



## CA SB 261 - Reporting Framework Clarification

Our 2025 financially related risks and opportunities were compiled in accordance with the TCFD Final Report of Recommendations (2017). Our disclosure covers the recommendations from TCFD of Governance, Strategy, Risk Management, and Metrics and Targets to ensure that our business is primed to avoid all relevant climate-related risks and capitalize on any opportunities. We prioritized these recommendations as we believe that transportation is consistently at the forefront of shifting technology and regulation. This influences our team to maintain strong internal mechanisms of governance to manage our risk and build strategy around these climate related financial impacts to maximize our market reputation and potential earnings. Our ESG team analyzes and measures our environmental impacts through several metrics, and we have a preliminary emissions reduction target that help guide us in managing our risks and opportunities.

The contents of this report encompasses Forward Air as well as the below subsidiaries.

- Mach 1 Air Services, LLC
- Omni Logistics, LLC
- Omni Trade Services, LLC
- Pacific Logistics, LLC
- Millhouse Logistics Services, LLC
- LiVe Logistics
- Trinity Logistics USA, Inc
- Bigger, Farther, Faster, LLC (d/b/a Ramp Logistics)
- IVIA Services, LLC
- Forward Air, LLC
- Forward Air Logistics Services, LLC
- Forward Air Technology and Logistics Services, LLC
- FAF, LLC
- Central States Trucking, LLC
- TQI, LLC

# TCFD - Task Force on Climate-Related Financial Disclosures

## CA SB 261 - Reporting Framework Clarification

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TCFD Recommendation	Disclosure	References
<b>1. Governance</b>		
1.a Describe the board's oversight of climate-related risks and opportunities	<p>"The Board continues to maintain oversight of climate risks and opportunities at both the Full Board Level and through specific committees in collaboration with management. The Board, through the Corporate, Governance, and Nominating (CG&amp;N) Committee, receives at least annual updates from ESG team on climate-related issues, including regulatory compliance, and risk management frameworks. The CG&amp;N Committee plays an active role in overseeing and monitoring management's development and execution of climate strategies by providing feedback and direction on strategies and reviewing annual results related to environmental initiatives.</p> <p>The Board's approach to climate-related litigation risk and regulation remains primarily compliance-driven, with an emphasis on monitoring legislative developments in key jurisdictions, particularly California. Post-Omni acquisition, there is growing awareness of the need to evaluate international frameworks and potential customer expectations more proactively.</p> <p>Our full Board periodically considers and guides strategies 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&amp;N Committee is updated on each of these topics at least annually, and the full Board reviews and discusses ESG and sustainability strategies and programs with senior leadership, including our Head of ESG, at least annually."</p>	<a href="#">2025 CDP Response - 4.1.2</a> <a href="#">2025 ESG Report - Pg. 5</a>
1.b Describe management's role on climate-related risks and opportunities	<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 Director of Corporate ESG to define and execute our ESG strategy and roadmap. The CEO also meets with the Director of Corporate ESG on a regular basis to discuss, assess and manage climate-related risks and opportunities. The Director of Corporate ESG also reports directly to the CG&amp;N Committee and the full Board at least annually.</p> <p>Climate oversight remains integrated with business strategy discussions, especially as Forward Air evaluates the financial and operational implications of regulations such as the rising costs associated with fleet electrification and compliance requirements by the existing mandatory regulations. The Director of ESG and Safety Officer provide major inputs to the evaluation. Management monitors legislative and regulatory developments and assess operational feasibility, including the forecasting of the cost and operational impact of transitioning to electric vehicles (EVs).</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>	<a href="#">2025 CDP Response - 4.1.2</a> <a href="#">2025 ESG Report - Pg. 5</a>
<b>2. Strategy</b>		
2.a Describe the climate-related risks and opportunities identified in the short, medium and long term.	<p>"Forward Air has identified climate-related risks and opportunities on an ongoing basis for several years, and this index builds upon our initial TCFD report released in 2023. We refreshed our quantitative and qualitative analyses to reassess Forward Air's resilience and vulnerability to various physical and transition risks.</p> <p>These analyses included a physical risk scenario assessment, internal stakeholder engagement, market research, and evaluation of our top suppliers and customers. The results have shown additional climate-related risks and opportunities for Forward Air. Forward Air has also identified more specific risks &amp; opportunities within each of these categories and assigned time frames of possible impact to these more specific risks &amp; opportunities in the table in Section B of Strategy.</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: 3-15 years (ending in 2040)</li> <li>• Long term: 15-25 years (ending in 2050)"</li> </ul>	<a href="#">2025 CDP Response - 2.1, 2.2.2</a>
Risk Category	Description and Relevance to Forward Air	References
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.	<a href="#">2025 CDP Response - 3.1.1</a> <a href="#">2025 ESG Report - Pg. 17</a>
Emerging Regulation	The risk that emerging regulations related to climate, including the upcoming California Climate Accountability Package 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.	<a href="#">2025 CDP Response - 3.1.1</a> <a href="#">2025 ESG Report - Pg. 17</a>
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.	<a href="#">2025 CDP Response - 3.1.1</a> <a href="#">2025 ESG Report - Pg. 18</a>
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.	<a href="#">2025 CDP Response - 3.1.1</a> <a href="#">2025 ESG Report - Pg. 17</a>

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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.	<a href="#">2025 CDP Response - 3.1.1</a> <a href="#">2025 ESG Report - Pg. 23</a>
Reputation	The risk that not meeting stakeholder expectations surrounding sustainability performance results in damage to Forward Air's public standing and reputation. Negative perceptions stemming from a perceived lack of robust climate action or environmental stewardship risk eroding brand trust, reducing investor confidence, and potentially resulting in the loss of key customers. 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 EV options or more locally sourced products.	<a href="#">2025 CDP Response - 3.1.1</a> <a href="#">2025 ESG Report - Pg. 17</a>
Acute Physical	Exposure to extreme weather events – particularly cyclones – poses the risk of immediate, disruptive impacts on operations. These acute events can damage critical infrastructure, interrupt transportation networks and rerouting arrangements, and lead to unplanned increases in insurance rates, maintenance and emergency response expenditures.	<a href="#">2025 CDP Response - 3.1.1</a>
Chronic Physical	Long-term environmental shifts, particularly from persistent heatwaves and water stress, gradually erode infrastructure integrity and operational reliability. The ongoing exposure to these chronic hazards presents the risk of escalating maintenance costs, asset degradation, decreased productivity, and reduced operational capacity over time.	<a href="#">2025 CDP Response - 3.1.1</a>

Opportunity Category	Description and Relevance to Forward Air	References
Products & Services	There are several new technologies being developed to help reduce emissions from the transportation sector. Proactively integrating climate-related considerations into our company strategy – such as setting emissions-reduction targets and disclosing climate risks – can build investor and customer trust. Forward Air is currently exploring the use of electric trucks that have the potential to reduce our operating costs, including fuel and maintenance costs. This will also expand our green logistics services by offering lower-emissions transportation options. Furthermore, we are 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="#">2025 CDP Response - 3.6.1</a> <a href="#">2025 ESG Report - Pg. 20</a>
Energy Source	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 fuels, such as biodiesel and renewable diesel, and electric vehicles in the longer term.	<a href="#">2025 CDP Response - 3.6.1</a> <a href="#">2025 ESG Report - Pg. 20</a>
Resource Efficiency	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. Furthermore, we are considering adopting AI-powered tools and advanced analytics to enable scenario modeling, predictive maintenance, and adaptive route planning. We believe these improvements will unlock favorable financial terms.	<a href="#">2025 CDP Response - 3.6.1</a> <a href="#">2025 ESG Report - Pg. 19</a>
Market	Beyond our operational opportunities, we have also identified climate-related opportunities across our value chain. We can align with the goals of sustainability-conscious customers by offering low-carbon services such as electric or alternative fuel fleets, carbon tracking, and emissions reporting. This could attract new customers while also strengthening long-term contracts and customer loyalty. We can also proactively support our independent contractors in aligning with sustainability standards to improve compliance throughout our supply chain.	<a href="#">2025 CDP Response - 3.6.1</a> <a href="#">2025 ESG Report - Pg. 23</a>

TCFD Recommendation	Disclosure	References
2.b Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning	As part of the process of assessing our climate-related risks and opportunities for our second TCFD-aligned 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 relevance of this risk to Forward Air specifically, and the likelihood of each risk materializing over a given time frame. 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.	<a href="#">2025 CDP Response - 2.2.1</a>

Risk	Risk definitions and potential impact on Forward Air	Business Impact in Time Horizons			Current & planned actions to address risk
		Short	Medium	Long	
Regulatory Uncertainty	Forward Air has operations across the United States and internationally. Within these jurisdictions, the climate policy landscape is diverging at the state, federal, and international level. This poses the risk of unpredictable compliance demands. Shifts in regulations – from reduced disclosure requirements to stringent state-level emissions rules – create uncertainty that could lead to unforeseen legal liabilities and increased costs affecting financial predictability and operational planning.	Low	Low	Low	Forward Air has publicly disclosed our annual GHG inventory since 2019, and we have received third-party assurance for our 2024 Scope 1 & 2 GHG emissions. Along with our updated TCFD-aligned report, we are aligned with current & proposed state-level regulations within the United States. 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, as well as updating our TCFD-aligned report at least every two years. We are actively monitoring international climate-related regulations, and will continue to comply with future regulations.
High Capital Expenditure for the EV Transition	The shift to electric vehicles (EVs) or alternative fuel technologies require significant upfront investments in new vehicles, charging or refueling infrastructure, and related assets. This may cause strain on cash flow and financial resources, as substantial capital expenditures are needed to modernize our fleet and support lower-emission operations.	Significant	Significant	Significant	Forward Air is actively exploring electric vehicle and charging infrastructure options, as well as subsidies and other government incentives to support this transition. We are planning to pilot EVs within the next few years to better understand the upfront and lifetime costs of EVs compared to internal combustion engine vehicles.
Market Demand Shifts	As customers – especially large corporations with net zero commitments – demand low-carbon logistics solutions and enforce ESG compliance, there is a risk of losing market share and revenue if Forward Air fails to meet these evolving expectations. These expectations also extend beyond direct operations to include our subcontractors and next-tier suppliers. These shifts in consumer and corporate buying patterns toward more sustainable business operations and transportation options could undermine Forward Air's competitive positioning and erode long-term profitability.	Low	Low	Low	Forward Air is exploring alternative fuels, such as biodiesel and renewable diesel, and electric vehicles that would be shielded from price increases for diesel. We have also implemented an idle time reduction initiative and began piloting a shipment-level carbon tracking tool in 2024. We are actively considering additional efficiency improvements, such as aerodynamic vehicles and trailers, and improving driving behaviors that would result in improved fuel efficiency. 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. We are using renewable diesel at specific sites, and we plan to pilot the use of electric vehicles within the next few years.

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Market Demand Shifts	As customers – especially large corporations with net zero commitments – demand low-carbon logistics solutions and enforce ESG compliance, there is a risk of losing market share and revenue if Forward Air fails to meet these evolving expectations. These expectations also extend beyond direct operations to include our subcontractors and next-tier suppliers. These shifts in consumer and corporate buying patterns toward more sustainable business operations and transportation options could undermine Forward Air's competitive positioning and erode long-term profitability.	Low	Low	Low	Forward Air is exploring alternative fuels, such as biodiesel and renewable diesel, and electric vehicles that would be shielded from price increases for diesel. We have also implemented an idle time reduction initiative and began piloting a shipment-level carbon tracking tool in 2024. We are actively considering additional efficiency improvements, such as aerodynamic vehicles and trailers, and improving driving behaviors that would result in improved fuel efficiency. 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. We are using renewable diesel at specific sites, and we plan to pilot the use of electric vehicles within the next few years.
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		Business Impact in Time Horizons			
Opportunity	Climate related opportunity for Forward Air	Short	Medium	Long	Current and future actions to realize climate-related opportunities
Investment in Fuel-Efficient Technologies & Route Optimization	Investing in fuel-efficient technologies such as aerodynamic upgrades, low rolling resistance tires, and idle reduction systems, as well as implementing route optimization software, can significantly reduce fuel consumption and emissions. These technologies also improve delivery efficiency and enable better on-time performance and resource utilization while aligning operations with sustainability targets.	Significant	Significant	Significant	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.
Expanding Green Logistics Services	Developing and marketing green logistics solutions, such as providing carbon offset options and leveraging electric or hybrid delivery vehicles can help meet rising customer demand for sustainable shipping. These services can differentiate Forward Air in a competitive market, enhance brand perception, and unlock premium pricing opportunities.	Low	Low	Moderate	Forward Air is currently piloting renewable diesel at select locations to understand the financial and logistical feasibility of expanding its use within our operations. We are also planning to incorporate an electric vehicle pilot program for our Pickup & Delivery (PUD) operations within the next few years. Furthermore, we are actively discussing the feasibility of other alternative fuels, hybrid vehicles, and carbon offsets.
Attracting & Retaining Sustainability-Conscious Customers	As corporations adopt science-based climate targets, they increasingly seek logistics partners that can help reduce their transportation-related emissions. Forward Air can position itself as a preferred by vendor by offerings low-carbon services, carbon tracking, and emissions reporting. This alignment not only helps attract new customers but also strengthens long-term contracts and client loyalty by contributing directly to their decarbonization strategies.	Moderate	Moderate	Moderate	With the recent acquisition of Omni Logistics, we are planning to update our climate targets within the next year. This update will also include a Climate Transition Plan that will detail our prioritized mitigation efforts to ensure our targets are both ambitious and feasible. This updated Climate Transition Plan and emissions reduction targets will further position Forward Air as a sustainability-conscious provider.
Enhanced Supplier Engagement to Meet Evolving ESG Expectations	As large customers begin to extend ESG requirements to include subcontractors, there is a valuable opportunity for Forward Air to strengthen supplier engagement efforts. Proactively supporting subcontractors in aligning with ESG standards can improve overall compliance across the supply chain. This approach may lead to an increased number of compliant vehicles and strengthen customer relationships, positioning Forward Air as a proactive and responsible partner.	Low	Low	Low	We are in the process of engaging with our top suppliers to better understand the GHG emissions and climate-related initiatives. This engagement will help inform future collaborations and support increasing climate maturity of our suppliers and independent contractors.

TCFD Recommendation	Disclosure	References
2.c Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p><b>Physical Scenario Analysis</b></p> <p>In line with the TCFD recommendations, Forward Air conducted an updated physical climate change scenario analysis in 2025 to evaluate our exposure to climate-related hazards and to assess our resilience to the associated climate-related physical risks. This analysis built upon our initial evaluation in 2023. The physical risk scenario analysis focused on our vital assets in short-, medium-, and long-term scenarios aligned with our established time horizons from the present day to 2050. The physical risks were evaluated under three IPCC (Intergovernmental Panel on Climate Change) scenarios: SSP 5-8.5, SSP 2-4.5, and SSP 1-2.6. SSP 5-8.5 is considered a worst-case climate scenario in which emissions continue unabated into the long term, while SSP 2-4.5 is a "middle of the road" scenario where more accelerated climate action results in less severe physical climate hazards. SSP 1-2.5 is a best-case sustainable development scenario. The review covered a representative sample of 13 sites across Forward Air and Omni— primarily located in the U.S., with one site in Taiwan —including terminals, an office, domestic forwarding facilities, and other operational locations. These sites 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 cyclones, water stress and heatwaves under all scenarios, with the greatest risk under SSP 5-8.5. Results under the lower-emissions scenario reflect slightly lower risks of climate hazards. This analysis builds on our 2023 assessment and represents an ongoing effort to progressively expand its scope across additional sites. We plan to apply the resulting insights to inform future site selection and operational decision-making.</p> <p><b>Transition Scenario Analysis</b></p> <p>In addition to the Physical Scenario analysis, Forward Air conducted a climate-related transition scenario analysis to assess how transition risks, such as carbon pricing, could impact our operations and strategy. Using the IEA Net Zero scenario carbon prices, which serve as a proxy for potential future legal and/or policy changes that introduce a price on carbon, we evaluated our potential exposure to carbon pricing. This was done by modelling three emissions scenarios from the present to 2050, based on projections of our 2023 greenhouse gas emissions:</p> <ol style="list-style-type: none"> <li>1. Near-term Science-Based Target by 2030/Net Zero by 2050;</li> <li>2. Near-term Science-Based Target by 2030/Business as usual through 2050; and</li> <li>3. Business as usual through 2050.</li> </ol> <p>Forward's exposure to carbon pricing is highest under a Business as usual through 2050 scenario, with potential cost of emissions declining significantly under SBTi-aligned targets and a trajectory toward net zero by 2050.</p> <p>Transition risk was also assessed based on the climate maturity of Forward Air's top 11 key suppliers, through an analysis of their progress on climate disclosures. These suppliers were found to have varied levels of climate change policy maturity; however, their overall maturity was relatively low, with only a few standout suppliers exhibiting high climate disclosure maturity. This variation suggests risks of value chain disruptions if and when climate impacts intensify 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>Together, these analyses underscore the importance of addressing climate-related risks on an ongoing basis to avoid substantive financial impacts and potential disruptions to our supply chain. Forward Air operates domestically and globally across several lines of business, which, combined with our asset-light operating model, helps to ensure financial resilience against many risks, including climate-related risks. "</p>	<a href="#">2025 CDP Response - 5.1.2</a>

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3. Risk Management		
3.a Describe the organizations processes for identifying and assessing climate-related risks	At this stage in Forward Air's sustainability 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. In addition, these risks are captured through our Enterprise Risk Management (ERM) survey, which is typically conducted on an annual basis. This process includes consideration of both existing and emerging climate-related regulations. Currently, there is no specific process to determine the materiality of climate-related risks. However, these risks are considered equally significant to other risks when their potential impact and magnitude are comparable. 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 and with the full Board at least annually.	<a href="#">2025 CDP Response - 2.2.2</a>
3.b Describe the organizations processes for managing climate-related risks	Forward Air leverages its leadership team to manage ESG risks and opportunities. To support our sustainability efforts, Forward has appointed a Director of Corporate ESG, who reports directly to the Chief People Officer (CPO). The Director of Corporate ESG also works closely with the Chief Legal 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 continue to assess our governance structure to ensure this role operates as effectively as possible. As disclosed previously in this index, these risks are shared with the Board and relevant committees multiple times throughout the year to solicit their guidance on how to effectively manage these risks.	<a href="#">2025 CDP Response - 2.2.2</a>
3.c Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	While Forward Air has historically identified climate-related risks separately from the broader Enterprise Risk Management (ERM) process, efforts are currently underway to integrate the two processes. Forward's existing procedures for identifying, assessing and managing climate-related risks have proved effective to date, but aligning them into the overall Enterprise Risk Management processes is a key focus. This shift aims to ensure a more cohesive and comprehensive approach to risk management across the organization.	<a href="#">2025 CDP Response - 2.2.2</a>
4. Metrics and Targets		
4.a Disclose the metrics used by the organization to assess risks and opportunities in line with its strategy and risk management process	<p>"Forward Air uses a wide range of metrics to understand its potential climate-related risks, including:</p> <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> <li>• Annual water consumption</li> <li>• Annual waste disposal</li> </ul> <p>Forward Air is currently exploring the most effective metrics to use when assessing the climate-related opportunities disclosed in this index. Forward Air has assessed the financial implications of climate-related transition risks, including scenario-based analysis of carbon pricing impacts across near- and long-term time horizons at the operational level. The methodologies were included in section 2.c of this report. This evaluation underscores the strategic importance of setting emissions reduction targets in line with the Science-Based Targets Initiative (SBTI) and developing a credible, time-bound climate transition plan to mitigate identified risks and support long-term business resilience. Forward Air aims to conduct an updated materiality assessment within the next two years. "</p>	<a href="#">2025 ESG Report - Pg. 17</a>
4.b Disclosure of Scope 1, 2 and 3 greenhouse gas (GHG) emissions and the related risks	Forward's greenhouse gas emissions are disclosed annually in our ESG Report. Forward Air reported historical greenhouse gas (GHG) emissions metrics to facilitate trend analysis and monitor progress toward its climate goals. This comparative assessment supports enhanced transparency and informs future decision-making around emissions reduction strategies.	<a href="#">2025 ESG Report - Pg. 17</a> <a href="#">2025 CDP Response - 7.6, 7.7, &amp; 7.8</a>
4.c Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<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 had 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 analysis, this 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>**We are currently updating our ESG roadmap to align our previously stated carbon reduction goals with our new operations as a joint organization with Omni Logistics. As part of this update, we plan to set approved science-based targets in the next two years.</p> <p>Forward Air analyzed samples of climate-related customer requests and identified the most common customer-specific metrics and requirements, which are now being used as a baseline to inform and refine the company's broader ESG strategy. To ensure alignment with customer expectations, we encourage close collaboration between the ESG team and the Proposal Management team. Insights from this process will also support upcoming Supplier Engagement initiatives aimed at enhancing transparency and performance across our value chain.</p> <p>Forward Air launched its 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>	<a href="#">2025 ESG Report - Pg. 17</a> <a href="#">2025 CDP Response - 7.53.1</a>