



# ESG STRATEGIES AND REPORT 2023







We are now forty-plus years into the history of Forward. The small team that began in Greeneville, Tennessee now works and lives in communities across North America. Every day, we move high-value 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 can complicate and imperil otherwise-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. As Forward evolves, this remains more than a feel-good statement; it’s our honest and deeply lived commitment.

The past few 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 timely, 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 has been 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.**

Forward's sustainability and ESG strategy is executed through our three core pillars: People and Communities, Customer, and Environment. Within that framework, we have identified the following ESG priority areas.

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

We have integrated ESG roles and responsibilities throughout our governance structure to ensure continued and effective focus on each priority area. Plans for each priority area are combined to create our company wide ESG strategy which is overseen by our Head of Corporate ESG who reports directly to the CEO. The Corporate Governance and Nominating (CG&N) Committee has official oversight over our ESG strategy and program.

The ESG Steering Committee defines and executes our ESG strategy. The ESG Steering Committee is made up of our Head of Corporate ESG, Chief Financial Officer, Chief Legal Officer, Chief People Officer, Chief Operating Officer, SVP of Safety and Chief Information Officer and meets at least quarterly and on an as-needed basis.

To continuously improve our internal ESG practices and align with globally recognized frameworks, we actively collaborate with external consultants on our ESG data analysis and strategy.

## 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, and for future generations. 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 helps grow our talent, business success, and industry innovation.

We invite you to learn more about our ESG Strategic Approach on our ESG website.

## Looking Ahead

Forward will continue to refine our ESG strategy, learning from our experience to continually improve. We will also continue our dialogue with stakeholders to drive understanding, adoption, and innovation together.

This version of the report was last updated November 2023 to reflect the time period from 1 January 2022 to 31 December 2022. Our ESG Report will be updated annually for each fiscal year to coincide with our financial reporting requirements (e.g., 1 January 2022 to 31 December 2022). Questions about our ESG Report can be directed to [esg@forwardair.com](mailto: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 a single resource for any shipping need.





- Health & Safety
- Independent Contractor Practices
- Diversity, Equity, Inclusion, & Belonging
- Community Impact & Partnerships

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, 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.

We invest in a variety of programs focused on improving and maintaining driver health and wellness. 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. The key tools utilized to fulfill this mission include embedding a strong safety culture in all company operations, proactive leadership, high safety standards, risk-targeted safety education, and risk-mitigation technologies.

## Occupational Health and Safety Management System

Forward utilizes an Occupational Health and Safety Management System to track trends in bodily injuries, near misses, and other risks. This system tracks both roadway and workplace events and is based on recognized risk management standards and guidelines. Our safety metrics are reviewed across our governing and management structures, including 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 hazardous materials transportation.

All employees are assigned 36 compliance material courses as part of onboarding. The Company also has comprehensive safety policies for contractors, vendors, and internal affiliates within our Contractor Safety Policy.

We are developing a comprehensive Emergency Preparedness Plan (EPP) for all our facilities. The EPP is under development and in compliance with OSHA Standards.

Looking ahead, we will evaluate our Health and Safety practices on an ongoing basis 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 aimed at 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).

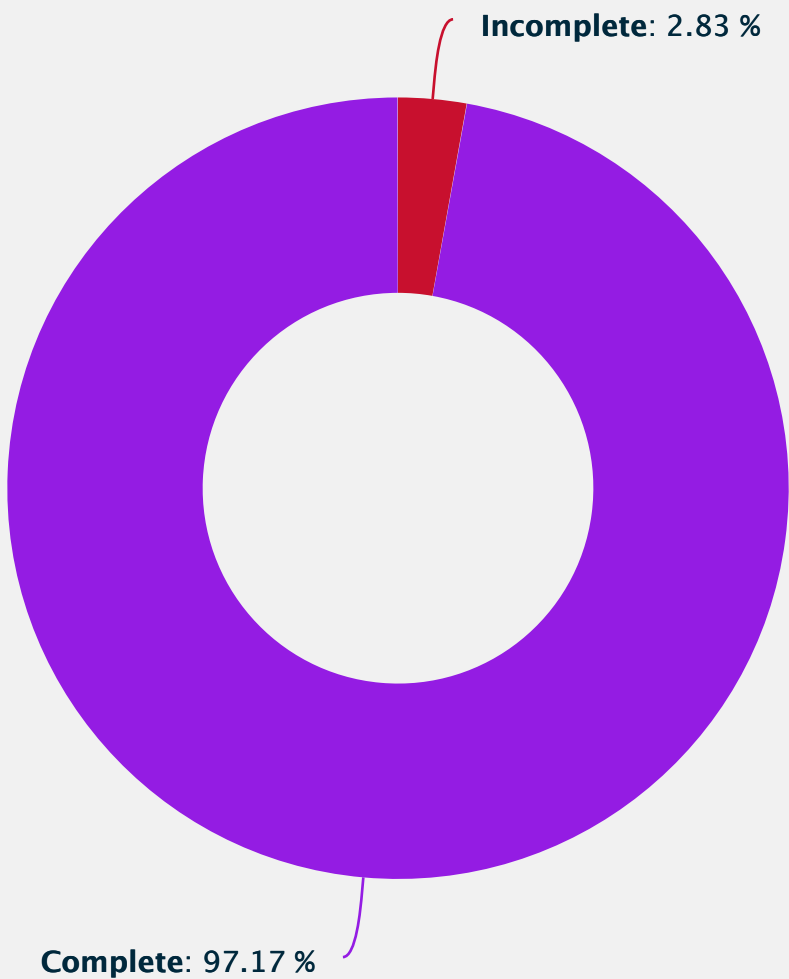
The drivers of our Leased Capacity Providers complete a three-day safety orientation as part of their onboarding where they are assigned several compliance courses. We closely monitor and track roadway-related incidents and have processes in place to identify, investigate, design and implement corrective actions that prevent and reduce the quantity of safety-related incidents related to our work.

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 has a goal for Lost Time accidents to be well 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.

***Our charts are interactive.** Hover over any chart to reveal the filter icon in the top-left corner. Click on the filter icon to select the year you wish to see.*

## Percentage of Employees Participating in Training (2022)





# Occupational Health & Safety Training - Course and Audience

	Course Name	Audience
	All employees who use computers	2021 KnowBe4 Security Awareness Training
	All employees	Active Shooter
	All employees	Back Safety: Keep Your Back in Action
	All cargo handlers	Basic Air Cargo Security
	All employees	Bloodborne Pathogens
	California learners	California COVID-19 Training Guide
	All employees	Code of Business Conduct & Ethics 2022
	All employees	COVID-19 Forward Guidance
	Cargo handlers, Office, Sup, MGR, Mech	Fire Prevention and Response
	Forklift drivers	Forklift Training: Non-Operator Safety
	All employees	Forward Air Privacy Policy
	Forklift drivers	Forward Forklift Training
	All employees	HazCom: What You Need to Know
	All cargo handlers	Hazmat Training - Cargo Handlers Part 1
	All cargo handlers	Hazmat Training - Cargo Handlers Part 2
	All cargo handlers	Hazmat Training - Cargo Handlers Part 3
	Drivers	Hazmat Drivers Recurrent
	Drivers	Hazmat General Awareness
	Cargo handlers, Office, Sup, MGR, Mech	Hazmat Placard Wizard
	Drivers	Hazmat Security Awareness Training
	All cargo handlers	Hazmat Spill Response
	Office	Hazmat Training for Dispatch, Office, Admin
	New York learners	NY State Sexual Harassment Prevention Training (Refresher)
	New York learners	NY State Sexual Harassment Prevention Training (SCORM)
	Supervisors, Managers	Reasonable Suspicion
	Supervisors, Managers	Reasonable Suspicion Testing: What Supervisors Need to Know (For Drivers)
	All employees	Safety Six
	All employees	Safety Six Part 2
	All cargo handlers	Screened Cargo
	California learners	Sexual Harassment Prevention Training - for California Learners
	All employees	Sexual Harassment Training
	Drivers	Unsafe Acts (English)
	All employees	Workplace Safety 101

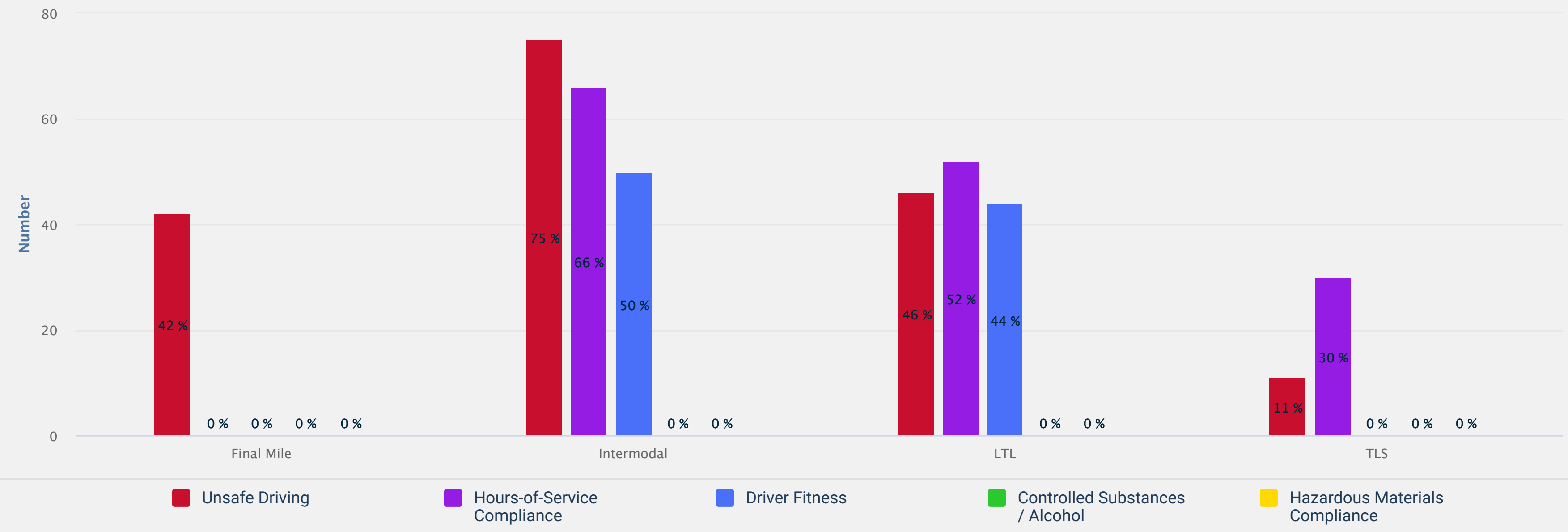


We have also implemented a quarterly safety bonus and annual vehicle giveaway to incentivize our Leased Capacity Providers to promote safe driving practices. These initiatives celebrate drivers of our Leased Capacity Providers who have zero moving violations or accidents each quarter. Drivers who obtain 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 and 172 in 2022.

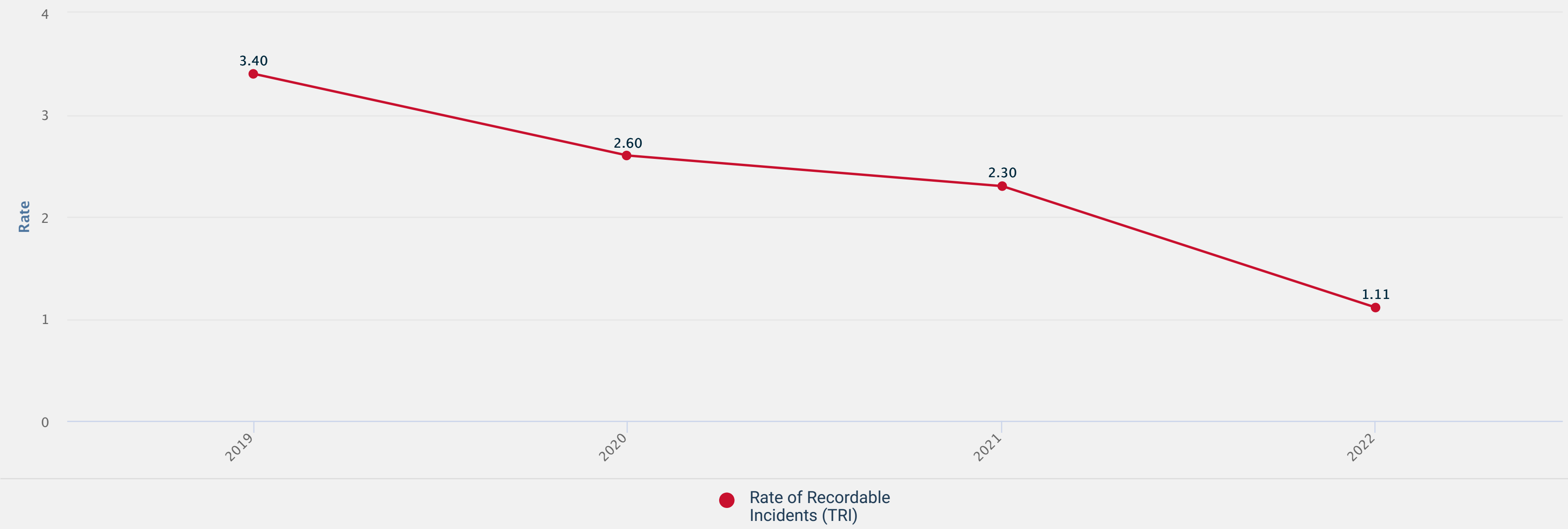


Looking ahead, we will continue to identify and promote opportunities to adopt health and wellness practices for the drivers of our Leased Capacity Providers in compliance with FMCSA and 49 C.F.R. Part 391. Healthy, safe drivers contribute to a safe public and a safe community.

## Forward's BASIC Percentiles (2022)



## Incident Rate for Employees



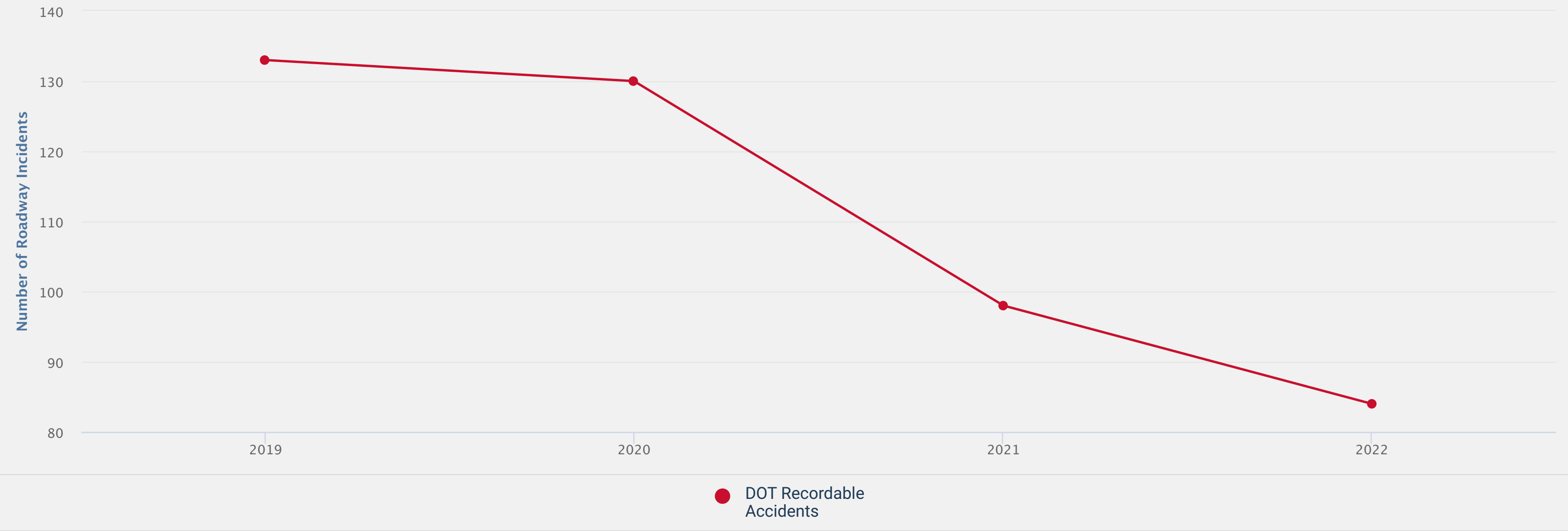


# Number and Rates of Incidents

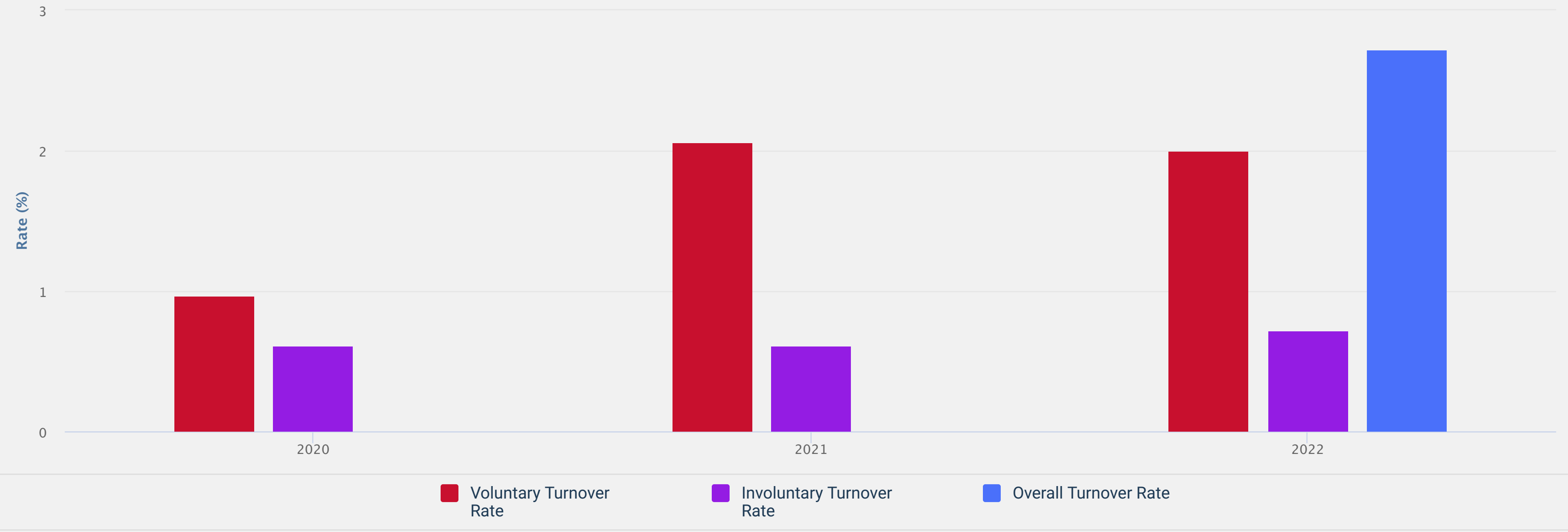
	Employees				Contractors			
	2019	2020	2021	2022	2019	2020	2021	2022
Number of Fatalities	0.0	0.0	1.0	0.0	2.0	3.0	4.0	2.0
Rate of Recordable (TRIR)	3.4	2.6	2.3	1.1	-	-	-	-
Number of Fatalities from Ill-Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Number of Cases of Work-Related Ill-Health	-	-	-	-	0.0	0.0	0.0	0.0

We do not report TRIR for independent contractors because they are their own business entity and maintain and report this information independently.

## Roadway Incidents



## Turnover Rate (Voluntary and Involuntary)



From

2019

▼

To

2022

▼





# 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 independent contractors. Forward is proud to provide opportunities for independent business owners to be successful in the transportation industry.

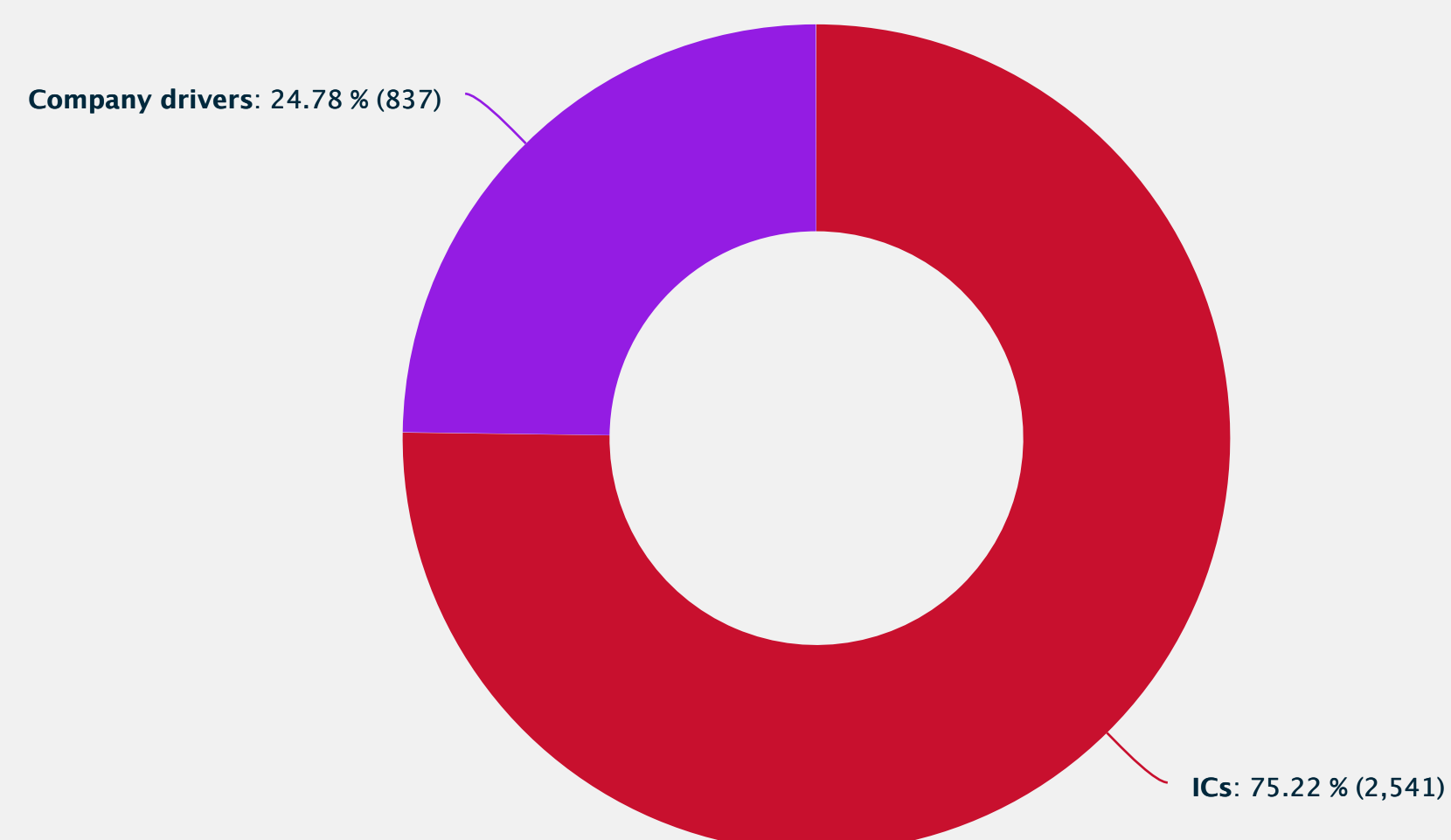
To manage our IC model, we have established governance mechanisms, policies, and best practices to support and safeguard the integrity of Forward's business arrangements with independent contractors. The drivers of our Leased Capacity Providers complete a three-day safety orientation as part of their onboarding where they are assigned several compliance courses. Safety compliance courses may also be assigned on an ongoing basis, based on driving behaviors. Furthermore, we provide extensive training and testing of our employees to ensure proper and consistent application of our practices in our interactions with independent contractors.

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.



***Our charts are interactive.*** Hover over any chart to reveal the filter icon in the top-left corner. Click on the filter icon to select the year you wish to see.

## Percentage of Employee Provided capacity vs. IC Provided Capacity (Driver Count) (2022)



2022





# 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. 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 seeks candidates from all backgrounds to continue to build our industry’s most qualified workforce. 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. 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 Succession Planning and beyond. We strive to provide meaningful development opportunities for 100% of our employee population.

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

Since the creation of our DEI&B Council, we have been focused on implementing several initiatives that foster an inclusive environment, such as:

- Incorporating DEI&B training into our education programs for employees and leadership such as: Understanding Diversity, Generational Awareness, and Emotional Intelligence.
- Launching our first women-focused Employee Resource Group (ERG), Females Moving Forward. 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.
- Improving our parental leave policy.
- 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 DEI&B on our Employee Engagement Survey.

These practices are supported in our **Human Rights Policy** and **Code of Business Conduct** which prohibits discrimination or harassment based on race, sex, age, color, religion, national origin, Veteran’s status or disability.

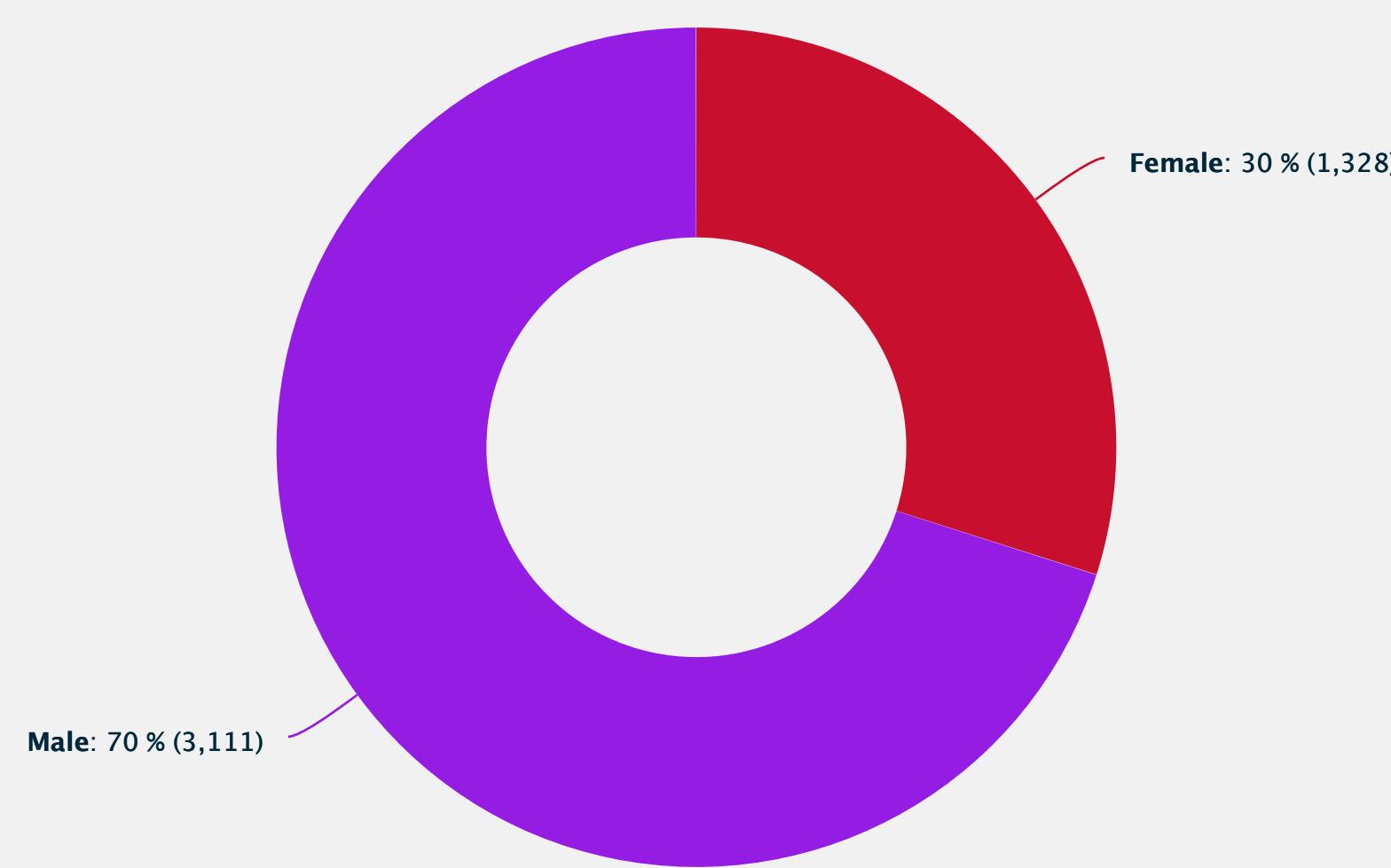
In addition to improving diversity and inclusion across our workforce, we understand the importance of supporting diversity across our value chain. You can learn more about these efforts in our **Responsible Supplier Practices** section.

Looking ahead, we are committed to continuously building our brand and our reputation as a leader in diversity, equity, inclusion and belonging. 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.

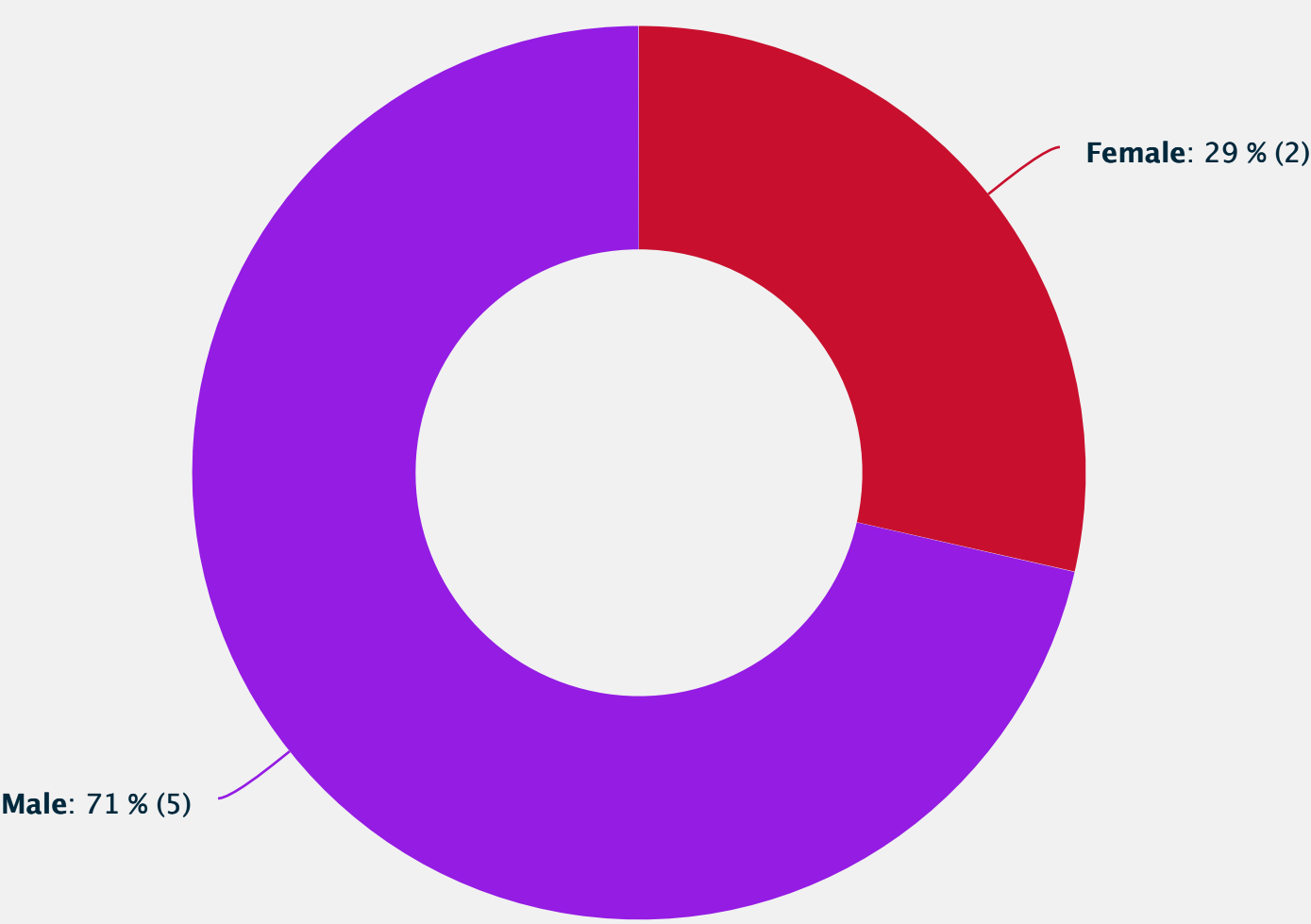


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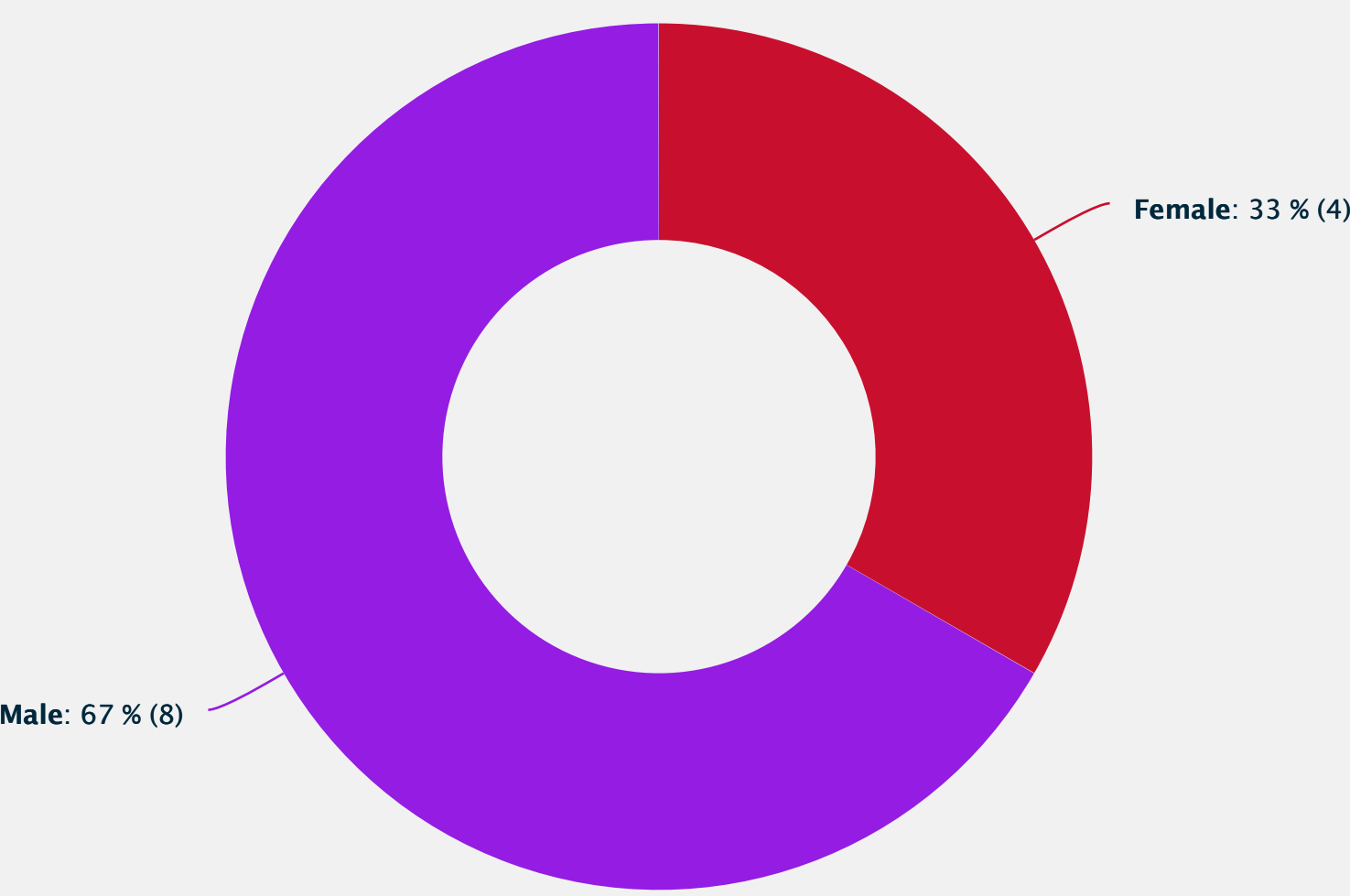
## Percentage of Employees Based on Gender (2022)



## Percentage of ELT Based on Gender (2022)



## Percentage of Board Based on Gender (2022)



ELT = Executive Leadership Team

Indicator

Gender | ▾

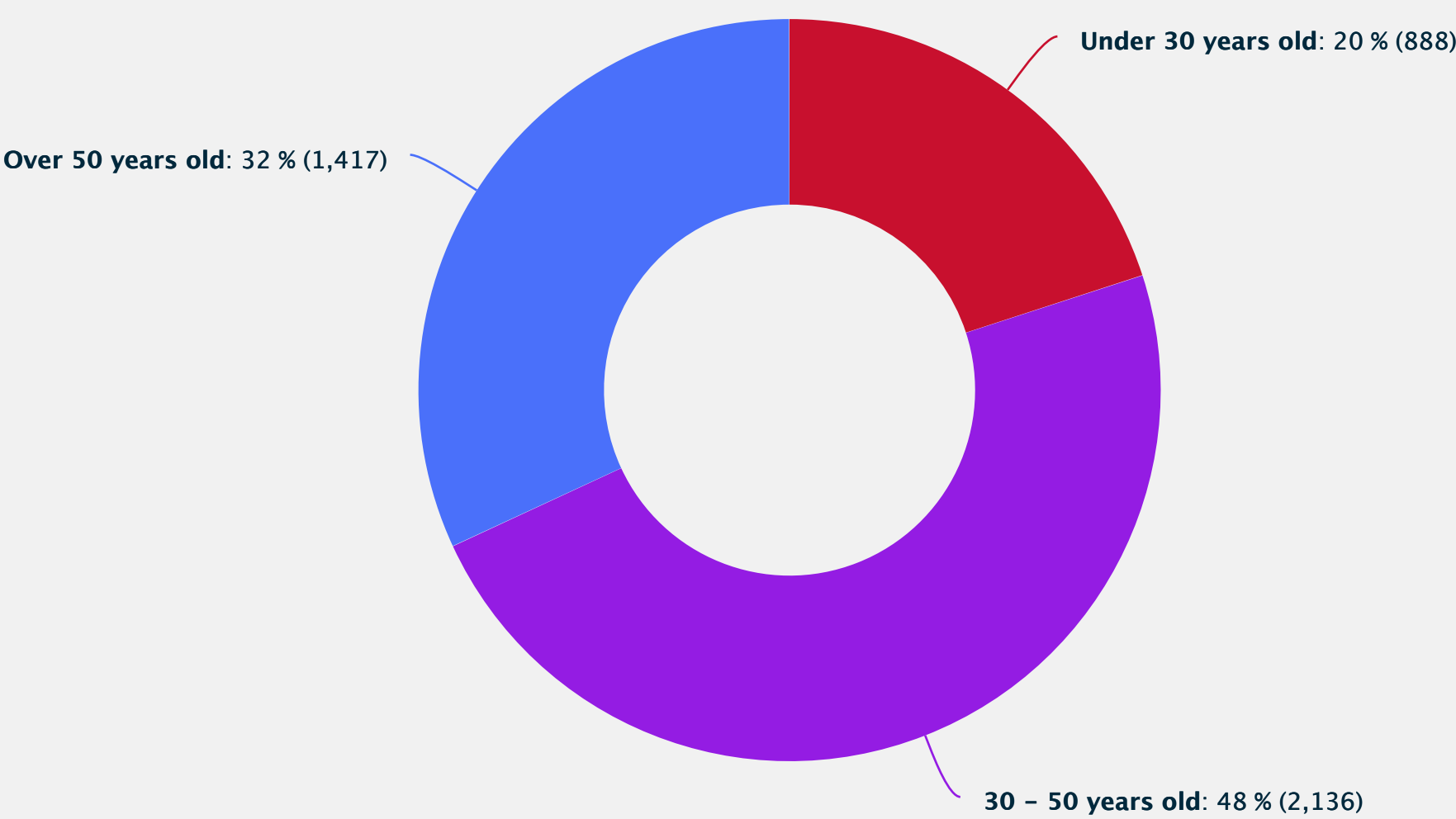
For

2022 | ▾



***Our charts are interactive.*** Hover over any chart to reveal the filter icon in the top-left corner. Click on the filter icon to select the year you wish to see.

## Percentage of Employees Based on Age Group (2022)



## Percentage of ELT Based on Age Group (2022)



ELT = Executive Leadership Team

## Percentage of Board Based on Age Group (2022)



Indicator

Age | ▾

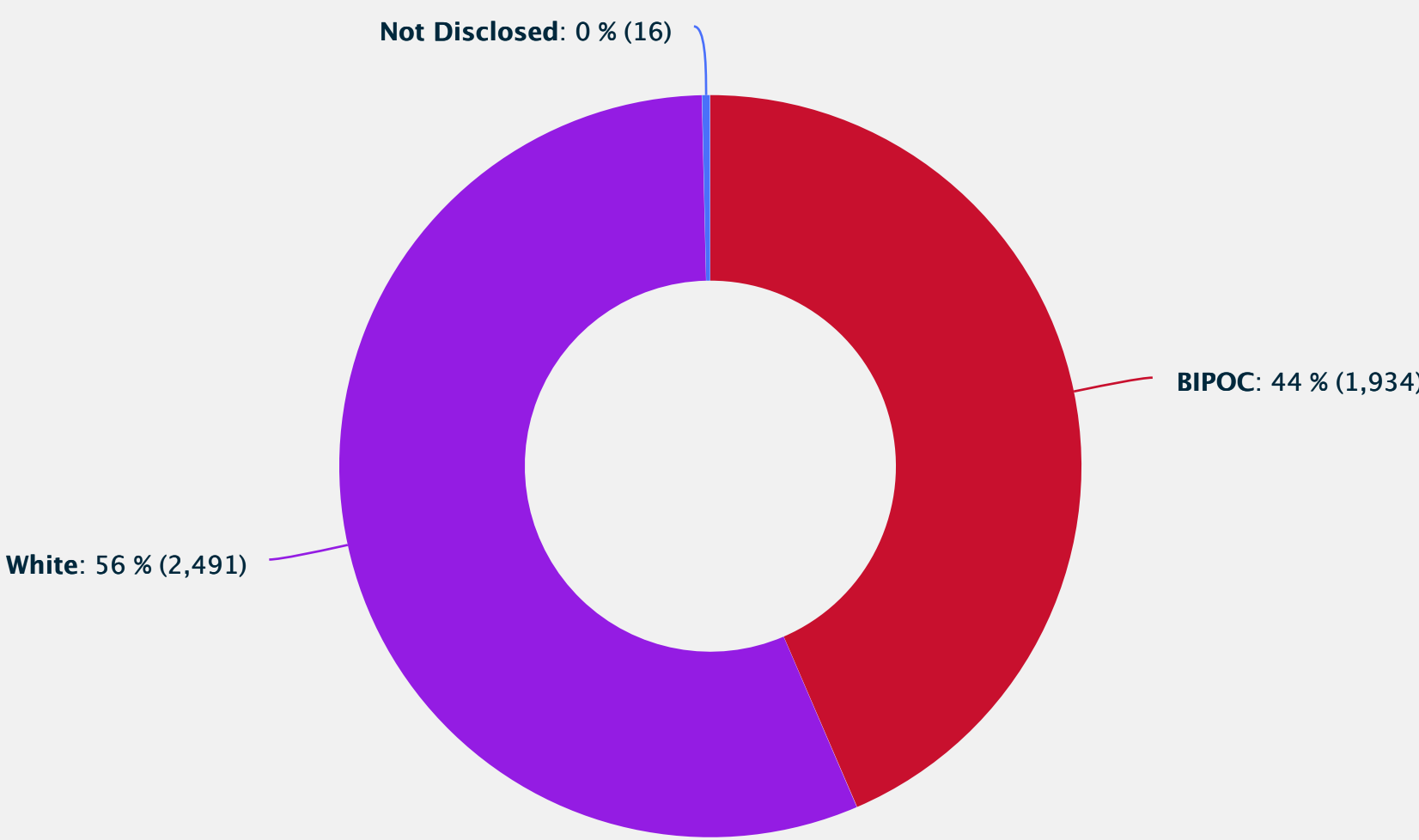
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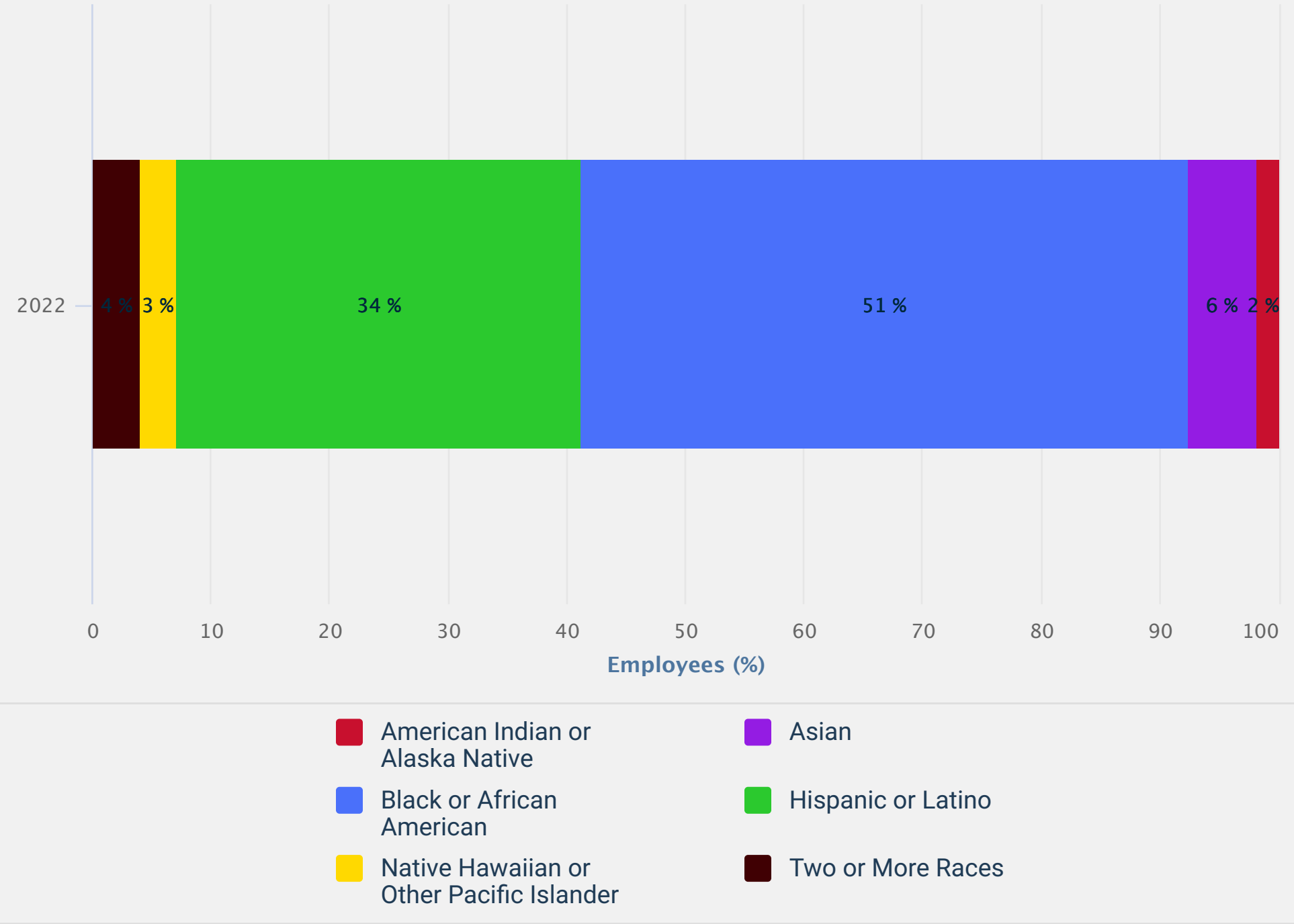


***Our charts are interactive.** Hover over any chart to reveal the filter icon in the top-left corner. Click on the filter icon to select the year you wish to see.*

Percentage of Employees Based on Ethnicity (2022)



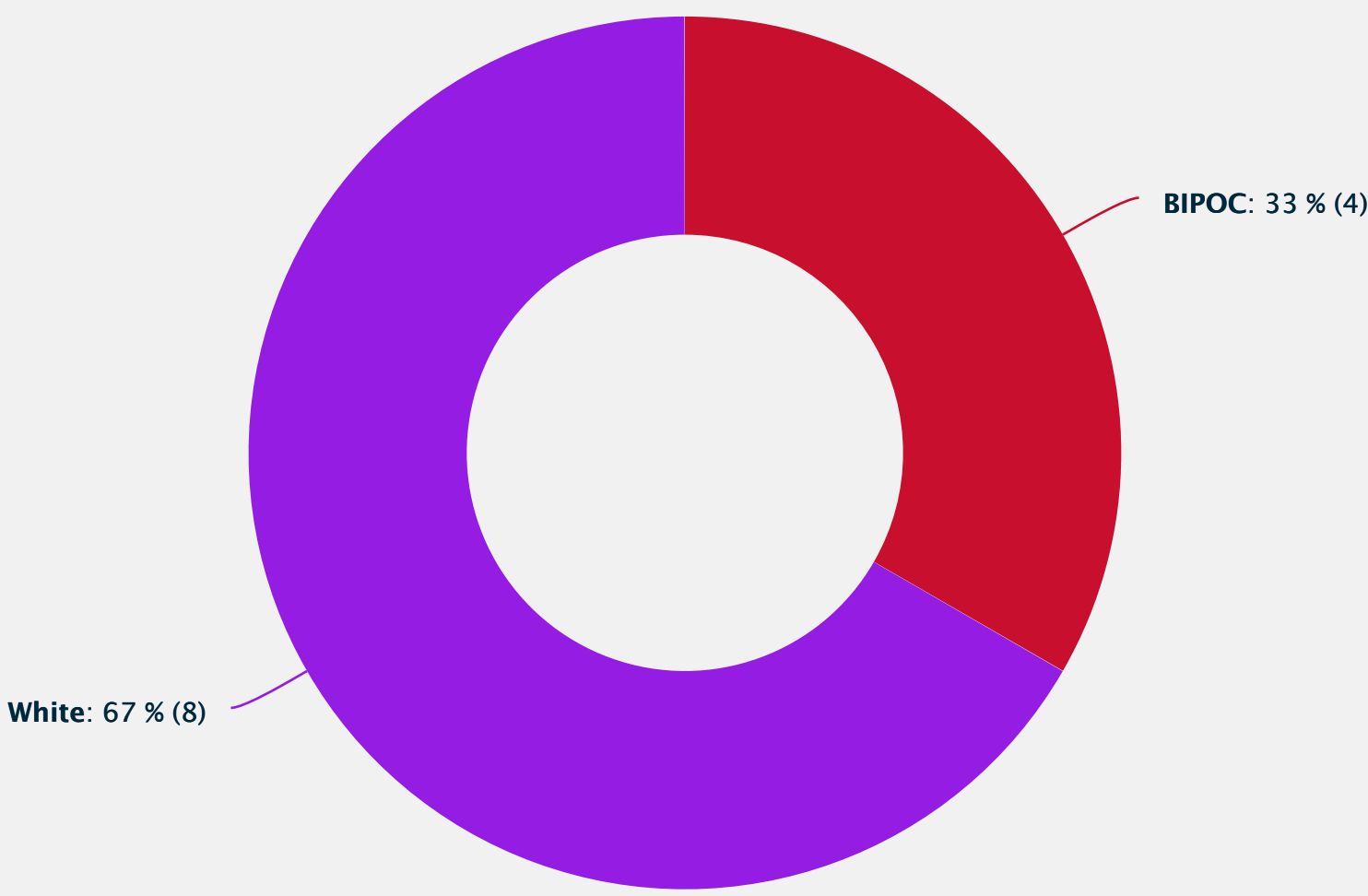
Employee BIPOC Breakdown (2022)



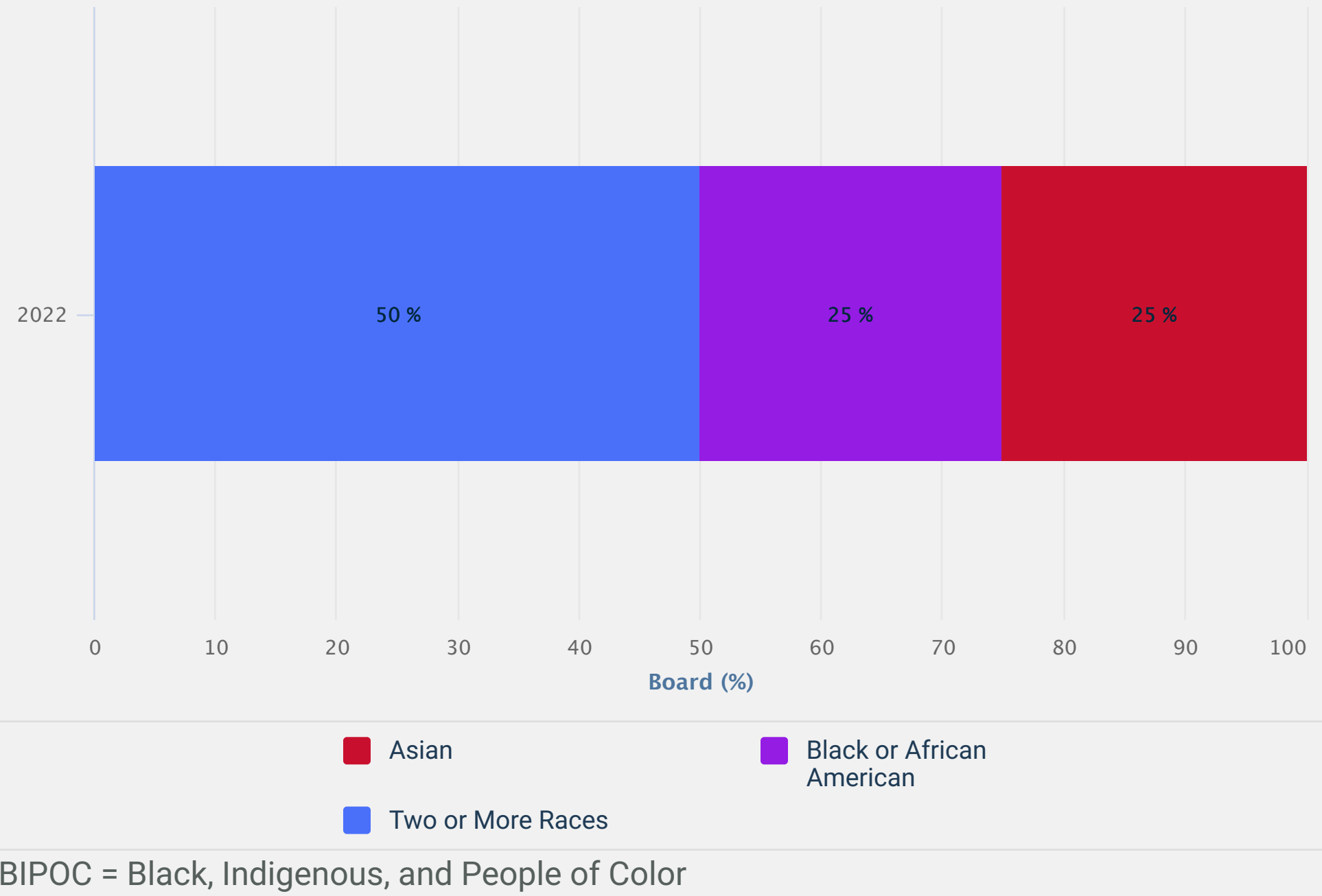
Percentage of ELT Based on Ethnicity (2022)



Percentage of Board Based on Ethnicity (2022)



Board BIPOC Breakdown (2022)



Indicator  
Ethnicity | ▾

For  
2022 | ▾



# 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. In 2023, we raised \$525,000 at the Drive for Hope Golf tournament. 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.



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. 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 contribution helps drive employment opportunities for Veterans and also contributes to the Veteran charities that Drexel Hamilton 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 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.

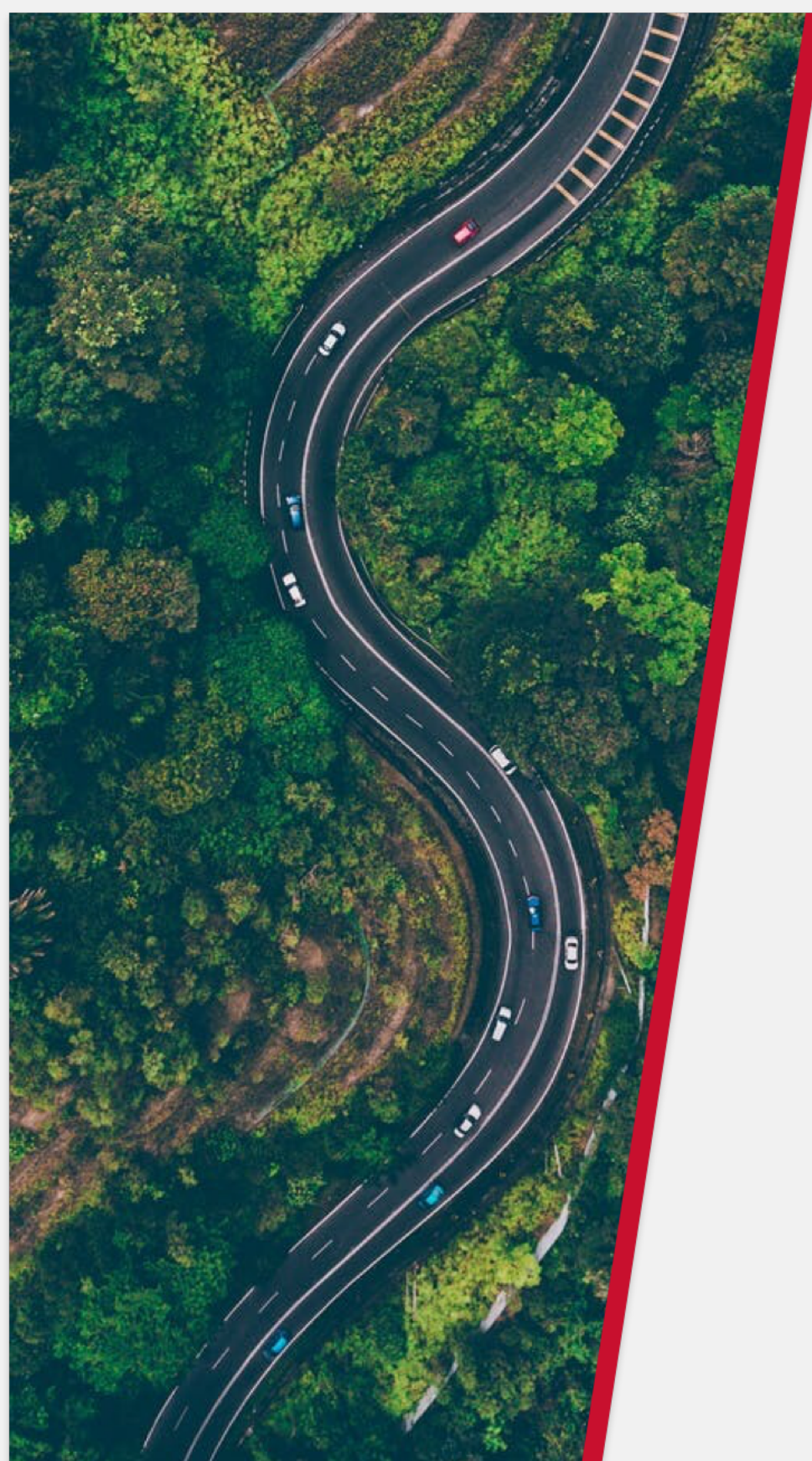






# Measurement and Disclosure

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).



At the beginning of our ESG journey, we initiated an ESG market analysis and benchmarking exercise that provided insights into the ESG topics most relevant to our industry, and how similar companies were beginning to address those challenges.

We completed our first ESG assessment, including a third-party stakeholder assessment, in 2020. Based on these evaluations, we identified our ESG focus areas and related risks and opportunities that are being addressed throughout this report.

We partner with a sustainability software provider, Metrio, to centralize, analyze and report on our ESG data.

We partner with Agendi, a specialized sustainability consultancy, to support us on our ESG Journey and facilitate our GHG emissions calculations. More details about this process and the results of our GHG inventories are captured in our GHG section.

We published our first ESG Report that outlined our ESG strategy in 2021. We published our second ESG Report on our new ESG website including historical data, new targets, and Sustainable Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) indexes in 2022.

In 2023, we published our first Task Force on Climate-Related Financial Disclosures (TCFD) index and responded to the CDP's 2023 questionnaire.

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



# 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.

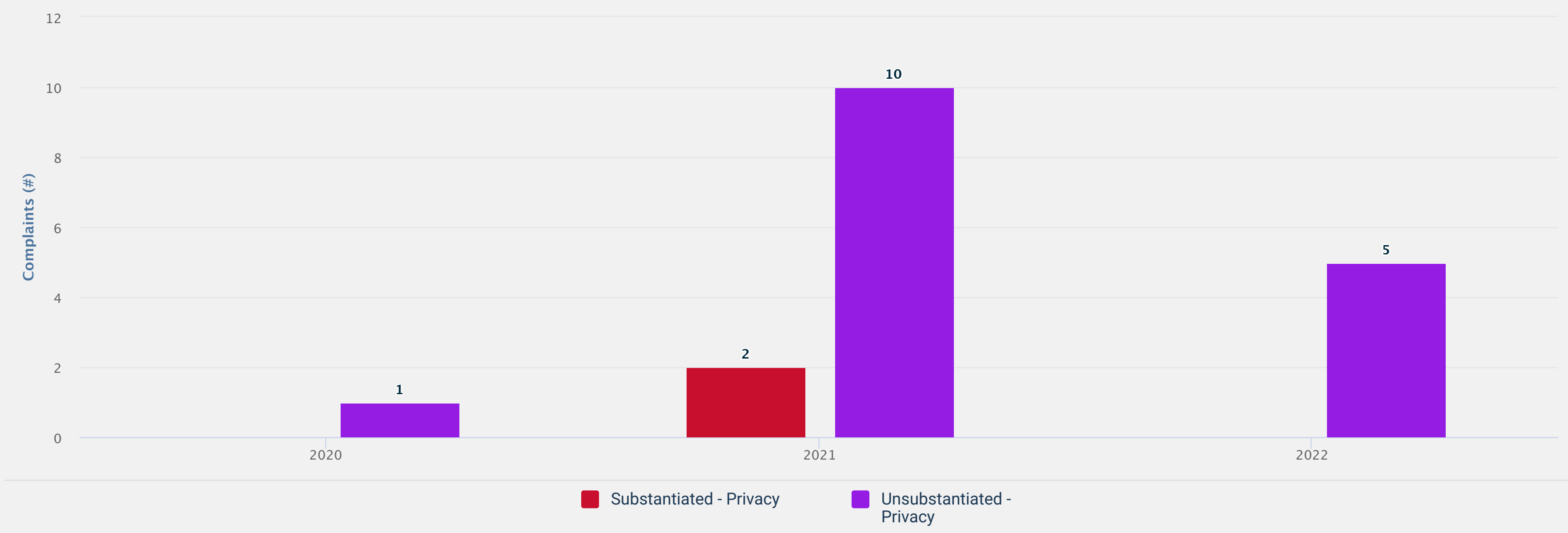


As part of our commitment to cybersecurity, Forward maintains a robust Information Security program that we are improving through several initiatives aimed at providing additional security tools, preventing data breaches, and enforcing data security. Further, we have begun to deploy infrastructure to meet National Institute of Standards and Technology (NIST) standards and enhance information security practices for our employees, customers, and partners.

Our Information Technology team and our employees regularly review our policies and standards to ensure we are aligned with the Information Security program.

Looking ahead, 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.

## 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 and social goals of both our suppliers and customers and how we can partner to achieve collective goals. We encourage our suppliers to follow the principles outlined in our **Environmental Policy** and **Human Rights policies**.

We are exploring and implementing new opportunities to decrease our environmental impact with our suppliers and partners whether it is through greenhouse gas emission reduction, waste reduction or other initiatives.

At Forward, we are also committed to growing and maintaining a diverse and inclusive supply chain that 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 collecting data to better understand our supplier diversification. By 2024, we expect to establish a holistic data tracking infrastructure and identify 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.



***Our charts are interactive.*** Hover over any chart to reveal the filter icon in the top-left corner. Click on the filter icon to select the year you wish to see.

## Total Number of Carriers

	2022
Number of Carriers	6,937

For

2022

▼



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 utilizes an Environmental Management System to identify and evaluate environmental risks and track environmental performance. Forward has established policies and procedures to monitor key metrics and document corrective actions. Environmental performance metrics are communicated with all divisions and C-level executives to help reduce our environmental impact.

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. However, we know that there are many other important environmental issues, so we take a holistic approach to our sustainability strategy and are undertaking diverse initiatives, including recycling and waste management, to complement our emissions mitigation efforts.

We have an established Sustainability Task Force to incorporate sustainable practices across our business and reduce waste in our new and existing facilities and corporate offices. We began piloting sustainable practices such as recycling, composting, and responsible sourcing at some of our larger corporate offices in 2022 and plan to expand these practices to other locations in the coming years.

Our recycling program also includes appliances and packing materials. Our partnership with a national waste management company has enabled us to enhance waste management at terminals across our network. We have also implemented plastic separation and recycling programs tailored to the unique needs of our network. Forward leases the vast majority of its facilities and corporate offices, and we continue to work with our landlords on viable sustainability initiatives including LED lighting and renewable energy programs.

We are committed to 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. This is only the beginning of our journey to a greener footprint in our commercial operations. Looking ahead, we will continue to work to reduce our environmental footprint and enhance our climate strategy.





# GHG Emissions Practices

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 implemented both short-term and long-term strategies to measure and reduce our Scope 1, Scope 2, and Scope 3 emissions, and are committed to improving our GHG emissions data collection and tracking. Our 2019-2022 GHG inventories were calculated based on the Greenhouse Gas Protocol Corporate Standard.

We plan to set approved science-based targets in the next two years. In the interim, 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 and its climate expert'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

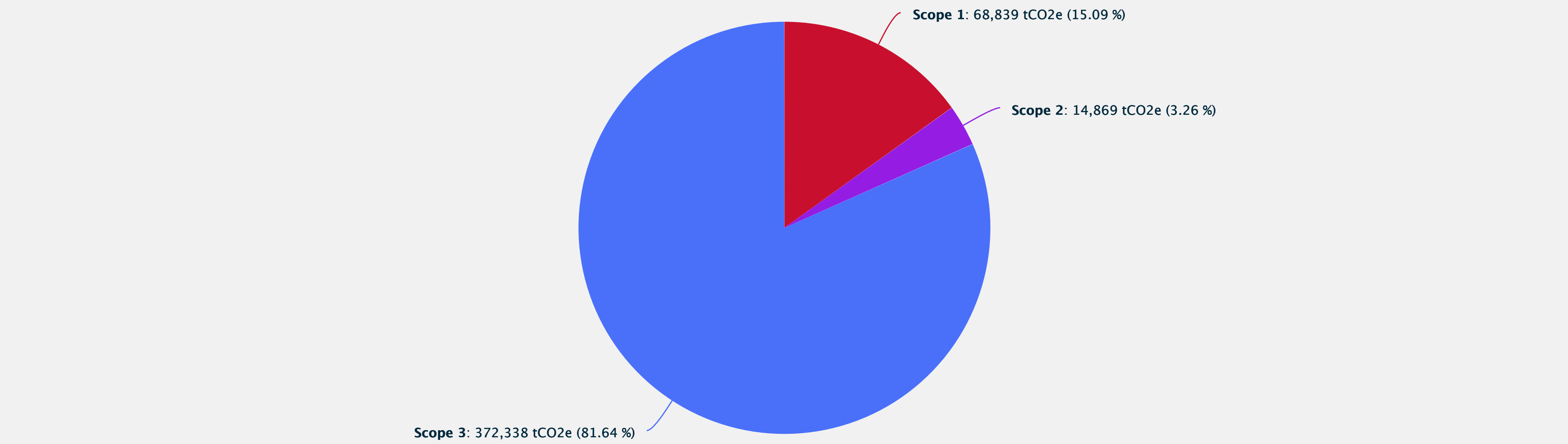
Forward is currently assessing a range of emissions reduction initiatives, including improving fleet efficiency, and deploying innovative technologies, reducing energy use in facilities, and integrating renewable energy through onsite installations or purchasing renewable energy certificates where appropriate. This preliminary goal may be adjusted as Forward improves its data collection processes and continues its evaluation of opportunities to decrease GHG emissions.

Emissions were calculated based on company activity data whenever possible, using the Greenhouse Gas Protocol Corporate Standard. In the absence of actual energy consumption or emissions data, calculations were based on company spend (e.g., on electricity) or widely-used emission factors, including data or models from the U.S. Energy Information Agency, U.S. Environmental Protection Agency (U.S. EPA), U.K. Department for Energy Security and Net Zero and similar recognized sources.

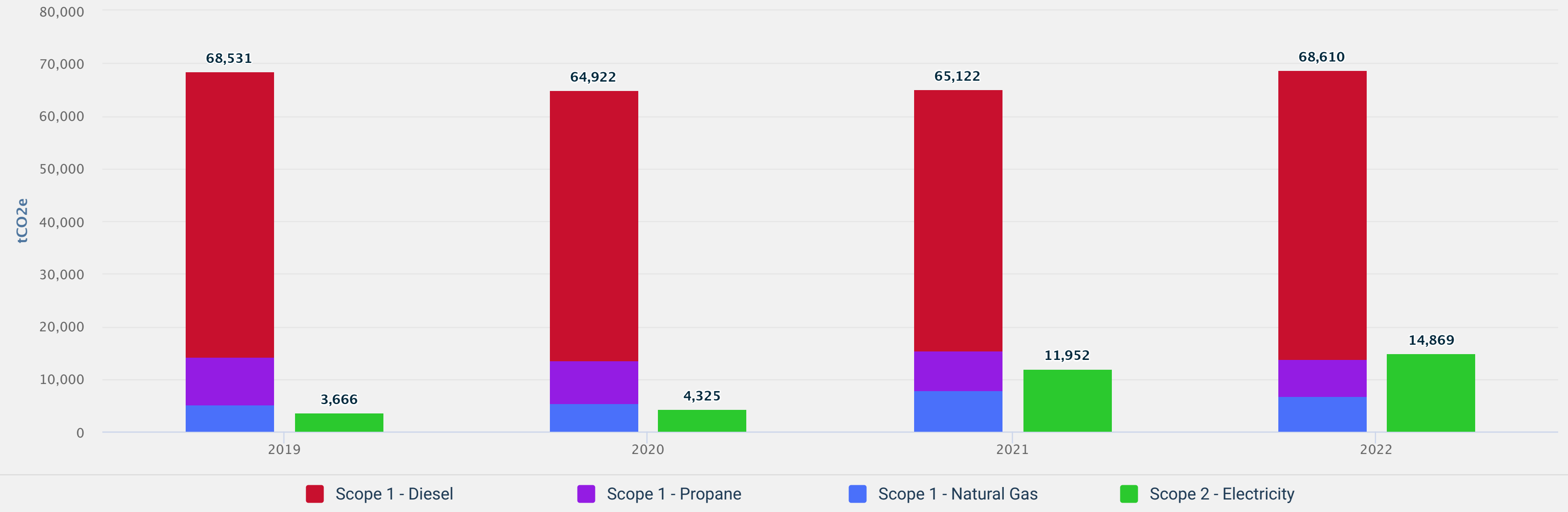


**Our charts are interactive.** Hover over any chart to reveal the filter icon in the top-left corner. Click on the filter icon to select the year you wish to see.

## Emissions by Scope (2022)



## Emissions by Fuel - Scope 1 & 2



Additional facilities were included in the 2021 data which accounts for the majority of the increase in Scope 2 emissions in 2021.

## Emissions Per Scope Per Year (tCO2e)

	2019	2020	2021	2022
Scope 1	68,611.3	64,993.2	65,219.0	68,839.0
Scope 2	3,666.1	4,325.2	11,952.2	14,869.3
Scope 3	412,853.0	424,370.0	350,720.0	372,338.0
Cat 1: Purchased goods and services	70,972.0	88,193.0	10,405.0	29,106.0
Cat 2: Capital goods	5,289.0	3,688.0	7,518.0	2,931.0
Cat 3: Fuel- and energy-related activities	12,184.0	13,302.0	17,680.0	19,836.0
Cat 4: Upstream transportation and distribution (incl. independent contractors emissions)	314,659.0	309,910.0	306,889.0	304,331.0
Cat 5: Waste generated in operations	1,190.0	1,239.0	1,279.0	1,226.0
Cat 6: Business travel	2,102.0	1,333.0	1,524.0	1,564.0
Cat 7: Employee commuting (incl. Teleworking)	6,457.0	6,705.0	5,354.0	11,118.0
Cat 8: Upstream leased assets	-	-	71.0	2,226.0

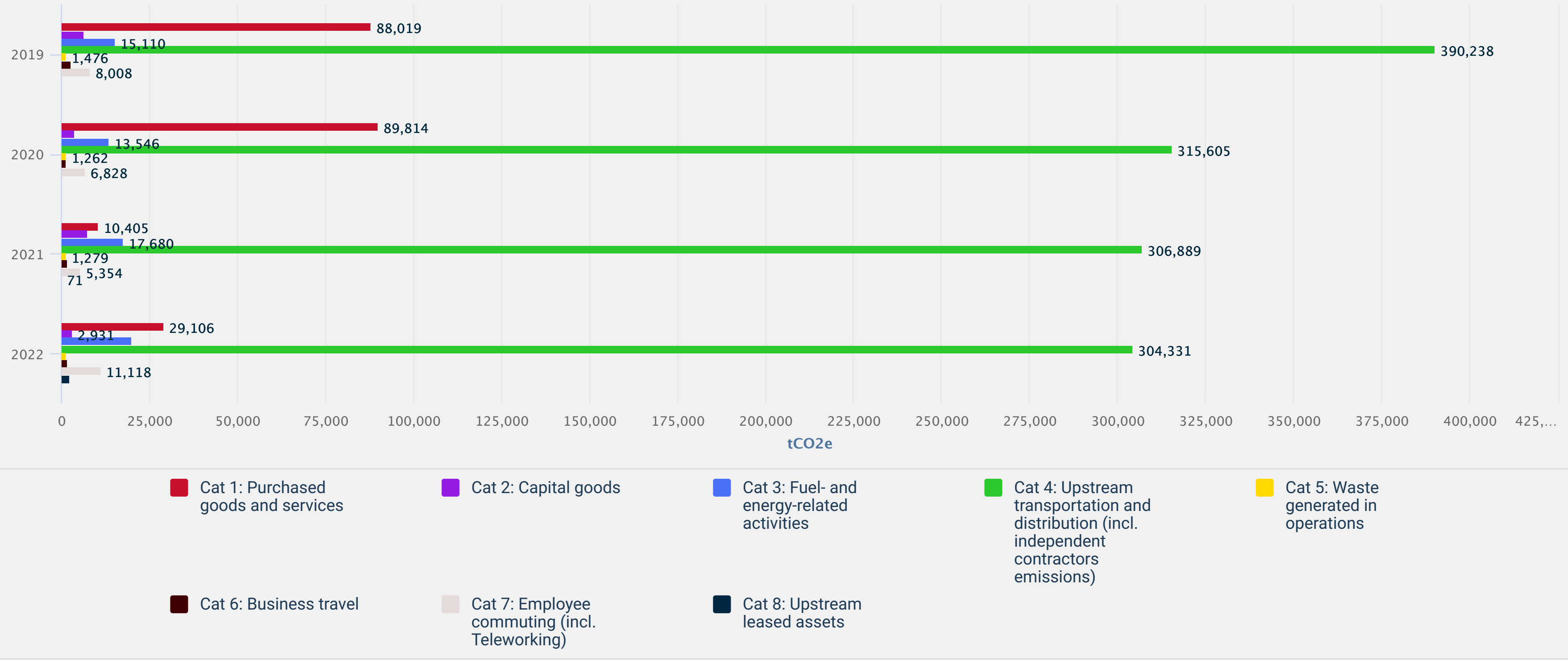
Beginning in 2021, upstream leased assets (category 8) were included to account for our use of external docks and other facilities.



# Emissions Per Scope Per Year - Intensity (kgCO2e / thousand USD)

	2019	2020	2021	2022
Scope 1	56,301.27	51,099.12	39,206.25	34,881.00
Scope 2	3,008.32	3,400.60	7,185.02	7,534.36
Scope 3	338,780.37	333,649.39	210,834.59	188,665.18

## 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 1-8. Work from home emissions and Scope 3 Cat 9-15 are excluded due to immateriality and limited data.

We are currently reducing emissions and energy consumption through several ongoing programs, including (non-exhaustive):

- Deployment of engine management and idle control technology and procedures
- 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





Increasing the efficiency of our fleet includes regularly evaluating new technologies. We began installing electronic logging devices (ELDs) in all of our trucks in 2021. 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 and advises when a vehicle is experiencing engine malfunctions that could affect vehicle emissions. We intend installation of ELDs to be largely complete in all of Forward-owned 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 from the ELDs to evaluate improvement and progress and assess and develop emissions reduction tactics.

We also look to leverage innovative solutions and are exploring partnerships to reduce our GHG footprint, including considering emerging market trends and opportunities as technologies for renewable fuels and electric vehicles evolve.

In 2022, Forward partnered with carbon capture company **Remora**, reserving ten of Remora’s mobile carbon capture devices for a pilot project expected to launch in the next couple years. Remora’s device is the first carbon capture device on a commercial truck in the world and will 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.

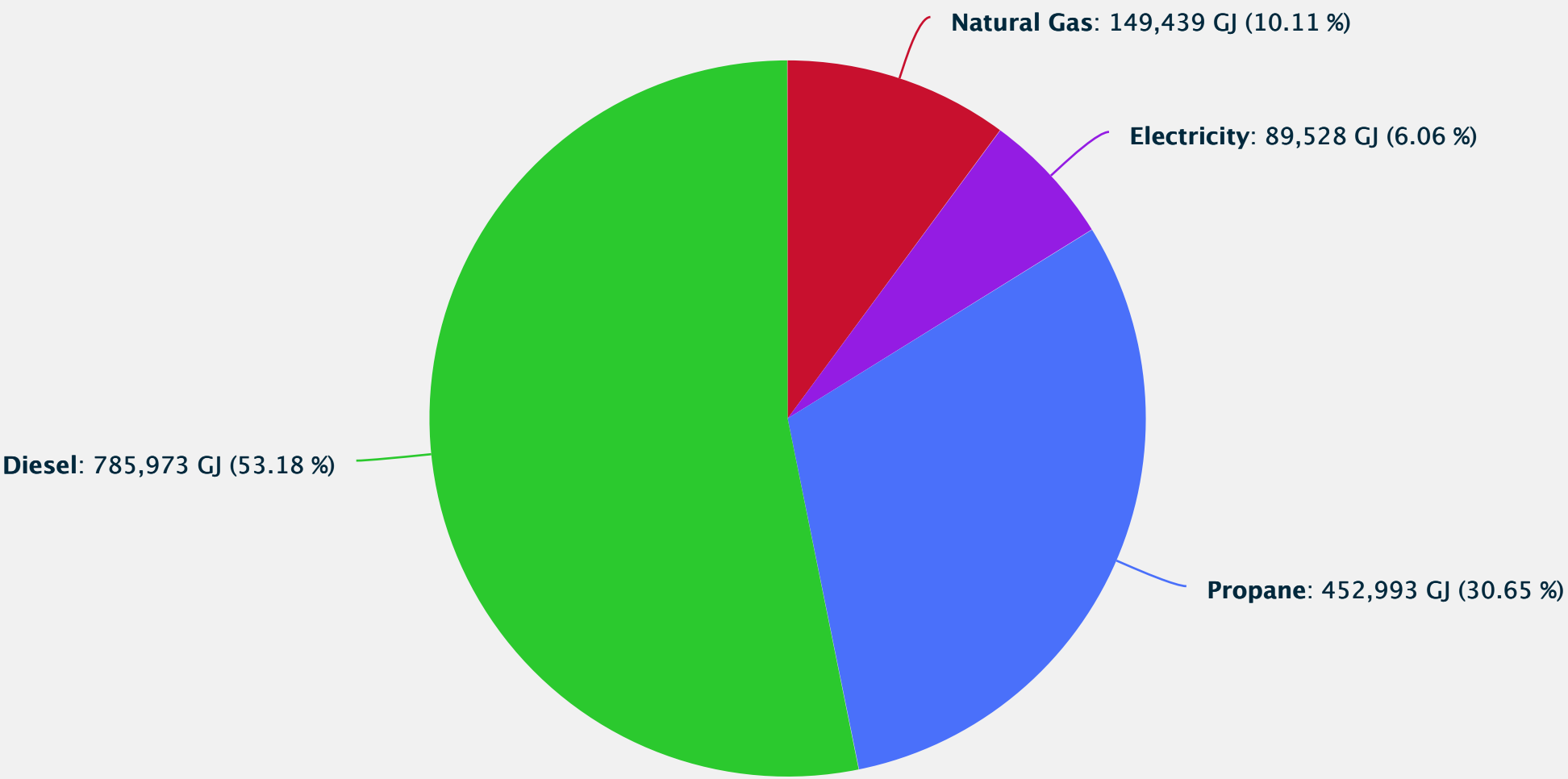
Forward is also registered in U.S. EPA’s SmartWay program. SmartWay is a U.S. EPA program aimed at encouraging participants to adopt fuel-saving technologies and operational practices while helping them save fuel, lower costs, and reduce adverse environmental impacts. U.S. EPA states that, “the SmartWay 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 and measurement activities in our GHG emissions reduction efforts.

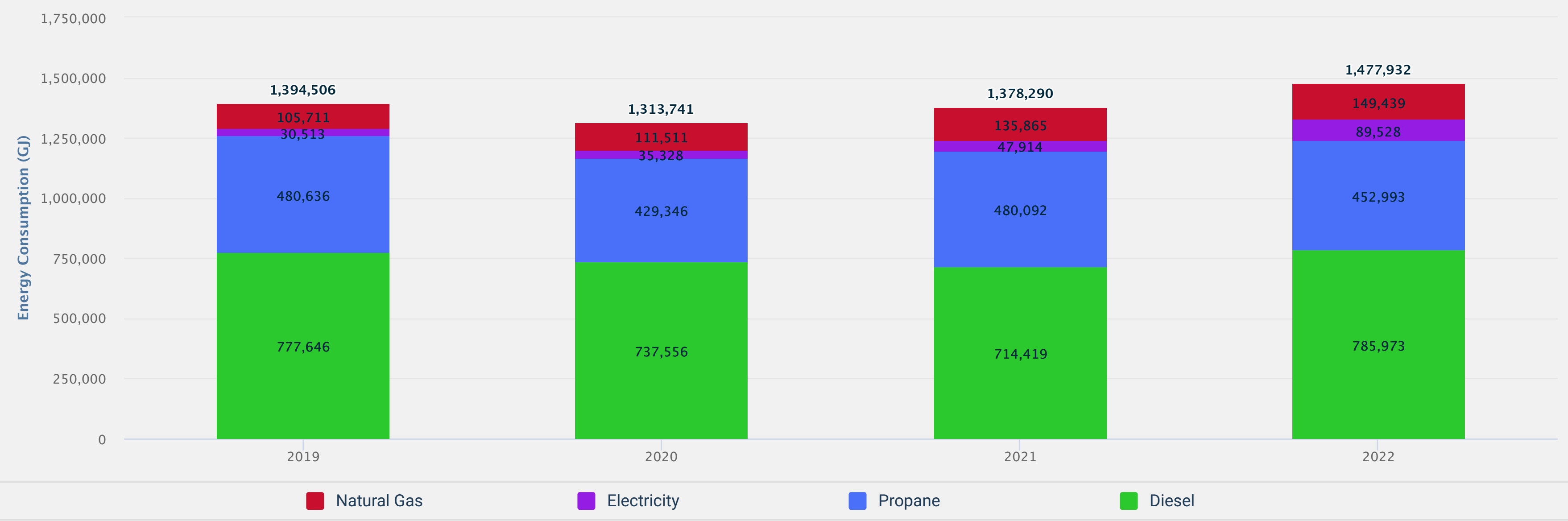
## Energy Consumption by Fuel (GJ) (2022)



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

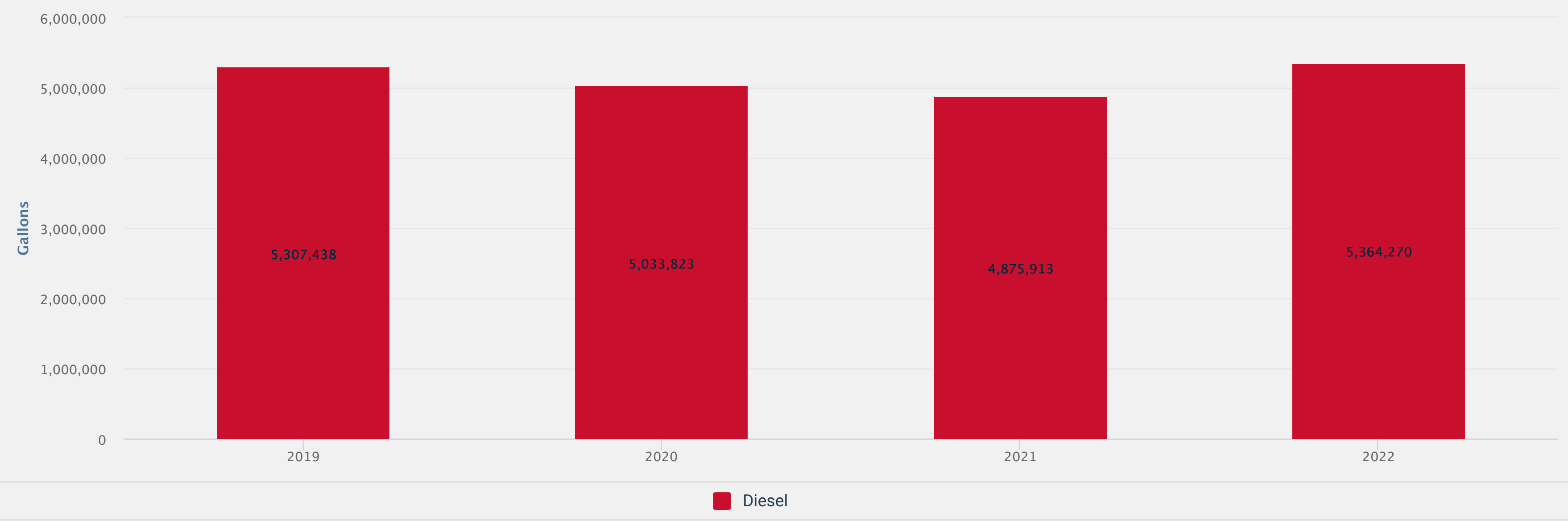


# Energy Consumption by Fuel (GJ)



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

# Fleet Fuel Consumption



From

2017

▼

To

2022

▼



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

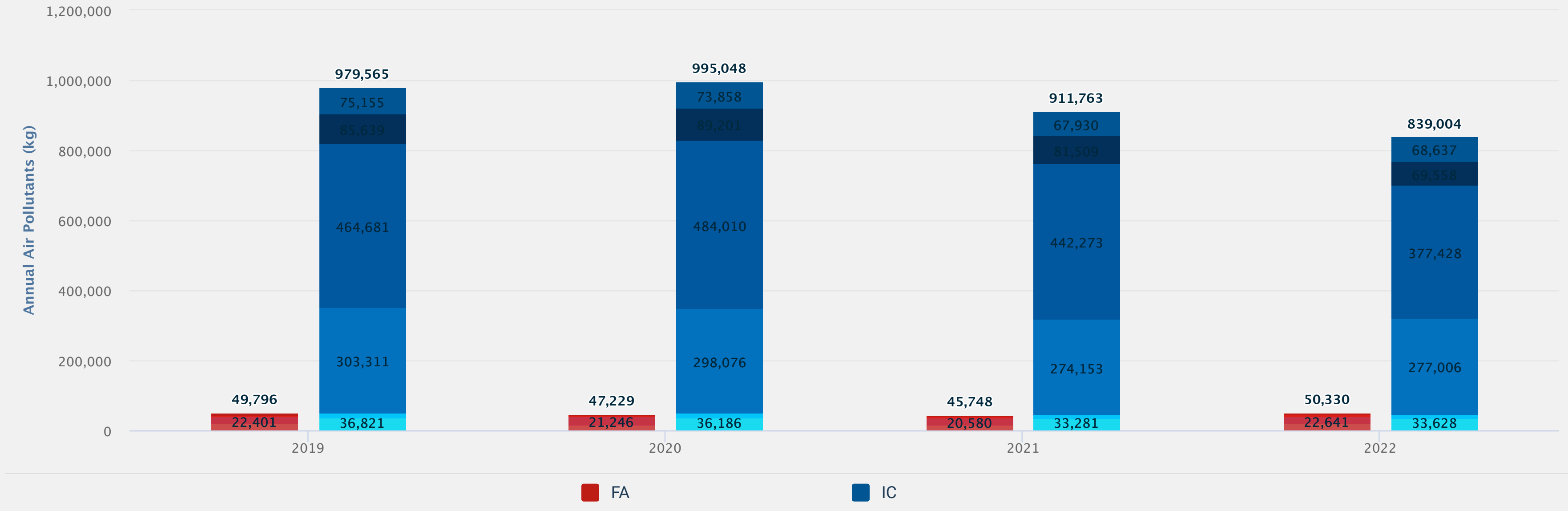


Forward has been calculating, tracking and measuring the pollutants impacting air quality due to our operations since 2019. We calculate annual emissions of NOx, SOx, PM2.5 and PM10 from our owned trucks using total diesel consumption and average emission rates from the U.S. EPA and Bureau of Transportation Statistics.

We maintain our vehicles to meet applicable air emission standards and continue to assess our operations and identify opportunities for improvement.

*Our charts are interactive. Hover over any chart to reveal the filter icon in the top-left corner. Click on the filter icon to select the year you wish to see.*

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



We expect that our idling management efforts 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. This will also decrease our emissions impact on the communities in which we operate.

From

2019

To

2022



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.

Forward is responding to the recommendations of the Taskforce for Climate-Related Financial Disclosures for the first time this year, and we have included an index with this report that contains further details related to our governance of climate-related risks and opportunities.





# Board of Directors



Our Board of Directors is elected by our shareholders to govern the affairs of the Company; it is comprised of 12 independent directors and our Chairman, Chief Executive Officer and President, Tom Schmitt.

Throughout the year, management provides regular updates to the Board on Forward's progress towards our initiatives and long-term goals, enterprise risk management and compliance matters. To help discharge its fiduciary and other responsibilities, the Board has adopted the Forward Air Corporation **Corporate Governance Guidelines**. More details about our Board structure, election of directors, and executive leadership can be found in the **Governance section** of our website as well as our most recent **Proxy Statement**.

The Board accomplishes much of its work through committees, which undertake work delegated by the Board, make recommendations to the Board for discussion and action, and enhance Board productivity. Our three primary Board committees – Audit, Compensation, and Corporate Governance and Nominating – consist entirely of independent directors. More information about our Board, Committees and Committee charters can be found **here**.

The Corporate Governance and Nominating (CG&N) Committee has official oversight over ESG- and sustainability-related risks and opportunities. Each quarter, the CG&N committee reviews relevant ESG policies and activities and provides feedback and oversight regarding these topics. At least annually, the Chair of the CG&N Committee provides a report on these topics to the full Board. In 2023, this report took place in May 2023.





# 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.

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. More detail on Forward's governance processes, policies, and standards is contained in the **Corporate Governance section of our investor relations page**.



## 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.

## 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 and make it clear that they do so without fear of retaliation. We ensure that there are various channels available for employees to report CoC violations or ask questions regarding ethical or compliance issues, 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.





ESG

# GRI Index

Statement of use	Forward Air has reported the information cited in this GRI content index for the period January to December 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

Updated in Q42023 to reflect 2022 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 Report Site > ESG Strategy > Business Overview
	2-2	Entities included in the organization's sustainability report	ESG Report Site > 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 Report Site > ESG Strategy > Our Approach  This version of the report was last updated November 2023 to reflect the reporting of 1 January 2022 to 31 December 2022. Our ESG Report will be updated annually for each fiscal year to coincide with our financial reporting requirements (e.g., 1 January 2022 to 31 December 2022). Questions about our ESG Report can be directed to <a href="mailto:esg@forwardair.com">esg@forwardair.com</a> .
	2-4	Restatements of information	There are no restatements of information in this report.
	2-5	External assurance	External assurance of our greenhouse gas emissions is something Forward will be looking into in the coming years.
	Activities and Workers		
	2-6	Activities, value chain, and other business relationships	2022 Form 10-K / 1. Business (pg. 4-13)  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 2022 / 1. Business (pages 4-13)
	2-7	Employees	ESG Report Site > People and Communities > Diversity, Equity & Inclusion  2022 Form 10-K > 1. Business > Workforce (pg.8)
	2-8	Workers who are not employees	ESG Report Site > People and Communities > Independent Contractor Practices  2022 Form 10-K > 1. Business > Workforce (pg.8)



GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
Governance			
	2-9	Governance structure and composition	<p><a href="#">ESG Report Site &gt; Governance &gt; Board of Directors</a></p> <p><a href="#">ESG Report Site &gt; People and Communities &gt; Diversity, Equity &amp; Inclusion</a></p> <p><a href="#">Forward Air Proxy Statement (Pgs. 5-21)</a></p> <p><a href="#">Forward Air Investor Webpage &gt; Governance Documents</a></p> <p><a href="#">Forward Air Charter</a></p> <p><a href="#">Forward Air Bylaws</a></p> <p><a href="#">Forward Air Investor Webpage &gt; Governance &gt; Overview</a></p>
	2-10	Nomination and selection of the highest governance body	<p><a href="#">ESG Report Site &gt; Governance &gt; Board of Directors</a></p> <p><a href="#">Forward Air Proxy Statement (Page 12)</a></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><a href="#">ESG Report Site &gt; Governance &gt; Board of Directors</a></p> <p><a href="#">Proxy Statement (Pg. 17-18)</a></p> <p><a href="#">Forward Air Investor Webpage &gt; Governance Documents</a></p>
	2-12	Role of the highest governance body in overseeing the management of impacts	<p><a href="#">ESG Report Site &gt; Governance &gt; Board of Directors</a></p> <p><a href="#">Proxy Statement (Pg. 11-21)</a></p> <p><a href="#">Forward Air Investor Webpage &gt; Governance Documents</a></p> <p><a href="#">ESG Report Site &gt; Governance &gt; Corporate Ethics</a></p> <p><a href="#">2023 Corporate Governance Guidelines</a></p>
	2-13	Delegation of responsibility for managing impacts	<p><a href="#">ESG Report Site &gt; Governance &gt; Board of Directors</a></p> <p><a href="#">Proxy Statement (Pg. 11-21)</a></p> <p><a href="#">Forward Air Investor Webpage &gt; Governance Documents</a></p>
	2-14	Role of the highest governance body in sustainability reporting	<p><a href="#">ESG Report Site &gt; Governance &gt; Board of Directors</a></p> <p><a href="#">Proxy Statement (Pg. 19-22)</a></p> <p><a href="#">Forward Air Investor Webpage &gt; Governance Documents</a></p> <p>Our Board of Directors has established that our Corporate Governance and Nominating (CG&amp;N) Committee has official oversight over ESG. At least twice a year, the CG&amp;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><a href="#">Code of Business Conduct and Ethics</a></p> <p><a href="#">Proxy Statement (Pg. 16)</a></p>
	2-16	Communication of critical concerns	<p><a href="#">Code of Business Conduct and Ethics</a></p> <p><a href="#">ESG Report Site &gt; Governance &gt; Corporate Ethics</a></p>
	2-17	Collective knowledge of the highest governance body	<p><a href="#">Corporate Governance Guidelines</a></p> <p><a href="#">Proxy Statement (Pg. 5-10)</a></p>
	2-18	Evaluation of the performance of the highest governance body	<p><a href="#">Corporate Governance Guidelines</a></p> <p><a href="#">Corporate Committee Charters</a></p>



GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
	2-19	Remuneration policies	<a href="#">Corporate Governance Guidelines</a>  <a href="#">Proxy Statement (Pg. 22-23; 27-58)</a>
	2-20	Process to determine remuneration	<a href="#">Proxy Statement (Pg. 22-23; 27-58)</a>
	2-21	Annual total compensation ratio	<a href="#">Proxy Statement (Pg. 49)</a>
	Strategy, policies and practices		
	2-22	Statement on sustainable development strategy	<a href="#">ESG Report Site &gt; ESG Strategy &gt; Our Approach</a>
	2-23	Policy commitments	<a href="#">ESG Report Site &gt; Customer &gt; Measurement and Disclosure</a>  <a href="#">Code of Business Conduct and Ethics</a>
	2-24	Embedding policy commitments	<a href="#">ESG Report Site &gt; Governance &gt; Corporate Ethics</a>  <a href="#">Code of Business Conduct and Ethics</a>  <a href="#">ESG Report Site &gt; Customer &gt; Responsible Supplier</a>  <a href="#">ESG Report Site &gt; Indexes &gt; Policies and Reports &gt; Environmental and Human Rights Policies</a>
	2-25	Processes to remediate negative impacts	<a href="#">ESG Report Site &gt; Governance &gt; Corporate Ethics</a>  <a href="#">Code of Business Conduct and Ethics</a>
	2-26	Mechanisms for seeking advice and raising concerns	<a href="#">Code of Business Conduct and Ethics</a> - section titled, "Confidential Reporting Procedures" on pg. 10
	2-27	Compliance with laws and regulations	<a href="#">2022 Form 10-K &gt; Legal Proceedings</a>  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.
	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.
	Stakeholder Engagement		
	2-29	Approach to stakeholder engagement	<a href="#">ESG Report Site &gt; ESG Strategy &gt; Our Approach</a>  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.  <a href="#">ESG Report Site &gt; Customer &gt; Responsible Supplier</a>
GRI 3: Material Topics 2021	2-30	Collective bargaining agreements	<a href="#">2022 Form 10-K &gt; 1. Business &gt; Workforce</a> (pg.8)
	Disclosures on material topics		
	3-1	Process to determine material topics	<a href="#">ESG Report Site &gt; ESG Strategy &gt; Our Approach</a>  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.



GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
	3-2	List of material topics	<b>ESG Report Site &gt; ESG Strategy &gt; Our Approach</b> Our primary focus areas include: <ul style="list-style-type: none"> <li>Health &amp; Safety</li> <li>Independent Contractor Practices</li> <li>Diversity, Equity &amp; Inclusion</li> <li>Communities Impact and Partnerships</li> <li>Measurement &amp; Disclosure</li> <li>Information Security</li> <li>Responsible Supplier Practices</li> <li>GHG Emissions</li> <li>Air Quality</li> </ul>
	3-3	Management of material topics	<b>ESG Report Site &gt; ESG Strategy &gt; Our Approach</b>  <b>ESG Report Site &gt; Governance &gt; Board of Directors</b>
<b>Environment</b>			
GRI 305: Emissions 2016	<b>Emissions</b>		
	103	Management Approach	<b>ESG Report Site &gt; Environment &gt; Our Approach</b>  <b>ESG Report Site &gt; Environment &gt; GHG Emissions</b>
	305-1	Direct (Scope 1) GHG emissions	<b>ESG Report Site &gt; Environment &gt; GHG Emissions</b>
	305-2	Energy indirect (Scope 2) GHG emissions	<b>ESG Report Site &gt; Environment &gt; GHG Emissions</b>
	305-3	Other indirect (Scope 3) GHG emissions	<b>ESG Report Site &gt; Environment &gt; GHG Emissions</b>
	305-4	GHG emissions intensity	<b>ESG Report Site &gt; Environment &gt; GHG Emissions</b>
	305-5	Reduction of GHG emissions	<b>ESG Report Site &gt; Environment &gt; GHG Emissions</b>
	305-6	Emissions of Ozone-depleting substances (ODS)	<b>ESG Report Site &gt; Environment &gt; GHG Emissions</b>  Forward's Ozone-depleting substances are captured in Scope 1 emissions.
	305-7	Nitrogen oxides (NOx), sulfur oxides (Sox), and other significant air emissions	<b>ESG Report Site &gt; Environment &gt; Air Quality</b>
GRI 308: Supplier Environmental Assessment 2016	<b>Supplier Environmental Compliance</b>		
	103	Management Approach	<b>ESG Report Site &gt; Customer &gt; Responsible Supplier Practices</b>
	308-1	New Suppliers Screened using environmental criteria	Unavailable. Forward Air does not track this information at this time.
	308-2	Negative environmental impacts in the supply chain and actions taken	Unavailable. Forward Air does not track this information at this time.
<b>Social</b>			
GRI 401: Employment 2016	<b>Employment</b>		
	103	Management Approach	<b>ESG Report Site &gt; People and Communities &gt; Our Approach</b>  <b>ESG Report Site &gt; People and Communities &gt; Health &amp; Safety</b>
	401-1	New employees hires and employee Turnover	<b>ESG Report Site &gt; People and Communities &gt; Health &amp; Safety</b>
	401-2	Benefits provided to Full-time Employees that are not provided to Temporary employees	<b>ESG Report Site &gt; People and Communities &gt; Health &amp; Safety</b>



GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
GRI 402: Labor/Management Relations 2016	401-3	Parental Leave	ESG Report Site > People and Communities > Health & Safety
	Labor/Management Relations		
	103	Management approach	ESG Report Site > People and Communities > Our Approach  ESG Report Site > People and Communities > Independent Contractor Practices
GRI 403: Occupational Health and Safety 2018	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.
	Occupational Health and Safety		
	103	Management Approach	ESG Report Site > People and Communities > Health & Safety
	403-1	Occupational health and safety management system	ESG Report Site > People and Communities > Health & Safety
	403-2	Hazard Identification, risk assessment and incident investigation	ESG Report Site > People and Communities > Health & Safety
	403-3	Occupational Health Services	ESG Report Site > People and Communities > Health & Safety
	403-4	Worker participation, consultation, and communication on occupational health and safety	ESG Report Site > People and Communities > Health & Safety
	403-4	Worker training on occupational health and safety	ESG Report Site > People and Communities > Health & Safety
	403-6	Promotion of worker Health	ESG Report Site > People and Communities > Health & Safety
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESG Report Site > People and Communities > Health & Safety
	403-7	Workers covered by an occupational health and safety management system	ESG Report Site > People and Communities > Health & Safety
	403-9	Work-related injuries	ESG Report Site > People and Communities > Health & Safety
GRI 404: Training and Education 2016	403-10	Work-related ill health	ESG Report Site > People and Communities > Health & Safety
	Training and Education		
	103	Management Approach	ESG Report Site > People and Communities > Our Approach  ESG Report Site > People and Communities > Health & Safety
	404-1	Average hours of training per year per employee	ESG Report Site > People and Communities > Health & Safety
	404-2	Programs for upgrading employee skills and transition assistance programs	ESG Report Site > People and Communities > Health & Safety

GRI Standard	Disclosure Number	Disclosure Title	Location/Explanation
GRI 405: Diversity and Equal Opportunity 2016	Diversity and Equal Opportunity		
	404-3	Percentage of employees receiving regular performance and career development reviews	ESG Report Site > People and Communities > Health & Safety
	103	Management Approach	ESG Report Site > People and Communities > Diversity, Equity, Inclusion, & Belonging
	405-1	Diversity of governance bodies and employees	ESG Report Site > People and Communities > Diversity, Equity, Inclusion, & Belonging
	405-2	Ratio of basic salary and remuneration of women to men	ESG Report Site > People and Communities > Diversity, Equity, Inclusion, & Belonging
GRI 413: Local Communities 2016	Local Communities		
	103	Management Approach	ESG Report Site > People and Communities > Community Impact and Partnerships
	413-1	Operations with local community engagement, impact assessments, and development programs	ESG Report Site > People and Communities > Community Impact and Partnerships
	413-2	Operations with significant actual and potential negative impacts on local communities	ESG Report Site > People and Communities > Community Impact and Partnerships
GRI 414: Supplier Social Assessment 2016	Supplier Social Assessment		
	103	Management Approach	ESG Report Site > Customer > Responsible Supplier Practices
	414-1	New suppliers that were screened using social criteria	ESG Report Site > 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	ESG Report Site > Customer > Information Security
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESG Report Site > Customer > Information Security





ESG

# SASB Index

Updated in Q42023 to reflect 2022 data

SASB Code	Metric	Location/Explanation
<b>Air Freight &amp; Logistics Activity Metrics</b>		
TR-AF-000.A	Revenue ton kilometers (RTK) for:  - road transport <sup>[1]</sup> - air transport <sup>[2]</sup>	<sup>[1]</sup> Road Transport - This associated metric for this topic is currently unavailable. We are continually working to improve our data collection process. <sup>[2]</sup> Air Transport - This topic and associated metrics were omitted based on lack of applicability.
TR-AF-000.B	Load factor for  - road transport <sup>[1]</sup> - air transport <sup>[2]</sup>	<sup>[1]</sup> Road Transport - This associated metric for this topic is currently unavailable. We are continually working with to improve our data collection process. <sup>[2]</sup> 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	<a href="#">ESG Report Site &gt; ESG Strategy &gt; Business Overview</a>
<b>Road Transportation Activity Metrics</b>		
TR-RO-000A	Revenue ton miles (RTM)	The associated metric for this topic is currently unavailable. We are continually working with 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 with to improve our data collection process.
TR-RO-000.C	Number of employees, number of truck drivers	<a href="#">ESG Report Site &gt; ESG Strategy &gt; Business Overview</a>
<b>Greenhouse Gas Emissions</b>		
TR-RO-110a. 1 TR-AF-110a. 1	Gross global Scope 1 emissions	<a href="#">ESG Report Site &gt; Environment &gt; GHG Emissions Practices</a>
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	<a href="#">ESG Report Site &gt; Environment &gt; GHG Emissions Practices</a>
TR-RO-110a. 3 TR-AF-110a. 3	1. Total fuel consumed 2. Percentage nautral gas 3. Percentage renewable	<a href="#">ESG Report Site &gt; Environment &gt; GHG Emissions Practices</a>
<b>Air Quality</b>		
TR-RO-120a. 1 TR-AF-120a. 1	Air emissions of the following pollutants:  1. NOx (excluding N2O) 2. SOx 3. Particulate matter	<a href="#">ESG Report Site &gt; Environment &gt; Air Quality</a>
<b>Labor Practices</b>		
TR-AF-310a. 1	Percentage of drivers classified as independent contractors	<a href="#">ESG Report Site &gt; People and Communities &gt; Independent Contractor Practices</a>
TR-AF-310a. 2	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	We do not currently report this metric but will continue to evaluate in the future.
<b>Employee Health &amp; Safety</b>		
TR-AF-320a.1	1. Total recordable incident rate (TRIR) 2. Fatality rate for (a) direct employees and (b) contract employees	<a href="#">ESG Report Site &gt; People and Communities &gt; Health &amp; Safety Practices</a>

SASB Code	Metric	Location/Explanation
<b>Driver Working Conditions</b>		
TR-RO-320a. 1	1. Total recordable incident rate (TRIR) 2. Fatality rate for (a) direct employees and (b) contract employees	ESG Report Site > People and Communities > Health & Safety Practices
TR-RO-320a.2	1. Voluntary and 2. Involuntary turnover rate for all employees	ESG Report Site > People and Communities > Health & Safety Practices
TR-RO-320a. 3	Description of approach to managing short-term and long-term driver health risks	ESG Report Site > People and Communities > Health & Safety Practices
<b>Supply Chain Management</b>		
TR-AF-430a. 1	Percentage of carriers with BASIC percentiles above the FMCSA intervention threshold	We do not currently report this metric but will continue to evaluate in the future.
TR-AF-430a.2	Total greenhouse gas (GHG) footprint across transport modes	ESG Report Site > Environment > GHG Emissions Practices
<b>Accident &amp; Safety Management</b>		
TR-AF-540a. 1	Description of implementation and outcomes of a Safety Management System	ESG Report Site > People and Communities > Health & Safety Practices
TR-RO-540a. 1 TR-AF-540a. 3	Number of road accidents and incidents	ESG Report Site > People and Communities > Health & Safety Practices
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	ESG Report Site > People and Communities > Health & Safety Practices
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.



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TCFD Recommendation	Disclosure	References
<b>1. GOVERNANCE</b>		
<b>1.a Describe the board's oversight of climate-related risks and opportunities.</b>	Climate-related risks and opportunities are reviewed at the full Board level as well as in specific Board committees to ensure comprehensive management of these risks and opportunities in collaboration with management. The Corporate, Governance, and Nominating (CG&N) Committee of the Board assists the Board in overseeing and monitoring management's development and execution of strategies to navigate climate-related issues by providing feedback and direction on strategies and reviewing annual results related to environmental initiatives. Our full Board may consider and guide strategy regarding new technology for equipment on our assets to reduce our emissions or for systems to optimize our assets and any major capital expenditures related to such technology or systems. The CG&N Committee is updated on each of these topics quarterly, and the full Board reviews and discusses ESG and sustainability strategies and programs with senior leadership, including our Head of ESG, at least annually.	<a href="#">ESG Report Site &gt; Governance &gt; Board of Directors</a>  2023 CDP Response: C1.1a, C1.1b
<b>1.b Describe management's role on climate-related risks and opportunities</b>	<p>Implementation of strategies to assess and manage climate-related risks and opportunities at the management level is the primary responsibility of the ESG Steering Committee, established in 2021. 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. The Committee meets on an as-needed basis and works together with our Head of Corporate ESG to define and execute our ESG strategy and roadmap. The CEO also meets with the Head of Corporate ESG on a regular basis to discuss, assess and manage climate-related risks and opportunities. The Head of Corporate ESG also reports directly to the CG&amp;N Committee quarterly and the full Board annually.</p> <p>One existing method Forward Air uses to manage climate-related risks and opportunities throughout the company is by providing rewards to employees for actions that help contribute to Forward Air's sustainability. Specific locations and/or team members are featured in enterprise communications to reward team members who play a role in making our business environmentally sustainable. Specific programs focused on reducing idling, changing driver behavior and reducing waste also have award and recognition programs, including monetary rewards, for team members who are dedicated to our sustainability causes.</p>	2023 CDP Response: C1.2, C2.2.
<b>2. STRATEGY</b>		
<b>2.a Describe the climate-related risks and opportunities identified in the short, medium and long term.</b>	<p>Forward Air has identified climate-related risks and opportunities on an ongoing basis for several years, but for the first time this year has specifically identified the following categories of risk. Forward Air has also identified more specific risks areas within each of these categories and assigned time frames of possible impact to these more specific risks in the table in Section B of Strategy. As part of this assessment, Forward Air has also identified several areas of opportunity that are also outlined below.</p> <p>As part of responding to the recommendations of the TCFD, Forward Air has established the following short, medium and long term time horizons for climate risk and opportunity assessment:</p> <ul style="list-style-type: none"> <li>• Short term: 0-3 years</li> <li>• Medium term: 3-17 years (ending in 2040)</li> <li>• Long term: 17-27 years (ending in 2050)</li> </ul>	2023 CDP Response: C2.1a, C2.1b
<b>Risk Category</b>	<b>Description and Relevance to Forward Air</b>	
Current Regulation	The risk that current regulations related to climate, including those related to fuel efficiency, vehicle emissions and fuel types, could impose additional burdens on Forward Air's operations due to additional efforts to ensure compliance or any penalties associated with non-compliance.	2023 CDP Response: C2.2a
Emerging Regulation	The risk that emerging regulations related to climate, including the proposed SEC regulations for climate disclosure, electric vehicle requirements, and more stringent fuel efficiency and emission requirements, could impose additional burdens on Forward Air's operations due to additional efforts to ensure compliance or any penalties associated with non-compliance.	2023 CDP Response: C2.2a
Technology	The risk that transitioning to lower-emitting technologies could result in disruptions to Forward Air's operations due to increased costs to acquire and maintain these technologies or differences in operating these technologies that require additional training or new standard operating procedures. There are also risks associated with transitioning to new technologies, including high upfront costs, a lack of infrastructure to support these new technologies (e.g., EV charging and CNG/LNG refueling stations and the availability of alternative fuels such as biodiesel and renewable diesel), and maintenance and reliability concerns.	2023 CDP Response: C2.2a
Legal	The risk that current or emerging regulations related to climate or other climate-related litigation results in increased exposure of Forward Air to lawsuits or other forms of legal action that would negatively impact Forward Air's operations.	2023 CDP Response: C2.2a



Risk Category		Description and Relevance to Forward Air	
Market	The risk that climate-related issues cause macroeconomic shifts that result in more difficult operating conditions for Forward Air, including increased costs for certain goods and services or decreased revenues due to decreased demand for Forward Air's services. As climate regulations and actions accelerate, consumers may change their spending and buying patterns as it relates to transportation in an effort to reduce their own emissions. Additionally, regulations or other uncertain market conditions could cause drastic fluctuations in fuel prices, which are a key cost driver for transportation companies like Forward Air.		2023 CDP Response: C2.2a
Reputation	The risk that not meeting stakeholder expectations surrounding sustainability performance results in damage to Forward Air's public standing and reputation. Even without any new legislation or regulations, increased public concern regarding greenhouse gases emitted by the transportation sector could harm the reputations of logistics companies and shift consumer demand toward more locally sourced products and away from internet-based and other purchasing practices that depend on our services.		2023 CDP Response: C2.2a
Acute Physical	The risk that acute physical climate hazards (including wildfires, inland flooding, heatwaves or hurricanes) could have an adverse impact on Forward Air's operations.		2023 CDP Response: C2.2a
Chronic Physical	The risk that chronic physical climate hazards (including water stress and sea level rise) could have an adverse impact on Forward Air's operations.		2023 CDP Response: C2.2a
Opportunity Category		Description and Relevance to Forward Air	
Technology	There are a number of new technologies being developed to help reduce emissions from the transportation sector. Forward Air is currently exploring the use of electric trucks that have the potential to reduce our operating costs, including fuel and maintenance costs. We are also exploring electrification of other equipment in our facilities, including yard horses and forklifts, that could also yield savings on fuel and maintenance costs over time.		<a href="#">ESG Report Site &gt; Environment &gt; GHG Emissions Practices</a>
Lower-Emission Sources of Energy	In addition to new technologies being developed, alternative fuels like biodiesel and renewable diesel could serve as lower-emissions sources of energy that we can use in our existing fleet as we explore implementing more alternative fuel vehicles like electric and CNG/LNG trucks in the longer term.		<a href="#">ESG Report Site &gt; Environment &gt; GHG Emissions Practices</a>
More Efficient Use of Existing Assets	In addition to the use of lower-emitting fuels and technologies in our fleet, Forward Air is also exploring other ways to improve existing resource efficiency such as idle time reduction, improving vehicle/trailer aerodynamics, and more sustainable driving behaviors.		<a href="#">ESG Report Site &gt; Environment &gt; GHG Emissions Practices</a>
<b>2.b Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning</b>	As part of the process of assessing our climate-related risks and opportunities for this first TCFD report, Forward Air has identified the following climate-related risks that are particularly relevant to Forward Air. The table below describes the relevant risk category, the time frame when this risk is most likely to materialize, the relevance of this risk to Forward Air specifically, and actions already taken or planned to address the risk. An additional table is also provided for several of the opportunities identified by Forward Air, including their time horizon and the current strategy to seize that opportunity.		2023 CDP Response: C2.3a, C2.4a, C3.3, C3.4
Risk Category	Time horizon	Relevance to Forward Air	Actions Taken to Address Risk
Market	Medium-term	As a transportation company, one of Forward Air's largest costs is for fuel for our vehicles. Uncertainty in market signals or other regulatory (e.g., climate-related regulations that affect the availability of certain fuels or that mandate the use of renewable fuels) or political changes could lead to sudden or sustained higher fuel costs which would have a large financial impact on our operations.	Forward Air is exploring alternative fuel vehicles such as electric and CNG/LNG vehicles that would be shielded from price increases for diesel as well as initiatives to reduce idling time, improve the aerodynamic efficiency of vehicles and trailers, and improve driving behaviors that would result in improved fuel efficiency. The idle time reduction initiative is currently underway with the goal of improving our fleet's fuel efficiency, and we plan to pilot the use of alternative fuel and electric vehicles within the next few years.
	Medium-term	As the expectations of external stakeholders around climate action increase, Forward Air could face decreased revenue as customers choose purchasing patterns that are perceived to be more sustainable and have lower GHG emissions in order to reduce their own "climate change footprints". These pressures could come directly from commercial customers or indirectly through changed consumer behaviors aimed at reducing the use of transportation associated with their purchasing decisions. An increased focus on sustainability may result in new customer requirements that could negatively affect our financial results through additional direct costs or a need to make changes to our operations in order to comply with any new customer requirements. We could also lose revenue if our customers divert business from us if we do not comply with their sustainability requirements.	Forward Air is taking active steps to measure and improve our performance on sustainability. These are further outlined under the "Emerging regulation" risk below.



Risk Category	Time horizon	Relevance to Forward Air	Actions Taken to Address Risk
Emerging Regulation	Short-term	<p>Potential climate-related regulations such as those that would require decreased emissions, increased fuel efficiency, or requirements to use renewable fuels or electric vehicles could require changes to strategy, vehicle technology, and our day-to-day operations with resulting increased costs in order to ensure compliance with these regulations. Changes in climate change disclosure requirements, such as those proposed by the SEC, could result in additional public or market pressures to decrease greenhouse gas emissions, potentially imposing increased costs. Some of these costs might be offset by increased efficiencies.</p>	<p>Forward Air is taking active steps to measure and decrease our impact and greenhouse gas emissions. In 2022, we completed our first greenhouse gas (GHG) inventory and disclosed our emissions for 2019, 2020 and 2021 in our ESG Report. Moving forward, we will continue to measure and disclose our GHG emissions by completing a GHG inventory and publishing the results in our annual ESG Report. Preparation of this first Taskforce on Climate-Related Financial Disclosures (TCFD) report this year is another important step in measuring our impact and understanding the potential implications of a wide range of climate-related risks and opportunities on Forward Air's business.</p> <p>Forward Air is continually evaluating emission reduction initiatives to implement in the short and long-term. We are exploring alternative fuel vehicles such as electric and CNG/LNG vehicles that would be shielded from price increases for diesel, as well as the use of alternative fuels such as biodiesel and renewable diesel in existing vehicles to reduce our emissions through our existing fleet. Other existing emission reduction initiatives include reducing driver idling time, implementing more sustainable driving behaviors, participating in pilots with new technologies and increasing the use of more energy-efficient technologies in our facilities.</p> <p>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.</p>
Opportunity Category	Time horizon	Strategy to Realize Opportunity	
Technology	Medium-term	<p>Forward Air's current strategy to realize this opportunity is implementing small pilots of these new technologies into our fleet to understand their impact on fuel and maintenance costs as well as driver comfort and operability and expanding use of new technologies based on the results of these pilots. We are also engaging with landlords to implement more sustainable technologies into our facilities and offices.</p> <p>One example of a new technology we have recently piloted is our partnership with carbon capture company Remora. In 2022, Forward reserved ten of Remora's mobile carbon capture devices for a pilot project in the coming years. 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.</p>	
Lower-Emission Sources of Energy	Medium-term	<p>As part of assessing changes to our current vehicle fleet we are also exploring increasing our use of alternative fuels like biodiesel and renewable diesel, particularly in geographies where these fuels are more readily available today.</p>	
More Efficient Use of Existing Assets	Short-term	<p>In 2021, we also 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 that will help to inform our idle time reduction initiative.</p> <p>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.</p>	

Opportunity Category	Time horizon	Strategy to Realize Opportunity
<b>2.c Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</b>	<p><b>Physical Scenario Analysis</b></p> <p>In alignment with the TCFD recommendations, Forward Air performed an initial physical climate change scenario analysis to investigate our exposure to climate-related hazards and to assess our resilience to climate-related physical risks. The physical risk scenario analysis focused on our vital assets in short-, medium-, and long-term scenarios aligned with our established time horizons that extended out to 2050. The physical risks were evaluated under two IPCC (Intergovernmental Panel on Climate Change) AR6 scenarios: RCP8.5 and RCP4.5. RCP 8.5 is considered a worst-case climate scenario in which emissions continue unabated into the long term, while RCP 4.5 is a “middle of the road” scenario where more accelerated climate action results in less severe physical climate hazards. These were applied to a sample of critical terminals and one office in locations across the US and were assessed for both acute and chronic hazards, including wildfires, water stress, inland flooding, heatwaves, sea level rise and cyclones/hurricanes.</p> <p>Overall, Forward Air's sites have minimal exposure to climate-related hazards in the short-term, although this does increase in the long-term primarily for water stress and heatwaves under RCP 8.5. Results under the lower-emissions scenario reflect slightly lower risks of climate-hazards. Going forward, we plan to expand this analysis to a broader range of sites and incorporate the results into future site selection and operational management.</p> <p><b>Transition Scenario Analysis</b></p> <p>Forward Air also conducted a climate-related transition scenario analysis to investigate how transition risks such as carbon pricing might impact our operations and strategy. The IEA Net Zero scenario carbon prices, which serve as a proxy for potential future legal and/or policy changes that include a price on carbon, were used to assess our potential carbon price cost exposure by modelling three emissions scenarios from the present day to 2050, based on projections of our 2021 greenhouse gas emissions:</p> <ol style="list-style-type: none"><li>1. Science-Based Target by 2030/Net Zero by 2050;</li><li>2. Science-Based Target by 2030/No Further Mitigation to 2050; and</li><li>3. No Mitigation.</li></ol> <p>Forward’s exposure to carbon pricing is highest under a no mitigation scenario, with those costs decreasing substantially with SBTi-type emission goals and moving toward net zero by 2050.</p> <p>Forward's transition risk was also assessed based on the climate maturity of the top 20 key suppliers and customers by analyzing progress on climate disclosure and action by these stakeholders. Forward’s top 20 key suppliers and key customers were both found to have low levels of climate change policy maturity, suggesting risks of value chain disruptions if and when climate change itself and related legal and market pressures increase. Our supplier engagement strategy has been a specific discussion topic as we evaluate different emission reduction initiatives.</p> <p>Both of these analyses provided important evidence of the need to address climate-related risks on an ongoing basis to avoid substantive financial impacts or impacts on our supply chain. Forward Air has several lines of business in different end markets, which combined with its asset-light operating model, helps to ensure financial resilience against many risks, including climate-related risks. Forward Air is also currently assessing updates to its procurement system that could include better systems for identifying and assessing climate risks associated with suppliers.</p>	2023 CDP Response: C3.2, C3.2a, C3.2b, C3.4



TCFD Recommendation	Disclosure	References
<b>3. RISK MANAGEMENT</b>		
<b>3.a Describe the organizations processes for identifying and assessing climate-related risks</b>	At this stage in Forward Air's ESG journey, climate-related risks are identified on an ongoing basis as they arise or as it becomes clear that they have the potential to impact Forward Air's operations. These risks are assessed based on their potential impact on Forward Air by management and are also shared with the Board's CG&N Committee quarterly and with the full Board at least annually.	<b>ESG Report Site &gt; Governance &gt; Board of Directors</b>  2023 CDP Response: C2.2, C2.3a
<b>3.b Describe the organizations processes for managing climate-related risks</b>	Forward Air leverages its leadership team to manage ESG risks and opportunities. To facilitate our Sustainability initiatives, Forward has appointed a Head of Corporate ESG, who reports directly to the CEO. The Head of Corporate ESG works closely with the Chief Legal Officer, the Chief People Officer, the Chief Financial Officer, the Chief Commercial Officer, and the SVP of Safety to identify climate related risks & opportunities, improvement activities and ESG priorities. We are continuing to assess our governance structure to maximize the effectiveness of this role. As disclosed previously in this index, these risks are shared with the Board and relevant committes several times throughout the year to solicit their guidance on how to effectively manage these risks.	<b>ESG Report Site &gt; Governance &gt; Board of Directors</b>  2023 CDP Response: C2.3a
<b>3.c Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management</b>	Forward Air manages its climate-related risks separately from its overall Enterprise Risk Management process but is currently exploring how to integrate these risks into this process going forward. Forward's existing processes for identifying, assessing and managing climate-related risks have resulted in effective management of these risks to date, but integration into overall Enterprise Risk Management processes will be a priority in coming years.	2023 CDP Response: C2.2
<b>4. METRICS AND TARGETS</b>		
<b>4.a Disclose the metrics used by the organization to assess risks and opportunities in line with its strategy and risk management process</b>	Forward Air uses a wide range of metrics to understand its potential climate-related risks, including: <ul style="list-style-type: none"> <li>• Annual GHG emissions</li> <li>• Emissions by fuel source</li> <li>• Emissions by revenue intensity</li> <li>• Energy consumption by fuel type</li> <li>• Annual air pollutant emissions</li> </ul> Forward Air is currently exploring the most effective metrics to use when assessing the climate-related opportunities disclosed in this index.	<b>ESG Report Site &gt; Environment &gt; GHG Emissions Practices</b>
<b>4.b Disclosure of Scope 1, 2 and 3 greenhouse gas (GHG) emissions and the related risks</b>	Forward's greenhouse gas emissions are disclosed anually in our ESG Report.	<b>ESG Report Site &gt; Environment &gt; GHG Emissions Practices</b>  2023 CDP Response: C6.1, C6.3, C6.5
<b>4.c Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</b>	<p>Forward Air believes in emissions reductions aligned with climate science and have begun analyzing emissions reduction targets in alignment with the requirements of 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 a preliminary goal to reduce absolute Scope 1 and Scope 2 emissions (combined) by 42% by 2030 from a 2021 base year. Based on our current analysis, this is aligned with SBTi’s methodology.</p> <p>This preliminary goal has not undergone review by the Science-based Targets initiative but, based on our 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.</p> <p>Forward Air launched it's first formal Idle Time Program designed to reduce unnecessary idling. The program is initially focused on a subset of terminals within our PUD network. The first goal is for each terminal to get their 4-week idle time average percentage under 20%. Data tracking and measurement for this program is provided by the Electronic Logging Devices. Each month, the terminal with the best performance receives a gift card to distribute amongst participants and high performers. The targets and incentives will be adjusted as the program continues to evolve and show progress.</p>	<b>ESG Report Site &gt; Environment &gt; GHG Emissions Practices</b>  2023 CDP Response: C4.1a, C4.3a

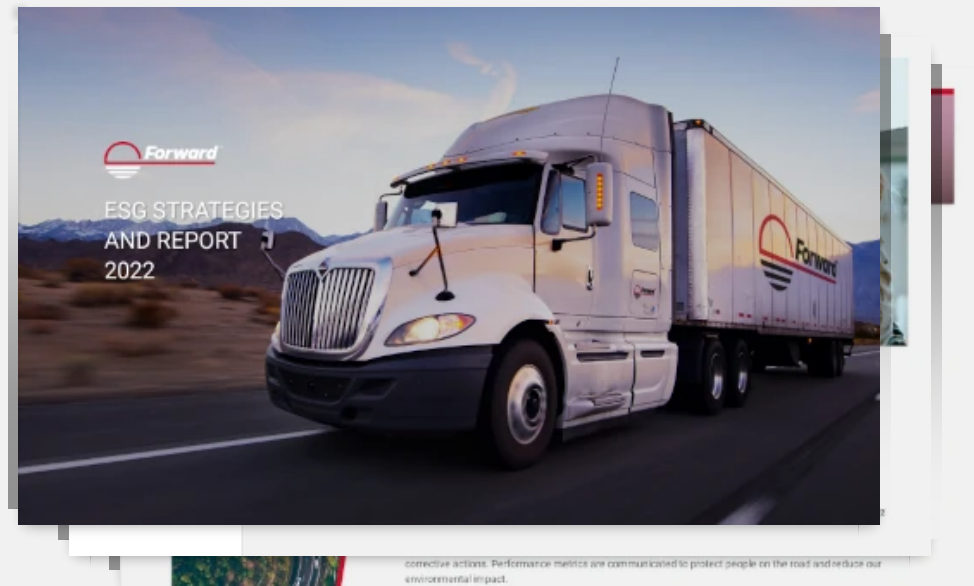




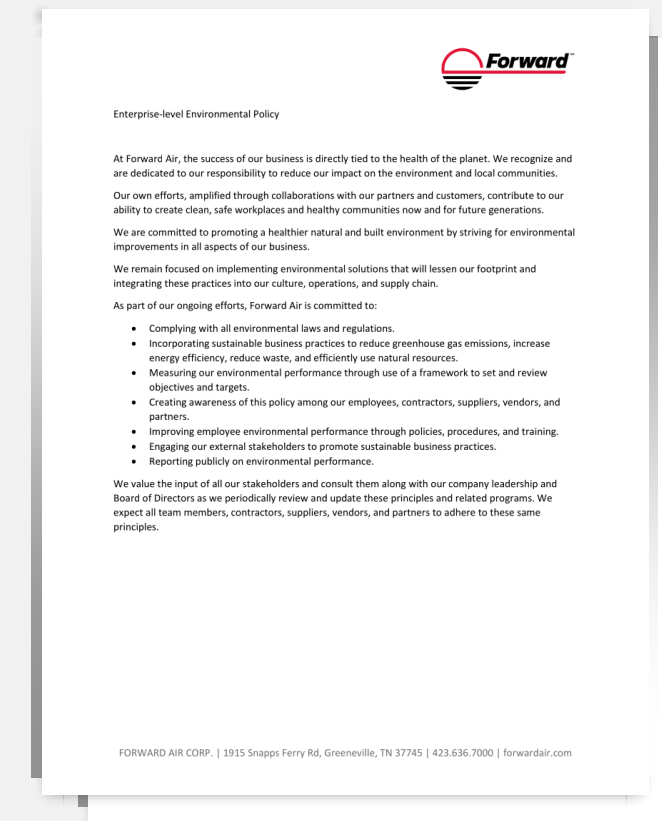
# Policies & Reports



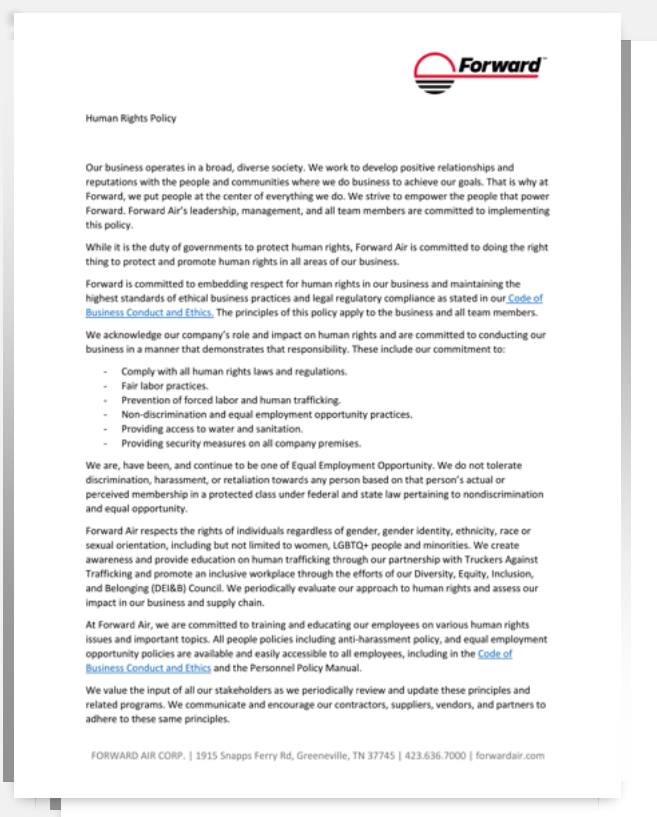
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