

ATLAS AIR WORLDWIDE HOLDINGS, INC.

CORPORATE GOVERNANCE PRINCIPLES

The Board of Directors ("Board") of Atlas Air Worldwide Holdings, Inc. (the "Company") believes that sound corporate governance practices provide an important framework to assist the Board in fulfilling its responsibilities. Accordingly, the Board has formally adopted these Corporate Governance Principles ("Principles") relating to its functions, structure and operations, among other things. These Principles are set forth below.

1. Powers and Responsibilities of the Board of Directors

a. General. Each of the Directors has a responsibility to exercise his or her business judgment to act on an informed basis, with due care, in good faith, and in what is reasonably believed to be the best interests of the Company and its stockholders. In discharging its most basic duty, the Board owes additional duties of care, loyalty and candor to the Company and its stockholders. It is expected that the Board will function as a collegial body and the Directors at all times will respect the confidentiality of all deliberations of the Board, including general Board and Committee meetings, executive sessions and communications of the Board.

b. Codes of Conduct. The Board is subject to all codes of conduct adopted by the Company and made applicable to the Board, including the Company's Code of Ethics Applicable to the Chief Executive Officer, Senior Financial Officers and Members of the Board of Directors, the Employee Handbook and Code of Conduct and any other codes relating to ethics, integrity, conflicts of interest, confidentiality and public disclosure, as applicable.

c. Duties. The Board, in its entirety, should consider all major decisions.

i. Business Plans. The Board will fashion and implement a corporate philosophy and will review and, when appropriate, approve management's strategic and business plans. Such review includes evaluations of the Company's financial objectives and monitoring corporate performance against the strategic and business plans, including studying the operating results on a regular basis to evaluate whether the business is being properly managed.

ii. Transactions. The Board will periodically review the Company's transactions approval procedures.

iii. The Performance of Senior Management. The Board will select, monitor and, subject to the Compensation Committee charter with respect to compensation matters, evaluate at least annually the job performance of the CEO. The Board will also select and monitor the other senior executives and the other elected corporate officers, and may evaluate with the CEO the job performance of such executives and other officers at the time of such CEO evaluation.

iv. Annual Performance Evaluation. The Board of Directors will conduct an annual self-evaluation in executive session to determine whether the Board and its committees are functioning effectively, subject to the process as may be established from time to time by the Nominating and Governance Committee.

v. Corporate Governance. The Board will also review and assess any changes to these Principles proposed by the Nominating and Governance Committee.

vi. Determination of Executive Officers. The Board will be responsible for annually designating which officers of the Company are “officers” for purposes of Section 16 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and “executive officers” for purposes of Rule 3b-7 under the Exchange Act.

d. Conflicts of Interest.

i. Conflict of Interest. If a Director develops an actual, apparent or potential conflict of interest with the Company, the Director should report the matter promptly to the Chairman of the Board, Chairman of the Audit Committee and the General Counsel.

ii. Personal Interest. If a Director has a direct or indirect personal interest in a matter before the Board, the Director shall disclose such interest to the full Board. No Board resolution regarding such matter shall be approved unless the resolution receives the affirmative vote of a majority of disinterested directors or the appropriate committee who have no direct or indirect personal interests in the matter.

2. Director Nominations and Qualifications, Certain Other Board Matters

a. Policy on Director Elections. As a condition of nomination, each incumbent Director proposed to be nominated by the Board will deliver to the Secretary of the Company an irrevocable contingent resignation at least fourteen days in advance of the distribution date for proxy solicitation materials for the stockholders meeting at which such Director is expected to be nominated to stand for election. Such resignation will be effective only if (i) such Director fails to receive the requisite majority vote in an uncontested election as provided in the By-Laws and (ii) the Board accepts such resignation within 60 days following the certification of the election results.

b. Nominations. Prospective nominees for election as a director will be recommended to the Board by the Nominating and Governance Committee for nomination for election to fill a new or existing vacancy (or for nomination for election at the annual meeting of stockholders) by the Board, as further provided in the Nominating and Governance Committee Charter. The invitation to join the Board should be extended by the Chairman of the Board. As further provided in the Nominating and Governance Committee Charter, it is expected that the Nominating and Governance Committee shall review annually with the Board the requisite skills and characteristics for the continuation of directors as members of the Board, the selection of new members of the Board and the composition of the Board, all in the context of the needs of the Company. A list of the Board skills and characteristics currently identified is set forth in the Nominating Committee Charter.

c. Independent Directors. The Board shall be comprised of a majority of directors who meet the "independence" criteria established by the NASDAQ National Stock Market or such other primary trading market or securities exchange on which the Company's securities are then traded (NASDAQ or such other market or exchange being referred to as the "Listing Entity"), as further provided in the Nominating Committee Charter. As applicable, the

Board shall make an affirmative determination as to the "independence" of each director pursuant to the independence criteria of the Listing Entity. To guide its determination as to whether or not a business or charitable relationship between the Company and an organization with which a Director is affiliated is material, the Board, or a designated committee of the Board, may from time to time adopt categorical standards of independence.

d. Meetings of Independent Directors. The independent directors of the Board shall meet regularly without the non-independent directors. These meetings shall occur at least twice per year, and may occur in conjunction with regularly scheduled board meetings.

e. Serving on Other Boards and Committees. Prior to accepting an invitation to serve on another public company board or its audit or compensation committee, a Director will advise the Chairman of the Board, the Chairman of the Nominating and Governance Committee, the CEO and the General Counsel in writing. Such Director shall seek the input of these individuals before accepting such public company board or committee position. No director shall be permitted to serve on the boards of more than five (5) companies (or such lower number as may be determined by the Board) that have classes of securities listed under the Exchange Act, which 5 includes the Company's Board. Directors who are actively employed as a chief executive officer will limit their directorships of other public companies to two (2), which 2 includes the Company's Board. Directors who serve as an officer (other than chief executive officer) at another public company will limit their directorships of other public companies to three (3).

f. Changes in Job Responsibilities. Any Director who retires or changes from the position or positions he or she held when he or she joined the Board will advise the Chairman of the Board, the Chairman of the Nominating and Governance Committee, the CEO and the General Counsel in writing. The Board does not believe that Directors who retire or change from the position or positions they held when they joined the Board should necessarily leave the Board. Nonetheless, the Board will consider such retirement or change as it relates to actual or potential conflicts of interest with the Company or the ongoing tenure of the Director.

g. Size of Board. The Nominating and Governance Committee may make recommendations to the Board concerning the appropriate size of the Board, subject to the requirements contained in the By-Laws. The Board believes that the quality of individuals serving on the Board and the overall balance of the Board are more important than the number of members who serve. Nonetheless, the Board believes that there should be a minimum of five (5) directors to help ensure the proper functioning of the Board.

h. Term Limits. The Board does not believe it should establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increased insight into the Company and its operations and, therefore, provide an increased contribution to the Board as a whole. As an alternative to term limits, the Nominating and Governance Committee will review each director's continuation on the Board as provided in the charter of the Nominating and Governance Committee. This will afford each director the opportunity to conveniently confirm his or her desire to continue as a member of the Board.

i. Chairman: Separation of Chairman and CEO Positions. The Chairman of the Board shall be designated by the Board at the annual organizational meeting of the Board or at such other times as determined by the Board. The Board has no policy with respect to the separation of the offices of Chairman and Chief Executive Officer. The Board believes that this issue is part of the succession planning process and that it is in the best interests of the Company and its stockholders for the Board to make a determination regarding this matter each time it elects a new Chief Executive Officer.

j. Annual Meeting of Stockholders. Except in extraordinary circumstances, each of the Directors should attend the annual meeting of stockholders.

3. Board Committees

a. General. Committees support the role of the Board on issues that benefit from consideration by a smaller, more focused subset of directors. The Board may delegate responsibilities to committees. Such delegation must be in accordance with state corporation laws, securities laws, auditing and accounting principles, the Listing Entity rules and the Company's governing documents.

b. Required and Optional Committees. The Board shall have at all times an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. As further provided in the Company's By-Laws, the Board may, at its discretion, have an Executive Committee, and may, from time to time, establish or maintain additional standing or special committees as necessary or appropriate.

c. Selection of Committee Chairmen. A Chairman of each committee shall be selected by the independent directors of the Board to serve for such term as the Board of Directors may determine. If such independent directors of the Board fail to select a chair, the members of the committee may select a chair by majority vote of all members. Subject to any requirements of the applicable committee charter and applicable laws, rules and regulations, each committee shall fix its own rules of procedure and shall meet at such times and places and upon such call or notice as shall be provided by such rules. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

d. Criteria for Committee Members. The members of the Audit Committee, the Compensation Committee and the Nominating and Governance Committee shall consist only of those directors whom the Board determines meet the independence criteria of the Listing Entity and who meet any additional requirements for membership on a specific committee as established by the Listing Entity and other applicable laws, rules and regulations and the committee charters.

e. Selection of Committee Members. Committee members will be appointed by the Board at the annual organizational meeting of the Board, or at such other time as determined by the Board, with consideration of the desires of individual directors, all as may be recommended by the Nominating and Governance Committee.

f. Charters. Each standing committee will have its own charter. The charters will set forth the purposes, goals and responsibilities of each standing committee, as well as procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The charters will also provide that each standing committee must annually evaluate its performance. All committee charters will be made available on the Company's website in accordance with the rules of the Listing Entity, and will be reviewed annually by the committee which will recommend to the Board any revisions to its charter that the relevant committee determines would be appropriate and advisable. Notwithstanding the provisions contained in any committee charter, all committee charters and material changes thereto must be approved by the Board.

g. Rotation. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not believe that rotation should be mandated as a matter of policy.

h. Related Party Transactions. The Audit Committee shall approve all related party transactions, as provided in the Audit Committee charter and as may be otherwise required by the rules of the Listing Entity or the Securities and Exchange Commission.

i. Meetings.

i. Frequency and Length. The Chair of each committee, in consultation with the committee's members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter.

ii. Attendance. Directors are expected to attend meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. They are also expected to make themselves reasonably available for telephonic, video or other meetings necessary for the efficient conduct of Committee business.

iii. Agenda and Discussions. The Chair of each committee, in consultation with the appropriate members of the committee and management, will develop an agenda for each committee meeting. After each annual organizational meeting of the Board, each committee will establish, to the extent practicable, a schedule of agenda subjects to be discussed during the year, and the meeting at which such subjects shall be discussed (to the degree that these can be foreseen). The schedule for each committee will be furnished to all directors. Prior to each committee meeting, the Chair and each committee member are free to suggest the inclusion of additional items on the agenda. Each Board member is free to raise at any committee meeting subjects that are not on the agenda for that meeting.

iv. Dissemination of Materials. Information and data that is important to the committee's understanding of the business to be conducted at a committee meeting should generally be distributed in writing to the committee members as soon as practicable before the meeting, and committee members should review these materials in advance of the meeting.

v. Minutes. Each Committee shall keep minutes of its meetings and other proceedings. It is expected that the secretary of each meeting will keep the only minutes or

other records of that meeting and that, if a director desires to have an item recorded in the minutes, he or she will so advise the secretary at that time or prior to or upon review of the draft of such minutes submitted for approval at a subsequent meeting of the Committee.

vi. Independent Advisors. Subject to the Audit Committee, Compensation Committee and Nominating and Governance Committee charters and any other committee protocols or rules, the Board or any Committee may retain independent legal, financial and other professional advisors as the Board or Committee deems necessary and appropriate, upon the approval of a majority of the independent members of the Board or respective Committee, as applicable.

4. Director Compensation. No compensation or perquisites should be provided to directors without full disclosure to (and, to the extent required by its charter, without prior approval by) the Compensation Committee. Any compensation or other benefit received by any director from any affiliated entities should also be fully disclosed to (and, to the extent required by its charter, first approved by) the Compensation Committee and reviewed to confirm compliance with applicable codes of conduct and applicable law.

5. Director Access to Officers and Employees.

a. Contact with an Officer or Other Employee. Except as otherwise provided in the committee charters and any other committee protocols or rules, if a Director wishes to initiate meetings or contacts with an officer or other employee, outside counsel, auditor or advisor of the Company, such contact should be authorized by and arranged through the Chairman of the Board, CEO, President, COO, CFO or General Counsel or as provided in the committee charters, arranged directly by such authorized Director.

b. Communication with an Officer or Other Employee. Except as otherwise provided in the committee charters and any other committee protocols or rules, or as otherwise determined by the Chairman or the Board, and when so authorized as provided in the previous subsection, the Director will copy the CEO, General Counsel and Chairman of the Board on any written or electronic communications between himself or herself and any officer or other employee, outside counsel, auditor or advisor of the Company.

6. Stock Ownership. The Board believes that it is desirable to align the interests of members of the Board with the interests of the Company's stockholders. To that end, all Directors are required to comply with the Company's Stock Ownership Guidelines and anti-hedging guidelines (the "Guidelines") while they serve as members of the Board. In accordance with the Guidelines, Directors have five years to attain the required ownership thresholds specified therein.

7. Succession Planning. The Board may review succession plans for the CEO and other senior executives, as appropriate, from time to time in collaboration with the Compensation Committee. Succession planning will address both succession in the ordinary course and contingency planning in case of unexpected events.

8. Director Education. The Company will provide opportunities for each Director to participate in continuing educational programs in order to maintain the skills and expertise desired to perform his or her responsibilities as a Director.

9. Stockholder Communications with the Board. Stockholders and other interested parties who wish to communicate with the Board, the independent Directors of the Board as a group, or any other group or committee of Directors may do so by writing to them, or if they so choose to the Chairman, at Atlas Air Worldwide Holdings, Inc., 2000 Westchester Avenue, Purchase, New York, 10577. Communications regarding accounting, internal accounting controls, or auditing matters may be reported to the Audit Committee using the above address. All communications received as set forth above shall be opened by the office of the Secretary of the Company for the purpose of determining whether the contents represent a message to the Directors. Materials that are not in the nature of advertising or promotions of a product or service or patently offensive shall be forwarded as appropriate to the Board or to each Director who is a member of the group or committee to which the envelope is addressed.

10. Financial Statements and Disclosure Matters.

Directors will decide, based upon recommendations from the Audit Committee and management, whether the audited annual financial statements are included on the Company's Annual Report on Form 10-K.

Directors may review relevant information submitted by the Company to any governmental body or to the public.

11. Conflicts; Waiver of Compliance. If there is a conflict or inconsistency between these Principles and the General Corporation Law of the State of Delaware ("Law"), the Company's Certificate of Incorporation or By-Laws, or the committee charters, then such Law, Certificate of Incorporation or By-Laws, or charters, as the case may be, shall govern. In addition, all of the above matters are subject to, and limited by, as appropriate, the requirements of laws and regulations, auditing and accounting principles and the rules of the Listing Entity. Subject to the limitation in the preceding sentences, the Chairman of the Nominating and Governance Committee may waive compliance with any of the provisions of these Principles, either prospectively or retrospectively.

(As of September 15, 2016)