of SAF and Jet A-1 fuel.

The flight was powered by a blend of fuel containing SAF sourced from fresh vegetable oil. The Boeing 747-400F left from Zaragoza and arrived in Mexico City. Using life cycle analysis, SAF has been shown to reduce carbon emissions by up to 80%.

"Innovative sustainable aviation fuel test projects demonstrate our ability to partner with our customers and suppliers to help create a more sustainable future for the air cargo industry and global commerce," said John W. Dietrich, President and Chief Executive Officer of Atlas Air Worldwide. "Through ongoing meaningful partnerships, we will drive wider acceptance and availability of SAF, which will lower costs and have a positive impact on our industry and the environment."

The final blend was certified according to DEF STAN 91-091, with the SAF component certified for sustainability in accordance with International Sustainability & Carbon Certification (ISCC) guidelines.



Career, Culture & Equity for Our People



There is no greater asset than our people. We have built a culture that embraces both openness and collaboration by striving to ensure safety, professional development and equity for all employees. Elevating the employee experience increases opportunities for individual professional growth and will help fuel our company's growth.

IN THIS SECTION:

- Employee Experience
- Safety & Security
- Labor Relations

Employee Experience



We depend on the dedication of our talented team members, who are committed to providing best-in-class service and reliability for our customers. We seek to attract, develop and nurture individuals who thrive in our fast-paced, dynamic business and service-oriented culture. Our employees understand the critical role of teamwork, and demonstrate it through respect, professionalism and inclusive collaboration.

Talent Acquisition and Retention

Our approach to talent acquisition, retention and development starts with our employee value proposition: *We are extraordinary people doing extraordinary things.* We work to provide ongoing, challenging opportunities in a high-growth environment where employees can chart their own career path. The expansion of e-commerce, global supply chains and distribution channels provides endless opportunities for our people to solve important, unique challenges.

In March 2020, we launched our **Elevate Atlas** initiative, which is led by a cross-functional team focused on elevating our employees' quality of work life to drive company performance. At the heart of Elevate Atlas is a data-driven understanding of the perceived opportunities and challenges throughout our employees' journey.

Elevate Atlas seeks to support talent acquisition, retention and development of our teams. Our work is focused on:

- **Employee motivation and cooperation:** Understanding what motivates employees, identifying opportunities to improve processes and systems, providing day-to-day work amenities, creating two-way dialogue, and measuring what matters to employees are priorities for our Elevate work streams.
- **Customer performance:** Service Excellence is a core value at Atlas. In order for us to deliver on our mission, we are focused on ensuring our employees are well-positioned to deliver for our customers and their unique and ever-changing requirements.

- **Financial impact:** Elevating our employee experience supports our sustainable growth plan and goals to operate more efficiently and effectively. By leveraging innovation, continuous improvement and eliminating waste in work processes, every individual and team are empowered to make a difference in fueling our future growth.

Progress in 2020 included:

- Launched a **Spotlight Video Series** to increase understanding and teamwork.
- Optimized the **Flight Crew Report** process, which improved communication across teams.
- **Launched onboarding surveys** to check in with new hires on a regular basis, with a focus on employee listening and understanding what is working and fresh ideas on how Atlas can be better.
- Established a **peer-to-peer recognition program**, in which colleagues can recognize each other for extraordinary efforts.
- Increased usage and usefulness of our **crewmembers' personal communications devices**, adding Android Enterprise and executing crewmember feedback on apps and features.
- **Improved amenities**, including enhanced flight deck catering and more functional kitchen facilities in hotels located near our Miami training center.
- Increased resources focused on **operations communications** and the launch of Microsoft Teams as a tool for **virtual collaboration**.

Learning and Development

Learning and development is a key tenet in how we invest in our people, focusing on both the acquisition of knowledge and skills needed for our industry combined with the development and career aspirations of our people. Our approach combines programming, curriculum, an online platform to track skill development and performance, along with tools for employees and managers to facilitate conversations about skill assessment and long-term career goals. In 2020, we focused on areas that presented the greatest opportunities to introduce, support and manage skill development over time: onboarding and orientation, culture and values, performance management and professional development.

Professional Development: Atlas has long embraced a talent development mindset and continues to offer learning opportunities to enhance manager and employee capabilities. We implemented the Atlas Global Learning Academy, which provides access to live and virtual courses. The new professional development and skills training learning system is available to employees 24/7 anywhere in the world. Employees can grow their current skill set, while also learning new skills to assist with career growth. Atlas Global Learning Academy includes 400+ on-demand courses that are organized by more than 30 learning catalogues and multiple curated learning paths on targeted subjects based on individual needs. It also includes customized Atlas eLearning Courses [i.e., onboarding and performance management].

Management Development: Developing people leaders is crucial to supporting the ongoing needs of our employees and our business. In 2020, we implemented “The 6 Critical Practices for Leading a Team” course for managers across the organization. The virtual, interactive program challenges participants to think and act as leaders to achieve results with and from others by: building and enhancing engagement and inclusion in their teams, setting clear goals, building on our culture of feedback, leading effectively through change and managing their time and energy.

Diversity, Equity & Inclusion

We continue to foster a culture of diversity, equity and inclusion (DEI) that is fundamental to attracting, retaining and developing talent. We value the individual differences of our workforce, and ensure that our decision-making and strategic direction are informed by their unique perspectives.

ATLAS' DIVERSITY, EQUITY & INCLUSION PHILOSOPHY

We are guided by our philosophy on DEI and are committed to our stakeholders, society and the world in which we live. Our philosophy enables us to:

- 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 shareholders.

Our philosophy ensures we are focused on the priorities of our constituents, and our DEI pillars serve as the building blocks of our commitments. The pillars are: Accountability & Achievement, Communication, Employee Empowerment, External Advocacy, and Learning & Development.



The public events of racial injustice in 2020 shocked and saddened us all and strengthened our resolve to contribute to the acceleration of social change. In June 2020, we formed a cross-functional team of senior leaders to initiate a strategic DEI plan for the organization and inspire our employees to be part of this journey. We expedited several initiatives, such as:

- **Launched two DEI Councils:** Our DEI Councils focus on defining the blueprint of DEI at Atlas and connecting our people to the senior leadership team to take action on key DEI initiatives.
 - » **Employee Council:** The Employee Council is representative of all functions and levels across our global businesses, including eight pilots and 14 ground employees.

- » **Executive Council:** The Executive Council is comprised of 15 members with the purpose of communicating and demonstrating the DEI strategy and blueprint, as well as creating a productive and positive environment for the Employee Council to share ideas and launch initiatives.

- **CEO Action Pledge:** John Dietrich, President & CEO, signed the CEO Action for Diversity and Inclusion™ pledge in September 2020, joining nearly 2,000 leaders across 85 industries committed to advancing diversity and inclusion in the workplace.

Progress in 2020 included:

- **DEI Roadmap:** Introduced a three-year DEI roadmap, which outlines our commitment to building a culture of inclusion at Atlas.
- **Learning & Development:** Identified trusted partners to develop and lead DEI workshops, learning opportunities and programs across all levels, which are launching in 2021.
- **Mentoring:** Engaged the 30% Club's cross-company mentoring program to strengthen the pipeline of women going into senior leadership and volunteer board roles and provide formal mentoring for high-potential women in the organization.
- **Women's Network:** Celebrated the Women's Network's second anniversary. Membership grew throughout 2020 driven by the extraordinary efforts of the Women's Network to stay active and connected in a virtual environment.
- **Celebrating Our Heritage & History of Aviation:** Featured colleagues at Atlas and their stories in celebration of heritage days. We also established Juneteenth as one of our official paid holidays.

- **Recognizing Diversity in Our Recruitment**

Efforts: Increased our talent searches with military and veteran organizations to attract diverse candidates. We regularly attend Women in Aviation and Organization for Black Aerospace Professionals events.

Compensation and Benefits

We seek to offer our employees highly competitive compensation and benefit packages to attract, motivate and retain them for the long term. We offer comprehensive healthcare coverage to all regular, full-time employees and their eligible dependents, including same-sex spouses. Visit our [Careers page](#) for more information on the benefits we offer.

Safety & Security



Atlas Air Worldwide’s core value of Safety is paramount in everything we do. Safety, security and compliance are priorities across all our operations. We are committed to providing a safe, healthy and secure workplace for our nearly 4,100 employees worldwide while safely operating more than 68,000 flights annually to airports in countries around the world.

Safety Management System

We set high standards for safety and regulatory compliance, as outlined in our Corporate Safety Policy Statement. We believe that safety and regulatory compliance can be achieved through safety management, with the implementation and continuous improvement of our formal Safety Management System [SMS].

We were among the aviation industry leaders that participated in the SMS Pilot Project in early 2010, prior to these standards being required by the U.S. Federal Aviation Administration [FAA]. We believe a formal SMS is critical for minimizing risks and maximizing opportunities to continually improve the overall safety of our global operations. As of January 2018, the FAA has accepted our fully implemented SMS, which incorporates four components: Safety Policy, Safety Risk Management, Safety Assurance and Safety Promotion.

Atlas’ confidential, non-punitive, proactive hazard and comprehensive reporting process encourages employees to report workplace safety issues or noncompliant conditions including hazards, accidents, incidents or injuries. Our defined proactive safety programs, combined with an effective safety communications program, inform and support our employees, who play a key role in the process of 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.

- **The Safety, Regulatory & Compliance Team** is comprised of over 90 employees worldwide who maintain our SMS. This team is responsible for safety training, monitoring and reporting as well as promoting a culture of safety throughout Atlas.
- We continue to **build and enhance our partnerships with customers and contractors** on safety matters. This includes working with our contractors to help them establish and expand their own SMS.

Our Vice President of Security serves as a member of the Transportation Security Administration [TSA] Aviation Security Advisory Committee, which provides counsel to the TSA on aviation security matters, including the development, refinement and implementation of policies, programs and security directives.

OUR CULTURE OF SAFETY

Atlas maintains an industry-best-practice safety program that meets or exceeds all FAA, International Civil Aviation Organization [ICAO] and International Air Transport Association [IATA] standards. The company was among the aviation industry leaders participating in pilot Safety Management System [SMS] programs before they were required. Our SMS supports our culture of safety through four tenets:

- Safety Policy
- Safety Assurance
- Safety Risk Management
- Safety Promotion

Safety Training

Ongoing training for our more than 2,400 pilots and 1,600 ground staff is at the heart of our ability to maintain safe operations and engage our employees. Our training facilities are widely recognized as some of the best in the aviation industry. In addition to providing all required flight crew training, Atlas trains crewmembers and ground employees on SMS. Our training facilities are located at our primary operational hubs – with our largest facility located in Miami, where all our pilots 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, the Miami facility 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 Performance

Atlas is committed to maintaining an industry-best-practice program for full compliance with our regulatory obligations. Our program meets all requirements of FAA, ICAO and 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 since the inception of the program. For DOD biennial inspections, Atlas audits were noted as commendable.

We track and report safety performance for Atlas overall, as well as for our Flight Operations, Ground Operations and Technical Operations. Our safety metrics include incidents, injuries and regulatory compliance, and we establish internal annual control limits for each measure. We strive to outperform industry averages and beat our internal control limits. In 2020, we had zero work-related fatalities.

ATLAS AIR WORLDWIDE’S SAFETY MANAGEMENT SYSTEM

Our SMS promotes a positive and Just 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 System (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 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, including the rights of our employees to exercise freedom of association and collective bargaining. In employees' exercise of these rights, we encourage the free exchange of ideas, opinions and information, provided there is no interference.

As of December 31, 2020, we had nearly 4,100 employees, approximately 2,400 of whom were pilots. Pilots of Atlas Air and Southern Air, and flight dispatchers of Atlas Air and Polar, are represented by the International Brotherhood of Teamsters (IBT). These employees represented approximately 61.3% of our workforce as of December 31, 2020.

As part of our commitment to a rewarding employee experience and labor relations, Atlas is focused on ensuring our employees receive fair, competitive compensation and are provided with a safe, secure and engaging work environment. Both Atlas and 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 work on joint committees with the IBT to address key topics on the safety and well-being of our pilots.

Our world-class pilots are critical to our success. We look forward to having a new contract in place that will provide our pilots with a competitive compensation and benefits package, while positioning the company for continued growth.

ENHANCING COMMUNICATION AND COLLABORATION

We value our more than 2,400 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 communications, 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 to celebrate every new class of captains. We welcome the collaboration and teamwork these communications channels foster.

Our COVID-19 Response

At Atlas Air Worldwide, the safety of our passengers, employees, contractors and supplier partners is our top priority. Since the onset of the COVID-19 pandemic, we have employed comprehensive COVID-19 protocols, including adding extensive precautions to our existing safety and sanitization protective measures to deliver on our commitments to safety.

Recognizing that no single mitigation strategy is sufficient, Atlas has adopted a multilayered approach to promoting safe practices and mitigating the spread of COVID-19 in our network, in line with industry practices, government recommendations in countries where we operate, and requirements and information from the U.S. Federal Aviation Administration (FAA), aviation administrations in countries around the world, as well as the U.S. Centers for Disease Control (CDC) and the World Health Organization (WHO).

Following are details on certain protocols utilized by our ground and flight operations staff:

AIRCRAFT PREPARATION AND CLEANING

- High-grade disinfectant and multipurpose cleaners approved by the CDC are utilized to perform a thorough cleaning of the cabin before and after each flight, including frequently touched surfaces such as lavatories, galleys, tray tables, window shades and armrests; headrest covers are replaced for each flight and magazines have been removed from the aircraft.
- A fogging system is used to sanitize the cabin prior to each customer flight. The process takes 6 hours to complete and 1 hour of closed doors before anyone may board the plane.
- The cockpit area is disinfected by maintenance personnel in accordance with Boeing's guidance.

- Atlas maintenance crews replace the cabin recirculation filter in accordance with our FAA-approved maintenance schedule. The filtration system circulates the cabin air up to 30 times an hour, far exceeding hospital standards.

PREFLIGHT SCREENING AND ONGOING PREVENTIVE MEASURES

- All Atlas employees, suppliers and passengers must participate in temperature checks and must be at or below 100.4 degrees Fahrenheit to board the plane.
- Anyone who exhibits symptoms of COVID-19, such as cough, chills, muscle pain, shortness of breath or difficulty breathing, sore throat or recent loss of taste or smell, is not allowed near the aircraft or to participate in operations.
- All Atlas employees, suppliers, flight attendants, crews and passengers are required to wear facemasks during flights.
- Crew must wear face coverings when social distancing cannot be maintained and when it does not interfere with operations.
- Each crewmember and all aircraft are provided with full safety kits.
- We are adjusting routes to limit exposure to regions significantly impacted by the COVID-19 pandemic.



TEMPORARY CHANGES TO THE ONBOARD EXPERIENCE

- Careful consideration has been made to food and beverage service for charter passenger flights, including the elimination of pre-departure service and self-service [buffet-style] offerings.
- Disposable linens and drinkware have been replaced with reusable items.
- In lieu of hot towels, hand sanitizer is distributed to passengers.

Social Impact & Community Engagement



Our commitment of “caring for the world we carry” conveys our dedication to the places where our business takes us. By engaging our workforce and contributing to the global economy, we are delivering on the desire for our communities to thrive.

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 in three areas of critical need:

- Humanitarian relief for crisis recovery
- Support for U.S. service members and their families
- Development of the STEM (science, technology, engineering and math) workforce of tomorrow, within aviation and outside of the industry

Each focus area is supported by corporate philanthropy – through contributions, sponsorships and service 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.

Providing Humanitarian Relief

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 aftermath of a natural disaster or during a public health emergency. In response to crises around the world, our teams have mobilized humanitarian relief efforts to deliver life-saving supplies and disaster recovery items – including drinking water, medical supplies and equipment, living essentials, battery-powered devices and more. Our humanitarian efforts in 2020 primarily focused on contributing to the global COVID-19 response. Efforts included:

- **Partnering with the U.S. Department of State** to bring 200 Americans and 20 pets stranded in Senegal home.
- **Donating cargo lift support** to transport critical supplies on behalf of numerous organizations, including New York University Langone Health, Inditex, Guardians of the Angeles Charitable Foundation and U.S.-based alumni of Peking University.

In addition, we provided humanitarian assistance to Venezuelans dealing with the ongoing socioeconomic and political crises through our continued partnership with Airlink, an organization that connects airlines with vetted nongovernmental organizations (NGOs) to assist communities in need worldwide. President and CEO John Dietrich serves on the Board of Governors for Airlink; Chief Commercial Officer Michael Steen is an ambassador; and Polar Air Cargo Chief Operating Officer Lars Winkelbauer serves on the Board of Trustees.

We also strive to be a catalyst for systemic change in the communities where we operate by supporting local organizations committed to tackling food insecurity, homelessness and other societal issues. Atlas has donated to organizations dedicated to ending childhood hunger in the communities surrounding our operations in Miami, Florida, and Anchorage, Alaska. In addition, in 2020, we held a food drive in support of and made a corporate donation to Feeding Westchester, an organization committed to sourcing and distributing nutritious food and other resources to the Westchester County, New York, community, where our corporate headquarters is located.

- **Arranging charter flights** to multiple U.S. destinations, carrying 130,000 N95 masks, nearly 1.8 million surgical masks and gowns, more than 10.3 million gloves and more than 70,000 thermometers.

Supporting U.S. Military Personnel 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 repeatedly have demonstrated our ability to meet stringent, military-level reliability standards, offer full capacity at peak levels of demand and do it all on short notice to remote locations around the world.

We are extremely proud to train some of the most elite air crews in the U.S. Air Force, including pilots and flight engineers for Air Force One and flight crew members assigned to the E-4B National Airborne Operations Center.

Our support for U.S. service members and their families extends beyond the completion of each mission. 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, the Atlas Air Charity Golf Tournament, one of our signature community programs, supports military charities, including the Wounded Warrior Project, the Semper Fi and America's Fund, and K9s for Warriors.

Developing the Workforce of Tomorrow

Atlas is invested in developing and strengthening the pipeline of diverse, qualified STEM talent needed to ensure the aviation industry remains strong for years to come.

We nurture relationships with a variety of institutions of higher learning, including Vaughn College of Aeronautics and Technology, an aviation college near LaGuardia Airport in New York City ranked #1 in upward mobility nationwide. Through our partnership with Vaughn College, we have hired approximately 50 students, some of whom have advanced to become officers of the company. In addition, 10% of our workforce in our Purchase, New York, headquarters are Vaughn College graduates. Many more graduates work elsewhere across our company, and

Our community engagement efforts are underpinned by our 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.

several of our employees are now teaching at Vaughn College. Countless more Atlas employees have mentored Vaughn College students through our ongoing internship program.

We also have an extensive internship program that reaches across the technical, engineering, operations, 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.

To increase awareness of the varied career opportunities available in the aviation field, Atlas Air and Polar Air Cargo have partnered with DHL to provide funding in support of a workforce development program for Northern Kentucky high school students. As part of the Ignite program, students are hired as interns to work in Atlas and Polar warehouse operations.

Educating Future Generations of Leaders

We believe every child deserves the opportunity to succeed and recognize we can play an impactful role in nurturing tomorrow's business and social leaders. At the local level, our employees volunteer to teach financial literacy, work readiness and entrepreneurship to school-age children and young adults. We sponsor collection drives for supplies and donations to local schools.

Many Atlas employees volunteer through our long-standing partnership with Junior Achievement, with a special focus on helping to inspire and support socioeconomically disadvantaged students.

Global Prosperity



The air cargo industry is a powerful catalyst for spurring broad economic and social progress. As the third-largest mover of air-freight in the world, Atlas Air Worldwide is driven to be a leader in an industry boosting the global flow of goods, people, capital, technology, ideas and social well-being.

Everything we do starts with our team of nearly 4,100 talented employees and our operating network spanning more than 300 destinations in over 70 countries.

In addition to our headquarters in Purchase, New York, our operations centers near the Cincinnati/Northern Kentucky International Airport, at Anchorage International Airport in Alaska, and in Hong Kong lead our efforts to uphold our promise of being a good corporate citizen, in part, by striving to positively impact the communities where we conduct business. Our operations hub and 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.

Doing Our Part to Address the Pandemic

We have a long-standing history of delivering in ways that bring the world together and enhance global prosperity. Since early 2020, Atlas has committed to leveraging our expertise and global impact to help address the global pandemic.

While our pandemic response continues to evolve to meet the moment, our efforts have focused on the distribution of personal protective equipment (PPE), relief missions and the delivery of vaccines. In addition to our ongoing role in the worldwide distribution of vaccines (see sidebar), highlights of our local response efforts include:

- Our headquarters team in Purchase, New York, donated over 5,000 N95 masks and made a corporate donation to White Plains Hospital in support of its COVID-19 relief efforts.
- Polar Air Cargo provided support to Los Angeles-based Guardians of the Angeles Charitable Foundation, which leverages manufacturing connections in Asia to donate high-quality PPE to healthcare workers, first responders,

reporters and couriers on the front lines. In total, 8,100 kilograms of PPE was transported by Polar on three flights from Shanghai Pudong International Airport to Los Angeles International Airport.

- Our teams donated face masks and thermometers to police departments and healthcare facilities in our local communities. Our teams also supported frontline responders in multiple communities through food donations to hospitals.
- Atlas conducted relief missions to deliver essential PPE to Latin America.

In addition, we continued to deliver for our customers to ensure essential personal, health and home goods reached consumers. This was particularly important as the world transitioned to working and learning from home, and increasingly relying on online shopping for essential goods.

DELIVERING HOPE VIA VACCINE DISTRIBUTION

Transporting cargo safely, reliably and efficiently is our business at Atlas. Early in the pandemic, we engaged with our customers and pharmaceutical manufacturers to prepare our operations for the worldwide COVID-19 vaccine distribution. We secured temperature-controlled containers and ensured our handling facilities were properly equipped and all processes conformed to the rigid transportation standards.

In the fourth quarter of 2020, we began to transport vaccines and the supplies needed to administer them. We are proud to support this global humanitarian effort, which has continued into 2021.

Atlas Teams Help Neighbors in Need, Healthcare Workers and Fellow Flight Crews

Giving back to our communities is central to the DNA of Atlas. When our teams at Cincinnati/Northern Kentucky International Airport [CVG] identified unmet pandemic-related needs in their local community, they sprang into action, arranging for the delivery of 2,000 masks to St. Elizabeth Healthcare in Northern Kentucky. Days later, they donated PPE to the flight crews of Aitheras Aviation Group, the aviation partner of the Cleveland Clinic.

Recognizing the pervasive impacts of the pandemic and responding to the urgent request for help from a local food bank, the team coordinated a donation to the Freestore Foodbank, which supports more than 500 community food pantries. A long-time supporter of the organization matched the gift, raising the combined donation to \$20,000. The vital funds helped the organization fulfill its mission to serve the needs of those facing food insecurity, reaching an estimated 270,000 people, including 80,000 children.



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