



SEPTEMBER 2022

CORPORATE SOCIAL RESPONSIBILITY UPDATE

UPDATE FROM DEREK LEATHERS

The past two years have presented us with numerous unexpected challenges and opportunities. Despite these obstacles, Werner Enterprises managed to find ways to facilitate continued growth and stay true to our principles. We are built on integrity. To this day that holds true, as we value doing things the right way, specifically regarding our Environmental, Social and Governance (ESG) initiatives.

Although ESG has always impacted the way we do business, our inaugural Corporate Social Responsibility (CSR) report released last year helped us to further integrate ESG with our overall business strategy, thus creating a holistic alignment. In this report we outline clear priorities and goals for the future to hold us accountable for actively expanding our sustainability initiatives. We value measurable results, and we are excited to present you with the progress we've made. During this past year, we created new goals that help us advance towards making smart, sustainable decisions that drive operational success. We also established a stand-alone ESG committee of our Board of Directors whose primary responsibility is furthering the goals of WernerBlue, our branded sustainability program. We continue to enhance our diverse and inclusive culture through our multiple associate resource groups that are growing and expanding.

Our ESG initiatives play a part in supporting our mission of delivering world-class supply chain solutions to the global market responsibly and safely, while exceeding the expectations of all our stakeholders including our customers, suppliers, shareholders and associates. This CSR update is not only a benchmark of the progress we've achieved, but also an illustration of the promises and goals we have for the future. As part of building on our progress, we recently announced a new holistic strategy inclusive of ESG, "Werner Drive," which is explained in more detail below. Before closing, I would be remiss if I did not call out how proud I am of our drivers and associates who have gone above and beyond to get us to this point, and I eagerly anticipate the growth opportunities ahead.

– Derek J. Leathers
Chairman, President and Chief Executive Officer



Building on the "5Ts" strategy that we launched in 2015 as the framework to transform Werner into a company that consistently delivers value, in 2020 we added an "S" to emphasize our existing commitment to Sustainability and rebranded to our "5Ts + S" strategy. We recently announced the evolution of this strategy which will deliver enhanced value to all our stakeholders. "Werner Drive" incorporates sustainability, capital allocation, an outcome oriented approach to operations, a drive to innovate and a culture that supports and values our team members.



JOURNEY TO DATE

Q3'21

- July:** Published inaugural CSR report
- July:** Launched WernerBlue
- August:** Surpassed 2,000 drivers exceeding one million accident-free miles
- September:** Awarded *Supply and Demand Executive's 2021 Women in Supply Chain Award* (2 associates)

Q4'21

- October:** Earned EPA SmartWay Excellence Award for 5th consecutive year
- November:** Named a Top Company for Women to Work for in Transportation by the Women in Trucking (WIT) Association for the 4th consecutive year
- November:** Established stand-alone ESG Committee of our Board of Directors

Q1'22

- February:** Strengthened cybersecurity protection and compliance efforts

Q2'22

- April:** Launched WernerBlue Task Force
- May:** Recognized by 50/50 Women on Boards as a "3+" company for having three or more women on its corporate board of directors (4 of 9 board members are women)

Q3'22

- September:** Signed letter of intent to purchase 500 hydrogen internal combustion engines

- September:** Celebrated National Truck Driver Appreciation Week

- August:** Aligned with the Sustainability Accounting Standards Board (SASB) standards and United Nations Sustainable Development Goals (UN SDGs)

- July:** Created three additional Associate Resource Groups

- November:** Purchased a battery diesel hybrid vehicle and ordered 10 battery electric vehicle (BEV) trucks

- November:** Earned multiple 2022 Military Friendly® Designations: Military Friendly® Employers Gold Award, Top 10 Military Spouse Friendly Employer® and Military Friendly® Brand

- September/October:** Participated in CODE (Commitment to Opportunity, Diversity, and Equity) assessment

- March:** Continued pilot with original equipment manufacturers (OEMs) to use predictive maintenance and increase MPG efficiency

- May:** Recognized with three Dollar General awards: Dedicated Partner of the Year, Fresh Operation of the Year and Traditional Site of the Year

- April:** Launched a commercial pilot to test autonomous trucks in the Southwest region of the United States

- September:** Published update to inaugural CSR report

ESG RELATED BUSINESS UPDATES

VEHICLE ENHANCEMENTS

We have a commitment to investing in and testing alternative fuels and technology

- **Electric Vehicles:** We ordered ten Class 8 battery electric trucks to operate in Southern California in fleets where the extra weight and the limited range of the truck will not be a factor. We've also been testing battery electric yard trucks in our terminals.
- **Hydrogen:** We have tested a hydrogen fuel cell electric vehicle to better understand this technology. Compared to a battery electric truck, hydrogen fuel cell trucks have a higher mileage range, weigh less and refueling time is similar to a diesel truck. We expect to have another hydrogen fuel cell electric vehicle in our fleet in early 2024. We also signed a letter of intent to purchase 500 hydrogen internal combustion engines.
- **Hybrid:** We purchased and are testing a hybrid diesel battery-assist vehicle which reduces fuel consumption and emissions.



- **CNG:** We owned and tested Compressed Natural Gas (CNG) trucks over the years and plan to continue to do so. New CNG engines are being engineered that are expected to provide the same power and torque as a 15-liter diesel engine while being more reliable than previous models. With the use of CNG engines, we reduce emissions while still being able to use them in long-haul operations.
- **Idle Management / APUs:** One of the biggest challenges facing the truckload industry is reducing fuel consumption/emissions by minimizing tractor engine idling. Idling is often necessary as drivers must be comfortable during rest breaks and to maintain an adequate battery charge. All our sleeper trucks are equipped with idle management systems which automatically start and stop the engine, and maintain cab temperatures and battery charge levels. In some of our fleets where idling is more necessary, we are adding auxiliary power units (APUs). APUs provide the same driver and battery benefits as idling the engine, however they use approximately 75% less fuel than actual idling. We have ordered approximately 3,000 APUs which are expected to reduce carbon emissions by approximately 13% per truck.
- **Updated Fleet:** Werner is committed to maintaining a fleet consisting of late-model tractors and trailers. We operate late-model tractors averaging approximately 2 years old which provides the most fuel-efficient engine and aerodynamic technologies.

SOLAR USAGE AND ENERGY MANAGEMENT

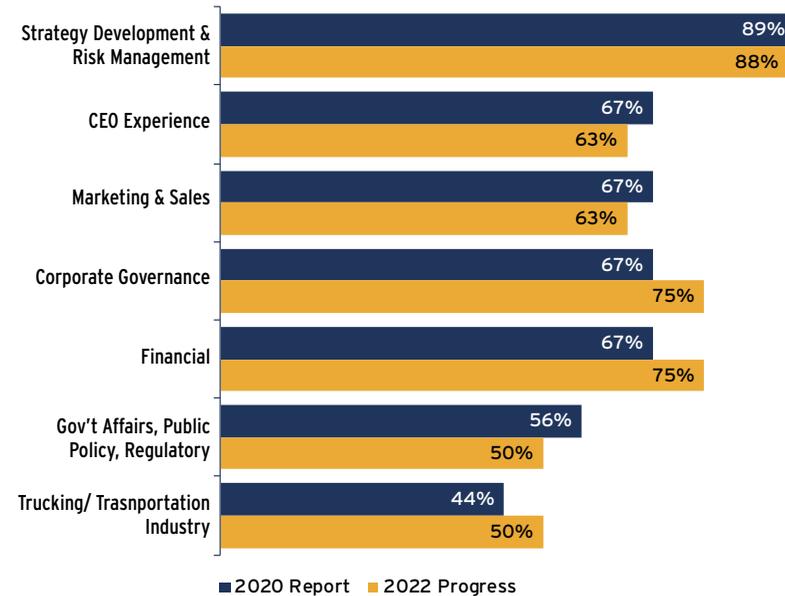
We are excited to have added a new 90,000 square foot facility that boasts a full array of solar panels on its roof. These panels produce enough energy to supply an average of 10% of the total energy needs for the building, resulting in ~\$31K in energy cost savings annually. The facility, located in New England, employs more than 130 individuals and has the capacity to run up to 50 trucks daily.



We are currently piloting solar panels on nearly 50 of our trucks with the goal of extending battery life and reducing the need for jump-starts. This tech will benefit our long-haul drivers, whose trucks are at a greater risk of losing charge during downtime. We've also started using solar-powered GPS devices on new trailers, versus battery-powered devices, to further reduce waste.

BOARD OVERSIGHT

SKILLS MATRIX



SPOTLIGHTS



CARMEN TAPIO

ESG Committee Chair

Carmen is founder and CEO of North End Teleservices, LLC, a business process outsourcing organization serving commercial and government entities. It is the largest Black-owned business in Nebraska, founded with the mission of community revitalization through the creation of new jobs in areas of high unemployment. The company is on the Inc. 5000 list of fastest-growing companies for the third consecutive year. Additionally, Carmen is the owner manager of Core Advantage Consulting and Forever North Real Estate as well as the founder of the non-profit Nebraska Black

Women United. Carmen is an active community and business leader as demonstrated by her role as incoming chair of the Greater Omaha Chamber of Commerce board of directors. Previously she served as Chamber chair of both the Diversity and Inclusion Council and the CEOs for Commitment to Opportunity, Diversity and Equity Council. She is a current director on the Federal Reserve Bank of Kansas City Omaha Branch board. In 2022, Carmen was named Nebraska's honoree of USA TODAY's Women of the Year award and was inducted into the Omaha Business Hall of Fame.

“CARMEN’S KNOWLEDGE AND EXPERIENCE, AS WELL AS HER EXTENSIVE EXPERIENCE ADDRESSING DIVERSITY MATTERS, WILL PROVIDE VALUABLE PERSPECTIVE.”

- Derek J. Leathers



MICHELLE LIVINGSTONE

Michelle served as VP, Transportation for The Home Depot in Atlanta from 2007-2021. During this time, she was a founding member of the Supply Chain Leadership Team

and served on the Environmental Council to drive sustainability efforts. From 2005-2007, she was SVP, Transportation for C&S Wholesale Grocers in Keene, New Hampshire and was Vice President - Transportation for J.C. Penney of Plano, Texas from 2002-2005. Livingstone was Senior Director of Supply Chain and Transportation for Kraft Foods of North America, Inc. of Madison, Wisconsin from 1985-2002.

Bringing more than 30 years of transportation and supply chain experience to Werner, Michelle has served as an officer in a Fortune 50 company for more than 13 years. Recognized as a champion for diversity and inclusion, she served as the VP advisor to The Home Depot's internal associate resource groups Women in Supply Chain, Women's Link and Velvet Hammers, which support female directors and above.

“MICHELLE’S EXTENSIVE TRANSPORTATION AND SUPPLY CHAIN EXPERIENCE, ALONG WITH HER PROVEN SUCCESS LEADING ENVIRONMENTAL AND INCLUSION INITIATIVES, WILL FURTHER STRENGTHEN THE DIVERSITY OF THOUGHT AND EXPERTISE OF OUR BOARD OF DIRECTORS.”

- Derek J. Leathers

COMMITTED TO BOARD DIVERSITY

56% OF OUR BOARD IS DIVERSE

89% OF OUR BOARD IS INDEPENDENT



Derek J. Leathers
Chairman, President and Chief Executive Officer



Scott C. Arves
Former Director, President & CEO, Transport America, Inc



Kenneth M. Bird
President & CEO, Avenue Scholars Foundation



Diane K. Duren
Former EVP, Chief Admin Officer & Corporate Secretary, Union Pacific Corp



Jack A. Holmes
Chairman, EmergeTMS; Former President, UPS Freight



Michelle D. Livingstone
Former VP, Transportation, The Home Depot



Vikram Mansharamani, PhD
Harvard University Lecturer



Carmen A. Tapio
Founder & CEO, North End Teleservices, LLC



Alexi A. Wellman
CEO, Altaba, Inc

MANAGEMENT OVERSIGHT

WERNERBLUE

In addition to board oversight of ESG, we also established management oversight through the creation of the WernerBlue Task Force, which launched in April 2022. The task force consists of 22 Werner team members, made up of senior leadership, board members and associates, to further the goals of WernerBlue.

The mission of the WernerBlue Task Force is to drive ESG strategies and priorities. This team works to consider current and emerging trends that might affect the business, operations, performance or image of Werner on issues such as sustainability, climate change, environmental protection, corporate responsibility, human rights, diversity and inclusion and the support of charitable organizations. This task force provides a diversity of ideas and supports the ESG Board committee.

Since activating the task force, the team has created five primary focus areas that are organized within sub-committees (below) of this group.



CURRENT WERNERBLUE SUBCOMMITTEES

CSR Report Team

- Leads CSR Report Update
- Sets new, ambitious forward-looking goals
- Plans for next CSR Report

Insights Team

- Researches current and emerging trends in ESG and associated impact to Werner
- Relates existing ESG landscape to Werner's current ESG strategy, both current and forward-looking

WernerBlue Workplace Group

- Educates and informs all associates about the importance of ESG
- Provides regular updates on the Company's current efforts and strategy
- Engages associates as part of company-wide ESG efforts
- Organizes events for associates as part of workplace efforts to achieve ESG goals

ESG "S" Team

- Works closely with Human Resources to advance recruitment and retention efforts, specifically to meet goals of increasing women and diverse talent in the management pipeline
- Proposes programs to increase diversity across the organization and champion Inclusion

Recycling Team

- Works to expand recycling program across all facilities



WernerBlue

“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. Welcome to WernerBlue.”

A CONTINUED COMMITMENT TO OUR ASSOCIATES

ASSOCIATE RESOURCE GROUPS

Werner is proud to support 10 Associate Resource Groups (ARGs). These groups support our commitment to promoting and maintaining an inclusive culture for all associates by bringing together individuals from a wide range of backgrounds, experiences and perspectives. The ARGs seek to foster a sense of shared community and empowerment for associates and allies who share and support a common social identity, such as gender, ethnicity and sexual orientation. All Werner associates who are interested can join an ARG to network, discuss and exchange ideas and enhance their professional development.

With a focus on Inclusion, we have expanded our ARG offerings:

- **WLA** (Women’s Leadership Alliance)
- **Blue Brigade** (community/volunteer)
- **WEVets** (veterans)
- **YEL** (Young Emerging Leaders)
- **WE Pride** (LGBTQ+)
- **WEAsME** (Asian/Middle Eastern)
- **Sociedad Werner** (Hispanic/Latino)
- **WEBold** (Black Organizational Leadership Development)
- **WEBelieve** (faith-based)
- **ADAPT** (Able & Disabled Allies Partnering Together)

Overall:

- Over 1,150 ARG members
- 20% ARG membership increase year-over-year
- All senior executives are members of at least one ARG
- Members are spread throughout the United States, Canada and Mexico

In the last year:

- ARGs have hosted over 115 networking activities, education programs, and outreach efforts
- Over 2,500 activity participants

MILLION MILE DRIVER STATS

Over our company’s existence, we’ve had a total of 2,092 drivers who have driven more than one million miles, accident free. 6.7% are female and 16.1% are veterans.

1,726 drivers have exceeded **one million** accident-free miles (82.5%)

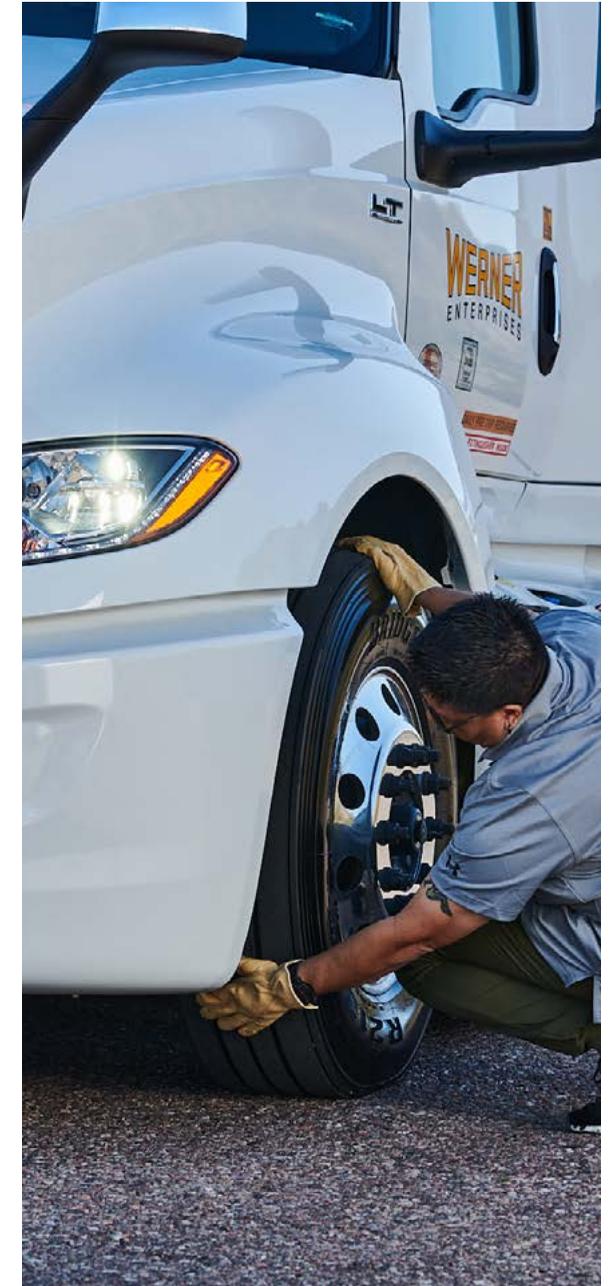
311 drivers have exceeded **two million** accident-free miles (14.9%)

44 drivers have exceeded **three million** accident-free miles (2.1%)

10 drivers have exceeded **four million** accident-free miles (0.5%)

1 driver has exceeded **five million** accident-free miles

*Numbers are as of August 29, 2022



VOLUNTEER TIME OFF

In June 2022, Werner added a Volunteer Time Off (VTO) program to the list of employee benefits. Werner’s new VTO program is meant to support volunteer activities that enhance and serve the communities in which we live and work, while enriching and inspiring the lives of our employees. The VTO program offers employees paid time off to volunteer during working hours.

GOALS

	Report Released in 2021	2022 Progress Update	New Goals
 ENVIRONMENT	By 2025, disclose Scope 1 and Scope 2 greenhouse gas emissions	<ul style="list-style-type: none"> Disclosed Scope 1 absolute emissions Scope 2 disclosure in progress 	By the end of 2024, build a waste and energy scorecard that measures progress around waste reduction and electricity use
	By 2035, 55% reduction in greenhouse gas emissions	<ul style="list-style-type: none"> Absolute emissions reduced YoY: transitioning to intensity disclosure by 2025 	
	Double intermodal usage by 2030, thereby further reducing emissions	<ul style="list-style-type: none"> 11.2% increase in intermodal volume YoY 	
 SOCIAL	By 2025, double associate training hours devoted to human trafficking awareness	<ul style="list-style-type: none"> Completed: more information on right 	By the end of 2023, launch a formalized supplier diversity program
	By 2022, create an advancement and retention plan to increase and elevate women and diverse talent in the management pipeline	<ul style="list-style-type: none"> Completed June 2022: Plan is in place and new programs are being implemented 	By the end of 2023, roll out anti-trafficking training to all Werner office associates
	By 2022, institute an employee volunteer hours program	<ul style="list-style-type: none"> Completed June 2022 	By the end of 2023, launch next-generation employee engagement survey with updated metrics focused on ESG and Diversity, Equity and Inclusion (DEI) initiatives , while incorporating feedback in future HR-related strategic planning
	By 2025, double Blue Brigade volunteer hours to +3,300 annually	<ul style="list-style-type: none"> Progressing toward goal 	By the end of 2024, as part of our larger DEI strategy, launch a specific driver communication plan to increase awareness of company-wide DEI efforts
 GOVERNANCE	By 2022, create a standalone ESG board committee	<ul style="list-style-type: none"> Completed January 2022 	By the end of 2023, name a Lead Independent Director on our Board of Directors
	By 2022, form a task force made up of senior leadership, associates and board members to further the goals of WernerBlue	<ul style="list-style-type: none"> Completed April 2022: consists of 22 team members 	

● On Track ● Complete

Our Fight Against Human Trafficking Continues

Werner is a leader in industry-wide efforts to combat human trafficking. With over 10,000 drivers who travel throughout the United States, we can undoubtedly make an impact to help this cause. By educating our associates, they are equipped with the tools to spot potential victims and confidently address the situation.

From July 2021 to present day:

- Established company policy regarding anti-trafficking, which is published in our handbooks
- Participated in United Against Slavery's National Outreach Survey for Transportation
- Spent 5,300 training hours devoted to human trafficking efforts for Werner drivers; over 3,200 training hours for our Roadmaster driving school students/graduates
- Met our goal to double our training time by year 2025 in first quarter of 2022
- Continue to partner with state and governmental agencies who require equipment for staging to help with targeted trafficking cases
- Recognized the Department of Homeland Security's Blue Campaign on January 11th, which is Human Trafficking Awareness Day
- Annualized, our drivers reached out to the National Human Trafficking Hotline (NHTH) through our Driver Werner Pro application over 120 times

By the end of 2023, our goal is to roll out anti-trafficking training to all Werner office associates. We will continue to monitor our professional drivers' engagement in reaching out to the NHTH through our Drive Werner Pro mobile app.



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.

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