

WERNER ENTERPRISES

ESG Fact Sheet

November 2020

Building on a Strong Foundation to Drive
Greater Sustainability at Werner

Introducing “Sustainability” as a Core Component of Our Strategy

Committed to Remaining at the Forefront of Our Industry

5 T's Strategy



1. **T**rucks

2. **T**railers

3. **T**alent

4. **T**erminals

5. **T**echnology



NEW

+ **S**ustainability

- **Key Focus Area:** Further develop our sustainability practices through a multi-phased strategy
- **October 2020¹:** Launched a codified approach to sustainability organization-wide and unveiled key milestones across E, S and G



OUR STRATEGIC APPROACH TO ESG

Environmental



Industry Leader in Environmental, Health and Safety Impact

Conservation Initiatives

- Since 1999, have implemented programs to reduce overall environmental impact
- 100% recycling or repurposing of batteries, liquids and tires
- 100% conversion to LED lighting in all our facilities

SmartWay Transportation Partner

Our Impact 2007 – 2020

- **SmartWay Excellence Awards** – highest level of recognition by EPA
- **+300M gallons** in fuel reduction
- **+29%** improved fuel efficiency
- **+3.3M tons CO₂** reduction

Efficiency within Our Truck Fleet

Lowest in Industry

- **2.0 years** average truck age¹
- **4.0 years** average trailer age¹

Several “Large Fleet” Firsts in America

- **100%** automated manual transmissions
- **100%** GPS trailer tracking
- **Active collision mitigation technology, telematics units and forward-facing cameras** installed in vast majority of trucks



Milestone > Carbon Emissions
55% Reduction by 2035

OUR STRATEGIC APPROACH TO ESG

Social



Strong Foundation of Community and Stakeholder Engagement

Workforce Composition

Female and/or Ethnically Diverse U.S. Non-Drivers¹

- 57% of associates
- 44% of management

Female and/or Ethnically Diverse U.S. Drivers

- 12% female, nearly 2x national average
- 55% ethnic diversity

U.S. Military Veterans

- 21% of drivers



Diversity, Equity and Inclusion Efforts

- 2020: Formalized **Diversity, Equity and Inclusion (DEI)** Vision Statement
- 2020: Engaged in the Greater Omaha Chamber's **THRIVE 2020 Taskforce**
- 2018: Joined the Employer Coalition for the Greater Omaha Chamber's **CODE²**
- **Women's Forum:** first associate resource group formed in 2011 with **130 members**

Werner's Community Outreach

- **140** non-profit organizations supported by Werner
- **Blue Brigade** founded in 2012 – a team of passionate and committed associates who volunteer their time and talent to serve the community
 - 482 total volunteers
 - 65 events (2019)
 - 1,673 volunteer hours (2019)
- **+6,000 training hours** devoted yearly to efforts against human trafficking
- **Received 40+ community awards** in 2019-2020

Milestone > Associate Resource Groups
+3 by End of 2021

¹ Diverse Non-Driver Workforce Across our Key Terminals and School Network.

² Commitment to Opportunity, Diversity and Equity (CODE).

OUR STRATEGIC APPROACH TO ESG

Governance



Robust Corporate Governance Grounded in Ethics, Risk Management and Best Practices

Risk Mitigation Efforts

- Robust anti-corruption policies and training for Board, executives and employees
- Required annual ethics training for all management employees

Executive Compensation Highlights

- Compensation tied to Company performance (i.e., Operating Income, Revenues less FSC¹, Company Operating Ratio – net FSC, and Individual Performance)
- Vesting periods of long-term stock awards directly align with stockholders' interests by rewarding creation and preservation of long-term stockholder value
- 98% of stockholder votes cast in favor of say-on-pay resolution

Board Attributes

- Refreshing, diversifying and adding new capabilities (e.g., technology) to our Board
- Appointed Carmen Tapio (Oct 2020)

Board Statistics²

- ~67 years average age
- ~10 years average tenure
- 88% independent
- 25% diversity

Top 3 Skills²

- 88% Strategic Development | Risk Management
- 88% CEO Experience
- 88% Sales & Marketing



Milestone

Formal Diversity Leadership Position

Established by End of 1Q21



Execution of Our ESG Strategy Will Be Supported by Our Inherent Core Strengths and Sustainable Competitive Advantages

Core Strengths

- **Breadth:** Diversified truckload transportation portfolio (Dedicated TL, One-Way TL, Logistics)
- **Scale:** Top 5 TL carrier, Top 5 Dedicated carrier and growing logistics provider
- **One-Way TL:** Industry-leading Mexico cross-border and Team Expedited carrier
- **High-service Fleet:** New and modern-equipped trucks and trailers
- **Talent:** Access to top talent through large, vertically-integrated network; highly qualified drivers with extensive safety training

Sustainable Competitive Advantages

Deep, long-term customer relationships delivering superior, award-winning **on-time service**

Enhanced value-added technology platform, **Werner EDGE**, further improves customer, driver, non-driver and supplier experience

Performance-driven, accountable culture led by **seasoned leadership**; transparent, **one-voice communications**

Durable financial position sustained with **strong free cash flow** and **industry-leading revenue per truck per week**

Industry leader committed to **continuously reducing our environmental impact** (e.g., alternative fuels and electric truck exploration and integration)

Committed to Publishing Our

Inaugural Corporate Social Responsibility Report in 2021