



January 2023

ENVIRONMENTAL SOCIAL GOVERNANCE REPORT

TABLE OF CONTENTS

1	ENVIRONMENTAL	
	<i>a</i>	Combating Climate Change by Mitigating Emissions 6
	<i>b</i>	2021-2022 Deadhead Reduction Results
	<i>c</i>	SmartWay Partnership 7
	<i>d</i>	Corporate Sustainability 8
2	SOCIAL	
	<i>a</i>	Total Rewards: Equal Pay, Benefits and Opportunity for Every Employee 10
	<i>b</i>	Employee Wellness and Well-Being Benefits
	<i>c</i>	Professional Development 12
	<i>d</i>	Sales Training and Certification Programs
	<i>e</i>	Leadership Growth Programs 14
	<i>f</i>	Diversity, Equity, Inclusion and Belonging 15
	<i>g</i>	Employee Resource Group
	<i>h</i>	Community Impact 17
3	GOVERNANCE	
	<i>a</i>	Audit and Finance Committee 20
	<i>b</i>	Compensation Committee

ABOUT ARRIVE

Arrive Logistics is a leading multimodal transportation and technology company founded in 2014. In 2022, we managed more than \$2 billion in annual freight spend, leveraging an ever-expanding network of more than 70,000 carriers to deliver unique capacity solutions for over 6,000 shippers from across various industries. We employ a diverse team of over 1,700 people working across five locations: Austin, Texas (headquarters); Chicago, IL; San Antonio, TX; Tampa, FL; and Guadalajara, JAL (Mexico).

OUR MISSION:

We deliver, so you can.

OUR VISION:

We are on a relentless pursuit to deliver an unparalleled freight experience by pushing the limits of what is possible.

OUR VALUES:

We are committed to cultivating strong relationships.

We work with precision and attention to detail, seeing projects through from start to finish.

We relentlessly pursue perfection, working with grit and tenacity as we face “impossible” issues head-on.



OUR COMMITMENT

As ESG plays an increasingly important role in the transportation industry, Arrive remains relentlessly committed to continuously improving our policies, procedures and overall performance to meet the needs of our customers, employees, shareholders, and the planet. We recognize that we do not have all the answers, but believe, ultimately, the most significant impact will come from industry-wide collaboration and best practice sharing. Thus, in addition to furthering the efforts outlined in this report, we look forward to working alongside our partners to maximize our collective impact and drive the industry forward on these critical issues.

PURPOSE OF THIS DOCUMENT

As a leading logistics services provider, we recognize our role in the supply chain and are dedicated to operating in ways that deliver results for our transportation partners at the highest level while making a positive impact on the environment, our team, and the communities where we work and live. This Environmental, Social, and Governance (ESG) report provides an overview of the efforts that bring our commitment to responsible and sustainable operations to life. We welcome any questions, feedback and suggestions about the information covered below.



ENVIRONMENTAL

Understanding how an organization of our size and scale can impact the environment, we implement several eco-friendly initiatives to make our offices more efficient and less wasteful. From a customer-facing standpoint, we utilize our proprietary technology platform, **ARRIVEnow**, to reduce greenhouse gas emissions and waste for our transportation partners. We are committed to learning about and investing in additional ways to improve our efforts and strengthen our impact over time as we move toward a more sustainable future. For our employees, we are committed to growth via sustainable business practices and environmental-friendly workspaces and offices.

COMBATING CLIMATE CHANGE BY MITIGATING EMISSIONS

According to the [EPA](#), transportation produces 27% of the total Greenhouse Gases (GHG) in the U.S. — more than any other sector. Of that, 26% comes from the medium- and heavy-duty trucks typically used for over-the-road shipping, making these modes the second largest contributors to GHG emissions in the transportation space. That's why the sustainability solutions we offer shippers and carriers start with reducing the distances trucks travel empty between loads, known as deadhead or empty miles.

2021-2022 EMISSIONS REDUCTION RESULTS

The ARRIVEnow technology platform is critical to our deadhead reduction efforts. Powered by unparalleled data science and machine learning, the proprietary load-matching algorithm built into the platform ensures shipments travel on trucks running the most efficient routes possible, drastically reducing deadhead and, in turn, emissions. Load-matching technology is also an essential part of our Private Fleet and Committed Capacity programs, both of which are designed to reduce deadhead and the resulting emissions.

- In total, these programs helped keep 100 million pounds of CO2 emissions from entering the atmosphere in 2022 alone.*
- On average, 24% of private fleet miles* are deadhead; for loads booked through ARRIVEnow, just 13% are deadhead.*
- On average, 15% of non-tanker carrier miles are deadhead; for loads booked through Arrive, just 12% are deadhead.*

We are committed to investing in technology and operational enhancements to continually improve our emissions reduction efforts year over year.

¹Private Fleet:

An in-house truck fleet operation owned and operated by a shipper/parent organization whose primary business is not trucking, such as retail or manufacturing. Our program identifies and fills backhauls for these fleets to minimize empty mileage and CO2 emissions.

²Committed Capacity:

A means by which carrier/lane commitments are inputted and positioned within our internal system for the purpose of visibility and auto-tendering. This helps to maximize coverage and minimize empty miles within a carrier's network.

*Results based on internal data as of year-end 2022, and current modeling as of 2023



SMARTWAY PARTNERSHIP

The EPA's SmartWay program helps companies advance supply chain sustainability by measuring, benchmarking and improving freight transportation efficiency. First launched in 2004, this voluntary public-private program provides several benefits for Arrive and our transportation partners, including:

A comprehensive and well-recognized system for tracking, documenting and sharing information about fuel use and freight emissions across supply chains.

Support in identifying and selecting more efficient freight carriers, transport modes, equipment and operational strategies to improve supply chain sustainability and lower costs from goods movement.

Reducing freight transportation-related emissions by accelerating the use of advanced fuel-saving technologies.

Positions Arrive alongside other program members, including significant transportation industry associations, environmental groups, state and local governments, international agencies and the corporate community.

Support for global energy security and offsetting environmental risk for companies and countries.

CORPORATE SUSTAINABILITY

As we've grown so has our geographic footprint. In 2022, we opened offices in San Antonio, TX, Tampa, FL and Guadalajara, JAL (Mexico), and in 2023 we will open in two additional locations, Phoenix, AZ and Columbus, OH. Though having offices in multiple locations is essential to our business model, we recognize that these spaces can produce significant waste and are committed to ensuring ours operate as efficiently and sustainably as possible. Below is a summary of our sustainable office environment initiatives to date.



LAPTOP-ONLY WORKFORCE

By the end of 2023, every Arrive employee will be working on laptops rather than desktops, reducing our collective energy consumption by 80%.



RECYCLING PROGRAMS

We participate in corporate recycling programs in Austin, San Antonio, Chicago and Tampa to responsibly dispose of traditional materials like paper and plastic and even exceptions like old furniture and e-waste, such as IT peripherals, monitors, computers and more.



SUSTAINABLE TRAVEL

In Q4 2021, we signed a pledge to become a Climate Ranger Partner of [Sustainable Travel International](#). Through this program, we offset 616.37 metric tons of CO2 emissions in 2022.



SOCIAL

Arrive can only be successful if our team members feel motivated, supported, connected and fulfilled in their employment with us. To that end, we invest heavily in their experience and well-being. From providing fair compensation and meaningful benefits to world-class training and professional development opportunities, we are committed to the ongoing development of our award-winning company culture and workplace.



TOTAL REWARDS: EQUAL PAY, BENEFITS AND OPPORTUNITY FOR EVERY EMPLOYEE

Our compensation philosophy is based on market norms and internal salary ranges. The resulting structure is equitable by role and across departments. Further, the Total Rewards team reports on gender pay equality on a semi-annual basis to ensure any potential gaps are addressed immediately.

EMPLOYEE WELLNESS AND WELL-BEING BENEFITS

In addition to fair and competitive compensation practices, Arrive offers a full suite of benefits supporting the well-being of employees and their families. Benefits packages are reassessed and benchmarked annually in Q4 against other companies in the logistics industry and beyond. The following is a summary of the benefits available to every employee:

- **INSURANCE**

Health, dental and vision coverage is provided through UnitedHealthcare. Employees also have access to disability support, life insurance and more.

- **SAVINGS**

A matching 401K program and HSA program are available.

- **LIFESTYLE + WELLBEING**

Though we encourage all employees to work in-office to support and strengthen a sense of community, many teams offer flexible hybrid work-from-home schedules.

- **GYM DISCOUNTS**

Team members have access to on-site gyms where available and discounts to Gold's Gym, Lifetime Fitness and CorePower Yoga.

- **CLASSPASS**

We provide team members with a subsidized membership offering access to wellness and beauty, massage therapy, cryotherapy, meditation and more.

- **CALM APP**

Team members have a free membership to support the improvement of sleep, reduce stress and anxiety, cultivate mindfulness and more.

- **SANVELO**

Team members have access to the Sanvelo mental telehealth app, which uses the clinically backed principles of Cognitive Behavioral Therapy (CBT) and mindfulness meditation to help users with anxiety, depression and stress.

- **RALLY**

Team members have access to the Rally website and mobile app that help them learn simple ways to take care of themselves — from being more active to building healthier eating habits.

- **EMPLOYEE ASSISTANCE PROGRAM (EAP)**

We provide an Employee Assistance Program at no cost. The EAP offers phone or online sessions to assist with personal and work-life issues.

- **FINANCIAL WELLBEING SUPPORT**

Arrive is creating a partnership with Money Management Educators to provide financial well-being information and guidance through seminars and one-on-one coaching.



PROFESSIONAL DEVELOPMENT

We are committed to providing every employee with access to resources that empower them to grow in their career with Arrive and beyond. From specialized certification training and leadership development programs to one-on-one mentoring and free access to LinkedIn Learning, we are proud to provide tools that enable personal and professional growth among employees.

SALES TRAINING AND CERTIFICATION PROGRAMS

Focused training and certification programs offer individuals the opportunity to study with accredited experts to broaden and deepen their industry knowledge and earn the certifications necessary to sell specialized services.

Temp-Controlled Certification: A training program designed to help team members learn the operations, commodities and unique issues related to temp-controlled freight.

Cross-Border Certification: A training program designed to help team members learn the complex rules and regulations of cross-border shipping.

LTL Certification: A training program that equips team members with the skills needed to sell and book LTL freight.

Certified Supply Chain Professional Certification (CSCP): A 12-week instructor-supported online course that offers Arrive team members the opportunity to:

- Master knowledge most important to expert supply chain professionals as defined by APICS Global Job Task Analysis.
- Expand their outlook on the supply chain field and bring new ideas to the workplace.
- Remain current with supply chain trends and developments.
- Boost their confidence with recognition as a supply chain expert.
- Demonstrate their long-term commitment to the supply chain profession.

Lean Six Sigma Green Belt Certification (LSSGB): A 60-hour self-paced online course that offers Arrive team members the opportunity to:

- Identify process improvement opportunities.
- Learn LSS statistical methods.
- Define elements of quality control programs.
- Review approaches to change management.
- Prepare to lead project teams.

Certified Associate in Project Management (CAPM): A 23-hour self-paced online course that offers Arrive team members the opportunity to:

- Develop communication and negotiation skills.
- Learn best practices for scheduling and time management.
- Hone critical thinking and problem-solving skills.
- Understand the different phases and processes involved in managing projects.
- Evaluate how to best align projects with strategic objectives and enable business value creation.

Disciplined Agile Scrum Master (DASM): A 14-hour self-paced online course that offers Arrive team members the opportunity to:

- Understand the Disciplined Agile approach.
- Choose their way of working (WoW).
- Tailor a fit-for-purpose WoW.
- Prepare to initiate their team.
- Learn to build and deploy solutions.

LEADERSHIP GROWTH PROGRAMS

We believe the future leaders of Arrive already work within our walls, so this suite of development and growth programs gives motivated individuals the training and tools they need to accelerate their careers.

ARRIVE LEADERSHIP ACADEMY:

The Arrive Leadership Academy includes development programs based on core competencies to support and train current and future Arrive leaders.

LEADERSHIP RISE:

A four-month program for experienced managers to deepen their leadership competencies and acquire skills for continued growth and development.

LEADERSHIP LAUNCH:

A three-month program for newly promoted managers to help build a foundation for success as they transition from individual contributors to people leaders.

LEADERSHIP PREP:

A five-week program introducing aspiring leaders to development principles and leadership competencies to support career growth.

ARRIVE STEP UP:

A four-week continuing education program for team members to expand their specific job functions and develop their business acumen.

ARRIVE ELEVATE:

A 12-week program for sales representatives who want to take their business skills to the next level through high-level mentorship from business leaders and tenured reps.

ARRIVE SCHOLARS:

LinkedIn Learning gives Arrive employees access to more than 16,000 on-demand, online courses taught by experts in various topics, including business, technical, and creative skills. The Arrive Scholars program awards employees for completing suggested and self-selected LinkedIn Learning courses.

DIVERSITY, EQUITY, INCLUSION AND BELONGING

Arrive is committed to cultivating a company culture rooted in diversity, equity, inclusion and belonging as we co-create a workplace environment in which every member of our community feels seen, heard and valued. We invest heavily in programming that supports understanding and connection among team members and remain diligent about identifying and resolving any disparities or inequalities within the organization.

EMPLOYEE RESOURCE GROUPS (ERG)

Employee Resource Groups at Arrive Logistics are voluntary, employee-led groups focused on building community, providing support and contributing to personal and professional development in the workplace. Establishing and maintaining strong Employee Resource Groups is one of the many ways Arrive works toward providing a diverse and inclusive workplace for all. We are committed to empowering and supporting ERGs to reach their individual goals and create the lasting impact they envision for their group.



BLACK LOGISTICS GROUP

Members: 119

Mission: To exhort and empower black employees to stand for equality and inclusion in the workplace and the logistics industry.

Initiatives: Speaker Series, Walk N' Talk, Happy Hours.



PRISMS: LGBTQ+

Members: 193

Mission: To create a community that champions a safe and inclusive work environment within Arrive for the LGBTQ community, creating an educational and informative discussion on Queerness at Arrive.

Initiatives: Ya Love To See It Program, Happy Hour, Speaker Series, LinkedIn Learning Contest.



WOMEN IN LOGISTICS

Members: 258

Mission: Women in Logistics aims to foster a climate of inclusion and empowerment for women in the logistics industry. We strive to be a resource, provide growth/development opportunities and create a sense of belonging for all women at Arrive in order to make an impact on our community and develop personally and professionally.

Initiatives: Speaker Series, Happy Hours, Women's History Month.

**EMERGING PROFESSIONALS****Members:** 85

Mission: To champion excellence and growth with a special focus on engaging and retaining all new talent at Arrive. We aim to provide service and time to local businesses, charities and parks and give our members unique ways to sharpen their skills.

Initiatives: Networking Events, Leadership Programs.

**SALUTE: VETERANS & MILITARY MEMBERS ERG****Members:** 52

Mission: Connecting veterans to share their common experiences and challenges in order to further Arrive's understanding of their capabilities and to provide information and best practices for recruiting veterans.

Initiatives: Veteran's Day/Memorial Day Month long-events, Networking Opportunities.

**UNIDOS****Members:** 248

Mission: Connecting Hispanic/LatinX employees of Arrive Logistics to share their experiences and challenges and provide best practices for recruiting more diverse applicants, ultimately leading to a more inclusive environment.

Initiatives: Happy Hours, Hispanic Heritage Month Events, Speaker Series.

COMMUNITY IMPACT

#MovewithUs

Arrive’s #MovewithUs initiative is an employee-led group that organizes, supports and fosters community philanthropy on behalf of the company. Below is a list of events our team members participated in throughout 2022. In addition to volunteering for service projects, Arrive also raised nearly \$20,000 to support the following organizations:

Hot Chocolate Run (St. Jude’s)	Kids Above All
Donut Race (Cal’s Angels)	GiveJoy
Together We Rise Bike Building	Miss Carly’s
SJRC Texas	Wreaths Across America

Community Crisis Response

When a crisis strikes the communities where we live and work, we offer support. Below are several of our crisis response efforts in 2022.

Home Depot Hurricane Relief	Highland Park Victims Fund
Uvalde Donations	Florida Hurricane Relief
Western Kentucky Relief Fund	Ukraine support through UNICEF or the World Central Kitchen

2023 Arrive Philanthropic Donations

In 2022, we donated more than \$75,000 to the following local and national organizations:





GOVERNANCE

Arrive is committed to maintaining transparent and effective governance standards. From the systems, processes and principles that guide operations to best practices around management, decision making and stakeholder accountability, we are diligent about adhering to all relevant laws and regulations, as well as implementing internal controls and transparency measures to ensure that our actions remain aligned with our values.

To that end, we have established several committees dedicated to governance oversight.

AUDIT AND FINANCE COMMITTEE

Provides independent oversight of accounting and financial reporting processes and audits financial statements and internal controls.

Oversees, reviews and recommends to the Board for its approval updates to our code of business conduct and ethics and provides ongoing compliance oversight.

Oversees and reviews with management enterprise our risk management framework and practices, including risks related to cybersecurity and disaster recovery.

Authorizes and reviews valuations of Arrive or its equity units.

We encourage feedback from employees across the business and have many different channels, including, but not limited to, an anonymous hotline and email. This feedback goes directly to the Arrive Legal team, and is reported to the Audit Committee.

COMPENSATION COMMITTEE

Reviews and makes recommendations to the Board regarding performance and equity-based compensation for executive-level

Reviews and recommends to the Board for approval the employment, termination or change in title, role or responsibilities of members of the executive team.

Reviews and approves changes to Arrive-sponsored employee health and retirement plans, as well as any significant changes to Arrive's commission plans.



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WE DELIVER,
SO YOU CAN.