Werner Enterprises' Sustainability

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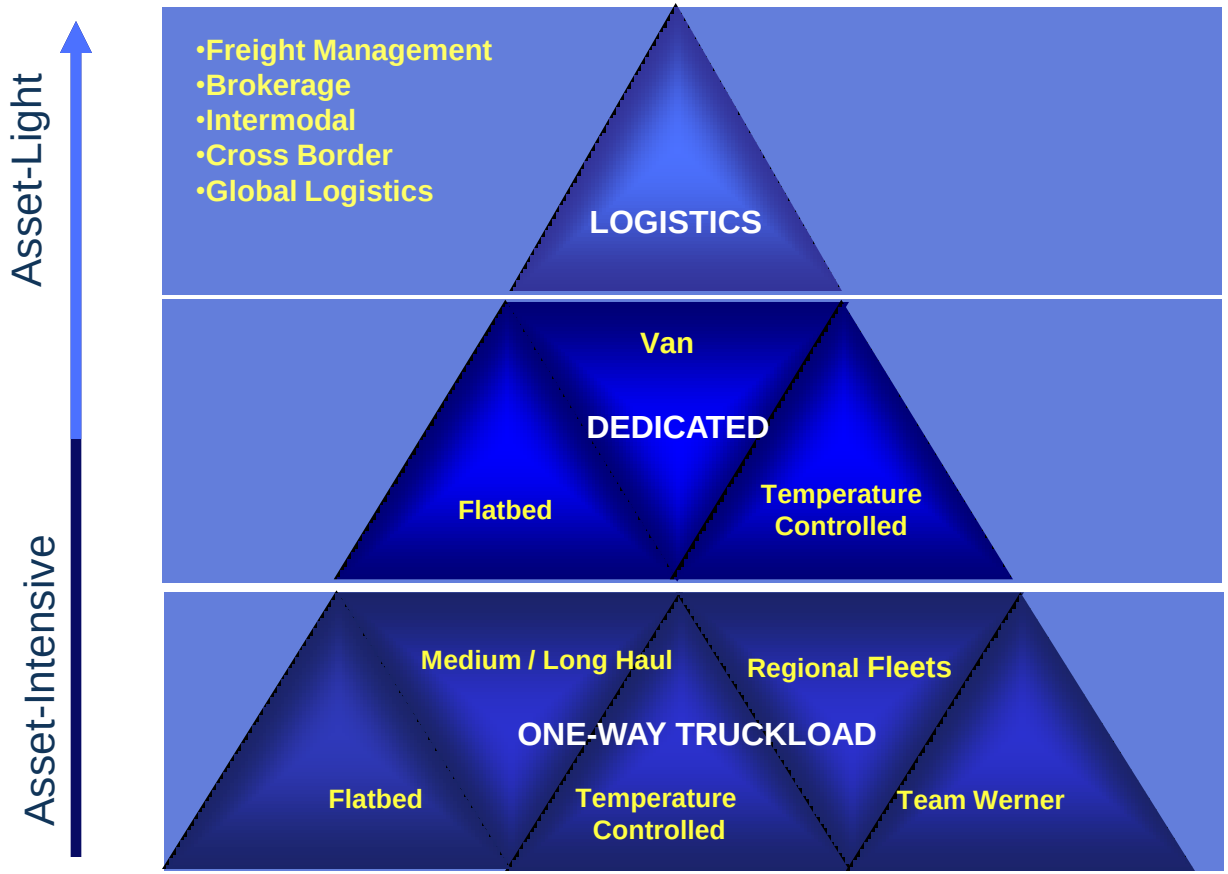
WERNER ENTERPRISES

WERNER GLOBAL LOGISTICS

Werner Enterprises Profile

- Premium provider of Truckload Transportation and Logistics services
- Offices throughout North America, Australia and Asia
- 7,210 trucks, 23,900 trailers, over 6,400 Alliance Carriers in Truckload, Intermodal, LTL, Ocean and Air services
- 2009 Revenue: $1.67B
- 2009 Net Income: $57M
- World Headquarters: Omaha, NE
- NASDAQ: WERN

Company Profile Strategy



SmartWay Transport Partner
Getting There With Cleaner Air

AN INBOUND LOGISTICS
GREEN SUPPLY CHAIN PARTNER
2010

Green Initiatives

Going beyond compliance, Werner Enterprises is continually exploring new avenues to invest in sustainability and to reduce emissions.

WERNER ENTERPRISES
WERNER GLOBAL LOGISTICS

Green Initiatives

Werner Enterprises is a SmartWay[SM] Transport partner, which is a collaboration between the EPA and the freight industry to increase energy efficiency and reduce air pollution. ***Werner has earned a Shipper Index Factor score (SIF) of 1.25, the highest possible.***

Fuel efficiency initiatives:

- Aerodynamic Trucks
- Installation of Auxiliary Power Units (APUs)
- Newest Diesel Engine Technology
- Computerized Truck Idling Program and Paperless Driver Log System

SmartWay[SM] Transport Partner
Getting There With Cleaner Air

Company-wide recycling programs:

- 7,210 trucks and 13,000 employees committed to saving the environment
- Programs that recycle: oil, tires, paper and aluminum

AN INBOUND LOGISTICS
GREEN SUPPLY CHAIN PARTNER
2010

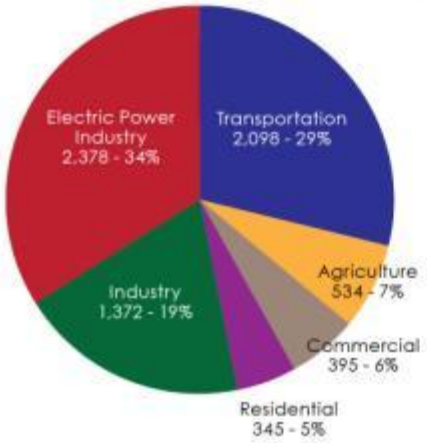
Werner's Impact

- 5.5 million more gallons saved in 2009 compared to 2008
- $12 million saved in 2009 compared to 2008
- Eleven consecutive quarters of YOY improvement of fuel mpg
- Reduction in carbon footprint= 61,000 Tons saved compared to 2008

Industry Trends

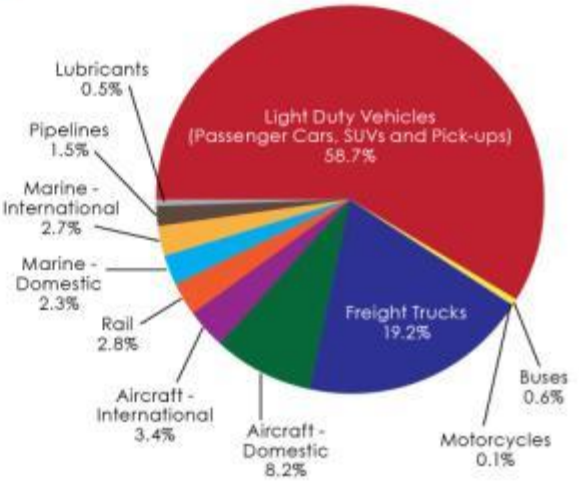
U.S. Department of Transportation's April 2010 report to Congress included the following data:

U.S. Greenhouse Gas Emissions by End Use Economic Sector, million metric tons CO2 equivalent 2006



Source: U.S. EPA (2008). *Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990 - 2006.*

U.S. Greenhouse Gas Emissions by Transportation Mode 2006



Source: U.S. EPA (2008). *Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990 - 2006*, pages 3-9, 3-30, 3-31.

Regulations

The Cleaner Air Regulation Timeline

2002	2004	2007	2010
The Washington-based U.S. EPA required new heavy-duty diesel engines to emit no more than 0.1 grams (of emissions) per brake horsepower hour.	Rules were expanded to include medium and light-duty diesel truck engines.	PM Emission requirements decreased to 0.01 NOx to 0.2 and NMHC to 0.14	Phase-in complete. New diesel engines in 2010 will produce less than 10 percent of the emissions of 2001 models.

On Dec. 12, 2008, the California Air Resources Board (CARB) approved a new regulation to significantly reduce emissions from existing on-road diesel vehicles operating in California.

The regulation requires:

- Affected trucks and buses to meet performance requirements between 2011 and 2023
- By Jan. 1, 2023, all vehicles must have a 2010 model year engine or equivalent
- Applies to all on-road, heavy-duty diesel fueled vehicles with a gross vehicle weight rating (GVWR) greater than 14,000 pounds

Challenges

- Financial Stability
  - Many sustainability initiatives require capital investments
- Organizational Commitment
  - Dedicated resources are needed for specialized committees, networking with legislative bodies and monitoring regulation changes and compliance
- Sources of Information
  - Where to go for information?
  - Many carriers have partnered with SmartWay[sm]

Solutions

- Behavior Modifications
  - Obtainable with little to no capital investment
- Equipment Modifications
  - Optimized for fuel consumption and emissions reductions are highly effective but do require capital investments
- Initiatives in Testing
  - Indicator of carriers who are looking at long-term compliance
  - Requires capital investments

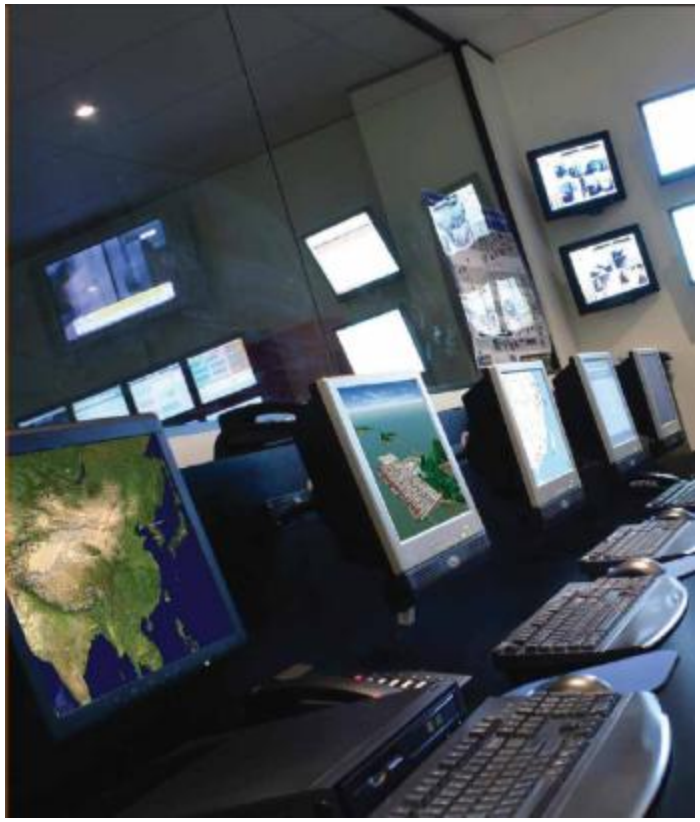
Behavior

Idling Reduction Behavior to Reduce CO_2 and NOx Emissions

- Combination of APU, Teams and Slip-Seat Drivers

- Strict engine shut down policies
- Strict maximum allowable idle percentages

Improved Freight Logistics Strategies



- More intelligent routing designs that reduce the total number of miles
- An increased utilization of cargo space inside trailers and containers results in fewer trucks needed to move the same amount of cargo
- A conversion of shipments from less-than-truckload (LTL) to full truckload (FTL) results in fewer vehicles on the road and the most efficient use of the mode
- Intermodal options save money and cut down on emissions
    - Trailers, rail controlled containers and ISO containers moved on rail can be a very efficient way to achieve sustainability
- Look for situations where typical over-the-road moves can be blended with a truck/rail solution

Driver Training Program

Green driver training should begin at orientation. Areas where driver behavior can have an impact on fuel consumption include:

- Equipment maintenance
- Eliminating unnecessary truck engine idling
- Auxiliary Power Unit usage
- Minimizing out-of-route miles
- Implementing proper driving habits
    - Speed
    - Acceleration
    - Progressive Shifting

Equipment

Auxiliary Power Units (APU)

- Over 70 percent of fleet is currently equipped with APU's
- Approximately 4,200 trucks equipped with diesel APU's
  - 300 Electric and 450 with Espar heaters

Weight Reduction Strategies

We are aggressively pursuing weight reduction in both our tractors and trailers.

Key items of focus:

- Reducing wheel base length
- Super Singles
- Dead or non-driver rear axles on tractors
- Smaller sleepers
- Reducing fuel tank size and fuel limitations
- Aluminum wheels on trailers
- Aluminum cross members on trailers
- Center fuse brake drums
- Various 5 to 15 pound components that maintain durability

Tire Strategies

Currently testing wide-based tires from various manufacturers

- Tested for both MPG savings and tire consumption reduction
- Both super single and dual applications are using an automatic tire inflation system

- Preliminary findings are positive in both MPG savings and tire tread wear

Equipment Initiatives

1. Ultra Low Sulfur Diesel Fuel (ULSD)
2. Lowered idle rpm
3. Advanced lubricant
4. Automatic engine shut-offs
5. Minimized tractor-trailer gap
6. Lighter weight equipment
7. Wheel covers
8. Single drive axle
9. Trailer boat tails
10. Automated tire inflation
11. Aerodynamic tractor models
12. Stationary fifth wheel
13. Speed reduction
14. Trailer skirting

Other Initiatives in Testing

- Electric APU's
  - 300 units with zero emissions
- Rolling Road Wind Tunnel Testing
  - Multiple equipment tests have been conducted at the Auto Research Center (ARC) in Indianapolis to determine wind drag and fuel savings
- Fly-swatter mud flaps
  - Creates less wind resistance by allowing wind to pass through
- Max Highway Speed
  - A 62 mph maximum highway speed is currently being tested in select Net Op and Dedicated fleets

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