

////// 2023 SUSTAINABILITY REPORT

# Caring for the World We Carry



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# Message from the Chief Executive Officer

Dear stakeholder,

At Atlas Air Worldwide, we are dedicated to safely transporting people and essential goods, facilitating international trade and enabling prosperity around the world. This is an incredible long-term value creation opportunity and one we are determined to capture through innovation, agility and staying close to the developing needs of our customers.

Our mission is to power our customers' global supply chains – and this includes supporting our customers with their decarbonization efforts. Many of the customers we serve have set ambitious climate targets, and they have begun to develop innovative products and services for the low carbon economy. As a key supply chain partner, we hold ourselves to a higher standard in supporting these decarbonization efforts – and it is a challenge we are determined to meet.

We are pleased to share our 2023 Sustainability Report, which provides an overview of our sustainability strategy and targets, as well as the programs we have put in place to achieve our objectives. As you will read, we have begun to make solid progress across our strategic pillars: *Preserve Our Planet*, *Care for Our People*, *Maximize Social Impact* and *Grow Responsibly*.

Under our *Preserve Our Planet* pillar, we have stated our support for the International Air Transport Association (IATA) goal of achieving net zero carbon emissions in aviation by 2050, and, to guide our efforts, we have set an interim target of reducing our own (Scope 1) emissions by 20% by 2035. In 2023, we also developed a comprehensive, cross-company action plan to meet our 2035 target. For example, we are piloting innovative coatings to reduce drag and fuel consumption on our planes, as well as launching initiatives to optimize flight planning to avoid carrying excessive fuel and to scale up the use of sustainable

aviation fuels (SAF). Over time, we believe our decarbonization plan will not only help us reduce our own emissions but also help our customers to reduce their carbon footprint.

Our sustainability strategy includes *Care for Our People*, who make what we do possible. In this context, no issue is more important than our efforts to maintain the highest levels of safety across our operations. In 2023, we invested in virtual reality technologies to transform pilot safety training and made a number of enhancements to our safety reporting procedures. As a result of initiatives like these, combined with a consistent focus on employee safety across the world, the total number of injuries across our operations decreased for the third consecutive year.



## MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

In addition to our focus on safety, we are enhancing our overall employee experience. Key here is our ELEVATE program, which supports the ongoing professional development of our employees, as well as the formation of several new groups to ensure the voices of underrepresented groups are heard clearly across the organization.

Our team shares a collective commitment to *Maximize Social Impact* and support the communities in which we operate. Highlights include our Pathway to Success program, which offers early-career pilots the opportunity to gain experience with 737 aircraft, and the efforts of our Atlas Air Ambassadors to encourage school-aged children to develop STEM skills. As a leading provider of cargo and passenger services for the military, we were also proud to continue providing philanthropic support to several veterans' organizations, including the K9s For Warriors organization, which is the United States' largest provider of service dogs for veterans with post-traumatic stress disorder.

**"The companies leading in sustainability aren't merely doing the right thing; they are creating value by delivering on the very real and developing sustainability needs of all stakeholders. I am confident that Atlas will be among those companies."**

We also made several enhancements to our sustainability governance over the past year [*Grow Responsibly*]. A key step was the appointment of Richard Broekman as our first Head of Sustainability with board-level responsibility, in addition to his existing role as Chief Commercial Officer. This new leadership position signals our heightened focus on sustainability performance and the integral role we believe this will play in creating value for all our stakeholders, particularly our customers.

Sustainability has also been incorporated into our Board committee structure, strengthening oversight on this important subject, and into the remuneration targets of our Executive Leadership Team members. Supported by this new structure, the team will be well positioned to prepare for enhanced regulatory disclosures regarding climate risk and greenhouse gas emissions in the years ahead.

While I am proud of the work being carried out by our team across the world, the task of making our global supply chains more sustainable is not something we can achieve alone. A multi-stakeholder, collaborative effort is required, bringing together employees, customers, business partners, investors, regulators and governments – particularly in complex areas such as SAF production. Progress is being made but, given the scale of the challenges involved, much more needs to be done. We are

committed to remaining at the heart of such conversations, advocating clearly for the implementation of effective long-term policies to create more sustainable supply chains.

The companies leading in sustainability aren't merely doing the right thing; they are creating value by delivering on the very real and developing sustainability needs of all stakeholders. I am confident that Atlas will be among those companies, charting a course towards a more sustainable future for our industry and sustainably powering supply chains for the next 30 years.



**Michael Steen**

Chief Executive Officer



## Message from the Chief Commercial Officer & Head of Sustainability

Dear stakeholder,

In a dynamic and fast changing world, we are passionate about developing innovative solutions that meet the demand from our customers for sustainable supply chain solutions. I am incredibly proud to lead our sustainability agenda, working with dedicated colleagues across the Company to develop products and services that enhance the sustainability of our operations and those of our customers. For us, sustainability is both a moral necessity and a business imperative.

Working in partnership with our customers, we hit some positive milestones over the past year – from defining a Company-wide decarbonization plan to earning the Aviation Week Laureate Award for our work in establishing the Sustainable Engine Alliance, together with partners Kuehne+Nagel and SR

Technics. I'm also proud of the partnership we have developed with our customer Inditex and fuel provider Repsol. Together, our innovative collaboration is ensuring that all Inditex flights operated by Atlas Air and departing from the Zaragoza hub in Spain are at least partially powered by sustainable aviation fuel [SAF].

While there is a need for greater production, SAF is the most practical tool available to decarbonize the aviation sector – and the faster we scale up these kinds of commercial partnerships together, the greater we can lower emissions from both our own operations and those of our customers.

With the groundwork now well laid, we intend 2024 to be a year of acceleration in terms of our sustainability agenda. A major focus will be on developing innovative products and solutions to help our customers reduce their carbon footprint, which includes offering SAF as an option. Initiatives will also be launched to reduce emissions by optimizing aspects of our ground operations, such as scaling up the use of electric or hybrid vehicles and reducing auxiliary power unit [APU] usage.

Collaboration will be key to realizing the benefits of a sustainable supply chain in aviation. Notably, a true multi-stakeholder effort will be required to scale up SAF production. While some governments have begun to stimulate SAF production through investment incentives, such measures currently cover only 5% of the SAF market. Given the potentially game-changing nature of SAF, these programs will need to increase dramatically if the industry is to achieve the scale required. At Atlas, we are playing our part to

ensure this is given the required focus by actively participating in global bodies such as IATA, as well as local initiatives such as the Kentucky Sustainable Aviation Fuel Coalition, but much more needs to be done.

As we move full speed ahead with the implementation of our sustainability strategy, we are committed to responding to the needs of our customers and broader stakeholder community. In that spirit, if you have any comments on our sustainability strategy or would like to talk about how we can help meet your climate goals, please don't hesitate to reach out. By working together, we can have a greater impact, accelerating the transition to sustainable supply chains worldwide.



**Richard Broekman**  
Chief Commercial Officer & Head of Sustainability

# /// About Atlas Air Worldwide

Atlas Air Worldwide is a leader in outsourced aviation logistics.

As the parent company of Atlas Air, Inc., and Titan Aviation Holdings, Inc., and the majority shareholder of Polar Air Cargo Worldwide, Inc., we are proud to lead the industry. Operating the world’s largest fleet of 747 freighter aircraft, our companies offer customers an extensive range of Boeing 747, 777, 767 and 737 aircraft for a wide variety of domestic, regional and international cargo and passenger operations. Our commitment to safety, excellence and innovation sets us apart, ensuring that we consistently deliver exceptional service and solutions to meet our customers’ needs.



## Living Our Values in Service of Our Mission

At Atlas Air Worldwide our mission is to power our customers’ global supply chains.

### Our Values

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.



ABOUT ATLAS AIR WORLDWIDE

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 e-Commerce, express, airline, freight forwarder, shipper and charter customers by providing them with the tools and solutions they need to enhance fleet flexibility, optimize network efficiency and expand their global presence. With our support, they can seize market-growth opportunities swiftly and effectively, driving sustained success in an ever-evolving industry.

As part of our commitment to delivering value to our customers, Atlas continues to invest in modern, fuel-efficient aircraft to serve long-term airfreight demand growth. In recent years, our fleet expansion includes the integration of four new 747-8 and four new 777 aircraft. The 777 aircraft – the highest payload and longest-range twin-engine freighter – delivers high reliability with less fuel use, a reduction of emissions and a smaller noise footprint. With its advanced design and engines, the 747-8F offers a 16% improvement in fuel use and CO<sub>2</sub> emissions per tonne and a 30% smaller noise footprint compared to the previous generation of aircraft. Read more about our Fleet Modernization in [Reducing Emissions from Aviation](#).

SERVICE OFFERING	DETAILS
ACMI [Aircraft, Crew, Maintenance and Insurance]	Provides customers with a 747-8F, 747-400F or 777- 200LRF crewed, maintained and insured by Atlas.
CMI [Crew, Maintenance and Insurance]	Provides crews, maintenance and insurance for 747, 777, 767 and 737 freighter aircraft supplied by our customers [which they may lease from us].
Charter	Provides customers with air cargo and passenger services on our modern 747 freighter fleet and reliable 747 and 767 passenger service, respectively.
Dry Leasing	Provides customers access to aircraft, such as our 777 and 767 freighters, and engines through lease rather than purchase [via our Titan Aviation business].
Additional Services	Provides customers 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

ATLAS BY THE NUMBERS\*

 ~5,000 employees

 ~63,000 flights, serving more than  
300 destinations in 70 countries

Total Fleet: 112      58 Boeing 747s  
Operating Fleet: 105      30 Boeing 767s  
Dry Lease: 7      16 Boeing 777s  
8 Boeing 737s

\*As of December 31, 2023

Our Sustainable Growth Plan

Our sustainability 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 stakeholders.
- **Elevate Our Team** by investing in our people and focusing on work-life quality, while also leveraging inclusion as an innovation driver.
- **Boost Our Corporate Performance** by capitalizing on our competitive advantages and increasing operating efficiency.
- **Advance Our Corporate Citizenship** through protecting our planet, contributing to social impact and demonstrating industry-leading governance.





# Our Sustainability Strategy

Atlas Air Worldwide has been connecting people, communities and economies for more than 30 years.

Our sustainability strategy aims to support decades more of profitable, sustainable growth by driving environmental and social responsibility, supported by responsible corporate governance. We aspire to play an important role in the decarbonization of the aviation industry while driving progress across sustainability issues that are material for our business. Collaborating closely with our customers and communities, we are pioneering innovative solutions that pave the way for a sustainable future in aviation.

## Our Strategic Pillars

As part of our sustainability strategy, we have identified four strategic pillars, each with its own related initiatives, metrics and goals.



### Preserve Our Planet

We are committed to reducing our environmental impact and supporting our customers with their own climate strategies. We place a strategic focus on scaling up SAF usage, fuel efficiencies, equipment improvements, operational best practices and fuel savings. We also implement best practices and protocols that empower our teams to preserve our planet.



### Care for Our People

Our employees are the cornerstone of our strength and the driving force behind our success. We prioritize the safety, professional development and equitable treatment of all employees, with a focus on elevating the employee experience.



### Maximize Social Impact

Our commitment to “Caring for the World We Carry” extends to our dedication to the communities where our business operates, uplifting service members and veterans, and to supporting the development of a prosperous future workforce for our industry.



### Grow Responsibly

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 SUSTAINABILITY STRATEGY



Sustainability Pillars, Topics and Initiatives Overview

For each of our strategic pillars, we have identified priority topics that are supported by ongoing initiatives and programs.

PRESERVE OUR PLANET	CARE FOR OUR PEOPLE	MAXIMIZE SOCIAL IMPACT	GROW RESPONSIBLY
PRIORITY TOPICS			
Reducing Emissions from Aviation Reducing Resource Consumption Limiting Aircraft Noise	Employee Experience Safety & Security Labor Relations	Community Impact & Philanthropy Global Prosperity	Corporate Governance Ethics & Integrity Compliance Data Privacy & Cybersecurity Public Policy Advocacy
SIGNATURE INITIATIVES			
<ul style="list-style-type: none"><li>• Cross-functional decarbonization strategy</li><li>• FuelWise initiative</li><li>• Sustainable Engine Alliance</li><li>• Local resource preservation programs</li></ul>	<ul style="list-style-type: none"><li>• ELEVATE Atlas initiative</li><li>• LIFT employee development program</li><li>• Pathway to Success programs</li><li>• DEI Employee Council</li><li>• Employee Resource Groups</li></ul>	<ul style="list-style-type: none"><li>• Atlas Air Charity Golf Tournament</li><li>• K9s For Warriors service dog sponsorship</li><li>• Atlas Air Ambassadors program</li><li>• Humanitarian relief</li><li>• Small and diverse supplier program</li></ul>	<ul style="list-style-type: none"><li>• Leadership and best practice sharing to advance cybersecurity in aviation</li><li>• Policy advocacy for sustainability, workforce development and global trade</li></ul>
ALIGNMENT WITH UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS			
<div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13 CLIMATE ACTION</div></div>	<div><div>4 QUALITY EDUCATION</div><div>5 GENDER EQUALITY</div><div>10 REDUCED INEQUALITIES</div></div>	<div><div>4 QUALITY EDUCATION</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div></div>	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13 CLIMATE ACTION</div></div>



OUR SUSTAINABILITY STRATEGY

Stakeholder Engagement

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 TOPICS OF INTEREST <i>[alphabetical order]</i>
Investors	Quarterly meetings; phone and email inquiries; and corporate website	Corporate governance; diversity, equity & inclusion; ethics & integrity; environmental strategy and performance; financial performance; labor relations; and safety & security
Customers	Regular business reviews; regional business alliances; corporate website; and social media	Environmental strategy and performance; ethics & integrity; fuel efficiency; noise reduction; and supplier diversity
Employees	Regular town hall and roundtable meetings; leadership meetings; weekly business review meetings with Company Officers; departmental meetings; biennial employee experience survey; corporate intranet; InsideAtlas internal newsfeed; social media; and special events	Community impact & philanthropy; diversity, equity & inclusion; employee experience; environmental strategy and performance; ethics & integrity; financial performance; and global prosperity
Communities	Regular outreach; volunteer board and civic engagement; corporate website; social media; and volunteerism	Community impact & philanthropy; diversity, equity & inclusion; environmental strategy and performance; ethics & integrity; and global prosperity





# Preserve Our Planet

Atlas Air Worldwide is committed to reducing our environmental impact and supporting our customers with their own climate strategies. We place a strategic focus on scaling up sustainable aviation fuel (SAF) usage, fuel efficiencies, equipment improvements, operational best practices and fuel savings.

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 SAF.

## 2023 Highlights

- **Enhanced our decarbonization strategy** through a comprehensive cross-functional action plan, with each initiative prioritized by CO<sub>2</sub> impact, return on investment (ROI) and feasibility.
- **Saved nearly 36,000 metric tons CO<sub>2</sub> and more than 3.7 million gallons of fuel** by utilizing and tracking fuel-saving best practices.
- **Announced a partnership with our customer Inditex to incorporate 5% SAF** [produced by Repsol] for all flights departing from Zaragoza Airport in Spain. Atlas is the first cargo airline to use SAF regularly on cargo flights in Spain.
- **Launched the Sustainable Engine Alliance** with key partners Kuehne+Nagel and SR Technics Group, which earned a Laureate Award from Aviation Week Network Magazine.
- **Implemented a Lean Management 5S program** at our Cincinnati/Northern Kentucky facility, our largest warehouse and fulfillment center, to enhance workflow efficiency, reduce errors and minimize waste.



### IN THIS SECTION

Reducing Emissions from Aviation  
Reducing Resource Consumption  
Limiting Aircraft Noise



# Reducing Emissions from Aviation

We operate in a global marketplace that has an increased focus on climate change, and as such, we have a deep commitment to promote a cleaner environment. We are continuously striving to lower our aircraft emissions and improve our fuel efficiency, as well as work closely with our customers to support their decarbonization strategies.

## Mitigating Our Impact on Climate Change

We strive to play an important role in the decarbonization of the aviation industry while also being a trusted partner in delivering on our customers’ climate goals. To guide our efforts, we have set an interim target to reduce our own (Scope 1) emissions by 20% by 2035, compared with a 2021 baseline. In addition, we have stated our support for the International Air Transport Association (IATA) and Airlines for America (A4A) goal of achieving net zero carbon emissions in aviation by 2050, which aligns with the Paris Agreement goal to keep global warming under 1.5°C.

To meet our 2035 target, in 2023, we developed a comprehensive, cross-functional decarbonization plan, outlining the most impactful areas where we can decrease emissions. The plan focuses on scaling up SAF use, delivering operational efficiencies and fuel-savings best practices and investing in new aircraft. For each focus area, the team mapped out a number of key initiatives, each of which has been prioritized by CO<sub>2</sub> impact, return on investment (ROI) and feasibility.

Our phased approach is supported by a wide range of teams across Atlas, all doing their part to reduce our emissions and helping our customers do the same. Moreover, the Company is focused on integrating sustainability into daily actions, decision-making and key performance indicators (KPIs) across its business. Atlas’ Head of Sustainability, who leads the development of the Company’s decarbonization strategy, regularly collaborates across a variety of corporate functions to align on crucial initiatives and closely monitor progress.

### Our Decarbonization Strategy

#### SAF PROCUREMENT AND USE

Atlas’ Fuel Procurement team is actively engaged in ongoing discussions with fuel providers and other fuel partners around SAF.

#### OPERATIONAL EFFICIENCIES AND FUEL-SAVINGS BEST PRACTICES

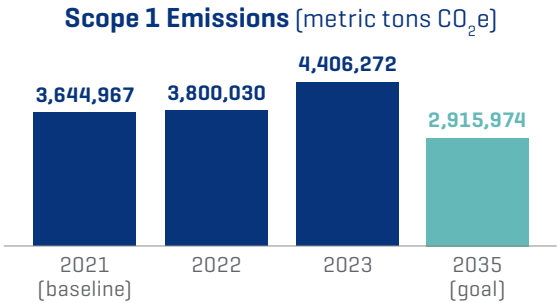
Atlas’ Operations team leverages data, operational best practices and engagement with our pilots to drive efficiencies and fuel-savings benefits. We prioritize four key levers: dynamic routing, sharkskin technology, reduced alternative power unit (APU) usage and reduced zero fuel weight errors.

#### FLEET MODERNIZATION

Investments in aircraft enable Atlas to introduce more technologically advanced and environmentally responsible aircraft into our fleet.

## UPDATE ON OUR SCOPE 1 EMISSIONS REDUCTION GOAL

We remain committed to reducing our Scope 1 emissions by 20% by 2035, compared with a 2021 baseline, and we have outlined a clear strategy to achieve this absolute reduction over the long term. In the near term, however, we have experienced a year-over-year increase in our Scope 1 emissions due to our recent fleet expansion [see page 15] and an increase in block hours compared with previous years. While we continue to grow as a company, we expect to see these emissions decrease as we further operationalize our decarbonization strategy across our teams.



In partnership with our sustainability consulting firm Roland Berger, in 2023, we continued to refine our methodology based on our business model, operations and best practices. As a result, we have recalculated our 2021 and 2022 emissions to align with our current methodology. Our Scope 1 emissions includes fuel burn from charter, Air Mobility Command, ferry and ACMI for shipper customers with whom Atlas holds operational control. Polar and Titan are not included in the Company’s Scope 1 emissions.



## REDUCING EMISSIONS FROM AVIATION

### SAF Procurement and Use

A significant lever for decarbonization of the industry is SAF, which 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. We also recognize there is a lot of progress to be made among governments and energy companies to address the availability, adoption and price competitiveness of SAF. According to IATA, in 2023, SAF production was equivalent to about 0.2% of global jet fuel consumption.



Atlas is committed to advancing these efforts. Our dedicated Fuel Procurement team is actively engaged in discussions to develop contracts with fuel providers and other fuel partners to support our customers' growing interest in the use of SAF. In 2023, we [announced a partnership](#) with our customer Inditex to incorporate 5% SAF (produced by Repsol) for all flights departing from Zaragoza Airport in Spain. Atlas is the first cargo airline to use SAF regularly on cargo flights in Spain.

Atlas also uses Skymetrix (formerly FuelPlus) software to track global fuel purchases and enhance SAF purchasing options for 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 emissions associated with its shipment 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.

### ADVANCING THE SAF AGENDA THROUGH COLLABORATION

Atlas' Government Affairs and Public Policy team works in partnership with organizations across the aviation sector to advocate for policies that aim to increase the production of SAF.

Currently, Atlas partners with the following coalitions and organizations to streamline the SAF procurement and policy process:

- Airlines for America (A4A)
- International Air Transport Association (IATA)
- Kentucky Sustainable Aviation Fuel Coalition
- Latin American and Caribbean Air Transport Association (ALTA)
- Sustainable Aviation Fuel Coalition

Through the collaboration of 40 aviation companies and organizations, the Sustainable Aviation Fuel Coalition is focused on rapidly scaling investment in SAF and advocating for incentives and policies that promote economic competitiveness. Leveraging the entirety of the SAF value chain, the Coalition aims to accelerate the development and deployment of SAF in the U.S., thus creating more jobs, increasing innovation and improving the efficiency and environmental impacts of jet fuel. Read more about our SAF advocacy efforts in [Public Policy Advocacy](#).

REDUCING EMISSIONS FROM AVIATION

Operational Efficiencies and Fuel-Savings Best Practices

Advanced flight planning and tracking is one of the most impactful ways to optimize aircraft fuel efficiency. 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.

For more than a decade, we have leveraged our FuelWise initiative to optimize flight speeds, altitudes, routes, climb, cruise and descent segments. FuelWise allows our team to continuously evaluate flight data to develop best practice and protocols that result in fuel savings, along with other existing and developing best practices that have proven fuel-savings benefits. We also use SkyBreathe fuel efficiency software 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 and weather and navigation databases – to analyze fuel usage and suggest efficiency improvements.

In 2023, we saved nearly 36,000 metric tons CO<sub>2</sub> and more than 3.7 million gallons of fuel by utilizing and tracking fuel-saving best practices.

In 2023, our Flight Operations team assessed the impact of six best practices and the associated fuel savings, which resulted in nearly 36,000 metric tons CO<sub>2</sub> savings. The Company also saved more than 3.7 million gallons of fuel – a 19% increase compared with 2022. This data was leveraged with pilots to demonstrate the impact of fuel-saving best practices and reinforce these behaviors in efficient flight planning. Best practices included reduced pilot extra fuel, reduced zero fuel weight error, reduced acceleration altitude, continuous descent approach, idle reverse thrust and engine-out taxi-in.

Aligned with our decarbonization strategy priority levers, in 2024, the team is focused on implementing dynamic routing practices and continuing to reduce zero fuel weight error to further reduce aircraft emissions. Atlas is also implementing a pilot program to test sharkskin technology that enables aircraft to travel through the air with less resistance, resulting in a fuel burn reduction.

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.

In late 2022, our Flight Operations team introduced the MyFuelCoach app to provide pilots with additional tools to evaluate and optimize fuel use. Training and engagement with pilots rolled out in 2023 and continues to drive further adoption of this valuable tool.

REDESIGNING AIR SPACE TO REDUCE ENVIRONMENTAL IMPACT

For the past several years, Atlas and the U.S Federal Aviation Administration [FAA] have collaborated to develop continuous descent approaches for our flight operations at Cincinnati/ Northern Kentucky [CVG]. Along with other partners, the team redesigned procedures and conducted simulator work to refine the arrival segment. In March 2024, the procedures were implemented for all airlines to use, and initial data demonstrates a fuel savings of approximately 45 gallons per flight.

A continuous descent approach enables an aircraft to maintain a more consistent speed and altitude, reducing fuel consumption as well as the need for thrust adjustments, and in turn, reduces noise pollution. The work completed by the Atlas team will benefit hundreds of airlines, and the type of data collected will help redesign air space throughout the world.

## REDUCING EMISSIONS FROM AVIATION

### Fleet Modernization

We have invested in new and innovative aircraft solutions to drive customer service, operational efficiency and carbon 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.

**As a freighter-centric leasing company, our Titan Aviation business is committed to helping customers reduce their emissions that result from operating Titan aircraft. The team is currently exploring tools that will provide customers with enhanced insight into their emissions data so they can make more data-driven decisions. Titan is also a member of the Aircraft Leasing Ireland (ALI) sustainability subcommittee and the Aviation Circularity Consortium, both of which help further the industry's decarbonization efforts.**

In addition to our four new 747-8Fs, Atlas added four new Boeing 777-200LRs over the past two years, with an additional two Boeing 777-200LRs to be delivered in 2024. These aircraft are the largest and longest-range twin-engine freighters in the world and will help us further improve our flight operations efficiency.

### Emissions Reporting

Atlas is required to report our carbon emissions under various reporting schemes. Specifically, we comply with the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), which was developed by the International Civil Aviation Organization (ICAO) in 2016 to govern the global airline industry. Our engagement began in 2018 with the submission of an emissions monitoring plan. We voluntarily participated in the pilot phase (2021–2023), reporting our carbon emissions data for the corresponding reporting years. Atlas is continuing to participate in CORSIA, 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. We are working with various departments to continually evaluate emerging laws and regulations.



### SUSTAINABLE ENGINE ALLIANCE AIMS TO REDUCE COLLECTIVE ENVIRONMENTAL IMPACT

In 2023, we launched the [Sustainable Engine Alliance](#) with key partners Kuehne+Nagel and SR Technics Group. Through the Alliance, we pledge to manage global engine supply chains more sustainably and set new industry standards for responsible sourcing and aircraft engine transportation. The initiative is expected to reduce engine supply chain related Scope 3 emissions in line with the Science Based Targets Initiative (SBTi) ahead of the 2050 IATA sustainability targets.

As a result of the Alliance, Aviation Week Network Magazine honored the team with a [Laureate award](#) under the Maintenance, Repair, Overhaul (MRO) category. Read more on [Tailwinds](#).



# Reducing Resource Consumption

We are dedicated to minimizing our environmental impact by conscientiously managing natural resource consumption and adopting sustainable practices throughout our supply chain. Our efforts encompass initiatives aimed at promoting clean air and water, waste diversion, recycling and energy efficiency across operational domains. Through these proactive measures, we aspire to contribute to a healthier, more sustainable future for our planet and communities alike.

~14% of our vehicle fleet is made up of hybrid and electric vehicles, with plans for this percentage to increase to approximately 50% by 2030.

## Transitioning to Hybrid and Electric Vehicles

In line with our commitment to environmental sustainability, Atlas has prioritized strategic investments in hybrid and electric fleet vehicles. Spearheaded by our dedicated Ground Operations team, we are actively replacing traditional gas-powered vehicles with hybrid and electric, progressively expanding our fleet's eco-friendly footprint. Additionally, we are transitioning other essential equipment, such as forklifts, to hybrid and electric alternatives wherever feasible. Our expanding fleet of ground vehicles now includes a range of environmentally conscious options, including hybrid SUVs, electric forklifts and electric tugs, reflecting our commitment to sustainable practices across many facets of our operations.

## Environmental Considerations for New Facilities

As we plan for the development and construction of new facilities, we incorporate forward-looking environmental practices related to energy efficiency and occupant well-being.

In 2023, we announced the relocation of our headquarters to the Gateway Building in White Plains, New York, a Leadership in Energy and Environmental Design for Existing Buildings (LEED-EB) certified and WELL designation facility, which serves as an important part of our global network as we support our customers around the world. The building features a 2-Megawatt cogeneration plant and a Building Automation System (BAS), reducing greenhouse gas emissions and promoting energy efficiency. Sustainability initiatives include low-flow water fixtures,

a 100% diversion rate for durable goods and an 86% utilization of LEED-compliant cleaning products. Furthermore, with approximately 32% of building tenants utilizing alternative transportation methods such as public transit, walking or cycling, Atlas and the Gateway Building exemplify a commitment to reducing environmental impact.



## IMPLEMENTATION OF LEAN MANAGEMENT 5S PROGRAM

In 2023, we introduced a Lean Management 5S program at our Cincinnati/Northern Kentucky facility, our largest warehouse and fulfillment center. This systematic approach to workplace organization empowered our team to arrange the entire warehouse, utilizing checklists with detailed tasks, strict control procedures, log sheets, inventory management and barcodes/labels to designate precise locations for every item. This collaborative effort, spanning several months, resulted in enhanced workflow efficiency, reduced errors in item retrieval and minimized waste. Additionally, it cultivated a safer and more conducive work environment for our employees, facilitated regulatory compliance and fostered waste elimination.

Looking ahead, we plan to extend the 5S methodology to all Atlas-managed warehouses, prioritizing those with the highest volume throughput across our global network.

## REDUCING RESOURCE CONSUMPTION

This year we announced our strategic expansion in Florida with the unveiling of plans for an innovative, state-of-the-art crew training facility. Currently in the design and planning phase, we partnered with a leading Women's Business Enterprise National Council (WBENC) and Women-Owned Business (WOB) sustainable building consulting firm to integrate measures for reducing our carbon footprint and enhancing occupant well-being. This includes adherence to standards such as the WELL Building Standard and Green Globes certification. When opened, the new campus will offer pilots, flight attendants and visiting crews top-tier amenities while continuing to provide initial, transition and recurrent flight trainings.

### POLAR TEAM ORGANIZES BEACH CLEANUPS

In 2023, our Polar team members across various regions engaged with local ecosystems through initiatives aimed at cleaning up beaches. At our White Plains, New York, office, employees collected approximately 30 pounds of trash during a cleanup event at Harbor Island Park and enhanced their knowledge of local marine life and ecosystems with a visit to the Marine Education Center situated within the park. In addition, our Taipei team dedicated time to clearing debris near Hsinchu's Nanliao Fishing Harbor. In Hong Kong, employees collaborated with fellow Swire Properties tenants in an underwater cleanup effort, successfully removing nearly 90 pounds of waste from the ocean.



### Local Actions Across Our Footprint

Our localized approach to resource conservation has spurred the development of a diverse range of environmental sustainability programs and strategies across our sites. In 2023, we continued to execute several initiatives aimed at reducing resource consumption, including:

- Compacting garbage at our Cincinnati/Northern Kentucky location to minimize the frequency of dumpster trips from four to one per month, leading to a significant reduction in fuel consumption.
- Shredding cardboard boxes for repurposing instead of using bubble wrap for light parts shipments from our Cincinnati/Northern Kentucky, Houston and Miami facilities, resulting in approximately 10 tons of repurposed cardboard annually.
- Installing energy-efficient LED lighting at our Baltimore/Washington and Houston warehouses, complemented by automatic shutdown systems at our Erlanger location.
- Sustaining ENERGY STAR® certification and utilizing Portfolio Manager® to identify potential energy efficiency enhancements at our Cincinnati/Northern Kentucky operations center.
- Participating in the 2023 Green Performance Pledge with Swire Properties, our landlord in Hong Kong, and receiving its Silver rating for operational environmental performance.

In 2023, we halved the consumption of bubble wrap for shipping lightweight parts from our Cincinnati/Northern Kentucky, Houston and Miami facilities by utilizing our shredding equipment.



# Limiting 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" Air Traffic Control (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 11 Boeing 777s, with two 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 are operating most of our 747-400F aircraft at a 317,500 kg maximum payload limit.

As Atlas has grown, so 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.







Our employees are the cornerstone of our strength and the driving force behind our success. Our teams’ diverse skills and experiences form the bedrock of our competitive edge, and we are dedicated to continuously elevating their journey throughout their tenure with us. Our employees recognize the significance of their work powering the global supply chain, and we prioritize their well-being and potential as they carry out their vital roles. Pride is ingrained in our culture, reflecting the essence of who we are, what we do and how we do it.

As our Company continues to evolve, we are bolstering our resources to further amplify our impact on our employees, the aviation industry and the communities we serve globally.

### 2023 Highlights

- **Ensured active engagement of employees** through many feedback channels, including engagement surveys, feedback loops, CEO Round Table discussions, Company-wide Town Halls and Human Resources Town Square discussions.
- **Achieved tangible progress in our journey towards equity and inclusion** highlighted by a new employee resource group, expanded connection opportunities and talent acquisition programs and pipelines.
- **Increased safety performance and culture** through rigorous training, a steadfast focus on mitigating risks identified on our watch list and unwavering attention to protocols outlined in our Safety Management System [SMS].



#### IN THIS SECTION

Employee Experience

Safety & Security

Labor Relations

# Employee Experience

## Elevating Atlas

We are propelling our organization to new heights through ELEVATE Atlas. This forward-thinking endeavor focuses on optimizing our ways of working, internal systems and processes to drive superior business outcomes while enhancing the quality of the employee experience. In 2023, we continued evolving our employee development and engagement programs to meet the needs of our global workforce. We remain committed to prioritizing targeted initiatives that elevate the service and support we provide to each other at every step of our journey.

Throughout 2023, approximately 30 CEO Round Tables were conducted, engaging employees from various departments and levels across the organization.

## Amping Up Our Employee Listening Strategy

As part of our ongoing ELEVATE initiative, we actively listen to and gather feedback from our employees. Our strategy ensures that employees have multiple channels to share their thoughts and contribute their voices on a range of topics, including:

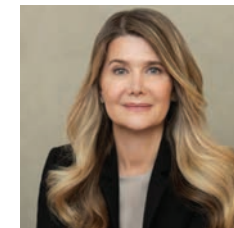
- **Implementation of surveys throughout the employee lifecycle**, including new hire, pulse and exit surveys, to gain valuable insights into evolving needs and experiences.
- **Utilization of employee engagement digital tools**, enabling us to effectively measure the success of our initiatives and gauge employee satisfaction levels.
- **Continuous feedback loops on Talent Development programs**, allowing us to refine materials and content to better meet employee needs and aspirations.
- **Establishment of the HR Town Square** for focused discussions on specific topics and to gain deeper insights into employee perspectives.
- **Facilitation of CEO Round Tables** to foster more intimate conversations and enhance transparency within the organization.
- **Expansion of employee feedback opportunities** through myriad channels, including dedicated email and virtual connections.

## Inclusion at Atlas

We work to understand and meet the unique needs of our customers, employees and the communities in which we operate. Equity and inclusion are deeply woven into our operations through established policies and programs, guiding our holistic business strategy. We prioritize creating an inclusive environment where every individual feels valued, respected and empowered to contribute their unique perspectives and talents.

“As a worldwide organization, we take immense pride in our diverse, global workforce. Our employees are central to enabling seamless operations, delivering unparalleled service for our customers and communities and fostering a culture of care and collaboration.

Deeply rooted in our mission is a continual investment in nurturing exceptional talent for the aviation sector. We actively seek out and develop individuals who will consistently rise to the occasion and help drive us forward toward our sustainability goals.”



**Patricia Goodwin-Peters**  
Senior Vice President, Human Resources

## EMPLOYEE EXPERIENCE

In 2023, we showcased the multicultural backgrounds of our global employees through special features on our social media channels, highlighting their contributions during Asian American and Pacific Islander (AAPI) Heritage Month, Black History Month, Hispanic Heritage Month and Pride Month.

### DEI Employee Council

In the first quarter of 2023, we welcomed 12 new members to the DEI Employee Council through an application process to help advance our inclusion agenda. The Council executes strategies focused on connecting our people to the senior leadership team, ensuring all voices are heard. Throughout 2023, the Council dedicated efforts to creating a vibrant and welcoming environment for new employees and fostering a sense of belonging from the moment they join. Council members actively engaged in onboarding sessions hosted by the established Atlas Welcome Group to introduce new employees to the tapestry of our inclusion and diversity initiatives.



### Employee Resource Groups

Through our dynamic Employee Resource Groups (ERGs), we continue to celebrate the many talents and backgrounds of our team members while providing valuable learning and development opportunities.

In 2023, leveraging the ERG Toolkit developed by our Employee Council, we established a new ERG to complement our existing groups. Our current ERGs include:

- **Women's Network**, our inaugural ERG founded in 2018, is designed to facilitate networking and professional development opportunities for women, supporting their growth and contributing to the organization's success.
- **PRISM**, our LGBTQ+ ERG launched in 2023, dedicated to fostering a culture of acceptance and inclusivity at Atlas.
- **Welcome Group**, serving as a vital resource and knowledge hub for orienting new hires and internal transfers, ensuring a seamless integration into our Company culture and values.

### Inclusion at Polar

Continuing their educational endeavors and showcasing an inclusive approach, our Polar Air Cargo employees around the globe participated in the following events:

- International Women's Day sessions, attended by more than 190 employees.
- Introduction to Diversity, Equity and Inclusion (DEI) learning session, with more than 40 participants.
- Inclusive Leadership learning session, engaging more than 50 leaders.



### WOMEN'S NETWORK ACHIEVES NEW HEIGHTS



The Women's Network at Atlas continued to thrive in 2023, building on its foundation established in 2018, with numerous accomplishments throughout the year, including:

- Rolled out a mentorship program, providing invaluable guidance, support and opportunities for professional growth to women across the organization.
- Hosted an International Women's Day Event featuring inspiring career stories from three Atlas women: a 767 Captain, Crew Scheduler and Technical Operations employee.
- Organized a speaker event focused on "Encouraging STEM for Our Daughters," highlighting the importance of nurturing interest and involvement in science, technology, engineering and mathematics (STEM) fields among young girls and encouraging exploration of diverse career opportunities in STEM.
- Sara Felder, Vice President and Associate General Counsel, and co-leader of the Women's Network, represented Atlas on a panel discussion at the International Aviation Women's Association (IAWA) Annual Conference in San Diego, where we proudly served as a silver sponsor. Read more about the goals of the conference, including how to ensure women have pivotal leadership roles in the aviation industry, on [Tailwinds](#).



EMPLOYEE EXPERIENCE

Talent Development

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 of how we invest in our people. We are committed to empowering our employees to prioritize their career development so they can give “lift” to their careers. Our employee development program, LIFT, helps individuals adopt growth mindsets and own their career development to achieve their aspirations. LIFT provides resources to help our people along their career development journeys.



Leadership Development

In 2023, we enhanced our offerings for our employees through two tracks: Leadership of Self and Leadership of Others. To enable our employees’ successful transformation as we evolve as an organization, we provide position-specific and leadership development opportunities through various learning formats and methods.

As team members elevate to manager positions, they are empowered to participate in our comprehensive leadership development program designed to ensure a successful transition from individual contributor to leaders of people. Leadership development content is available in a variety of formats including e-learning, instructor-led and educational book summaries. In

alignment with the recently updated Atlas Leadership Principles, our instructor-led development offerings included the following topics:

Adopt an Enterprise Mindset

- See the big picture – look beyond department goals
- Focus on the vision of the enterprise
- Break down silos
- Work across departments to deliver for customers

Empower & Elevate Talent

- Listen to all voices
- Unleash the power of your team
- Treat every idea as a potential solution
- Hold yourself and your team accountable
- Engage and cultivate talent across the enterprise

Innovate & Inspire

- Bring outside ideas into the organization
- Leverage external partnerships for tasks beyond our enterprise
- Foster partnership among departments and prioritize collaboration

Operate Efficiently & Effectively

- Operate with fierce efficiency
- Eliminate activity that does not add value
- Allocate resources to fuel growth and increase customer value
- Remove all obstacles to success – clear the runway

Navigate Courageously

- Have the courage to express a point of view
- Be fearless in challenging the status quo
- Celebrate rigorous analysis and debate
- Embrace risk in pursuing new ideas or business opportunities

In our fifth year with the 30% Club, a cross-company mentoring program aimed at bolstering the advancement of women into senior leadership and board roles, three of our executives mentored participants in other organizations, while three of our female employees received mentorship from external leaders.

LIFT by the Numbers in 2023

1,200+

instructor-led learning hours completed

900+

employees participated in instructor-led learning

4.7

average rating [5-point scale] for courses

180+

eLearning completions

1,760+

educational book summaries read

## EMPLOYEE EXPERIENCE

Through our curated collection of self-paced digital learning resources, we help build employee understanding and appreciation of topics related to our DEI journey as an organization. We offer courses covering topics such as race, gender, inclusive leadership, unconscious bias and allyship to drive personal and professional growth.

**As the first cargo airline to ratify the International Air Transport Association [IATA] 25by2025 initiative, Atlas has a longstanding commitment to fostering greater inclusion and gender balance in the aviation sector by increasing female representation in senior roles and in areas where women are traditionally underrepresented.**

### Mentoring Future Captains

Guidance from experienced chief pilots who understand leadership and operational challenges is crucial for pilots transitioning into captain roles. In 2023, we began development of a tailored mentorship program for pilots preparing for the move to the left seat. Starting 18 months before their expected promotion, the program aims to enhance decision-making, crew management, situational awareness and technical skills. This formal mentoring, slated for launch in 2024, complements our talent development efforts, offering pilots a supportive environment to refine leadership, boost confidence and attain captain responsibilities.

### Planning for Future Enhancements

In 2023, we assessed the different ways we develop our talent and the overall effectiveness of the programs. The results helped inform our future planning to ensure our programming is inclusive, consistent and focuses on the behaviors that best reflect our culture and values. The pivotal work helped us identify the opportunity to create an academy that better leverages our Leadership Principles and enables our employees to continue their career progression with a clear understanding of how to achieve their goals.

### Talent Acquisition

Our talent acquisition strategy is designed to attract individuals with the skills to excel in our diverse service offerings and evolve alongside our Company. In today's dynamic global landscape, opportunities abound within e-commerce, global supply chains and distribution channels, offering our team the opportunity to tackle complex challenges. Our Talent Acquisition team leverages a wide range of recruitment channels and targets individuals passionate about our industry and business. Recognizing the technical demands inherent in aviation, we prioritize candidates with requisite expertise while also valuing potential for long-term growth and development within our Company.



### Filling the Pipeline

We are committed to hiring top talent to work with us and have created pathways to make sure they can. We believe it is our responsibility to contribute to the continuous improvement and economic development in the areas in which we operate. Our teams are actively involved in initiatives focused on providing opportunities 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 and industry organizations to develop a strong and diverse pipeline of qualified talent for high demand roles, including crew, engineering, IT, aircraft maintenance and crew scheduling, for today as well as the future of Atlas and our industry.

## EMPLOYEE EXPERIENCE

Purdue University Aviation students completed a two-week capstone project at the Miami Training Center, where they received mentorship from Atlas employees and collaborated on special projects.

#### University Pathway to Success Program

Through our University Pathway to Success Program, we proudly collaborate with four leading universities in aviation education, fostering a robust pipeline for a diverse, skilled workforce and creating pathways to the aviation sector. Our university partners include:

- **Delaware State University**, one of the premier Historically Black Colleges and Universities [HBCU] in the U.S.;
- **Embry-Riddle Aeronautical University**, the world's largest university specializing in aviation and aerospace;
- **Purdue University**, one of the nation's most innovative and highly ranked universities; and
- **Vaughn College**, a leading aviation college committed to student success and recognized as a Hispanic-Serving Institution [HSI].



Through the University Pathway to Success program, we offer a direct route for early-career pilots who have graduated from these university partners and any accredited aviation programs, providing them with the opportunity to gain experience and fly a 737 as a First Officer. This program includes training and coursework such as the Airline Transport Pilot Certificate Training Program [ATP/CTP], ATP Written Exam, ATP Practical Exam and a jet transition course. Valued at over \$25,000, our program enables candidates to earn one of the industry's most valuable type ratings and kickstart their careers at Atlas.

The Pathway to Success Program provides full-time employment for early-career pilots seeking career opportunities with Atlas. Participants receive financial support, including a monthly stipend, transportation, accommodations and other benefits during training. The program broadens access for students who join our partners as early-career pilots, ensuring diverse pathways

to success. In 2023, a cohort of 14 students participated in the program, each of whom successfully secured positions at Atlas upon completing the program.

#### Pilot Pathway Program

With a focus on hiring pilots from distinguished aviation services providers, our Pathway to Success Program democratizes access to career opportunities. We broadened our reach in 2023 to a wider pool of candidates through our partnerships with Alpine Air and CSI Aviation, complementing our partnership with CAE, Inc.

Atlas invested more than \$350,000 in the University Pathway to Success Program in 2023.

#### STRENGTHENING FLIGHT OPERATIONS THROUGH TRAINS GRANT

Building upon our collaboration with the Kentucky Community and Technical College System [KCTCS] Workforce Solutions division, we implemented a pre-hire assessment to elevate new hires within our Flight Operations team. In 2023, Atlas sustained this partnership through the Kentucky TRAINS grant, covering 75% of costs for ongoing initiatives aimed at upskilling and enhancing hiring practices. This partnership is critical for maintaining positions responsible for efficient operations and meticulous planning while considering variables such as delivery needs, compliance commitments and weather conditions.



EMPLOYEE EXPERIENCE

At the Spring 2023 Recruiting Expo held at Embry-Riddle Aeronautical University, our static display of a 747-400 aircraft attracted a record-breaking 650+ students, faculty and friends. This display not only sparked enthusiasm among aspiring aviators but also fostered a growing interest in Atlas through our demonstrated teamwork and operational excellence. Read more on [Tailwinds](#).



FOSTERING OPPORTUNITIES FOR NORTHERN KENTUCKY UNIVERSITY STUDENTS

Atlas proudly participates as an employer partner in the Federal Work Study (FWS) program administered by the U.S. Department of Education. Eligible students at Northern Kentucky University (NKU) can apply for off-campus positions in the area through this program. At our CVG location, we welcomed two NKU students in 2023 who received wages funded jointly by FWS and Atlas. This collaborative effort provides students with invaluable real-world training and experience, contributing to the growth of the local economy.

Care and Well-Being for Our Employees

The welfare of our employees takes precedence, and we strive to attract and retain top talent by offering competitive compensation and benefits. Our comprehensive benefit packages are tailored to foster well-being, prioritize preventive care and minimize out-of-pocket expenses. We diligently oversee our medical plan to maintain stable costs annually, ensuring it exceeds market standards in actuarial value.

Through our Health, Wealth and Work Life Benefits, we prioritize a “family first” approach, demonstrating our commitment to the well-being of our employees and their families. Our comprehensive range of offerings empowers employees to lead healthy lifestyles, safeguard their financial well-being and cherish valuable time away for significant moments.

Compensation

We aim to provide our employees with competitive compensation packages to attract, motivate and promote retention. Through our annual review process, we benchmark compensation for all positions against current market data and internal standards. This analysis ensures that our compensation remains competitive externally and equitable internally among comparable roles.



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

# Safety & Security

**Safety is the cornerstone of Atlas' values, woven into every aspect of our operations. With safety, security and compliance at the forefront of our corporate agenda, we prioritize creating a safe and secure environment for our approximately 5,000 employees. This commitment extends to the safe operation of more than 63,000 flights annually across the globe.**

## Our Safety Management System

We adhere rigorously to industry best practices, meeting the highest global standards set by regulatory bodies such as the Federal Aviation Administration (FAA), International Civil Aviation Organization (ICAO) and International Air Transport Association (IATA). Our commitment to operational safety is fortified by a robust Safety Management System (SMS), which serves as the bedrock of our safety protocols. In addition, our SMS supports operational excellence, reduced costs, increased efficiency and profitability, and it ensures an enhanced level of safety for our employees, customers and stakeholders.

Central to our safety framework is the Safety & Regulatory Compliance team, a global team of more than 90 professionals dedicated to supporting our SMS initiatives. This team plays a pivotal role in developing and enforcing safety policies, promoting a safety-first culture and implementing risk management best practices across the organization. Their efforts epitomize Atlas' unwavering commitment to maintaining a safe and transparent operational environment, where every action, whether on the ground or in the air, is anchored in the principles of safety and compliance.

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. In response to executive leadership changes in 2023, we updated our SMS accordingly. Committed to continuous enhancement, we actively seek opportunities to refine existing processes and innovate new ones, bolstering the effectiveness and resilience of our SMS.

## Mitigation Measures

We treat all safety matters with utmost concern. Within our SMS framework, we meticulously track and monitor reported safety issues originating from both internal sources, such as employee reports, and external regulators. Through collaboration and diligence, we identify, analyze, mitigate and monitor safety concerns. Upon successful resolution we promptly remove the safety concern from our watch list. Utilizing a 24-month rolling period with standard deviation, we establish upper control limits to maintain robust oversight and management of safety concerns for each of our operational groups.

## EXCEEDING SAFETY MANAGEMENT STANDARDS

Atlas' proactive engagement in a voluntary SMS pilot program prior to the FAA's 2018 mandate exemplifies our unwavering commitment to surpassing safety standards. We continue to strengthen our relationship with regulators like the FAA and view them as partners to make continuous improvements in our system. As such, our SMS surpasses global standards, formalizing safety oversight and demonstrating our risk-based safety management approach. This concerted effort underscores our dedication to transparency and safety, positioning us as a leading advocate for operational excellence.

**In our Southern California operations, we experienced a large increase in Traffic Collision Avoidance System (TCAS) alerts due to heavy general aviation traffic and a nearby parachute jump zone. We collaborated with the regional military safety office and Southern California Air Traffic Control (ATC) to devise a new departure protocol, resulting in a 25% year-over-year decrease in TCAS incidents in 2023. This success underscores the effectiveness of our mitigation efforts and partnership capabilities.**

## SAFETY & SECURITY

### Internal and External Audits

Our commitment to upholding safety and compliance standards is reinforced by rigorous internal evaluation programs and ongoing assessments conducted by regulatory bodies and trusted partners. We utilize previous year's safety data to pinpoint priority areas for improvement. Transitioning from schedule-based to risk-based audits has enabled us to reduce incident rates significantly. As a result, over the past decade, we have consistently met or surpassed the IATA Operational Safety Audit (IOSA) standards in every audit since our inaugural assessment in 2007.

### 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

### Safety Performance

We track and report safety performance across Atlas' operations including Flight Operations, Ground Operations and Technical Operations. Our Executive Vice President and Chief Operating Officer conducts a thorough review of our safety performance report at the monthly Executive Forum. This review aims to:

- Ensure compliance with established safety risk controls;
- Evaluate the effectiveness of the SMS;
- Assess safety risk controls, identifying any ineffective measures;
- Recognize changes in our operational environment that may introduce new hazards; and
- Identify emerging 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 2023, our total recordable incident rate was 1.27 incidents per 100 employees. We refined our TRIR methodology this year to include international employee hours and incidents, resulting in an increase compared with previous reports.





SAFETY & SECURITY

Safety Training

Central to our commitment to safety and employee engagement is our rigorous training program, extending to every individual involved in aircraft operations. Comprehensive SMS training is provided across all operational departments, including Flight Operations, Ground Operations, Technical Operations, Security and System Operations. The training covers fundamental SMS principles, our Corporate Safety Policy, safety and compliance responsibilities, reporting protocols, goals and objectives, and effective risk management and safety communication practices. We ensure a thorough understanding and adherence to safety standards for all employees.

Renowned for excellence in aviation training, our facilities are unmatched in the industry. The Atlas Air Training Center is located at our primary operational hub in Miami, where all our pilots and flight attendants receive their initial, transition and recurrent flight trainings. This facility holds FAA approval for granting Airline Transport Pilot (ATP) certifications and provides training for flight crews, including NASA and crews of U.S. Air Force One and the E-4B National Airborne Operations Center.

To uphold our safety culture, 248 Polar and Atlas employees worldwide took part in lifesaving training sessions provided by the local Red Cross and American Heart Association, including first aid, CPR and Automated External Defibrillator (AED).

Communication Tools

Our safety reporting programs empower all individuals to submit safety concerns to Atlas. The SMS relies heavily on reports from various sources at all stages of flight operations, requiring anyone with knowledge of safety concerns to submit them, regardless of their role. Our “see something, say something” approach fosters a culture of proactive reporting, encouraging employees to report workplace safety issues, hazards, accidents, incidents or injuries. Through our well-defined safety programs and effective communication strategies, we equip employees to identify hazards and mitigate risks effectively leveraging numerous channels, including:

- **ASAP program:** A collaborative initiative involving union representatives and the FAA, allowing pilots, dispatchers and crew schedulers to self-report safety concerns and recommend necessary training.
- **Clear Direct:** An informative newsletter featuring articles with contributions from our pilots and their union representatives, accessible via iPads to facilitate continuous learning.
- **Tech Tips:** A platform primarily utilized by Tech Ops and Ground Ops, fostering a feedback loop with field employees to enhance operational safety.
- **VEOCI:** Our emergency response program, utilized for safety alerts and reporting to ensure swift and effective responses to safety issues.



TRANSFORMING PILOT TRAINING

In 2023, Atlas forged a [strategic partnership](#) with Visionary Training Resources [VTR] to embark on the development of FlightDeckToGo™, a cutting-edge virtual reality [VR] learning tool aimed at transforming pilot preparation for simulator training. The innovative platform promises to deliver an immersive and highly effective training experience for our pilots with an unparalleled level of realism and interactivity. The VR tool will feature immersive flight decks, flight management programming, eye tracking and an intuitive user experience to enhance training outcomes and safety in the skies. Looking ahead in 2024, VTR is slated to roll out tailored instruction procedures and ground school learning curriculum for our Boeing fleets.



# 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, 2023, we had approximately 5,000 employees, roughly 2,850 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 58% of our workforce as of Dec. 31, 2023.

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 organizations, including the U.S Federal Aviation Administration (FAA) and International Air Transport Association (IATA). We also work on multiple fronts, including through joint committees with the IBT and collaboration with Employee Resource Groups, to address key topics on the safety, well-being and quality of life for our pilots and all our employees. This includes the Company's commitment to a work environment that is inclusive and free from harassment and discrimination, which is reiterated through annual workplace trainings on topics, including but not limited to, sexual harassment and discrimination prevention and diversity and inclusion.

Our world-class pilots and dispatchers are critical to our success. Both groups have established collective bargaining agreements (CBAs), with the pilot CBA effective as of September 2021 and the dispatcher CBA effective as of September 2022. Both CBAs have 5-year terms. In November 2023, the Company offered significant retirement enhancements and increased travel benefits to our pilot group to increase retention and bolster recruitment, which the pilots approved via a ratification process.

We are pleased to have these contracts in place that will continue to 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 2,850 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 2023, we continued to support our teams throughout the globe on various labor and employment matters and worked diligently towards the amicable resolution of crew member grievances through our communication efforts. We welcome the collaboration and teamwork these communications channels foster.



# Maximize Social Impact

Our commitment to “Caring for the World We Carry” includes our dedication to the communities where our business operates, uplifting service members and veterans and supporting the development of a prosperous future workforce for our industry.

## 2023 Highlights

- **Supported small and diverse businesses by spending nearly \$240 million with small businesses** and almost doubled our spending goal for veteran-owned small businesses.
- **Expanded opportunities for employees to share in our social impact commitment** and inspire future science, technology, engineering and math (STEM) professionals.
- **Partnered with Turkish Airlines and the Turkish Embassy to transport critical relief supplies** to thousands of earthquake victims in Turkey and Syria.



## IN THIS SECTION

Community Impact & Philanthropy  
Global Prosperity



# Community Impact & Philanthropy

Through active engagement with our workforce and contributions to local and global initiatives, Atlas Air Worldwide aims to foster thriving communities.

We align our business strategy and logistics proficiency with meaningful endeavors that create a positive impact globally. To accomplish this, our community impact mission centers around three critical areas of need:

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

Each focus area is supported by our corporate philanthropy efforts – 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.

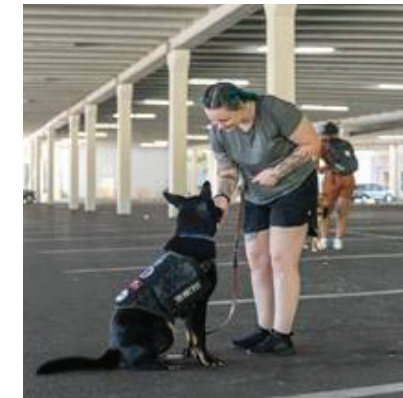
## Supporting U.S. Service Members, Veterans and Their Families

We are honored to stand by the brave men and women of the U.S. armed forces and their families as the largest provider of military passenger and cargo airlift worldwide. Through our ongoing support for U.S. service members, veterans and their families, we extend our commitment beyond the 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. Additionally, we actively recruit and hire former military members, including many of our pilots, logistics team, ground crew personnel and members of our management team.

We raise funds to support military charities and other organizations through our annual Atlas Air Charity Golf Tournament. A record-breaking total of approximately \$123,000 was raised at the 22<sup>nd</sup> annual event, benefiting 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. The event also raised support for the Food Bank of Lower Fairfield County and Liberty City Optimist Club of Florida. Read more on [Tailwinds](#).

Atlas is steadfast in our support for K9s For Warriors, sponsoring three service dogs in three years, all of which have been successfully paired with Warriors. In 2023, we donated \$30,000 as part of a year-end matching campaign, bringing the joint fundraising effort to \$60,000.



## COMMUNITY IMPACT & PHILANTHROPY

### Enabling Students to Achieve in STEM Learning

We are committed to fostering a strong pipeline of diverse, highly skilled talent proficient in the STEM disciplines critical to the enduring success of the aviation industry for years to come. Our dedication begins in the early stages of a student's professional journey, actively engaging with students ranging from elementary through college and beyond.

### Junior Achievement

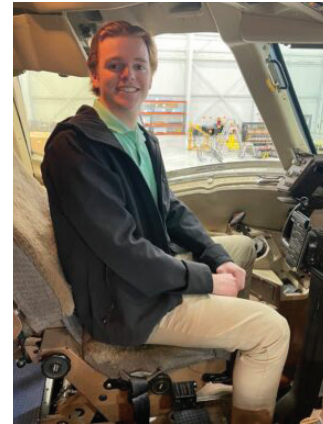
To engage younger students from diverse backgrounds, Atlas has expanded our involvement with Junior Achievement (JA) at multiple schools near New York City, Cincinnati/Northern Kentucky, Miami, Florida and Hong Kong, China. Our employees served as classroom mentors and facilitators for business case competitions, leading job shadowing programs and more. Some examples in 2023 include:

- Employees in Cincinnati/Northern Kentucky offered interview and resume writing tips and provided job shadowing opportunities to 76 students.
- Employees in New York taught work readiness, entrepreneurship and financial literacy to approximately 250 elementary school students.
- Polar and Atlas employees in Hong Kong provided career advice and offered interview tips to 12 students and hosted three students for job shadowing opportunities to learn about our global business operations.
- Employees in Miami participated as coaches in South Florida JA's multi-day 3DE program where high school students competed to solve airline-related business challenges.

### Internships and Workforce Development

Our extensive internship program covers a wide range of functions within our organization, including technical, engineering, operations, information technology, financial, procurement, legal and communications functions of our organization. In addition to immersing themselves in their specific area of expertise, our

interns work on a variety of cross-functional projects. In 2023, for example, a graduate of Rye High School in Westchester County, New York completed a four-week internship. During this time, the student collaborated with various teams to gain valuable exposure to the aviation industry. Furthermore, our Technical Operations team also hosted a two-day, onsite job shadowing experience for a mechanical engineering student from the University of Louisville Speed School. This opportunity allowed the student to see firsthand how an engineering degree is applicable to roles in the aviation industry.



In 2023, Atlas proudly welcomed six high school interns at our Cincinnati/Northern Kentucky and New York locations.



### ATLAS AIR AMBASSADORS

Atlas employees are passionate about STEM learning and regularly give their time to inspire the next generation. In 2023, more than 50 employees from a variety of departments served as Atlas Air Ambassadors. Throughout the year, they participated in student outreach and engagement efforts, sharing their expertise, answering questions about careers in aviation and encouraging students to grow their STEM skills.



## COMMUNITY IMPACT & PHILANTHROPY

### Being There When Our Communities Need Us

While we frequently provide support to our communities through financial contributions, employee volunteering and sponsorships, we also have a unique ability to expedite the movement of large quantities of goods and personnel in the wake of a natural disaster or during a public health emergency.

### POLAR CONTINUES TO DELIVER FOR CHILDREN IN NEED

In 2023, Polar and DHL Global Forwarding China (DGF) continued their collaboration to transport shipments of Iowas Braces, a crucial brace for children born with the congenital deformity clubfoot. Provided by Clubfoot Solutions and the Ponseti Foundation, the Iowa Brace offers a nonsurgical treatment for this condition, which affects over 200,000 children globally. Through this partnership, Polar and DGF significantly increased the shipment volume, transporting 1,080 brace units from China to the U.S., compared to 360 units in 2022. Polar handled the airfreight, while DGF managed pickup, customs clearance and last-mile delivery, providing crucial assistance to children and their families.



### Providing Global Humanitarian Relief

Our relief efforts are some of our most important missions. In February 2023, when a powerful earthquake hit Turkey and Syria, we stepped in to help get critical supplies to the region. Atlas coordinated with the Turkish Embassy and Turkish Airlines, who collected medical supplies, clothes, shoes and other relief supplies, to transport the collected items to the thousands of earthquake victims in the region.

### Contributing Locally

We employ various strategies to support our communities, tailoring our approach to their specific needs. When hands-on assistance is needed, our employees are there to help, donating time and resources to a variety of nonprofit organizations throughout the year. For example, employees at the Global Operations Center provided holiday gifts to 50 local families, and more than 20 Atlas employees volunteered throughout the year at The WOW Center in Miami, Florida. The WOW Center is an adult day training center that serves more than 200 adults with developmental disabilities living in South Florida.





# Global Prosperity

The air cargo industry can facilitate sustainable development throughout the far reaches of the world through the global flow of goods, people, capital, technology, ideas and social well-being. Atlas Air Worldwide [including Polar Air Cargo] is the third-largest mover of airfreight in the world with employees, operations and logistics centers around the world that extend our reach and increase our possibilities to create a safer, brighter future for all.

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 goods and just-in-time service.
- Shipping flowers from farmers in Colombia.
- Shipping agricultural products, including asparagus, mangoes, cherries and more, from Peruvian farmers.

## 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

Because our customer base includes the world's leading express and e-commerce delivery providers, airlines, freight forwarders, shippers and charter brokers, 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 artisans. Regions and communities in all parts of the world benefit from our reach and impact.



## GLOBAL PROSPERITY

**Enabling Small Business Growth**

While our global reach plays a significant role in the supply chain of our clients, Atlas also aims to leverage our own procurement needs to promote and support diverse and small businesses. In 2023, our spending with small businesses was nearly \$240 million, and we almost doubled our spending goal for veteran-owned small businesses.

We continue to develop policies and facilitate strategies to support additional diverse organizations, including woman-owned, veteran-owned, service-disabled veteran-owned, disadvantaged and HUBZone small businesses, 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.

**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 mandating that all air cargo be screened or secured before being loaded onto an aircraft. 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.**







# Grow Responsibly

Growing our business includes 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 continued growth today and into the future.

## 2023 Highlights

- **Enhanced the Company’s oversight of sustainability** with the formation of the Board-level Safety & ESG Committee and appointment of Atlas’ Head of Sustainability.
- **Partnered with the Cybersecurity & Infrastructure Security Agency (CISA)** to join the Joint Cyber Defense Collaborative [JCDC], a new effort to lead the development of and execute cyber defense operations plans to decrease incident risk.
- **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 and controls is central to fulfilling Atlas Air Worldwide's mission to power our customers' global supply chains. We strive to outperform expectations and lead responsibly in everything we do. Our corporate governance program is built on complete transparency, which helps create and sustain public trust in our Company.

## Guiding Principles for Strong Governance

Following the completion of the acquisition of Atlas by Apollo Global Management, together with J.F. Lehman & Company and Hill City Capital in 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 sustainability programming.
- Conducting regular Board meetings and maintaining Board-level committees.
- Regularly assessing organizational and sustainability 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

In March 2023, we announced our new **Board of Directors**, which consists of 10 Directors, two of whom are independent. The Board is responsible for providing oversight of the strategic and operational direction of the Company. The Board

has standing Executive, Compensation, Safety & ESG and Audit & Finance Committees. In addition to quarterly Board meetings, Committees meet regularly throughout the year to discuss topics outlined in their respective charters.

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



Sustainability Oversight

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

At the Board level, the **Safety & ESG Committee** provides oversight of Board governance, the Company’s safety strategies, policies, programs and practices, and environmental and sustainability practices. The Committee meets at least twice a year and provides regular reports to the Board regarding the execution of its duties.

Atlas’ **Head of Sustainability**, who is a member of the Executive Management team and also holds the role of Chief Commercial Officer, is responsible for driving the Company’s commitment to reduce Scope 1 emissions by 20% by 2035 (compared with a 2021 baseline) and leading the development and execution of the Company’s decarbonization strategies. Our CEO and other members of the Executive Management team are responsible for supporting Atlas’ sustainability strategy in their respective functions



ENHANCING OUR DATA COLLECTION AND REPORTING

We are committed to continuously improving our sustainability data collection and reporting. Each year, Atlas’ Internal Audit team reviews key metrics in the sustainability report to confirm the completeness, accuracy, relevance, timeliness and consistency. This exercise enables our teams to refine and enhance our data collection processes and reporting in future years.

# ////// Ethics & Integrity

At Atlas, being a trusted partner means upholding an unwavering commitment to the highest levels of ethical conduct, honesty and integrity. 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.

**Reinforcing Ethical Standards and Conduct**

Our Employee Handbook and Code of Conduct 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 and responding to recent developments. We also regularly review our policies and procedures, including the

Company’s policies related to conflicts of interest, document retention and information management, 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 compliant with new applicable laws and regulations 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 everyone they encounter while performing their duties, including 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 Atlas Air Worldwide operating entities 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.

Aligned with our values, our Employee Handbook and Code of Conduct reinforces our commitment to operating responsibly. All Atlas employees are expected to review and understand our core employment policies and guidelines.





Reporting and Addressing Critical Concerns

As part of our commitment to ethics and integrity, we maintain a professional, respectful workplace environment. Effective reporting resources play an integral role in our routine business practices, ensuring we have the appropriate checks and balances in place to address potential issues before they may become larger problems.

Upholding Integrity, Accountability and Legal Compliance

Our Corporate Compliance Policy governs our compliance programs to ensure we prevent and detect any violations of the law or Company policy. Our policy is applicable to Directors, Officers, other employees and agents of the Company and its subsidiaries. Key elements of the policy include:

- **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.

We have other specific policies to address our many compliance responsibilities, which are reviewed regularly to evolve with best practices and updated as regulations change. New hire and recurrent compliance training is provided to our employees to build awareness and ensure they are able to act responsibly and in full compliance with all legal and Company requirements.

Encouraging Vigilance through Our Compliance Hotline

Atlas stakeholders are encouraged to share any ethics or compliance concerns through our toll-free Compliance Hotline. The 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, unprofessional or illegal conduct.

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

TRAINING REINFORCES ETHICAL CONDUCT AND COMPLIANCE

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. Training courses are selected based on industry, key focus areas, legal considerations and developments in law and compliance matters. We customize courses to focus on the most relevant materials, when appropriate. As a global company, 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; social media; and sanctions laws; among others.

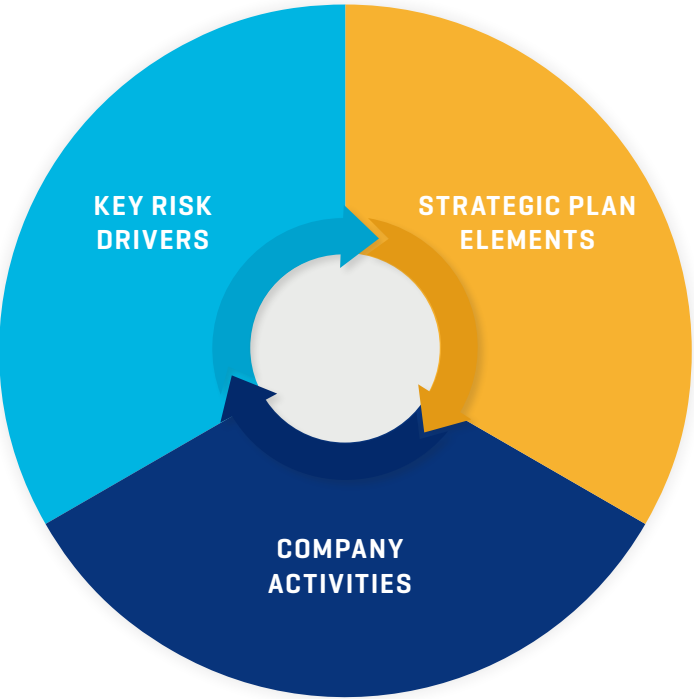
Online training completion is tracked throughout the year, and we regularly achieve high rates of course completion across our employee population. This training is supplemented with targeted in-person trainings on key topics for relevant employees and certain contractors who work with our team.

ETHICS & INTEGRITY

Enterprise Risk Management

Led by our Internal Audit team, Atlas follows a continuous risk assessment process to monitor and manage risks as the Company grows and our business model evolves. As a result of this process, we enable the development of a risk-driven strategy supported by a flexible and adaptive plan. Our assessment process includes a number of activities, such as semi-annual 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:



Sustainability topics are incorporated into our enterprise risk management process, and we continuously evolve how we monitor and address these issues. Specific sustainability-related risks are defined as follows:

**Climate-Related Risks:** This risk category examines the ability of Atlas to reliably measure, evaluate and accurately report on our environmental impacts. It 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 category examines the Company’s ability to establish strategies to address social compliance and sustainability issues. This includes the Company’s ability 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 category examines workforce-related challenges [e.g., evolution of organizational culture, employee engagement, diversity and inclusivity] impacting 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 workstreams, data and ongoing results to identify changes in the risk profile and adjust coverage of internal control testing.



# Compliance

Our 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 intricate 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] 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 ensures compliance with the U.S. Foreign Corrupt Practices Act, 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 was instituted on Jan. 1, 2021. Read more in the [Reducing Emissions from Aviation](#) section of this report.
- **Sanctions and Export Controls:** We routinely monitor sanctions and export control laws and regulations. We recently 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. Based on these findings, we have bolstered our efforts to protect against inadvertent violations of sanctions and export control regulations.
- **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**



**Safeguarding Data Integrity and 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. In 2023, we expanded our benchmarking in accordance with enhanced cybersecurity compliance protocols, which we expect will be required in 2025.

# //// Data Privacy & Security

Atlas 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 resilience practices. We rely on 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. We continuously strengthen our defenses to avoid any major disruptions and provide consistent, reliable service to our customers.

## Our Approach to Data Management and Security

The airline industry relies on increasingly sophisticated, digitally enabled fleets to increase efficiencies, minimize 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.

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 U.S. government partners 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. Atlas was the first member of the Civil Reserve Air Fleet to declare compliance with the NIST standard, which is required of defense contractors. Beyond observing this standard, we benchmark ourselves annually to the Center for Internet Security (CIS) framework.

## 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, as well as in what order to line up trucks. This reduces wait times at handling facilities and emissions from idled trucks.

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.

DATA PRIVACY & SECURITY

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. In 2023, we engaged a third party certified by the United States Transportation Command to conduct a review and provide objective feedback on our cybersecurity approach to further align with industry best practices.

Monitoring and Mitigating Threats

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 to 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 resilience to protect the interests of our business and our stakeholders. We also proactively search for new solutions and opportunities to bolster our cybersecurity competence.

To ensure our systems and networks remain at the highest level of known protection, we maintain compliance with multiple

cybersecurity standards previously mentioned in this section. 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. Our next-generation security awareness training program for all employees enables us to more effectively test and address gaps in employee awareness to improve data protection practices across the Company.

Providing Leadership and Support for the Industry

Atlas has strong, collaborative relationships with regulators, trade associations, peers and partners that enable us to share our expertise and advance cybersecurity practices. 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 U.S. government partners.
- **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 [FAA]** on software management and system security for the Boeing 747-8.
- **Working independently and with Airlines 4 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 and the Aviation Cyber Initiative.
- **Partnering with Transportation Security Administration [TSA]** on efforts to bolster digital defenses to help reduce cybersecurity risks and safeguard critical infrastructure.



Our Business Resiliency Approach

We have developed a business resiliency program, led by our Senior Director of Business Resiliency, 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. 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.

In recent years, we have implemented measures to improve resiliency across our operations, including ensuring the availability of off-site backup locations during an emergency and updating our emergency notification system to better target and communicate with Atlas employees during severe weather events.

Investing in Fleet Management and Infrastructure Resilience

We continue to invest in flexible and superior fleet management capabilities to protect our business. Our global operation and infrastructure include 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 [HKG], and at our headquarters in White Plains, New York.
- Comprehensive, tested business recovery plans, including recovery from a cybersecurity event.
- Highly available 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 according to stringent standards and protect sensitive customer data.

2023 MILESTONES

- We continue to advance the fortification of our data privacy and cybersecurity practices. In 2023, some of the significant steps we took include:
- Strengthening the security of our systems by ensuring IT users only have access to essential information through implementation of a privileged access management system.
  - Helping to shape future regulations as a voluntary participant in A4A’s cybersecurity council, made up of chief information security officers and data privacy lawyers from major airlines.
  - Partnering with the Cybersecurity & Infrastructure Security Agency [CISA] to join the Joint Cyber Defense Collaborative [JCDC], a new effort to lead the development of and execute cyber defense operations plans to decrease incident risk.
  - Expanding our internal resources with the addition of two cybersecurity professionals.

# Public Policy Advocacy

Atlas 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.

Maintaining open channels of communication with policymakers protects 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. 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).

Atlas is committed to being part of the solution to accelerate SAF use. However, we recognize that this effort requires collaboration and cannot be achieved in isolation. Governments have an important role to play in setting clear standards that will support SAF generation and adoption, making it scalable for widespread commercial use.

Our advocacy for SAF includes seeking tax credits, grants and loan guarantees at the federal and state levels of government to increase production. These efforts focus on tax incentives (blenders tax credit) and other policies to make SAF commercially viable and give producers more market certainty. Atlas has also partnered with other industry leaders to advocate for and secure grants for feasibility studies in key regions, such as Alaska and Kentucky.

We also recognize 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” Air Traffic Control (ATC) program. When complete, NextGen will allow for more efficient arrival and departure procedures by eliminating altitude stepping, thus reducing fuel burn and engine noise while also enhancing safety. Additionally, 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).

## 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 responsibility goals.

Our membership in A4A enables us to join industry peers to amplify our advocacy for policies that benefit the entire aviation sector. Mr. Steen 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 sustainability initiatives and encourage private-public partnerships to facilitate progress.

## PUBLIC POLICY ADVOCACY

### 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 attract more people into the pilot profession, including people from populations historically underrepresented in the industry. Read more about our efforts in [Care for Our People](#).

Atlas continues to be a leading advocate for the Federal Education Access Act, which will make flight education and training more affordable and accessible. Introduced to the House of Representatives in 2023, the bill aims to raise federal student loan limits for students in undergraduate flight education and training programs. It also establishes a grant program to support the education of future pilots and to diversify the pilot training workforce.

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 businesses 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

## IN THIS SECTION

TCFD Index

SASB Index

# Task Force on Climate-related Financial Disclosures Index

The following provides Atlas’ disclosures pertaining to the Task Force on Climate-related Financial Disclosures [TCFD] recommended disclosure pillars.

DISCLOSURE REQUIREMENT	RESPONSE	ADDITIONAL INFORMATION
GOVERNANCE		
a) Describe the board’s oversight of climate-related risks and opportunities.	The Board of Directors is responsible for overseeing Atlas’ strategic direction and manages oversight of risk through delegation to the Board’s committees with regular reporting to the entire Board. To this end, the Board recognized the importance of climate-related risks to Atlas’ future and established a Safety & ESG Committee to assist the Board in providing more focused oversight of key environmental and sustainability practices.	Corporate Governance, pp. 37-38
b) Describe management’s role in assessing and managing climate-related risks and opportunities.	<p>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.</p> <p>Our Executive Management team, which consists of eight leaders, manages the strategic direction of our business, including the implementation of our sustainability initiatives. The Executive Management team is regularly briefed on various sustainability matters and integrates climate-related aspects within our current risk assessment and management processes to provide an overall assessment of business risk. Our Head of Sustainability briefs the Atlas Board and Executive Management team on the Company’s long-term climate strategy to reduce its Scope 1 emissions.</p> <p>Atlas’ Executive Management team brings and can apply specific experience to risk assessment and management of:</p> <ul style="list-style-type: none"><li>• Markets with significant variation in volumes, destinations and cost;</li><li>• Operational conditions similar to those anticipated to increase with climate change, such as weather-related route choices; and</li><li>• Managing risk in financial markets, now expected to be subject to climate-related influences.</li></ul> <p>In addition, the Executive Management team regularly reviews climate-related aspects of strategic business areas and frequently engages with internal subject matter experts on these topics.</p>	Corporate Governance, pp. 37-38

DISCLOSURE REQUIREMENT	RESPONSE	ADDITIONAL INFORMATION
STRATEGY		
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	<p>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 and physical changes including airport weather conditions. Effects over the long term are expected to be greater than in the short term.</p> <p>Key risks identified by Atlas are:</p> <ul style="list-style-type: none"><li>• General demand risk from an overall increase in the costs of, or access to, aviation services due to regulations addressing climate change;</li><li>• Demand risk in markets that are directly affected by climate change, such as from horticultural growing conditions;</li><li>• Demand risk in markets that are sensitive to price increases from increased carbon costs;</li><li>• Demand risk in markets arising from the influence of wider societal change, such as “flight-shaming”;</li><li>• 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</li><li>• Risks from competition with passenger services for limited resources such as low/zero carbon fuels.</li></ul> <p>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.</p> <p>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.</p>	Reducing Emissions from Aviation, pp. 12-15
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.	N/A
c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>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.</p> <p>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-degree and 1.5-degree scenarios.</p>	N/A



DISCLOSURE REQUIREMENT	RESPONSE	ADDITIONAL INFORMATION
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 the European Union [EU]].	Enterprise Risk Management, p. 41
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.	Our Business Resiliency Approach, p. 46
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.  Environmental Sustainability, which includes Climate Change, is now identified as a separate enterprise risk, whereas previously it was combined with all sustainability topics.	Enterprise Risk Management, p. 41
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.	Reducing Emissions from Aviation, pp. 12-15
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 SASB disclosure table for this data.  Our Scope 3 emissions relating to CMI lease activity are also reported within this report.  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.  Atlas is evaluating various regulatory regimes imposing such disclosure requirements of Scopes 1, 2, 3 as well as the GHG emission domestically in the U.S. as well as in the EU and outside of the U.S.	SASB Index, p. 53
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.  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.  Atlas is also evaluating the materiality of Scope 3 emissions (aside from CMI lease activity) across its operations and supply chain.	Mitigating Our Impact on Climate Change, p. 12

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Sustainability Accounting Standards Board Index

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
Greenhouse gas emissions	TR-AF-110a.1	Gross global Scope 1 emissions	Quantitative; metric tons CO <sub>2</sub> e	4,406,272 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 pages 12-15 of the 2023 Sustainability Report
	TR-AF-110a.3	Fuel consumed by road transport, percentage natural gas	Quantitative; gigajoules, %	0
		Fuel consumed by road transport, percentage renewable		0
		Fuel consumed by air transport, percentage alternative		0
		Fuel consumed by air transport, percentage sustainable		5,173 GJ 0.01% of total fuel consumed
Air quality	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) 23,567 MT 2) 693 MT 3) 0.7 MT
Labor practices	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

TOPIC	CODE	ACCOUNTING METRIC	CATEGORY; UNIT OF MEASURE	DISCLOSURE
Employee health & safety	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] 1.27* 2a] 0
Supply chain management	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] Air: 4,406,118 Ground: 154 tCO <sub>2</sub> e**
Accident & safety management	TR-AF-540a.1	Description of implementation and outcomes of a Safety Management System	Discussion and analysis	Discussion: See pages 26-28 of the 2023 Sustainability 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 employee, contractors or term employees that drive a ground fleet.
		Safety Measurement System BASIC percentiles for Hours-of-Service Compliance		
		Safety Measurement System BASIC percentiles for Driver Fitness		
		Safety Measurement System BASIC percentiles for Controlled Substances/Alcohol		
		Safety Measurement System BASIC percentiles for Vehicle Maintenance		
		Safety Measurement System BASIC percentiles for Hazardous Materials Compliance		
Activity metrics	TR-AF-000.A	Revenue ton kilometers (RTK) for: [1] road transport and [2] air transport	Quantitative; RTK	14,831 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; in 2023, we refined our TRIR methodology to include international employee hours and incidents, resulting in an increase compared with previous reports.  
\*\*Due to a refinement in our process for calculating ground vehicle GHG emissions, our value for 2023 is significantly lower than in previous reporting years.  
\*\*\* 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.



