



ESG STRATEGIES AND REPORT 2022





Letter from the CEO



We are now forty years into the history of Forward, and our team that began in Greeneville, Tennessee now works and lives in communities across North America. Every day, we move highly sensitive goods with precision execution to make lives and livelihoods better.

Often, we can see the end results of our work first-hand – bringing important goods to the people who need them. Maybe it's medical supplies needed to support frontline medical staff at a stressed hospital or a crucial part to a machine that keeps a factory and a community going. Perhaps it's goods that a store committed to sell by 8am on Monday. Whatever it is, we know that we are not only meeting our commitments but are also enabling our customers to meet theirs.

We work within complex, extended, and often fragile supply chains. Congestion at ports, limits on mobility, and constraints on capacity have complicated and imperiled once-reliable systems for moving physical goods to where they are needed.

At our founding, Forward's core differentiating idea was that we would be a freight company that met every agreement we made. We would find a way to move the freight – whatever it took – even in uncertain times. Today this remains more than a feel-good statement; it's our honest and deeply lived commitment.

The past two years have taught us all how essential transportation and logistics are. Shipments are not just pallets or packages; they are parts of businesses. The goods for sale are what enable stores to exist. And the existence of those stores provides jobs – livelihoods – for people and families. Our customers trust that we will deliver for them in this most humane of all supply chains, and we honor that trust with fast, precise, and reliable execution.

Every day, we travel to where our customers are. We see them in their communities. And we are citizens and neighbors who work and live with our families in those same communities. We have a responsibility to be the best we can be to those around us, and to the environment that sustains us. Forward has been on a journey of reflection, commitment, and innovation to meet that responsibility. Today, we invite you to join us on our journey, as we share what we and our partners have accomplished so far, as well as the miles we have left to go.

Forward has been here for four decades, and we intend to be here for many more. To do so, we must not only deliver extremely well, but also deliver the right way – with our signature precision execution in what we do and in who we are, for our planet, for our communities, and for each other.



Tom Schmitt
Chairman, President and CEO
Forward Air Corporation

Our ESG Approach



We embrace a comprehensive approach to sustainability that addresses Environmental, Social, and Governance (ESG) factors.

The following are the ten ESG topic priority areas we (together with our stakeholders) identified as relevant to our business and important to our employees, communities, customers, investors, partners and contractors, and form the foundation for our sustainability strategy.

Roadway Health & Safety, Workplace Health & Safety, Independent Contractor Practices, Diversity, Equity, Inclusion, and Belonging (DEI&B) Practices, Community Impact & Partnerships, Measurement & Disclosure, Information Security, Responsible Supplier Practices, Green House Gas (GHG) Emissions Reduction Practices and Air Quality Practices.

We further categorize our ten ESG focus areas through an integrated framework with three pillars:

- People and Communities
- Customer
- Environment

We have integrated ESG roles and responsibilities throughout our governance structure to ensure continued and effective focus on all ten ESG areas. An executive sponsor from our Executive Leadership Team and an internal subject matter expert is assigned to each ESG focus area. Over the past two years, a robust data collection and analysis process has been executed to develop a unique and informed implementation plan for each focus area. Each team will update their plan at least annually.

These plans are then combined to create our company-wide ESG strategy that is overseen by our ESG Steering Committee. This ESG Steering Committee, which consists of all of the executive sponsors and our Head of Corporate ESG, oversees our strategy by reviewing and signing off on all proposed actions and goals. The ESG Steering Committee meets at least quarterly and on an as-needed basis.

To ensure that our ESG ambitions are incorporated into our overall business strategy, our CEO and Board of Directors oversee our ESG risks & opportunities. Our Head of Corporate ESG reports directly to the CEO and the Corporate Governance and Nominating (CG&N) Committee has official oversight over our ESG strategy and program.

To continuously improve our internal ESG practices and align with globally-recognized frameworks, we are also actively collaborating with external consultants, such as Metrio and Agendi, in ESG data analysis and strategy. These collaborations have helped us streamline our internal data collection processes, complete our 2019, 2020 and 2021 greenhouse gas inventories, and set targets.

Through these governed and managed efforts, we promote growth in our people, ensure the company's ongoing business success while reducing our environmental impacts, and support continued industry innovation.

Our ESG Journey

Our efforts to manage sustainability risks and capitalize on related opportunities benefit our stakeholders – our employees, contractors, communities, customers, partners, and investors.

At Forward, our sustainability focus means doing the right thing for our stakeholders and environment. Behind our company's name is a team of people. Behind our customers' names are people. Together, we share common communities, a common environment, and a common reliance on transparent, ethical practices.

Forward's sustainability focus is also just good business. Managing sustainability risks and capitalizing on opportunities are the true means to ensure our growth in talent, business success, and industry innovation. As a result, we are committed to an integrated People and Communities, Customer, and Environment approach to achieve consistent results.

Our ESG journey began in 2019, when Forward's Board amended the Corporate Governance and Nominating (CG&N) Committee Charter to direct the CG&N Committee to explicitly oversee our efforts related to ESG matters, and manage sustainability-related risks and opportunities. At least twice a year, the CG&N Committee is updated on each of these topics and provides feedback and direction that it deems appropriate. The CG&N Committee was last updated in July and October 2022. At least annually, the Chair of the CG&N Committee provides a report on these topics to the full Board. In 2022, this report took place in May 2022.

In 2020, Forward initiated an ESG market analysis and benchmarking exercise that explored the ESG issues that most impact transportation and logistics industries and marketplaces. This analysis provided initial insights into the ESG topics most relevant to our industry, and how similar companies were beginning to address those challenges.

The scale of these challenges required dedicated resourcing to make meaningful progress. At the beginning of 2020, Forward's leadership created the Head of Corporate ESG role to provide oversight of Forward's ESG vision, strategic planning, performance management, and improvement activities.

In 2020, we completed an ESG assessment, including a third-party stakeholder assessment that served as a basis for identifying and prioritizing ESG topics relevant to our industry, our business, and our stakeholders. We refined this analysis utilizing Sustainable Accounting Standards Board (SASB) standards as a guide.

Based on these evaluations, Forward identified ten ESG topic priority areas and related risks and opportunities that are being addressed through the plans developed by the various executive sponsors.

We recognize that ESG is a journey. As we learn more, define specific goals and targets, and take action to meet them, circumstances in our business, our industry, and the world will change. Forward intends to periodically update its ESG assessments to enable us to continue adjusting our approach alongside these changes.

In 2021, we published our first ESG Report that outlined our ESG strategy and created our internal ESG Steering Committee. In 2022, we streamlined our internal data collection process, set targets and launched our new ESG website which we will update with our progress.

Forward is deeply committed to its ESG vision and strategy and having a positive impact on present and future generations. Our efforts aim to bring about lasting change and improvements that will have a profound effect on all of our stakeholders: employees, communities, customers, partners and investors. We invite you to learn more about our ESG Strategic Approach on our ESG website.

Looking Ahead

Forward will continue to refine the commitments made with our ESG strategy to People and Communities, Customer, and Environment pillars through strong, evolving governance policies and practices.

We will learn from our existing and planned measurements to establish specific goals, baselines, and targets. We will continue to deliver impact through our existing improvement activities while developing new ones around newly identified risks and opportunities.

We will also continue to communicate on our Sustainability strategy and activities to our stakeholders to drive understanding, adoption, and innovation together.

Forward is proud to participate in a growing community of businesses that are committed to ongoing ESG accountability and reporting and will continue to seek to advance our progress in meaningful ways.

This version the report was last updated November 2022 to reflect the time period from 1 January 2021 to 31 December 2021. Our ESG Report will be updated annually for each fiscal year to coincide with our financial reporting requirements (e.g., 1 January 2021 to 31 December 2021). Questions about our ESG Report can be directed to esg@forwardair.com.





Business Overview: How Forward Works

Forward Air Corporation (NASDAQ: FWRD) is a leading asset-light provider of transportation services headquartered in Greeneville, Tennessee. Serving the United States, Canada and Mexico, Forward operates approximately 200 facilities across North America, with more than 4,000 employees and another 4,000 engaged third-party drivers.

Forward was founded in 1981 on a simple idea: improving reliability and lowering costs by grounding air freight for short distances. Now, over 40 years later, Forward has grown into a leader in the ground transportation industry, with a vast portfolio of services to meet our customers' unique shipping needs including expedited less-than-truckload (LTL), final mile, intermodal drayage and truckload (TL) services.

Forward's expansive network and commitment to precision execution enables fast, reliable transit times and damage-free deliveries
We are more than a transportation company. We are an integrated part of our customers' supply chains.



OUR ESG APPROACH

People and Communities



Our business operates in a broad, diverse society. We cannot achieve our goals without the relationships and reputation we foster with the people and communities where we do business. That is why at Forward, we put people at the center of everything we do. We strive to empower the people that power Forward, from our drivers to our partners, and beyond, to improve their lives and realize their full potential.



Health and Safety Practices

Forward is committed to maintaining safe facilities for our employees, independent contractors, customers, and partners. We are committed to continuously evaluating our practices and training our employees and independent contractors to prevent workplace incidents. Our commitment also extends beyond our own facilities to the work of our employees and independent contractors on the road. Our Leased Capacity Providers are the heart of our business, and Forward is committed to keeping drivers of our Leased Capacity Providers safe through practices that monitor, track, and reduce roadway incidents.

Employee Health and Well-being

One of the most important ways we support our employees and their families is through a comprehensive benefits package for all full-time employees. Forward employees have access to the following:

- **Competitive Benefits:** Forward provides a strong benefit package to employees that includes health care insurance, dental insurance, vision insurance, Company-paid life insurance, paid time off, Company-paid holidays, family medical leave, and a 401(k) with a Company match.
- **Wellness Program:** The Employee Wellness program provides access to annual medical screenings and health fairs, at no cost to the employee, to help keep employees healthy. Additionally, The Employee Wellness Program provides discounted gym memberships, free weight loss and smoking cessation programs, a healthy pregnancy program with incentives, and an Employee Assistance program.
- **Work/Life Balance:** Forward understands that work / life balance is important to our employees. We are consistently improving our paid time off benefits for all Forward employees, which allows us to retain and recruit quality employees.

We invest in a variety of programs focused on improving and maintaining driver health and wellness. Forward provides drivers access to a fatigue management service with the goal of reducing fatigue-related accidents and encouraging healthy, restful sleep. We have implemented fleet safety equipment, including electronic monitoring systems, to track driver safety, well-being, and health through monitoring of speed and proper hours-of-service-required rest breaks. For more information on our programs focused on improving and maintaining driver health and wellness, [click here](#).

Workplace Safety

Forward employs, maintains, and monitors a robust Health and Safety program for all our workers which establishes procedures and policies to prevent workplace incidents. Governance mechanisms and procedures exist to investigate accidents and monitor lessons learned, driving continuous improvement in the health and safety practices across our facilities.

Our core belief is that delivering excellence begins with safety. Our Safety organization is comprised of over 50 employees covering all Forward entities led by our Senior Vice President of Safety. Our safety team's mission is to keep our people and the public safe with world-class results and oriented execution. The key tools utilized to fulfill this mission include the following: Top-Down Safety Culture, Proactive Leadership, High Safety Standards, Risk-Targeted Safety Education, Risk-Mitigation Technologies.

Occupational Health and Safety Management System

Forward utilizes an Occupational Health and Safety Management System to monitor and track workplace health and safety metrics on a monthly and quarterly basis. This system is based on recognized risk management standards and guidelines. Our safety metrics are extensively reviewed across our governing and management structures, from terminal managers to our SVP of Safety, who share results directly with the Board of Directors. Our employees and independent contractors are trained and equipped with resources to avoid and respond to health and safety incidents, including a robust Security Plan for HAZMAT transportation.

All employees are assigned 36 compliance material courses as part of onboarding. Employees may be assigned additional refresher compliance courses, based on the need for corrective action or identified risks. These courses comply with Occupational Safety and Health Administration (OSHA) standards. The Company also has comprehensive safety policies for contractors, vendors, and internal affiliates within our Contractor Safety Policy.

As part of our assessment, we have identified improvement activities to develop a comprehensive Emergency Preparedness Plan (EPP) for all our facilities. The EPP is under development and in compliance with OSHA Standards 29 C.F.R. 1910 and FMCSA 49 C.F.R. When completed, we will distribute and maintain this EPP for employees and independent contractors, across our facilities and corporate offices.

Looking ahead, we plan to evaluate our Health and Safety practices to drive continuous improvement with the health of our employees, partners, customers, and independent contractors in the forefront.

Roadway Safety



Beyond our workplace safety focus, Forward also has procedures and processes in place to ensure the safety and well-being of our employees, independent contractors and the general public on the road. We move our customers' freight primarily with transportation capacity provided by our independent contractor fleet owners and owner-operators that lease their equipment to the company (Leased Capacity Providers). Our roadway health and safety practices strive to reduce roadway-related incidents.

Forward employs clear policies and procedures to manage our roadway health and safety practices. We closely monitor and track roadway-related incidents and have processes in place to identify, investigate, design and implement corrective actions that prevent and reduce the quantity of safety-related incidents related to our work. We are also committed to educating our people and promoting driver health and wellness through routine communication campaigns and information designed to improve knowledge and produce safer results.

The drivers of our Leased Capacity Providers complete a three-day safety orientation as part of their onboarding where they are assigned several compliance courses. Safety compliance courses may also be assigned on an ongoing basis, based on driving behaviors. These courses comply with the Federal Motor Carrier Safety Act (FMCSA) Regulations and Interpretations – 49 C.F.R., Parts 383, 391, 392, 395, 396 and HM Regulations – 46 C.F.R. Part 177.

Forward takes a proactive approach toward roadway events that could result in injury to drivers and the public who share the roadway. We strive to have zero roadway accidents that result in any injuries. If events do occur, we review their root cause to avoid making the same mistake in the future. Forward monitors accident frequency and threshold values of 0.50 DOT recordable events per 1 million miles, which are reported to company management and to the FMCSA.

Forward has a goal for Lost Time accidents to be below the industry average of 3.1 Lost Time accidents per 100,000 hours worked. These key metrics are woven into all aspects of leadership and are part of leadership merit programs.

Percentage of Employees Participating in Training (2021)



Occupational Health & Safety Training - Course and Audience

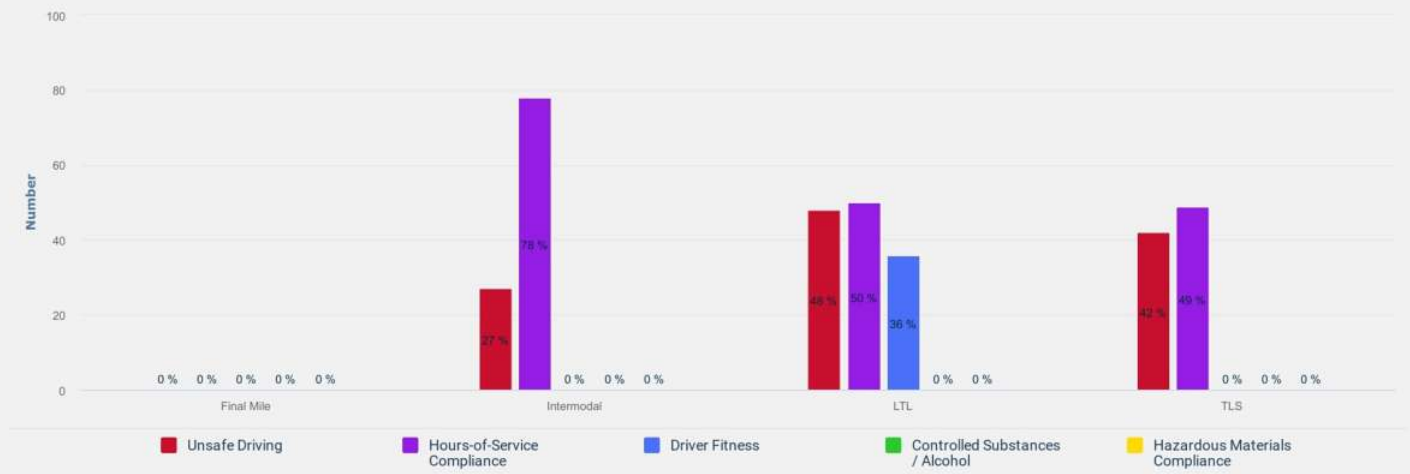
	Course Name	Audience
	2021 KnowBe4 Security Awareness Training	All employees who use computers
	Active Shooter	All employees
	Back Safety: Keep Your Back in Action	All employees
	Basic Air Cargo Security	All cargo handlers
	Bloodborne Pathogens	All employees
	California COVID-19 Training Guide	California learners
	Code of Business Conduct & Ethics 2021	All employees
	COVID-19 Forward Guidance	All employees
	Fire Prevention and Response	Cargo handlers, Office, Sup, MGR, Mech
	Forklift Training: Non-Operator Safety	Forklift drivers
	Forward Air Privacy Policy	All employees
	Forward Forklift Training	Forklift drivers
	HazCom: What You Need to Know	All employees
	Hazmat Cargo Handlers- Part 1	All cargo handlers
	Hazmat Cargo Handlers- Part 2	All cargo handlers
	Hazmat Cargo Handlers- Part 3	All cargo handlers
	Hazmat Drivers Recurrent	Drivers
	HazMat General Awareness	Drivers
	Hazmat Placard Wizard	Cargo handlers, Office, Sup, MGR, Mech
	Hazmat Security Awareness	Drivers
	HazMat Spill Response	All cargo handlers
	Hazmat Training for Dispatch, Office, Admin	Office
	NY State Sexual Harassment Prevention Training (Refresher)	New York learners
	NY State Sexual Harassment Prevention Training (SCORM)	New York learners
	Reasonable Suspicion	Supervisors, Managers
	Reasonable Suspicion Testing: What Supervisors Need to Know (For Drivers)	Supervisors, Managers
	Safety Six	All employees
	Safety Six Part 2	All employees
	Screened Cargo	All cargo handlers
	Sexual Harassment Prevention Training - for California Learners	California learners
	Sexual Harassment Training	All employees
	Unsafe Acts (English)	Drivers
	Workplace Safety 101	All employees

We have also implemented a quarterly safety bonus and annual vehicle giveaway to incentivize our Leased Capacity Providers to promote safe driving practices. These initiatives celebrate drivers of our Leased Capacity Providers who have zero moving violations or accidents each quarter. Drivers who obtain four quarterly bonuses are eligible to win a new vehicle. In 2020, 326 drivers qualified for the vehicle giveaway, a 172% increase over the inaugural year of the program in 2018. The number of qualified drivers has continued to increase year over year with 391 qualified drivers in 2021.

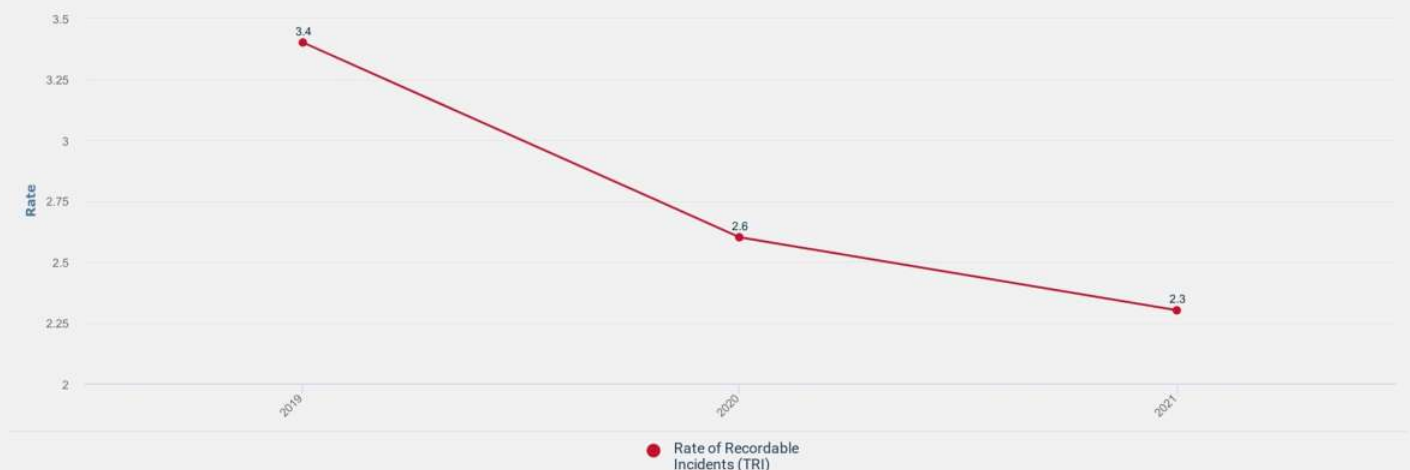


Looking ahead, we will continue to identify and promote opportunities to adopt health and wellness practices for the drivers of our Leased Capacity Providers in compliance with FMCSA and 49 C.F.R. Part 391. Healthy, safe drivers contribute to a safe public and a safe community.

Forward's BASIC Percentiles (2021)



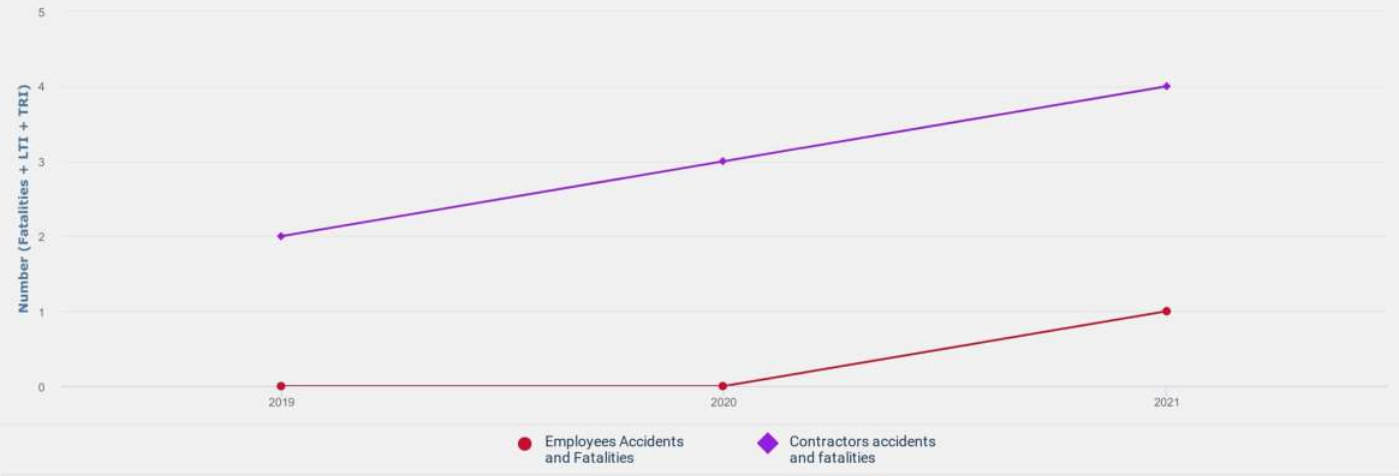
Incident Rate for Employees



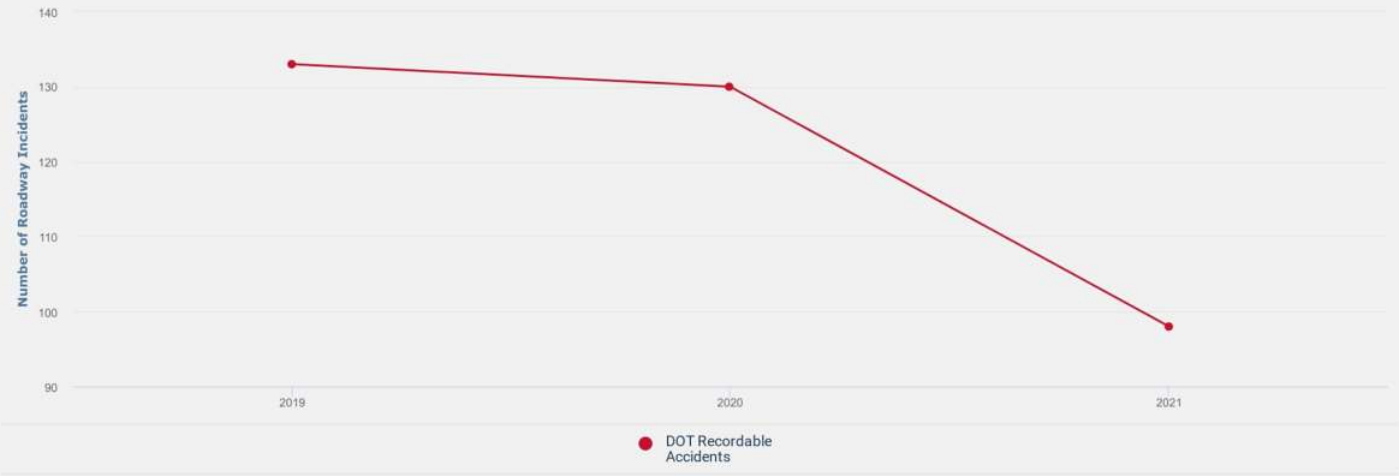
Number and Rates of Incidents

	Employees			Contractors		
	2019	2020	2021	2019	2020	2021
Number of Fatalities	0.0	0.0	1.0	2.0	3.0	4.0
Number of Recordable (TRI)	0.0	0.0	0.0	0.0	0.0	0.0
Rate of Recordable (TRIR)	3.4	2.6	2.3	-	-	-
Number of Fatalities from Ill-Health	0.0	0.0	0.0	0.0	0.0	0.0
Number of Cases of Work-Related Ill-Health	-	-	-	0.0	0.0	0.0

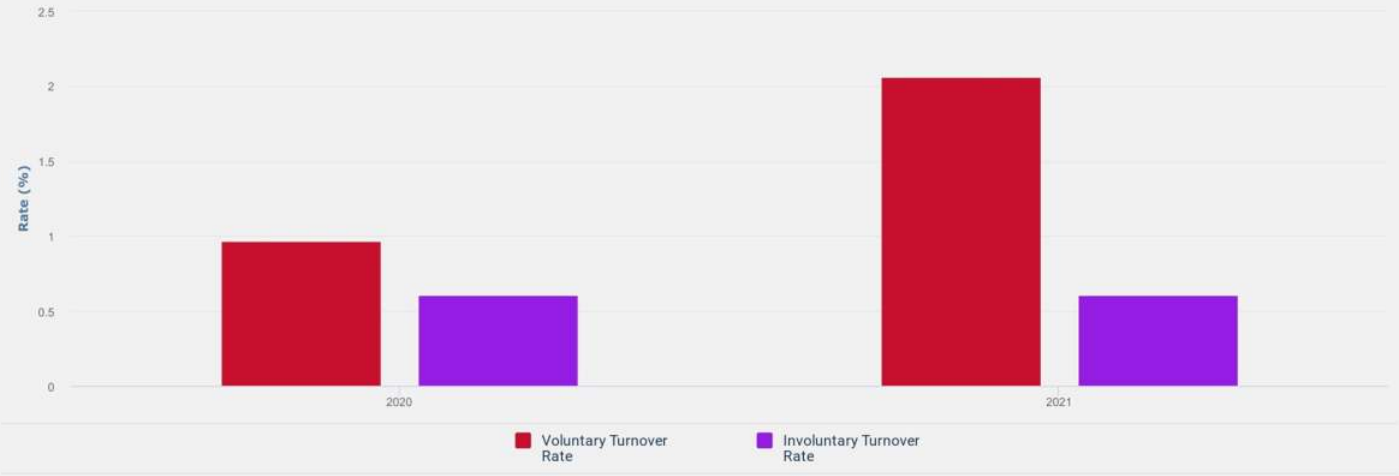
Number of Annual Accidents / Incidents



Roadway Incidents



Turnover Rate (Voluntary and Involuntary)



Independent Contractor Practices

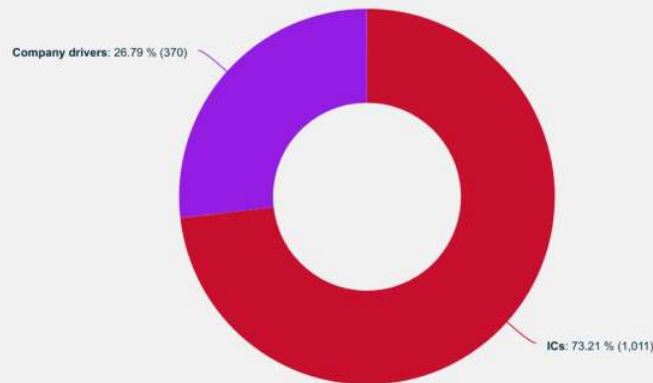
Our independent contractor Leased Capacity Providers are essential to our business, allowing us to flex and scale with our demand. We refer to this business arrangement as our IC model. We are committed to our IC model and to our business relationships with these multiple independent contractors. Forward is proud to provide opportunities for independent business owners to be successful in the transportation industry.

To manage our IC model, we have established governance mechanisms, policies, and best practices to support and safeguard the integrity of Forward's business arrangements with independent contractors. We provide extensive training and testing of our employees to ensure proper and consistent application of our practices in our interactions with independent contractors. Nonetheless, all Forward drivers, including those of independent contractors, are qualified under and provided materials to ensure compliance with all applicable FMCSA regulations.

Looking ahead, we will continue to support and protect our IC model that is fundamental to our operations by regularly updating our contracts as well as our annual employee training and testing and reviewing, and as advisable, modifying our operating practices.



Percentage of Drivers Classified as ICs (2021)



Diversity, Equity, Inclusion, & Belonging

Diversity, equity, inclusion, and belonging matter to Forward. We are committed to moving from “well-intentioned” to “dedicated DEI&B champion” by creating an even more diverse, equitable, and inclusive work environment than we have today.



As a company, we aim to embody our commitment to diversity, equity, inclusion, and belonging transparently and consistently in every aspect of what we do: leadership, recruitment, vendor management, and partner relationships.

Forward's commitment to a diverse, equitable and inclusive workplace begins at the top, starting with the Board of Directors (Board). Diversity in race, ethnicity, and gender are important factors in evaluating candidates for board nominees. Since July 2017, we have added three female directors to our Board. In 2021, we nominated one additional female director and three diverse directors to our Board. Today, 67% of our available Board seats have been filled with a female and/or diverse candidate. We believe diverse backgrounds and experiences are important to provide a range of perspectives to overcome challenges, improve business performance, and support good decision making.

The skills and talents of our diverse workforce drive our performance and we respect the value they bring to our business. We strive for a diverse and inclusive environment where everyone can contribute and thrive. We have an ongoing commitment to ensure we have a diverse workforce and Board presence.

Forward understands that a welcoming workplace attracts top talent, which drives performance and profitability. Forward seeks candidates from all backgrounds to continue to build our industry's most qualified workforce. At the core of Forward's talent acquisition philosophy and the cornerstone of our operations is a concentrated effort to tap into 100% of the talent pool. From the docks of our terminals to the seats at our executive leadership table, we support diversity with intentional thought by educating our teams on avoiding unintentional bias.

Forward is committed to having a diverse candidate pool in our hiring processes. We partner with third parties and industry associations to improve the diversity of our candidate pool and better reflect the communities we serve.

Career advancement has also been at the forefront for our employees. We truly pride ourselves on being able to promote within. Our continuous learning workshops range from Customer Service to Leadership and beyond. We strive to provide meaningful development opportunities for 100% of our employee population.

We're looking forward to expanding our career development offerings with new modules in a system to assist with career pathing and succession planning. The strides we've taken with career and development will catapult us into a more interactive growth process within our teams.

In 2020, Forward created a Diversity, Equity, Inclusion and Belonging (DEI&B) Council chartered to promote employee inclusion and engagement through initiatives that celebrate the diversity of our employees and communities.

As an organization that puts people at the center of everything we do, our goal is to increase employee engagement and retention in part through enhanced DEI&B practices. Since the creation of our DEI&B Council, we have been focused on implementing several initiatives that foster an inclusive environment, such as:

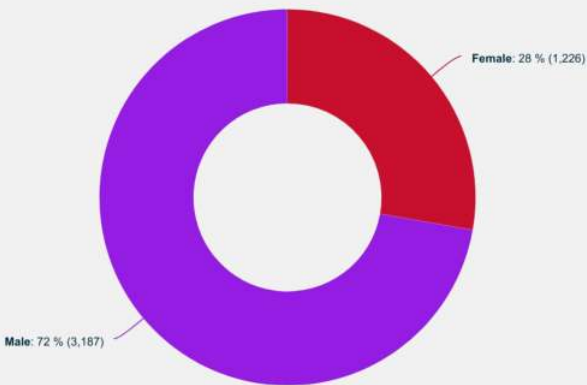
- Incorporating additional DEI&B training into our education programs for employees and leadership. These modules will be integrated into our new learning software, which includes additional Talent Development and Succession Planning modules.
- Engaging our employees in the celebration of diversity. We plan to launch a series of Employee Resource Groups to foster an inclusive environment and better understand our colleagues' backgrounds.
- Assessing our current benefits program to identify improvement opportunities to support our increasingly diverse employees' unique needs.
- Implementing paid parental leave in 2022.
- Honoring and celebrating different cultures throughout the year by commemorating key diversity holidays, observances, and celebrations and providing floating paid holidays.
- Eliciting actionable employee feedback regarding DE&I on our Employee Engagement Survey.

These practices are supported in our **Code of Business Conduct** which prevents discrimination or harassment based on race, sex, age, color, religion, national origin, Veteran's status or disability. Forward employees are also offered three DE&I trainings throughout the year: Understanding Diversity, Generational Awareness, and Emotional Intelligence.

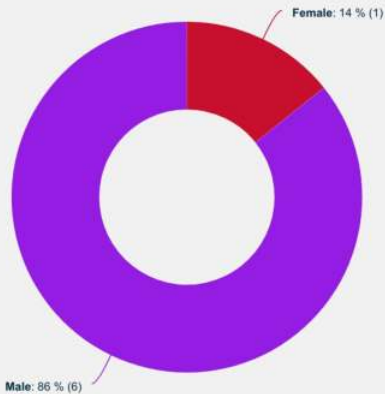
In addition to improving diversity and inclusion across our workforce, we understand the importance of supporting diversity across our value chain. We aim to set up infrastructure to collect supplier diversity information by the end of 2024, while in parallel exploring opportunities to grow our supplier diversity program and partnerships. You can learn more about these efforts in our Responsible Supplier Practices section.

Looking ahead, we are committed to continuously building our brand and our reputation as a leader in diversity, equity and inclusion. To become a leader, we will champion our values by fostering an environment rich with diverse experiences and ideas and invite our people and partners to join us through inclusive practices.

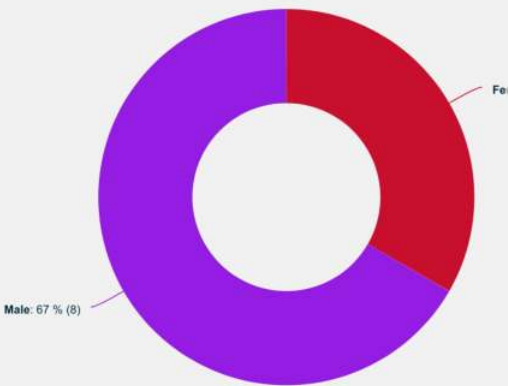
Percentage of Employees Based on Gender (2021)



Percentage of ELT Based on Gender (2021)

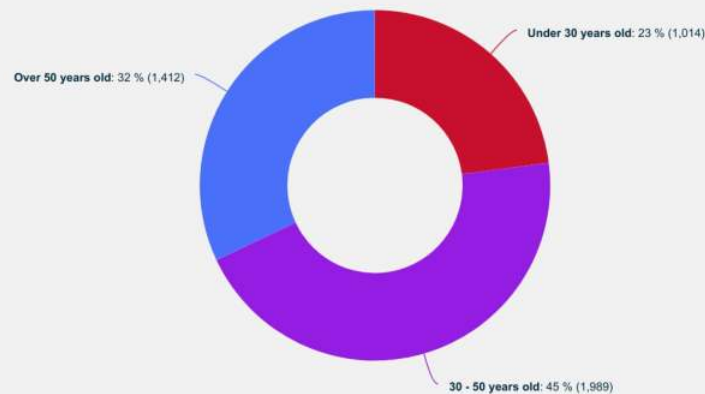


Percentage of Board Based on Gender (2021)

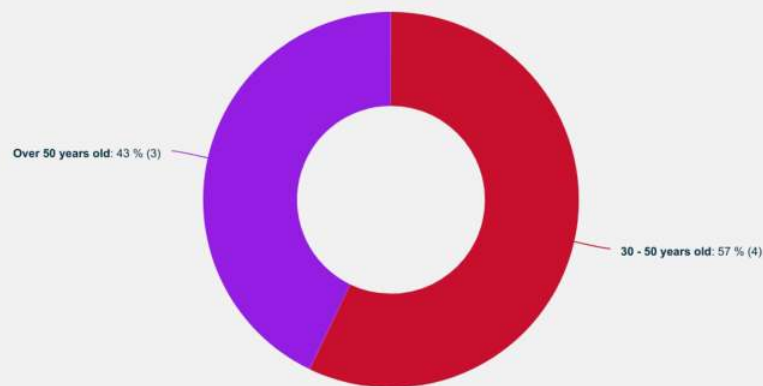


ELT = Executive Leadership Team

Percentage of Employees Based on Age Group (2021)



Percentage of ELT Based on Age Group (2021)

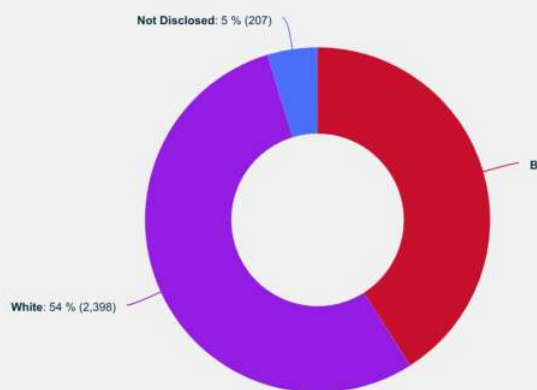


ELT = Executive Leadership Team

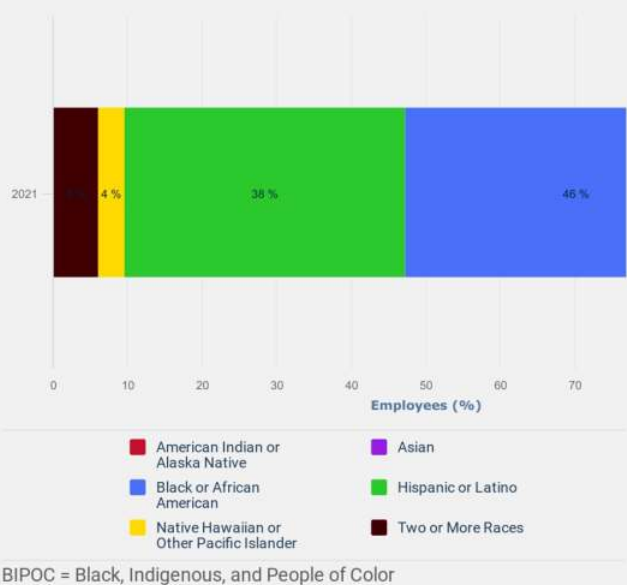
Percentage of Board Based on Age Group (2021)



Percentage of Employees Based on Ethnicity (2021)



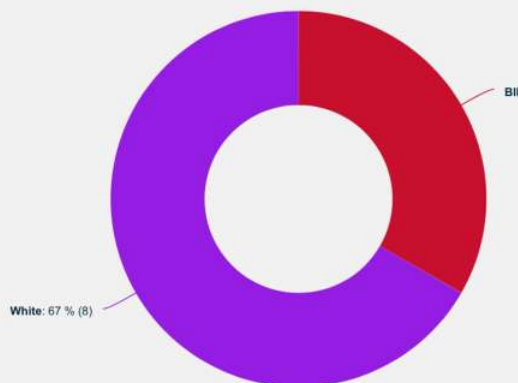
Employee BIPOC Breakdown (2021)



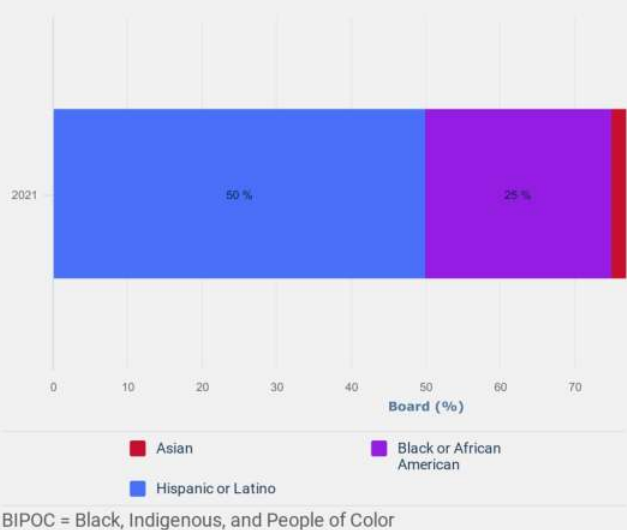
Percentage of ELT Based on Ethnicity (2021)



Percentage of Board Based on Ethnicity (2021)



Board BIPOC Breakdown (2021)





Community Impact and Partnerships

Forward is committed to supporting and giving back to the communities where we live and work, particularly through our support of our employee Veterans and the community of Veterans in North America.



We have created a charitable platform called Operation: Forward Freedom, a manifestation of our Company's ongoing commitment to Veteran-related causes. In May 2022, we hosted our first annual Drive for Hope Golf tournament where we raised more than \$375,000 for Hope for the Warriors. Hope for the Warriors is a 501c3 nonprofit whose mission is to care for and empower service members and military families challenged by the physical, moral and psychological effects of war.



Through our partnership with Hope for the Warriors, we support our nation's Veterans in truly meaningful ways, including the Drive for Hope program, which restores driving independence to wounded service members through adaptive driving and rehabilitation. The monies raised by The Drive for Hope Golf Tournament are donated to the Drive for Hope program, as well as other worthy Veteran efforts by Hope for the Warriors. Forward also made a \$10,000 donation to Hope for the Warriors on Veterans Day, 2021. Throughout our enterprise, we are pleased to see our employees and partners rally around this program and are proud to support those who have served.



As part of Operation: Forward Freedom, we also partner with Drexel Hamilton, a service-disabled veteran-owned and operated broker-dealer founded on the principle of offering meaningful employment opportunities to disabled veterans. In 2020, Forward allocated \$10 million of its cash balances to a \$249 billion U.S. Government money market fund through its account at Drexel Hamilton. This investment helps drive employment opportunities for Veterans and also contributes to the Veteran charities that Drexel supports.



We also partner with non-profit organizations that positively impact our communities and our industry. Through our partnership with Truckers Against Trafficking, we have conducted training for over-the-road drivers to educate and equip them with the tools needed to combat human trafficking.



Forward partners with Women in Trucking to encourage and promote the employment of women within our industry. In 2021, Women in Trucking named Forward a "Top Company for Women to Work for in Transportation." Our team of drivers is currently comprised of 15% women, roughly twice the U.S. industry average, and we continue to seek opportunities to improve upon that percentage.

Looking ahead, we are committed to supporting our communities and will continue to explore opportunities to partner with local organizations, particularly when we are able to provide impact because of our unique reach and role in connecting people across the continent.



OUR ESG APPROACH

Customer



Our customers are key stakeholders, and the heart of our business is built around the idea of meeting our responsibilities so that our customers can meet theirs.

Forward is committed to providing the industry's highest quality service in delivering on our customers' expectations – both in what we do, and in how we do it.

Our long-term success relies on the trust, confidence, and loyalty we build with our customers. Through Forward's ongoing commitment to high quality service and innovation, we are confident in the shared value and transformation we bring to the industry, and its impact on all.



Measurement and Disclosure

Forward is committed to adhering to and disclosing our policies, procedures, and business practices and measuring our impact as it relates to ESG (according to established regulatory and legal standards). We recognize that improving the sustainability of supply chains requires transparency from all participants.



Forward is committed to transparent and sustainable business practices. We are undergoing large technology transformations to digitize various processes and adopt cloud technologies. Through Salesforce implementation, we are providing our customers with a single point of contact to support all their interactions with Forward. Similarly, with our Oracle Financials implementation we expect to see several cash process improvements due to automation, including customer service, payment collection, dispersing payments, and driver retention. These improvements will increase efficiency and decrease the man power necessary to process such transactions. Expected benefits and business impacts include a significant reduction in paper usage due to the imaging and electronic storage of AP documents, more efficient transactions, improved integration with bank systems, and decreased power consumption as we transition to cloud-based systems.

Forward uses Safety and Environmental Management Systems to track trends in bodily injuries, near misses, and other risks. Our systems track both roadway and workplace events. These systems provide meaningful data that is communicated with all divisions and C-level executives to establish visibility and formulate corrective action. In addition, we have integrated vehicle telematics to document environmental impacts of our fleet. These integrations identify nonproductive uses of vehicles such as excessive idling or vehicle engine malfunctions that could affect emissions. Forward has established policies and procedures to measure and monitor key metrics and document corrective actions. Performance metrics are communicated to protect people on the road and reduce our environmental impact.

On Sustainability reporting, we have identified improvement opportunities in our Mergers and Acquisitions (M&A) processes. One example includes creating an ESG M&A assessment checklist, based on industry standard frameworks, to assess a potential target's ESG risk/opportunity landscape more quickly.

On ESG data management, we have implemented various data aggregation and analytics technologies to efficiently consolidate operational data. We have partnered with a sustainability software provider, Metrio, to centralize, analyze and report on our ESG data. Using this software enables us to capture ESG data, track progress, measure against goals, and disclose efficiently with quality. As part of our data collection and management, we have considered the data management elements identified by widely accepted sustainability standards frameworks (SASB, GRI, CDP, TCFD, etc.).

We partner with Agendi, a specialized sustainability consultancy to support us on our ESG Journey and facilitate our GHG emissions calculations. This process started with a robust data collection initiative. We have calculated our GHG emissions for 2019, 2020 and 2021 based on the methodology provided by the GHG Protocol. More details about this process and the results of our GHG inventories are captured in our GHG section.

In 2021, Forward established our Measurement and Disclosure Task Force and ESG Steering Committee. The Task Force is responsible for adhering to and disclosing ESG policies, procedures, and business practices, as well as measuring ESG impacts. The ESG Steering Committee is made up of our Chief Financial Officer, Chief Legal Officer, Chief People Officer, Chief Operating Officer, SVP of Safety and Chief Information Officer and is responsible for oversight of our ESG risks, strategy and reporting. Both meet on an as-needed basis and work together with our Head of Corporate ESG to define and execute our ESG strategy and roadmap.



Information Security

Forward is committed to employing proactive measures to protect our network, computer systems, and data from cyber threats. Our intent is for our customers, suppliers, and partners to feel confident when sharing information during our business interactions.



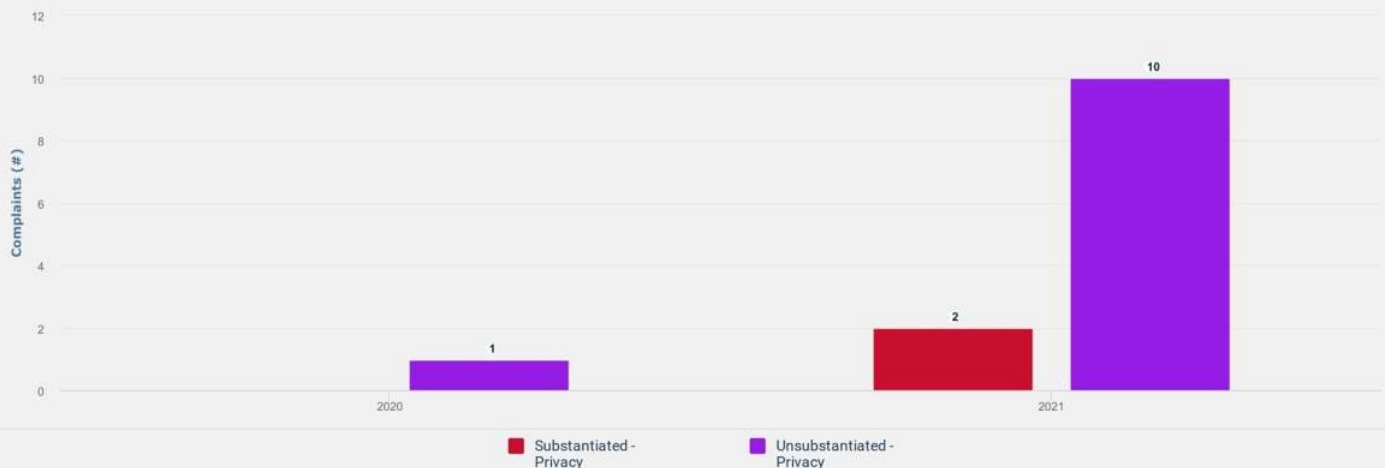
As part of our commitment to cybersecurity, we created and deployed a robust Information Security program in early 2020. Through this program, we established a supporting governance structure, policies, and procedures. Further, we have begun to deploy infrastructure required to meet National Institute of Standards and Technology (NIST) requirements and the enhancement of information security practices for our employees, customers, and partners.

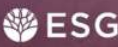
Forward's Information Security program strives to earn trust and confidence in our ability to secure customer and partner data. Our Information Technology team and our employees regularly review our policies and standards to ensure we are aligned with the Information Security program. In 2020, we launched the "2020 Social Engineering Red Flags" awareness training through our training platform that targeted highly impacted teams (Finance/Accounting/HR). All employees are also required to complete a yearly "Security Awareness Proficiency Assessment" training.

We are committed to building on the Information Security program through several ongoing initiatives aimed at providing additional security tools, preventing data breaches, and enforcing data security. As best practices, customer requirements, and external regulations regarding data are ever-evolving, Forward is committed to continuous evaluation and improvement of our practices as data stewards.

Looking ahead, Forward aspires to be an industry leader by establishing a robust Information Security program that drives adherence to best practices by our employees, customers, and partners.

Substantiated and Unsubstantiated Complaints





Responsible Supplier Practices



Forward is committed to the establishment of key partnerships and policies to help manage and mitigate our environmental and social impacts across our extended supply chain.

As part of our Responsible Supplier program, we work to understand the environmental goals of both our suppliers and customers and how we can partner to achieve collective goals. We realize that indirect Scope 3 greenhouse gas emissions occurring throughout our supply chain comprise a portion of our overall carbon emissions as a company. We are exploring and implementing new opportunities to decrease our environmental impact with our suppliers and partners and encourage our suppliers to follow their own ambitious environmental policies.

Our Final Mile Recycling program is one example of a waste reduction initiative with our suppliers. We implemented this program to reduce, reuse, and recycle waste in our facilities through the correct disposal and recycling of appliances and packing materials. Our expanded partnership with a national waste provider management company has enabled us to expand operational waste management at terminals across our network. Similarly, we have implemented a plastic separation and recycling program specifically tailored to the unique needs of our aircraft transport. On average, we have at least two technicians at each terminal to ensure the appropriate removal and disposal of Freon, which may contain ozone-depleting substances and greenhouse gases.

At Forward, we are also committed to growing and maintaining a diverse and inclusive supply chain that purposefully supports and develops small and minority-owned businesses. We see a wealth of benefits from having our supply chain reflect the diversity of the communities we serve, from increased innovation and employee engagement to better service for our customers. We recognize the competitive advantage provided by minority, woman, service-disabled/veteran, LGBT and small business owned companies joining our supply chain, and we treat our commitment to sourcing from diverse suppliers as an ongoing investment in the communities we serve.

As part of this commitment, we are improving our processes for collecting supplier diversity information. By 2024, we expect to establish data tracking infrastructure and explore opportunities to grow our supplier diversity program and partnerships. We aim to establish supplier diversification goals in the coming years.

This data tracking infrastructure will enable us to further understand our supply chain, improve spending levels as appropriate with diverse suppliers and fully integrate supplier diversity into our business strategies.

Looking ahead, we intend to establish policies around our Responsible Supplier program and continue focusing on our partnerships with our suppliers. This helps us to improve and incorporate environmental-focused practices and maintain diversity across our supply chain.



Total Number of Carriers

	2021
Number of Carriers	2,050

Number of Vehicular Upgrades

	2021			
	Q1	Q2	Q3	Q4
Forklift	2	-	-	-
Truck	17	78	4	8
Total Quarter	19	78	4	8
Total Year	109			

OUR ESG APPROACH

Environment



Forward is committed to promoting a healthier natural and built environment by striving for continuous environmental improvements in all aspects of our business.

Forward’s own efforts, amplified through collaborations with our partners and customers, contribute to our ability to create clean, safe workplaces and healthy communities now and for future generations.

Forward recognizes that environmental leadership requires not only our own action, but transparency and participation in the industry, including conversations about innovations and advancements that make a difference.

The transportation sector is responsible for 27% of US GHG emissions according to the US Environmental Protection Agency ^[1]. As a transportation company, Forward’s environmental strategy is centered around reducing GHG emissions to mitigate climate change and control emissions of pollutants that affect air quality. Our environmental efforts are focused in these areas, but we know that there are many other important environmental issues, so we are also diversifying our sustainability initiatives to include recycling/waste management and other actions.

We are undertaking diverse initiatives at our facilities and corporate offices that will reduce our impact on the environment. We continue to make improvements to our existing business practices and waste management programs. In Q3 2021, we created our Sustainability Task Force to incorporate sustainable practices across our business and reduce waste in our new and existing facilities and corporate offices. In 2022, we began piloting these practices at our corporate offices in Columbus, OH and Atlanta, GA with recycling, composting and responsible sourcing. We plan to expand these practices to our other locations in the coming years.

Forward leases the vast majority of its facilities and corporate offices and we continue to work with our landlords on viable sustainable initiatives including LED lighting and renewable energy programs. We are also exploring opportunities to further reduce paper use in our facilities and corporate offices. This is only the beginning of our journey to a greener footprint in our commercial operations.

We are committed to minimizing environmental impacts by reducing the use and improving the management of hazardous materials used by our operations and activities. We aim to increase the use of materials, equipment, and technology that decrease our environmental impact.

We started this journey by addressing the areas under our most direct control. Looking ahead, we will continue to work to reduce our environmental footprint and enhance our climate strategy.

^[1] EPA Website, Accessed August 2022, <https://www.epa.gov/ghgemissions/sources-greenhouse-gas-emissions>

Reducing carbon emissions is crucial to the future of our industry and our planet. Forward is committed to reducing our carbon emissions and protecting our environment.

Forward has been focused on developing processes and implementing tools for data collection to further understand our emissions footprint. We have implemented both short-term and long-term strategies to measure our Scope 1, Scope 2, and Scope 3 emissions and are committed to improving our GHG emissions data collection and tracking.

We believe in emissions reductions aligned with climate science and have begun analyzing emissions reduction targets developed by The Science Based Targets initiative (SBTi). We plan to set approved science-based targets within the next two years and in the interim have established preliminary Scope 1 and Scope 2 emissions reduction targets.

We have established a preliminary goal to reduce absolute Scope 1 and Scope 2 GHG emissions (combined) by 42% by 2030 from a 2021 base year. Based on Forward's current analysis, this is aligned with SBTi's methodology.*

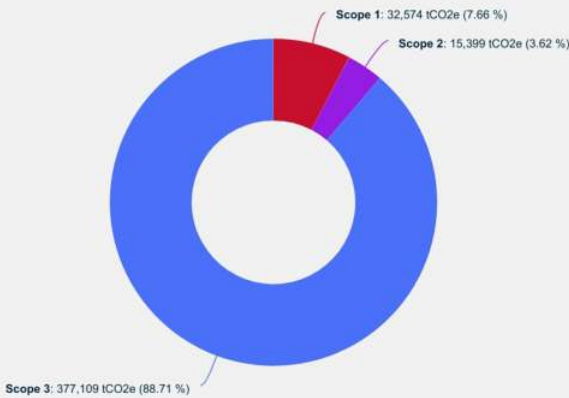
*This preliminary goal has not undergone review by the Science-based Targets initiative but, based on Forward's analysis thus far, is consistent with SBTi and supports the scale of reductions according to SBTi aimed at keeping global temperatures increase below 1.5°C above pre-industrial temperatures

Forward is contemplating a range of actions to achieve this goal, including improving fleet efficiency, reducing energy use in facilities, deploying innovative technologies, and the purchase of renewable energy or similar carbon credits where appropriate. This preliminary goal may be adjusted as Forward improves its data collection processes and continues its evaluation of opportunities to decrease GHG emissions.

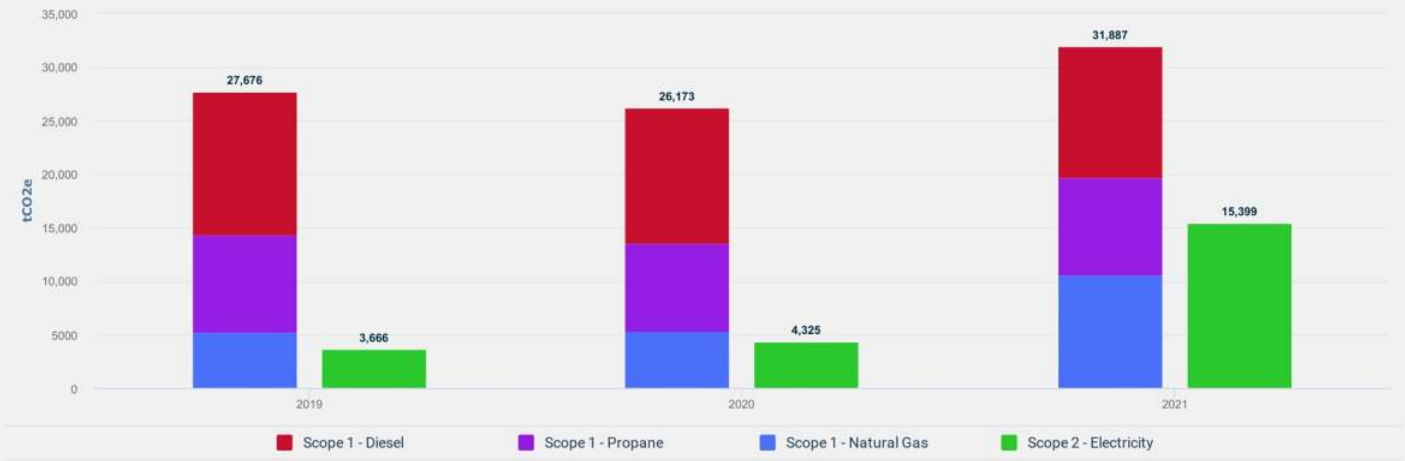
Our 2019-2021 GHG inventories were calculated under the operational approach according to the Greenhouse Gas Protocol Corporate Standard developed by the World Resources Institute and the World Business Council for Sustainable Development. Emissions were calculated based on company activity data whenever possible. In the absence of actual energy consumption or emissions data, calculations were based on company spend or widely-used emission factors. When relying on non-company data, we used data from the U.S. Energy Information Agency, U.S. Environmental Protection Agency (U.S. EPA), U.K. Department for Environment, Food and Rural Affairs, and similar recognized sources to provide relevant emission factors and estimations.



Emissions by Scope (2021)



Emissions by Fuel - Scope 1 & 2



The increase in Scope 2 emissions in 2021 was due primarily to a significant expansion in leased space associated with Forward's business growth and increased need for conservative estimations due to limited electricity consumption.

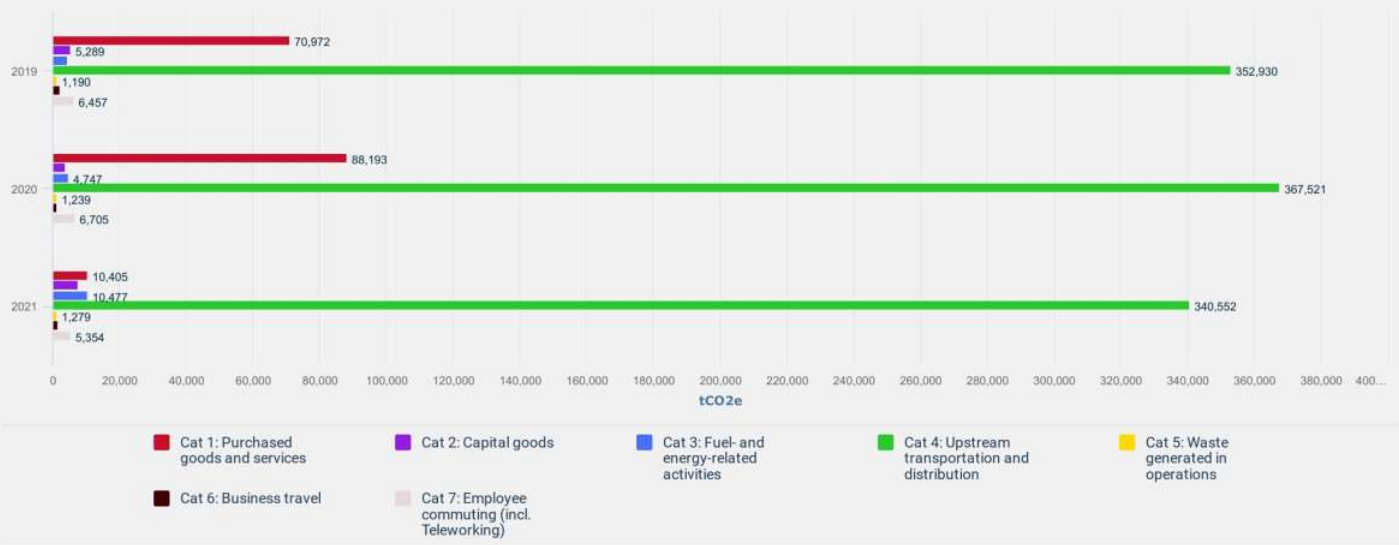
Emissions Per Scope Per Year (tCO2e)

	2019	2020	2021
Scope 1	27,756.4	26,244.5	32,574.1
Scope 2	3,666.1	4,325.2	15,399.4
Scope 3	443,316.0	473,426.0	377,109.0
Cat 1: Purchased goods and services	70,972.0	88,193.0	10,405.0
Cat 2: Capital goods	5,289.0	3,688.0	7,518.0
Cat 3: Fuel- and energy-related activities	4,376.0	4,747.0	10,477.0
Cat 4: Upstream transportation and distribution	352,930.0	367,521.0	340,552.0
Cat 5: Waste generated in operations	1,190.0	1,239.0	1,279.0
Cat 6: Business travel	2,102.0	1,333.0	1,524.0
Cat 7: Employee commuting (incl. Teleworking)	6,457.0	6,705.0	5,354.0

Emissions Per Scope Per Year - Intensity (kgCO2e / million USD)

	2019	2020	2021
Scope 1	22,844.74	20,664.94	19,622.93
Scope 2	3,017.34	3,405.70	9,276.77
Scope 3	364,869.14	372,776.38	227,174.10
Cat 1: Purchased goods and services	58,413.17	69,443.31	6,268.07
Cat 2: Capital goods	4,353.09	2,903.94	4,528.92
Cat 3: Fuel- and energy-related activities	3,601.65	3,737.80	6,311.45
Cat 4: Upstream transportation and distribution	290,477.37	289,386.61	205,151.81
Cat 5: Waste generated in operations	979.42	975.59	770.48
Cat 6: Business travel	1,730.04	1,049.61	918.07
Cat 7: Employee commuting (incl. Teleworking)	5,314.40	5,279.53	3,225.30

Scope 3 - Breakdown



Forward's GHG inventory includes all global facilities and Forward-owned vehicles for the full reporting period as well as value chain emissions related to Scope 3 Categories 1-7. Work from home emissions and Scope 3 Cat 8-15 are excluded due to immateriality and limited data.

Forward is conscious of the environmental effects of our operations. Therefore, we are identifying improvement activities to help us monitor, manage, and reduce our GHG emissions footprint. We are currently reducing emissions and energy consumption through several ongoing programs, including (non-exhaustive):

- Installation of LED lighting in various facilities
- Installation of skirts on all of our trailers to improve fuel efficiency and reduce fuel usage
- Employment of electric cargo and package lifts for our intermodal and final mile divisions warehouses

We are committed to increasing the efficiency of our fleet, and we have set a GHG emissions reduction goal of 5% in the first year, aimed at being achieved primarily through reducing vehicle idling.

Increasing the efficiency of our fleet includes regularly evaluating new technologies. In Q2 2021, we began installing electronic logging devices (ELD) in all of our trucks. These new telematic devices provide live ECM (Electronic Control Module) data on fuel usage and efficiency. Through this new technology, our environmental management system receives real-time telematic data on idling and fuel consumption. The telematic devices also advise management when a vehicle is experiencing engine malfunctions or exhaust issues that could effect vehicle emissions. We intend to complete full installation in all of our trucks by the end of 2023.

As part of the idling reduction initiative, we will be focused on a combination of education, communication and data-based decision making. Training and education campaigns at the driver level will be aimed at improving efficiency and decreasing unnecessary idling. We will use telematic data to evaluate improvement and progress. We have already begun analyzing vehicle idling time and identifying non-productive fuel usage with the active ELDs. The data we gather will serve to further assess and develop emission reduction tactics.

We strive to protect our environment through leveraging innovative solutions and are continuously exploring partnerships to reduce our footprint. We are considering emerging market trends and opportunities, and how we can apply our expertise as technologies for renewable fuels and electric vehicles evolve.

In Q2 2022, Forward partnered with carbon capture company Remora, reserving ten of Remora's mobile carbon capture devices for a pilot project tentatively scheduled for the second half of 2023. According to Remora, its devices capture at least 80% of a semi-truck's carbon emissions directly from the tailpipe, after which it delivers the captured carbon to end-users that Remora states will provide long-term storage. This partnership aimed at supporting innovative technology is an example of our decarbonization strategy and a demonstration of our commitment to sustainability efforts.

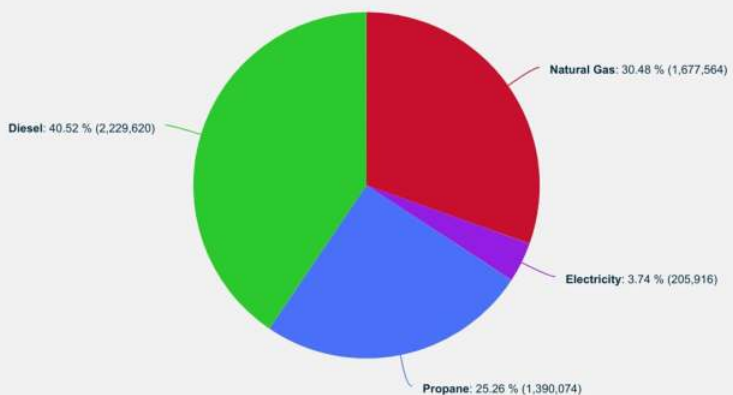
Forward is also registered in U.S. EPA's SmartWay program. SmartWay is a U.S. EPA program aimed at encouraging participants to adopt fuel-saving technologies and operational practices while helping them save fuel, lower costs and reduce adverse environmental impacts. U.S. EPA states that, "the SmartWay mark signifies the gold standard in freight efficiency accounting and designates SmartWay Partners as corporate leaders advancing the movement towards cleaner, more sustainable supply chain management."^[1]

^[1] EPA website, December 2020, <https://www.epa.gov/smartway/use-smartway-brand>



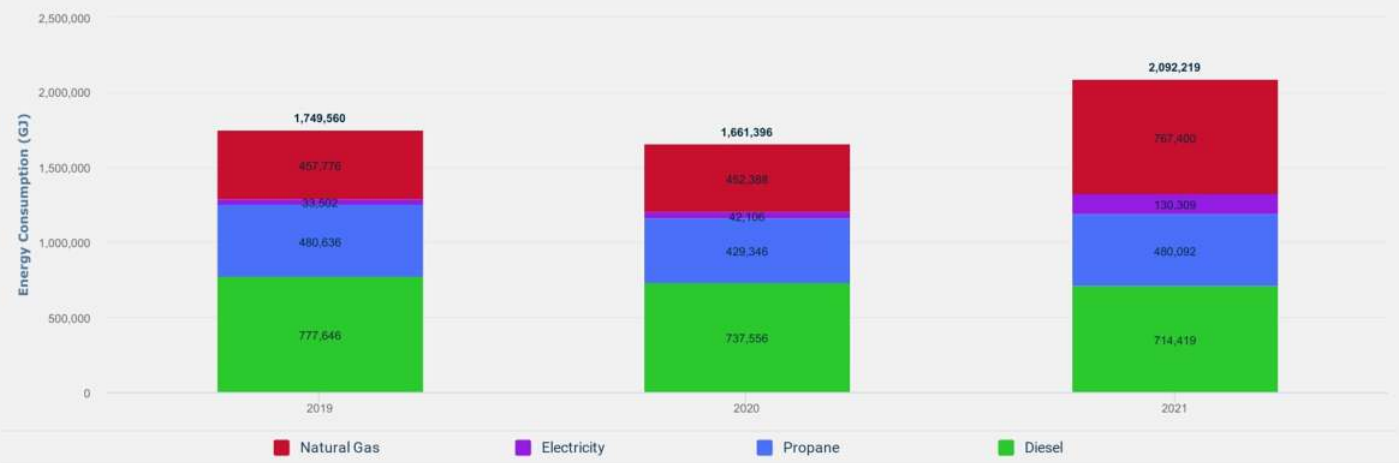
Looking ahead, we are focused on identifying improvement activities in our GHG emissions reduction efforts to ensure continued measurement and improvement. We will also continue to actively promote environmental awareness among all stakeholders.

Energy Consumption by Fuel (GJ)



The energy consumption by fuel is based on Scope 1 and 2 emissions combined.

Energy Consumption by Fuel (GJ)



The energy consumption by fuel is based on Scope 1 and 2 emissions combined.

Air Quality Practices

Forward is committed to understanding and assessing our impact on air quality.



Forward has been focused on calculating, tracking and measuring the pollutants impacting air quality due to our operations. We recognize the importance of understanding nitrous oxides (NOx), sulfur oxides (SOx) and particulate matter (PM) emissions as we maintain our vehicles to meet applicable air emission standards and continue to assess our operations and identify opportunities for improvement.

Our air pollutant emissions data were calculated using total diesel consumption amounts for trucks owned by Forward, converting these diesel consumption amounts into miles driven using EIA fuel economy data, and converting the miles driven amounts into metric Tonnes of NOx, SOx, PM2.5 and PM10 using average in-use emission rates for heavy-duty vehicles from the U.S. EPA and Bureau of Transportation Statistics.

Annual Air Pollutants (Forward Air-Owned vs. IC-Owned)



Our idling management efforts and reducing nonproductive uses of our vehicles will improve our efficiency, decrease our fuel use on a miles-traveled basis, and thus decrease our emissions, on a relative basis, of pollutants such as NOx, SOx and PM. Along with the national and global benefits of the associated reductions in climate-related CO2 emissions, this will also decrease our air emissions impacts in the communities in which we operate.

OUR ESG APPROACH

Governance



Forward's Board of Directors and the leadership it appoints are committed to a Sustainability oversight and accountability approach that is both effective and communicates the importance of Sustainability to our stakeholders.

Our cross-functional ESG team is overseen by Forward's Corporate Governance and Nominating Committee, which is accountable to our Board of Directors.



Corporate Ethics

We are committed to tracking and reporting all incidents, providing employee training on our ethics standards, upholding our policies and procedures, and providing mechanisms to report incidents when they arise.

Forward's **Code of Business Conduct and Ethics (CoC)** is our documented commitment to establishing effective corporate governance, and it applies to our Board of Directors, officers, and all employees of the company.

We have established governance and management mechanisms, policies, and best practices that prohibit corruption, bribery, conflicts of interest, and fraud. More detail on Forward's processes, policies, and standards supporting our practices is contained in the dedicated Governance section of this report. Forward is committed to upholding the highest business conduct and ethical standards through a documented Code of Conduct, governance and management mechanisms, training, and incident tracking and reporting.



Annual Training

Each year, all Forward employees are required by our CoC to complete training. This training outlines expectations within and outside of the workplace and reflects any modifications or updates to the CoC, assuring that our entire employee base is up-to-date on the global policies we have in place. More information on training modules can be found in the Health and Safety section.

Reporting Misconduct

Our people and our partners are key to our effective operations, and we have mechanisms in place to enforce our code of conduct and policies across all work environments. We encourage our employees and workers to speak up for what is right without fear of retaliation. We ensure that there are various channels available for employees to report CoC violations, including: via employees' supervisors, directly or indirectly to a member of management, directly to the Legal Department, or utilizing the Forward Air National Hotline (an anonymous, always-on reporting hotline).

We will continue to uphold ethical business practices, policies and procedures and provide mechanisms to all employees to report incidents and violations.

Updated in Q42022 to reflect 2021 data

GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
General Disclosures			
GRI 2: General Disclosures 2021	The organization and its reporting practices		
	2-1	Organizational details	ESG Strategy / Business Overview
	2-2	Entities included in the organization's sustainability report	ESG Strategy / Business Overview All entities included in our financial reporting are included in our sustainability reporting.
	2-3	Reporting period, frequency and contact point	ESG Strategy / Our Approach This version of the report was last updated November 2022 to reflect the reporting of 1 January 2021 to 31 December 2021. Our ESG Report will be updated annually for each fiscal year to coincide with our financial reporting requirements (e.g., 1 January 2021 to 31 December 2021). Questions about our ESG Report can be directed to esg@forwardair.com .
	2-4	Restatements of information	There are no restatements of information in this report.
	2-5	External assurance	ESG Strategy / Our Approach
	Activities and Workers		
	2-6	Activities, value chain, and other business relationships	2021 Form 10-K / 1. Business (pg. 4-14) Forward Air operates within the transportation and freight sectors. We work with diverse suppliers in many industries. We work with many independent contractors to provide package delivery. Additional information can be found in our Annual Report on Form 10-K for 2021 / 1. Business (pages 4-13)
	2-7	Employees	Diversity, Equity, Inclusion, & Belonging 2021 Form 10-K / 1. Business / Workforce (pg.8)
	2-8	Workers who are not employees	Diversity, Equity, Inclusion, & Belonging People and Communities / Independent Contractor Practices 2021 Form 10-K / 1. Business / Workforce (pg.8)

GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
	Governance		
	2-9	Governance structure and composition	<p>Governance / Board of Directors</p> <p>Diversity, Equity, Inclusion, & Belonging</p> <p>Forward Air Proxy Statement (Pgs. 6-22)</p> <p>Forward Air Investor Webpage / Governance Documents</p> <p>Forward Air Charter</p> <p>Forward Air Bylaws</p> <p>Forward Air Investor Webpage / Governance / Overview</p>
	2-10	Nomination and selection of the highest governance body	<p>Governance / Board of Directors</p> <p>The Board is committed to recruiting and nominating directors for election who will collectively provide the Board with the necessary diversity of experiences, skills and characteristics to enhance the Board's ability to manage and direct the affairs and business of the Company and to make fully informed, comprehensive decisions. In recommending candidates for election to the Board, in the context of the perceived needs of the Board at that time, the Corporate Governance and Nominating Committee evaluates a candidate's knowledge, experience, skills, expertise and diversity, and any other factors that the Corporate Governance and Nominating Committee deems relevant. In particular, the Board and the Corporate Governance and Nominating Committee believe that the Board should be comprised of a well-balanced group of individuals.</p>
	2-11	Chair of the highest governance body	<p>Governance / Board of Directors</p> <p>Proxy Statement (Pg. 19)</p> <p>Forward Air Investor Webpage / Governance Documents</p>
	2-12	Role of the highest governance body in overseeing the management of impacts	<p>Governance / Board of Directors</p> <p>Proxy Statement (Pg. 13-22)</p> <p>Forward Air Investor Webpage / Governance Documents</p> <p>Governance / Corporate Ethics</p> <p>2022 Corporate Governance Guidelines</p>
	2-13	Delegation of responsibility for managing impacts	<p>Governance / Board of Directors</p> <p>Proxy Statement (Pg. 13-22)</p> <p>Forward Air Investor Webpage / Governance Documents</p> <p>Forward Air Charter</p> <p>Forward Air Bylaws</p> <p>Forward Air Investor Webpage / Governance / Overview</p>
	2-10	Nomination and selection of the highest governance body	<p>Governance / Board of Directors</p> <p>The Board is committed to recruiting and nominating directors for election who will collectively provide the Board with the necessary diversity of experiences, skills and characteristics to enhance the Board's ability to manage and direct the affairs and business of the Company and to make fully informed, comprehensive decisions. In recommending candidates for election to the Board, in the context of the perceived needs of the Board at that time, the Corporate Governance and Nominating Committee evaluates a candidate's knowledge, experience, skills, expertise and diversity, and any other factors that the Corporate Governance and Nominating Committee deems relevant. In particular, the Board and the Corporate Governance and Nominating Committee believe that the Board should be comprised of a well-balanced group of individuals.</p>
	2-11	Chair of the highest governance body	<p>Governance / Board of Directors</p> <p>Proxy Statement (Pg. 19)</p> <p>Forward Air Investor Webpage / Governance Documents</p>
	2-12	Role of the highest governance body in overseeing the management of impacts	<p>Governance / Board of Directors</p> <p>Proxy Statement (Pg. 13-22)</p> <p>Forward Air Investor Webpage / Governance Documents</p> <p>Governance / Corporate Ethics</p> <p>2022 Corporate Governance Guidelines</p>
	2-13	Delegation of responsibility for managing impacts	<p>Governance / Board of Directors</p> <p>Proxy Statement (Pg. 13-22)</p> <p>Forward Air Investor Webpage / Governance Documents</p>

GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
	2-14	Role of the highest governance body in sustainability reporting	<p>Governance / Board of Directors</p> <p>Proxy Statement (Pg. 20-22)</p> <p>Forward Air Investor Webpage / Governance Documents</p> <p>Our Board of Directors has established that our Corporate Governance and Nominating (CG&N) Committee has official oversight over ESG. At least twice a year, the CG&N committee reviews relevant ESG policies and activities and provides feedback, oversight and updates to our Board of Directors regarding these topics.</p>
	2-15	Conflicts of interest	<p>Code of Business Conduct and Ethics</p> <p>2021 Proxy Statement (Pg. 18)</p>
	2-16	Communication of critical concerns	Code of Business Conduct and Ethics
	2-17	Collective knowledge of the highest governance body	<p>Corporate Governance Guidelines</p> <p>Proxy Statement (Pg. 7-12)</p>
	2-18	Evaluation of the performance of the highest governance body	<p>Corporate Governance Guidelines</p> <p>Corporate Committee Charters</p>
	2-19	Remuneration policies	<p>Corporate Governance Guidelines</p> <p>Proxy Statement (Pg. 23-24; 29-58)</p>
	2-20	Process to determine remuneration	Proxy Statement (Pg. 23-24; 29-58)
	2-21	Annual total compensation ratio	<p>People and Communities / Diversity, Equity, Inclusion, & Belonging</p> <p>Proxy Statement (Pg. 52)</p>
Strategy, policies and practices			
	2-22	Statement on sustainable development strategy	ESG Strategy / Our Approach
	2-23	Policy commitments	<p>Customer / Measurement and Disclosure</p> <p>Code of Business Conduct and Ethics</p>
	2-24	Embedding policy commitments	<p>Governance / Corporate Ethics</p> <p>Code of Business Conduct and Ethics</p>
	2-25	Processes to remediate negative impacts	<p>Governance / Corporate Ethics</p> <p>Code of Business Conduct and Ethics</p>
	2-26	Mechanisms for seeking advice and raising concerns	Code of Business Conduct and Ethics - section titled, "Confidential Reporting Procedures" on pg. 10
	2-27	Compliance with laws and regulations	<p>2021 Form 10-K / Legal Proceedings</p> <p>Any material non-compliance with laws and regulations is disclosed in our public filings with the SEC under the heading "Legal Proceedings" and in the notes to our financial statements.</p>
	2-28	Membership associations	We maintain partnerships with several national trade associations and other organizations to further our business and sustainability efforts. We select those associations and organizations to best address issues in a collective industry manner and advance positions in the best interests of our shareholders and our business.

GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
GRI 3: Material Topics 2021	Stakeholder Engagement		
	2-29	Approach to stakeholder engagement	<p>ESG Strategy / Our Approach</p> <p>As a part of our ESG Impact Assessment in 2020, we engaged independent contractors, customers, vendors, suppliers and employees to identify the most critical ESG sustainability focus areas. A total of 966 employees were engaged through surveys and interviews to ensure that our ESG strategy encompassed the needs of all stakeholders. The results were then reviewed with the Board and used to finalize our strategic focus areas.</p> <p>Customer / Responsible Supplier Practices</p>
	2-30	Collective bargaining agreements	<p>2021 Form 10-K / 1. Business / Workforce (pg.8)</p>
	Disclosures on material topics		
	3-1	Process to determine material topics	<p>ESG Strategy / Our Approach</p> <p>As a part of our ESG Impact Assessment in 2020, we engaged numerous stakeholders across our company to identify the most critical ESG sustainability focus areas.</p>
	3-2	List of material topics	<p>ESG Strategy / Our Approach</p> <p>Our primary focus areas include:</p> <ul style="list-style-type: none"> • Health & Safety • Independent Contractor Practices • Diversity, Equity & Inclusion • Communities Impact and Partnerships • Measurement & Disclosure • Information Security • Responsible Supplier Practices • GHG Emissions • Air Quality <p>Customer / Measurement and Disclosure</p>
	3-3	Management of material topics	<p>ESG Strategy / Our Approach</p>

GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
Environment			
GRI 305: Emissions 2016	Emissions		
	103	Management Approach	Environment / Our Approach Environment / GHG Emissions
	305-1	Direct (Scope 1) GHG emissions	Environment / GHG Emissions
	305-2	Energy indirect (Scope 2) GHG emissions	Environment / GHG Emissions
	305-3	Other indirect (Scope 3) GHG emissions	Environment / GHG Emissions
	305-4	GHG emissions intensity	Environment / GHG Emissions
	305-5	Reduction of GHG emissions	Environment / GHG Emissions
	305-6	Emissions of Ozone-depleting substances (ODS)	Environment / GHG Emissions
	305-7	Nitrogen oxides (NOx), sulfur oxides (Sox), and other significant air emissions	Environment / GHG Emissions

GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
Social			
GRI 401: Employment 2016	Employment		
	103	Management Approach	People and Communities / Our Approach People and Communities / Health & Safety
	401-1	New employees hires and employee Turnover	People and Communities / Health & Safety
	401-2	Benefits provided to Full-time Employees that are not provided to Temporary employees	People and Communities / Health & Safety
	401-3	Parental Leave	People and Communities / Health & Safety
GRI 402: Labor/Management Relations 2016	Labor/Management Relations		
	103	Management approach	People and Communities / Our Approach People and Communities / Independent Contractor Practices
	402-1	Minimum notice periods regarding operational changes	We notify all impacted team members of operational changes as soon as practical as part of our commitment to comply with all required notice periods set forth in the U.S. Department of Labor Worker Adjustment and Retraining Notification Act (WARN) and local and state laws.
GRI 403: Occupational Health and Safety 2018	Occupational Health and Safety		
	103	Management Approach	People and Communities / Health & Safety
	403-1	Occupational health and safety management system	People and Communities / Health & Safety
	403-2	Hazard Identification, risk assessment and incident investigation	People and Communities / Health & Safety
	403-3	Occupational Health Services	People and Communities / Health & Safety
	403-4	Worker participation, consultation, and communication on occupational health and safety	People and Communities / Health & Safety
	403-4	Worker training on occupational health and safety	People and Communities / Health & Safety
	403-6	Promotion of worker Health	People and Communities / Health & Safety
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People and Communities / Health & Safety
	403-7	Workers covered by an occupational health and safety management system	People and Communities / Health & Safety
	403-9	Work-related injuries	People and Communities / Health & Safety
	403-10	Work-related ill health	People and Communities / Health & Safety
			Forward Air Investor Webpage / Governance / Overview

GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
GRI 404: Training and Education 2016	Training and Education		
	103	Management Approach	People and Communities / Our Approach People and Communities / Health & Safety
	404-1	Average hours of training per year per employee	People and Communities / Health & Safety
	404-2	Programs for upgrading employee skills and transition assistance programs	People and Communities / Health & Safety
GRI 405: Diversity and Equal Opportunity 2016	Diversity and Equal Opportunity		
	404-3	Percentage of employees receiving regular performance and career development reviews	People and Communities / Health & Safety
	103	Management Approach	Diversity, Equity, Inclusion, & Belonging
	405-1	Diversity of governance bodies and employees	Diversity, Equity, Inclusion, & Belonging
	405-2	Ratio of basic salary and remuneration of women to men	Diversity, Equity, Inclusion, & Belonging
GRI 413: Local Communities 2016	Local Communities		
	103	Management Approach	People and Communities / Community Impact and Partnerships
	413-1	Operations with local community engagement, impact assessments, and development programs	People and Communities / Community Impact and Partnerships
	413-2	Operations with significant actual and potential negative impacts on local communities	People and Communities / Community Impact and Partnerships
GRI 414: Supplier Social Assessment 2016	Supplier Social Assessment		
	103	Management Approach	Customer / Responsible Supplier Practices
	414-1	New suppliers that were screened using social criteria	Customer / Responsible Supplier Practices
	414-2	Negative social impacts in the supply chain and actions taken	Omission due to information unavailable.
GRI 418: Customer Privacy 2016	Customer Privacy		
	103	Management Approach	Customer / Information Security
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer / Information Security

Updated in Q42022 to reflect 2021 data

SASB Code	Metric	Location/Explanation
Air Freight & Logistics Activity Metrics		
TR-AF-000.A	Revenue ton kilometers (RTK) for: - road transport ^[1] - air transport ^[2]	^[1] Road Transport - The associated metric for this topic is currently unavailable. We are continually working to improve our data collection process. ^[2] Air Transport - This topic and associated metrics were omitted based on lack of applicability.
TR-AF-000.B	Load factor for - road transport ^[1] - air transport ^[2]	^[1] Road Transport - The associated metric for this topic is currently unavailable. We are continually working to improve our data collection process. ^[2] Air Transport - This topic and associated metrics were omitted based on lack of applicability.
TR-AF-000.C	Number of employees, number of truck drivers	ESG Strategy > Business Overview
Road Transportation Activity Metrics		
TR-RO-000A	Revenue ton miles (RTM)	The associated metric for this topic is currently unavailable. We are continually working to improve our data collection process.
TR-RO-000.B	Load factor	The associated metric for this topic is currently unavailable. We are continually working to improve our data collection process.
TR-RO-000.C	Number of employees, number of truck drivers	ESG Strategy > Business Overview
Greenhouse Gas Emissions		
TR-RO-110a. 1 TR-AF-110a. 1	Gross global Scope 1 emissions	Environment > GHG Emissions Practices
TR-RO-110a. 2 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	Environment > GHG Emissions Practices
TR-RO-110a. 3 TR-AF-110a. 3	1. Total fuel consumed 2. Percentage natural gas 3. Percentage renewable	Environment > GHG Emissions Practices
Air Quality		
TR-RO-120a. 1 TR-AF-120a. 1	Air emissions of the following pollutants: 1. NOx (excluding N2O) 2. SOx 3. Particulate matter	Environment > Air Quality

SASB Code	Metric	Location/Explanation
Labor Practices		
TR-AF-310a. 1	Percentage of drivers classified as independent contractors	People and Communities > Independent Contractor Practices We do not currently report this metric but will continue to evaluate in the future.
TR-AF-310a. 2	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	
Employee Health & Safety		
TR-AF-320a.1	1. Total recordable incident rate (TRIR) 2. Fatality rate for (a) direct employees and (b) contract employees	People and Communities > Health & Safety
Driver Working Conditions		
TR-RO-320a. 1	1. Total recordable incident rate (TRIR) 2. Fatality rate for (a) direct employees and (b) contract employees	People and Communities > Health & Safety
TR-RO-320a.2	1. Voluntary and 2. Involuntary turnover rate for all employees	People and Communities > Health & Safety
TR-RO-320a. 3	Description of approach to managing short-term and long-term driver health risks	People and Communities > Health & Safety
Supply Chain Management		
TR-AF-430a. 1	Percentage of carriers with BASIC percentiles above the FMCSA intervention threshold	Customer > Responsible Supplier Practices
TR-AF-430a.2	Total greenhouse gas (GHG) footprint across transport modes	Environment > GHG Emissions Practices
Accident & Safety Management		
TR-AF-540a. 1	Description of implementation and outcomes of a Safety Management System	People and Communities > Health & Safety
TR-RO-540a. 1 TR-AF-540a. 3	Number of road accidents and incidents	People and Communities > Health & Safety
TR-AF-540a.2	Number of aviation accidents	This topic and associated metrics were omitted based on lack of applicability.
TR-RO-540a. 2 TR-AF-540a. 4	Safety Measurement System BASIC percentiles for: 1. Unsafe Driving 2. Hours-of-Service Compliance 3. Driver Fitness 4. Controlled Substances/Alcohol 5. Vehicle Maintenance 6. Hazardous Materials Compliance	People and Communities > Health & Safety
TR-RO-540a.3	1. Number and 2. aggregate volume of spills and releases to the environment	We do not currently report this metric, however, the only relevant spills and releases would be de minimis and in connection with roadway incidents.