



2020

# CORPORATE SOCIAL RESPONSIBILITY

July 2021

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# **OVERVIEW**

# **ABOUT THIS REPORT**

This inaugural Corporate Social Responsibility Report is a culmination of the work we've been doing to carefully and strategically hone Werner's commitment to Sustainability - Environmental, Social and Governance. The report serves as a reflection of our dedication to incorporate socially responsible business practices into our everyday operations. In creating it, we endeavored to include information for a variety of stakeholders, from our dedicated associates to our loyal customers. We are also excited to formally introduce Werner's ongoing commitment to ESG, which we branded as WernerBlue. You can find more information about the specifics of this commitment on page 34.



OUR COMMITMENT TO ESG IS KEY TO OUR SUCCESS AND OUR PROMISE TO #KeepAmericaMoving

The statements included in this document regarding future performance and results, expectations, goals, objectives, plans, strategies, priorities, commitments and other statements that are not historical facts are forward-looking statements within the meaning of the U.S. federal securities laws. Forward-looking statements are based upon current beliefs, expectations and assumptions and are subject to significant risks, uncertainties and changes in circumstances that could cause actual results to differ materially from the forward-looking statements. Readers of this document are cautioned not to rely on these forward-looking statements, since there can be no assurance that these forward-looking statements will prove to be accurate. We expressly disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Unless otherwise noted, all statistics are based on Year End 2020.





Safety and service... our environment... our commitment. This team must have a positive impact on everything we do. It's also important to be transparent in tracking and reporting our progress to become better. We are pleased to say that process is now formalized."

# A NOTE FROM OUR CEO

Werner was founded 65 years ago from humble beginnings, with the simple belief that if we do the right thing – for our drivers, associates and customers – the results will follow. Today, I'm very proud to expand on that belief and add to it our commitment to do the right thing for our planet as part of our evolving sustainability strategy. While ESG (Environmental, Social and Governance) concepts have long been woven into the fabric of Werner's history, the release of our inaugural CSR report further elevates our commitment to conducting business in a socially and environmentally responsible manner.

This is a particularly meaningful time to publish our first CSR report, as the world recovers from the pandemic and certain aspects of life return to normal. We are especially proud of how Team Blue stepped up during this crisis; we're no strangers to operating in high-stress situations – we respond to hurricanes, tornadoes and other natural disasters. When folks are faced with a natural disaster or emergency, you'll often see our blue trucks arriving to assist and provide essential, life-saving supplies.

And it was no different during the pandemic. While most of the public remained at home, we were on the road making sure critical supplies such as N-95 masks, sanitizer, paper hygiene products and food got to the places that needed them most. Before you dive in further, I'll leave you with an interesting fact: you may be surprised to know that 70% of all goods moved around the United States come into contact with a truck. America depends on truckers. Werner takes pride in knowing how critical our work is to keeping America moving in both good and tough times. We are proud to present this inaugural CSR report as a testament to our ongoing commitment to responsible business practices, and we look forward to sharing how our journey evolves.

- Derek J. Leathers Chairman, President and Chief Executive Officer Werner Enterprises

Werner Enterprises 2020 CSR Report

# **WERNER SUSTAINABILITY**

# A SIT-DOWN WITH SHAWNTELL KROESE ASSOCIATE VICE PRESIDENT SUSTAINABILITY

Recognizing our genuine commitment to further elevating our ESG strategy, we brought on a new team member to head up our sustainability efforts. Having a dedicated resource allows us to focus our commitment on what we want to accomplish in both the short- and long-term. Shawntell Kroese joined us in March 2021 and brings extensive experience in supply chain management, which is becoming a much larger part of today's ESG dialogue. Shawntell has been instrumental in moving us forward on our ESG journey and in the creation of this inaugural CSR report.



This is an exciting time at Werner, as we put even greater attention and emphasis on our sustainability strategy. Last year, we launched a codified approach to sustainability organization-wide and unveiled the following key milestones:

- Reducing carbon emissions by 55% compared with 2020 baseline by 2035
- Creating three new associate resource groups by the end of 2021
- Introducing a formal diversity leadership program by the end of Q1 2021

While we have an established commitment to reducing our carbon footprint, we recognize we need to do more, faster, which is why we set additional ESG goals disclosed in this report. After this last year, the world confirmed what we already knew: Werner Enterprises is an essential service business in a unique position to drive the reduction in GHG emissions while enabling our customers to achieve their environmental goals.

We are also making progress on achieving greater diversity, equity and inclusion throughout Werner. This year we introduced new Associate Resource Groups to actively engage associates and celebrate our differences. We also added three new members to our Board of Directors. Since our announcement of these public goals, we have taken action to make a difference."

# OMAHA NEBRASKA







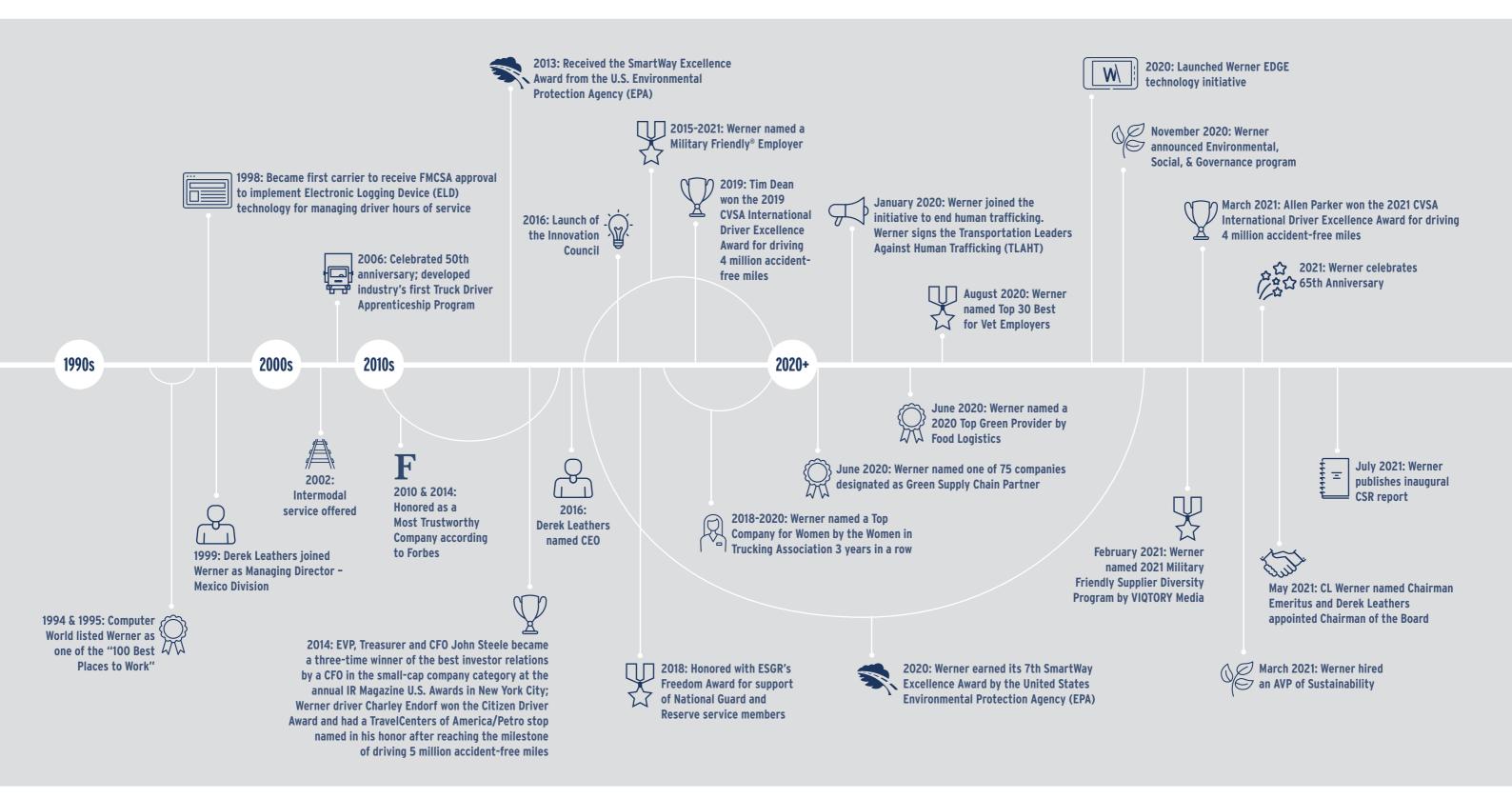
# **2020 REVENUES BY SEGMENT**



Data as of 7/1/2021

Werner Enterprises 2020 CSR Report 01. Our Journey To Date

# THE EVOLUTION OF OUR ESG STRATEGY

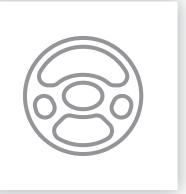


Werner Enterprises 2020 CSR Report 01. Our Journey To Date

# STAKEHOLDER ENGAGEMENT

Werner's sustainability story isn't just ours; it belongs to all our stakeholders. From recruitment efforts to the sales process, our ESG journey is of growing interest to key constituents. As such, we're evolving to ensure all our stakeholders understand our journey, how it applies to them and how our ESG efforts support their ESG story.



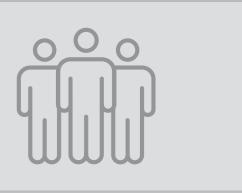


# **ASSOCIATES**

We strive to be a better employer for our workforce, focusing on communication with associates and drivers. We support and encourage diverse perspectives, and are committed to moving toward an even more inclusive culture where every associate feels empowered to bring their authentic self to Werner.

# **CUSTOMERS**

Over the years, we've developed strong, longterm customer relationships. Our customers' sustainability journey is intricately linked with our own and as such, we pursue ESG-related outcomes that help customers reach their own ESG-related goals.

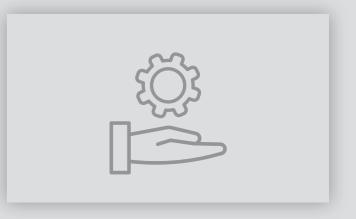


# COMMUNITIES

From upgrading our terminals - which decreased energy consumption and positively impacted the communities around the terminals - to dedicating thousands of volunteer hours to community-related events and local philanthropic causes, we are committed to investing in the communities in which we both live and work.



Understanding the importance of on-time service, safety and teamwork is essential in our efforts to contribute to the economy while delivering America's goods, which is why we partner with strategic suppliers who help us deliver on our promise to #KeepAmericaMoving. We are particularly proud to partner with veteran-owned and minority-owned businesses in our supply chain.



# **INVESTORS**

Our Board is experienced and committed to the highest ethical standards, and we continue to refresh, diversify and add new capabilities. We are financially and operationally well-positioned to succeed and achieve long-term, sustainable shareholder value creation.

Werner Enterprises 2020 CSR Report 01. Our Journey To Date

# **DESTINATION: TEAM BLUE**

# FROM HUMBLE BEGINNINGS TO A NATIONWIDE LEADER... AND STILL HUMBLE

# **COMPANY HISTORY**

Our founder, Clarence L. (CL) Werner, purchased a Ford gasoline-powered truck and entered the trucking business in 1956 when he was 19 years old. CL Werner started hauling cargo for other companies, building our company one truck at a time, and hauling in regional areas. Today, Werner Enterprises is an asset-based logistics provider and one of the five largest truckload carriers in the United States.



66 Be honest, work hard and treat people right."

### **EMPLOYEE ENGAGEMENT**

We surveyed our associates using our internal social media platform, which allows for daily collaboration and engagement, and asked them: What does Werner mean to you? and What does Corporate Responsibility mean to Werner? Below are some examples of the feedback we received.

# What does Werner mean to you?

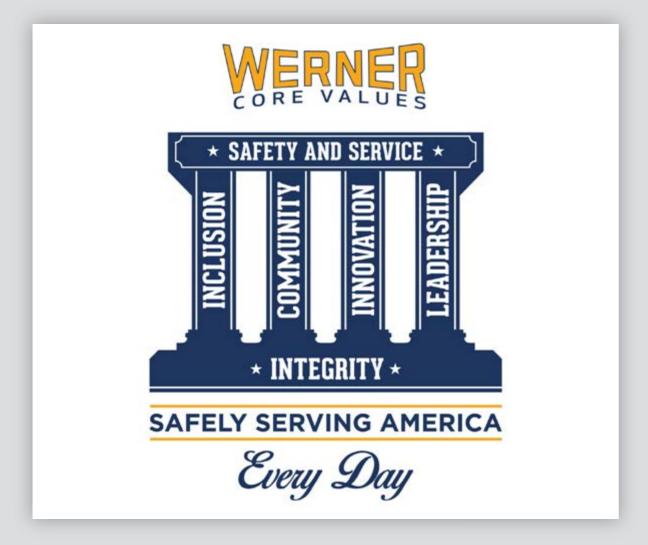
- An industry leader moving the transportation industry forward"
- 66 A place I've met many people who started as co-workers and became good friends"
- 66 An experienced, company that cares about its people"

# What does Corporate Responsibility mean to Werner?

- 66 Being a part of something bigger & using that influence to make positive changes in the world"
- burden of trust in providing for our families"
- choosing to do right by their associates & community"

Werner Enterprises 2020 CSR Report

# **OUR CORE VALUES**



Our Core Values guide the strategies, decisions and behavior within Werner. Integrity is the foundation for all that we do, and we demonstrate that through our commitment to honesty and accountability. At the top of our pillars, safety and service form the framework for our values. Safety is more than numbers and statistics; it's about protecting people. Nothing we do is worth getting hurt or hurting others, while we deliver an exceptional service experience.

Supporting this framework are our pillars of Inclusion, Community, Innovation and Leadership.

- **Inclusion**: respecting people for who they are and valuing the benefits of a diverse organization
- Community: giving our time and talent to strengthen the many communities we serve
- Innovation: cultivating new ideas and shifting them into action
- **Leadership**: empowering and encouraging others to be their best

# 5Ts + S

Werner's 5Ts + S strategy is our commitment to invest in Trucks, Trailers, Talent, Terminals, Technology and Sustainability. The strategy was crafted to maintain our industry-leading position in associate and driver satisfaction, which ultimately results in unmatched, superior customer service. The top five areas having the most significant impact on a driver's quality of life and productivity were identified and named the 5Ts. After identifying the 5Ts in 2015, Werner then allocated hundreds of millions of dollars to be invested in these areas. In 2020, Werner added "Sustainability" (5Ts + S) to reinforce our commitment to remaining at the forefront of our industry in reducing our environmental impact.

Becoming an industry leader in the transportation industry has been a 65-year journey. Transforming the transportation industry will be our mission as we move forward.

















Werner Enterprises 2020 CSR Report

# **TRUCKS**



Keeping our trucks safe, modern and comfortable while minimizing environmental impact have always been our priorities. Werner has produced structural and sustainable improvements to our already modern and efficient fleet. All trucks are equipped with advanced collision mitigation safety systems and automated transmissions.

Telematic units installed on all of our trucks provide smart workflow, best-in-class navigation, improved safety features and reduced manual data entry. Werner maintains a low average truck age of two years and provides a range of trucks including Freightliner, Navistar, Kenworth and Peterbilt.

# **SAFETY**FEATURES INCLUDE

- Collision mitigation systems
- SafetyDirect with forward-facing cameras & video capture
- Air disc brakes
- Lane departure warning system
- Automatic fifth wheel release system

# **ENVIRONMENTAL** FEATURES INCLUDE

- Newest diesel engine & aftertreatment technology
- Advanced aerodynamic packages
- High-efficiency rear ends & powertrains
- Computerized truck idling technology
- Adaptive/active cruise control

# **DRIVER**AMENITIES INCLUDE

- Smart steering wheels
- Frequently used controls placed close to the driver
- Ergonomically shaped door top arm rests
- Switches & buttons are backlit for visibility & etched for longer life
- Sleepers include opening window

# **OPERATION FREEDOM TRUCKS**



Werner Enterprises | 2020 CSR Report

# **TRAILERS**



With over 24,000 trailers used to transport customers' freight, advancements in trailer technology are vital to reaching Werner's sustainability goals. Our trailers feature state-of-the-art equipment and technology for safe and efficient rides.

- GPS trailer tracking reduces empty miles and wait time and assists with routing and fuel optimization.
- Trailer skirts minimize wind resistance and improve fuel efficiency.
- Pre-trip inspection rocker switch, located in the truck cab, conveniently activates all exterior lighting allowing the driver to safely inspect the vehicle and verify all lights are functioning.

- Low-rolling resistance tires increase fuel economy and reduce treadwear.
- Automated tire inflation system monitors tire pressure and provides air on a continuous basis, maintaining 100% air pressure, creating less rolling resistance, increasing miles per gallon and adding miles with longer lasting treads.
- 100% of tires and trailer maintenance-related fluids are recycled or repurposed.
- High-visibility reflective Werner tail stickers to promote highway safety.



Werner Enterprises 2020 CSR Report 02. Destination: Team Blue

# **TALENT**

Werner is dedicated to supporting our nearly 10,000 professional drivers by focusing on safety and productivity while providing tools for success, including driver training (school network, simulators, etc.).

As a company founded by a driver, Werner is committed to its focus on understanding, respecting and improving the Werner driver experience. "Professional drivers have always been the backbone of our company and our entire country," said Derek Leathers.

Below: Derek visiting with drivers at a Town Hall meeting.



6 Our drivers and associates are our top priority. We ensure they are safe and earning a competitive wage by providing access to modern conveniences and best-in-class technology."



9,342 professional drivers

556 skilled mechanics and maintenance associates

**440** independent contractor drivers

1,349 office associates managing trucking operations

1,045 office associates for Werner logistics, driving schools and other non-trucking operations



12% of our drivers are female (double the national average)

**52%** of associates are female /

**35%** of management is female /

14% of non-driver associates

belong to one or more Associate Resource Groups

ethnically diverse

ethnically diverse

of our driver workforce is female (double the national average)



>20% of our drivers are veterans

More than **8,000** Werner associates used their GI Bill benefits for the apprenticeship program

Recipient of the ESGR Secretary of Defense Freedom Award

14 years recognized as a Military Friendly Employer



veterans or the spouse of a vet





2020: Accident per MM declined by 18% (YoY); lowest in 28 years

2020: Achieved 3rd best driver retention rate in 20 years

2020: **Increased** the company's contribution to 401K matching program

Q2 2020: **Executives** voluntarily decreased their salaries due to Covid-19

# **TERMINALS**



Werner has long understood the value of state-of-the-art terminal facilities in keeping drivers safe on the road while providing a comfortable place to stop and rest, and the importance of our terminals was amplified during the pandemic. These facilities became not only a place for truck and trailer maintenance, but also a distribution

hub for personal protective equipment, hand sanitizer and other safety products.

We take great pride in our drivers and work hard to ensure they are taken care of, appreciated and comfortable while on the road. Our terminals are equipped with showers, laundry and workout facilities, pet areas, simulator training rooms, drivers lounge areas, free WiFi, ATMs, ice machines, vending areas with kitchenettes and company stores.





# **TECHNOLOGY**



In 2020, we launched "Werner EDGE" to advance the performance and safety of drivers,

shippers, carriers and associates by delivering the transportation industry's latest technologyrich solutions. Werner has implemented Critical Event Management, which identifies and responds to safety events more effectively. A cloud-based solution, Breakdown Management, simplifies the equipment repair order process and gets drivers back on the road quickly and safely. GPS devices help identify empty trailers through the driver's EDGE Connect tablet, decreasing time spent locating trailers and adding more time on the road.

# **SUSTAINABILITY**



The addition of "Sustainability" to our 5Ts strategy (5Ts + S) is another measure to help keep our focus on continual improvement.

Werner has a strong foundation of driving greater sustainability, and our success in reducing our carbon footprint made us an industry leader. Sustainability is just the beginning. Our Core Values and Diversity, Equity and Inclusion Vision Statement work in conjunction with our ESG initiatives to publicly communicate our successes in Sustainability, Diversity and Governance. We take great pride in our transparency.

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# COMMITTED TO SUSTAINABILITY FOR THE LONG HAUL

# **ENVIRONMENTAL**

# REDUCING OUR ENVIRONMENTAL IMPACT

# **ENVIRONMENTAL STEWARDSHIP/CONSERVATION INITIATIVES**

Werner has long had a corporate focus on the important ideals of reducing our environmental impact. Our conservation efforts include 100% recycling or repurposing of batteries, tires and maintenance-related fluids. We have LED lighting at all facilities and, to conserve fuel, 100% of our truck fleet is equipped with automated manual transmission. Educating drivers and associates in doing their part for the environment has also been a focus. One example includes a campaign, Driving To Be Green, which provides drivers and associates simple, but impactful, tips for everyday driving and professional driving to conserve fuel and reduce our overall carbon footprint.







### CONTINUING TO REDUCE CARBON FOOTPRINT

Since 2007, we have saved over 307 million gallons of fuel and reduced over 3.4 million tons of CO<sub>2</sub>. We are proud of the progress we've made and are committed to exploring and implementing new innovations to do even better. It is our goal to reduce our carbon footprint by 55% by the year 2035.



# TRUCK AND TRAILER FLEET-AGE/CONDITION

By investing in newer trucks and trailers, we not only provide drivers with the safest and most comfortable equipment, but we also significantly reduce our environmental impact. Our truck fleet maintains an average age of two years; our trailer fleet is four years. Both are among industrylow averages and reflect our commitment to continually investing in new equipment.







# **SMARTWAY TRANSPORT PARTNER**

Werner has been a SmartWay® Transport Partner since 2004, which has been beneficial in measuring, benchmarking and tracking sustainability efforts. We are proud to have received the EPA SmartWay Excellence Award seven times.

# **SOCIAL**

# ENGAGING OUR PEOPLE TO BE A POSITIVE FORCE IN OUR COMMUNITIES

### DRIVER PROFILES



Cari M. - Werner Driver Leader

After 32 years as a dental assistant, Cari was ready for a change.

"Being a female driver in the trucking industry is empowering - it really is - I get a lot of thumbs up, smiles, congratulations and 'you really drive that?' I feel very empowered out there. Werner has never treated me any different because I'm a woman. They treat me like a driver, they respect that my CDL is the same as every other driver out there."



**Gina J.** - 1 million miles accidentfree driver

**Steve J.** - Over 860,000 safe miles driven

"I started going to truck driving school when I was 50, after my youngest son left for the Army. So it was the perfect opportunity to join Steve and it's been a great experience." - Gina

"We chose Werner because they allowed me to be Gina's Leader then go straight into team driving together. I couldn't be more proud of her." - Steve



**Dan "Dusty" P.** - Driver for 52 years, 3.8 million miles accident-free driver

2021 - TravelCenters of America Citizen Driver Award Winner

Dan will have the Petro truck stop in Glendale, KY dedicated in his honor along with a bronze historical marker with his image and story installed on the front of the building.

Dan is well known among the trucking community for his photography, especially for trucking charities and other organizations.



#### MILLION MILE ACHIEVERS

The Million Mile Club honors the **nearly 2,000** Werner drivers who have reached one million accident-free miles driving for the company. Werner Enterprises is proud to have these drivers as representatives of our organization. The Wall of Honor (left) is one of the many ways in which we honor those drivers and their achievements.

Some interesting numbers:

- 1,650 drivers over 1 million miles accident free
- 288 drivers over 2 million miles accident free
- 41 drivers over 3 million miles accident free
- 9 drivers over 4 million miles accident free
- 1 driver over 5 million miles accident free
- 310 veteran million mile drivers
- 137 female million mile drivers

Data as of 7/24/2021

# of her." - Steve



Billy Z.
Werner's Operation
Freedom truck 9
driver honoring the
Tuskegee Airmen

Retired Marine Purple Heart recipient



# **ASSOCIATE RESOURCE GROUPS**

Werner's Associate Resource Groups (ARGs) are voluntary, associate-led groups whose aim is to foster a diverse, inclusive workplace that is aligned with Werner's corporate goals and values. The groups exist to provide support and help in personal and career development and to create a safe space where associates can speak honestly and forthrightly. All associates are welcome to join any ARG.

Our IDEAL (Inclusion, Diversity, Equity, Accountability & Learning) Council leads the creation, direction and growth of Associate Resource Groups. This council is composed of a diverse mix of 15 associates across the organization.



Werner Enterprises | 2020 CSR Report

# **SOCIAL**

Health & Safety and Diversity Equity & Inclusion are two critical aspects of the Social component of ESG. We spoke with Jaime Maus and Kathy Peissig who are leading these efforts at Werner.



**HEALTH**& SAFETY

JAIME MAUS
VP, SAFETY &
COMPLIANCE

Safety is at the forefront of everything we do at Werner.

Our drivers and trucks keep America moving and it matters that we do it safely. Protecting our associates and the motoring public is the right thing to do.

Safety is one of Werner Enterprises' Core Values. When speaking to drivers and associates, our Chairman, President and CEO, Derek Leathers often uses the phrase, "Nothing we do is worth getting hurt or hurting others," and he means it. This level of support and focus drives initiatives such as our 5Ts + S and is what truly makes a difference.

Werner Enterprises has created a culture of safety that starts with valuing drivers, our most important resource, from the top down. Our commitment to safety and safe driving starts with our drivers and extends to all our associates.



DIVERSITY,
EQUITY &
INCLUSION (DEI)
KATHY PEISSIG
AVP, DIVERSITY,
INCLUSION &
I FARNING

At Werner, we have always embraced diversity and inclusion as part of our recruitment and retention efforts, but when recent world events brought to light the gender, racial and ethnic inequalities that still exist within society, we recognized the need to enhance our DEI efforts by adding a senior leadership role dedicated to the development of our strategic DEI programs. This is part of our ongoing commitment to create an increasingly inclusive culture at Werner.

To bring our DEI commitment to life, we've established an approach with four key pillars of focus:

- 1. Attract, hire and retain diverse talent
- 2. Grow and sustain our Associate Resource Groups (ARGs)
- 3. Solidify our commitment to DEI as part of our internal and external brand
- 4. Equip leaders with the tools and knowledge needed to create an inclusive environment

I'm so proud of the work that the team's been able to accomplish in our first six months! From unconscious bias and inclusion training for all managers to DEI Lunch & Learn sessions and the creation of the IDEAL Council, we're building a framework that highlights the inclusive culture at Werner, where associates from all walks of life can grow their careers and make their mark on our organization.

# THE BLUE BRIGADE

Werner's Blue Brigade is a team of compassionate and committed associates who volunteer their time and talent to serve the community. The Blue Brigade, which started in 2011, works with numerous organizations throughout the country each year, donating their personal time to help those in need.

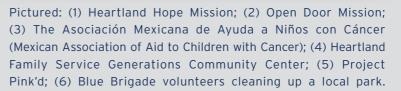
- CURRENTLY WORKING WITH 80 NONPROFITS
- >5,000 HOURS VOLUNTEERED SINCE 2017
- 482 MEMBERS









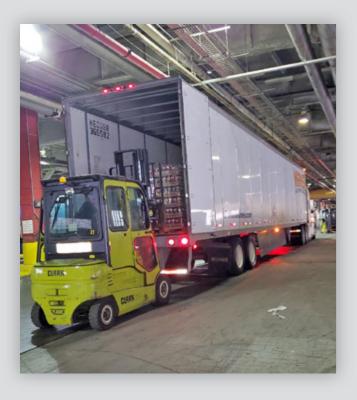






### **OUR RESPONSE TO COVID-19**

The pandemic highlighted the importance that supply chain and logistics play in keeping the world moving. At Werner, we are proud of our role in keeping America moving and our associates and drivers were up for the challenges faced during 2020. Werner assisted the State of Nebraska to source and deliver critical medical supplies for hospitals and public health agencies across the state in the fight against COVID-19. Werner sourced and transported millions of units of PPE including N95 masks, protective gloves and infrared thermometers.





#### TAKING CARE OF OUR TEAM

- · Established a COVID-19 communications hub to keep all associates updated with the latest news, developments and policy changes
- Provided up to two weeks pay to eligible associates and drivers unable to work as a result of COVID-19
- Awarded \$3 million in financial assistance for associates and drivers facing hardships as a result of COVID-19
- Transitioned over 50% of office associates to work-from-home status
- · Made available an Employee Relief Fund to assist those impacted by COVID-19. This fund is made up of contributions from employees for employees and is matched 100% by Werner

6 It's been an honor to work with Werner and rely on their logistics expertise. We're so fortunate to have a great partner like Werner in our backyard and I want to say 'thank you very much' to all the truck drivers, mechanics and office personnel at Werner Enterprises."

- Nebraska Governor Pete Ricketts

# **GOVERNANCE**

#### ESG ACCOUNTABILITY AT THE BOARD LEVEL

Boardroom conversations are enriched by diversity of thought. Our board members (below) have an array of professional skills and qualifications, including:

89% Strategy Development & Risk Management

67% CEO Experience

67% Marketing & Sales

67% Corporate Governance

67% Financial

56% Gov't Affairs, Public Policy, Regulatory

44% Trucking/Transportation

**COMMITTED TO BOARD REFRESHMENT** AND SUCCESSION PLANNING

new members added May 2021

COMMITTED TO BOARD DIVERSITY

44% of our board is diverse 89% of our board is independent



Derek J. Leathers Chairman. President and Chief Executive Officer



Kenneth M. Bird

Director

Gerald H. Timmerman Director





Diane K. Duren Director and Compensation Committee Chair



Jack A. Holmes Director and Nominating & Corporate Governance Committee Chair



Carmen A. Tapio Director



Scott C. Arves Director



Vikram Mansharamani Director



Alexi A. Wellman Director and Audit Committee Chair

# **RECENT AWARDS & ACCOLADES**

Werner's unwavering commitment to excellence drives every aspect of our business, enabling the company to be one step ahead in an ever-changing industry.

Both our industry and our customers consistently recognize Werner for our commitment to excellence in all that we do. Below are the awards presented to Werner since 2019.

### ABBOTT NUTRITION

• 2019 Provider of the Year - Cavalry Award

### AIM INSTITUTE

• 2019 Enterprise Business of the Year

### ANHEUSER-BUSCH

- 2019 Dedicated Fleet Efficiency Award
- 2019 Dedicated Fleet Manager of the Year
- 2019 Dedicated Fleet of the Year
- 2019 Dedicated Partner of the Year

### CIO EXECUTIVE COUNCIL

• 2019 Digital Edge 50 Award

#### COCA-COLA

2019 Dedicated Carrier of the Year Award

### DOLLAR GENERAL

- · 2019 Carrier Operation of the Year
- 2019 Carrier Partner of the Year
- 2019 Dry Site of the Year
- 2019 Fresh Site of the Year
- 2019 Serving Others Award



# ENVIRONMENTAL PROTECTION AGENCY (EPA)

- 2020 SmartWay Excellence Award
- 2019 SmartWay Excellence Award

#### FEDEX

· 2020 Superior Service Provider

### FOOD LOGISTICS

- · 2020 Top Green Provider
- · 2020 Top 3PL & Cold Storage Provider
- 2019 FL100+ Top SW & Technology Provider
- 2019 Top Green Provider

### FREIGHTWAVES

• 2020 FreightTech 100 Award

### GLOBAL TRADE MAGAZINE

Top 3PL Provider

#### HEAVY DUTY TRUCKING

- 2020 Emerging Leader Award
- 2020 Truck Innovators Award

#### INBOUND LOGISTICS

- 2020 Green Supply Chain Partner
- · 2020 Top 10 3PL Provider
- 2020 Top 10 3PL Excellence Award
- 2020 Top 100 3PL Provider
- 2020 Top 100 Trucker
- 2019 Top 10 3PL Excellence Award
- 2019 Top 100 3PL Provider
- 2019 Top 100 Trucker

# LOGISTICS MANAGEMENT

- 2020 Quest for Quality Award
- 2019 Quest for Quality Award

# **MILITARY TIMES**

- 2020 Best for Vets Employer
- 2019 Best for Vets Employer

# OMAHA'S BUSINESS-TO-BUSINESS MAGAZINE

· 2019 Best of B2B Customer Service

# SMC3 AND LOGISTICS MANAGEMENT

• 2020 Alliance Award

#### SUPPLY & DEMAND CHAIN EXECUTIVE

- · 2021 Top Supply Chain Award
- 2020 Green Supply Chain Award

# U.S. VETERAN'S MAGAZINE

- 2020 Best of the Best Top Veteran-Friendly Co.
- 2019 Best of the Best Top Veteran-Friendly Co.

# MILITARY FRIENDLY

# VIQTORY

- 2021 Military Friendly® Gold Employer
- 2021 Military Friendly® Spouse Employer
- 2021 Military Friendly® Supplier Diversity Program
- 2020 Military Friendly® Brand
- 2020 Military Friendly® Silver Employer
- 2020 Military Friendly® Spouse Employer
- 2020 Military Friendly® Supplier Diversity Program

# WALMART

2020 Ambient Carrier of the Year

# WOMEN IN TRUCKING (WIT) ASSOCIATION

• 2020 Top Company for Women



# THE ROAD AHEAD



# **INTRODUCING WERNERBLUE**

We're integrating sustainability into everything we do at Werner, part of a commitment that requires dedication, consistency and thoughtfulness. To demonstrate our commitment to sustainability, and because we fully anticipate transformative growth of our sustainability strategy, we are excited to brand Werner's ESG efforts. Today, we proudly unveil "WernerBlue."

Significant progress made since 2007:

SAVED MORE THAN

307 M

GALLONS OF FUEL

100%

RECYCLED OR BATTERIES & LIQUIDS

29%

IMPROVEMENT
IN FUEL EFFICIENCY

3.4 TONS OF CO.

To demonstrate our commitment to sustainability, & because we fully anticipate transformative growth of our sustainability strategy, we are excited to brand Werner's ESG efforts. Welcome to WernerBlue."

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# **NEW COMMITMENTS & NEXT STEPS**

As part of the data gathering process for this inaugural report, we identified certain metrics that are not currently being measured but are impactful/important to our business and our commitment to ESG. We are committed to identifying which metrics/data we should disclose going forward and will begin to evaluate how to collect that information and disclose it in future reporting.

#### COMPANY SUSTAINABILITY GOALS



# **ENVIRONMENTAL**

- By 2025, disclose Scope 1 and Scope 2 greenhouse gas emissions
- · Double intermodal usage by 2030, thereby further reducing emissions
- By 2035, 55% reduction in greenhouse gas emissions



- · By 2022, create an advancement and retention plan to increase and elevate women and diverse talent in the management pipeline
- By 2022, institute an employee volunteer hours program
- By 2025, double Blue Brigade volunteer hours to +3,300 annually
- By 2025, double associate training hours devoted to human trafficking awareness





# IIII GOVERNANCE

- By 2022, create a standalone ESG board committee
- By 2022, form a task force made up of senior leadership, associates and board members to further the goals of WernerBlue

# UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

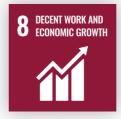
### **OUR COMMITMENT**



We are committed to supporting the health and wellness of our drivers and associates and advocating for well-being in the communities in which we live and work.

### PROGRESS TO DATE

- Competitive Benefits include but are not limited to: company subsidized health insurance, onsite fitness and recreational facilities, wellness education program, wellness incentive benefits, 401K retirement savings, stock purchase opportunities, paid time off, relocation assistance, tuition reimbursement
- Actively working to reduce injuries and fatalities from road traffic accidents through increased trainings and additional safety features/technologies; 14% reduction in road traffic accidents and 56% reduction in rear-end accidents between 2015 and 2020
- Ensured associates wanting a COVID-19 vaccination were able to receive one as quickly as possible through communications; assisted associates in finding clinics; hosted on-site clinics



We are committed to providing a decent, productive, safe work environment that affords our associates the opportunity to grow in their careers, support their families and contribute to a productive society.

- Strategic and concerted investment in trucks, trailers, terminals and technology to provide drivers and associates with the latest, safest, most technologically advanced amenities
- In 2021, introduced an internal communications platform to foster deeper employee engagement and connectivity
- · Over 8,000 training hours annually devoted to efforts to combat human trafficking
- Since 2018, 22% cumulative average increase in median employee pay



We are committed to cultivating and nurturing a diverse and inclusive workplace, representative of the customers we serve and the communities in which we live and work.

- By 2022, create an advancement and retention plan to increase and elevate women and diverse talent in the management pipeline
- In 2021, formed the IDEAL Council to oversee ARG development
- In 2021, published a Diversity, Equity and Inclusion Vision statement
- In 2021, all management associates completed diversity training focusing on Unconscious Bias and Inclusion
- In 2020, for third consecutive year, named a top company for women to work for in transportation by Women in Trucking (WIT)
- In 2020, established a formal diversity leadership position
- In 2021, added six new Associate Resource Groups (ARG) for a total of nine



We are committed to supporting global efforts to reduce carbon emissions and to continually evaluate and identify new environmental initiatives to support global sustainability efforts.

- Maintaining a late-model truck fleet to take advantage of latest technologies to reduce fuel consumption and emissions
- In 2021, removed truck refueling tanks from all terminals to eliminate spillage and contamination risks
- By 2035, 30%+ of all company truck miles will be executed by zero emission vehicles: we are currently testing these technologies
- We are improving energy efficiency and other sustainability efforts in office buildings and terminals including: conversion to LED lighting, installation of timers to control electrical usage and paper reduction efforts including transitioning paper-intensive processes to digital platforms

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# SUSTAINABILITY ACCOUNTING STANDARDS BOARD DISCLOSURES

TOPIC	ACCOUNTING METRIC	CODES	WERNER RESPONSE/COMMENT
Greenhouse Gas Emissions	Gross global Scope 1 emissions	TR-RO-110a.1	1,157,754 metric tons <sup>1</sup>
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions reduction targets, and an analysis of performance against these targets	TR-RO-110a.2	In Q1 2021, we made several public announcements about our partnerships with a variety of emerging technology companies. This includes electronic powertrain systems, hydrogen and biofuel alternatives, as well as autonomous options. We are also currently testing our first electric-powered truck pilot program. We are committed to staying at the forefront of technology and to finding alternative ways to keep our trucks environmentally-friendly while using renewable energy. For GHG reduction goals (short and long term), see page 6
	(1) Total fuel consumed; (2) percentage natural gas; (3) percentage renewable	TR-RO-110a.3	(1) Total fuel consumed: 124,705,546 gallons of diesel; (2) we did not operate any CNG trucks in 2020; (3) one electric truck in 2020
Air Quality	Air emissions of the following pollutants (1) No2 (excluding N20); (2) SO2; and (3) particulate matter (PM10)	TR-R0-120a.1	Air emissions of the following pollutants, results (rounded): (1) NOx: 1,962 metric tonnes (NOx number currently includes N20 but will be separated for future reporting); (2) We do not currently report SO2 data, but we plan to establish protocols to measure and track this in the future; (3) PM10: 16 metric tonnes
Driver Working Conditions	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct associates and (b) contract associates	TR-RO-320a.1	(1) OSHA TRIR 3.422, (2a) Accidents with a fatality (per million miles) = .0220, Preventable accidents with a fatality (per million miles) = .0037, (2b) don't have a break-out for contracts associates
	(1) Voluntary and (2) involuntary turnover rate for all associates	TR-RO-320a.2	(1) Voluntary turnover rate = 40.7%; (2) Involuntary turnover rate = 9.3%
	Description of approach to managing short-term and long-term driver health risks	TR-RO-320a.3	Approach to manage short-term and long-term driver health risks: fitness centers are available in 9 of our 11 tier 1 and tier 2 terminal facilities; blood pressure cuffs to monitor heart health are in 12 of our tier 1 and tier 2 facilities; incentive-based preventative wellness program is available to all covered under the employer-provided health plan; digital challenge-based activity platform is offered to all associates; tobacco cessation programs are offered; telephonic health coaching is available for those covered under the employer-provided health plan; flu vaccines; telephonic medical care offered at reduced to no cost to those covered under employer-provided health plan; diabetes prevention plan offered to those covered under the employer-provided health plan. We've made significant investment in truck enhancements to improve the driving conditions for our drivers to keep them safe on the road, see page 16
Accident & Safety Management	Number of road accidents and incidents	TR-RO-540a.1	The number of DOT reportable accidents: 794 accidents or .971 per million miles; 320 DOT preventable accidents or .391 per million miles
	Safety measurement system basic percentiles for: (1) unsafe driving; (2) hours-of-service compliance; (3) driver fitness; (4) controlled substances/alcohol; (5) vehicle maintenance; and (6) hazardous materials compliance	TR-R0-540a.2	(1) Unsafe Driving = 54%; (2) Hours of Service Compliance = 54%; (3) Driver Fitness = 26%; (4) Controlled Substance = 2%; (5) Vehicle Maintenance = 44%; (6) Hazardous Materials Compliance = 38%
	(1) Number and (2) aggregate volume of spills and releases to the environment	TR-RO-540a.3	(1) Number of spills = 9; (2) total gallons spilled 6 or 0.02 cubic meters
Revenue Ton Miles		TR-RO-000.A	18,628,815,738
Load Factor		TR-RO-000.B	87.8%
Number of Associates, Number of Truck Drivers		TR-RO-000.C	12,732 total associates, 9,342 drivers



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