



WERNER

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Lunch and Learn- 1/19/2023
Werner's Employee Stock Purchase Plan

Werner's Employee Stock Purchase Plan

AGENDA

- Your benefits team
- What is an Employee Stock Purchase Plan? (ESPP)
- Why contribute?
- Eligibility and basic plan information
- What are the tax consequences?



WERNER'S ESPP Benefits Team



Becky Norton

401K & ESPP Administrator



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Werner's Employee Stock Purchase Plan

- Publicly traded company since 1986 (Nasdaq: WERN).
- Traded on a national stock market exchange.
- As an employee, you have a unique opportunity to also take part in our Employee Stock Purchase Plan as a Werner shareholder.



Werner's Employee Stock Purchase Plan

What is an Employee Stock Purchase Plan (ESPP)?

- A company managed program where employees can purchase company stock directly through the company.
- According to an Aon article from 4/2020, only 49% of S&P 500 companies and 38% of Russell 3000 companies offer an ESPP.
- This is a valuable perk of working at Werner.

How does Werner's ESPP work?

- You do payroll deduction or send in a check
- Stock is purchased quarterly at the market price
- Werner will contribute ***an additional 15%***



Werner's Employee Stock Purchase Plan

Why contribute? Here are 10 reasons:

1. Pay yourself first. Contributions are automatically deducted.
2. Free Money!
3. Your Money!
4. Easy investing.
5. Dollar cost averaging.
6. Another financial tool in your toolbox.
7. Social Security won't be enough.
8. It's Exclusive! This is only available to associates who work at Werner.
9. Psychological benefit- more skin in the game!
10. It makes the Quarterly Update Meetings even more fun!!!



Werner's Employee Stock Purchase Plan

Werner Stock History

Year close in 2000- \$5.28

Year close in 2005- \$10.49

Year close in 2010- \$16.48

Year close in 2015- \$19.47

Year close in 2020- \$38.44

Year close in 2022- \$40.26

*Note- Past Performance is not a guarantee of future performance

** Historical prices obtained from Yahoo Finance



Werner's Employee Stock Purchase Plan

When am I eligible for the ESPP?

- After 90 days employment working a minimum of 20 hours per week.
- Entry at the beginning of each quarter.
- Enrollment information must be submitted at least two weeks before the calendar quarter begins.

How do I enroll?

- Go to shareowneronline.com.
- Under "Enroll In Employee Plan" select "View Your Employee Plan"
- Select "Enroll in Employee Plan."
- Under "Employee Plan Companies" type "Werner Enterprises, Inc."
- Under "Plan Enrollment" select "Enroll Now/Edit."
- Enter "Employee Number" and "Tax Id Number" (Social Security #) and select "Authenticate."
- Once enrolled, your payroll deduction will continue until you stop your deduction, change the amount of your deduction, or leave Werner.

Werner's Employee Stock Purchase Plan

Can I access my account online?

- Yes! Once you are enrolled and your first purchase has been made, you will receive an account statement from EQ.
- Access your account online through www.shareowneronline.com.
- You will need your Account Number, which can be found on your statement, and your Employee ID Number to complete your online account access.
- Select "Sign up Now!" and you will be instructed to create a username, password, and provide an answer to one of the pre-defined security questions.
- Account statements are sent to those that had a quarterly purchase that quarter.
- Statements are mailed approximately 3 business days after the purchase is accepted.
- You also have the ability to view your account information, submit transactions, and elect to receive your account statements online through eDelivery by accessing shareowneronline.com or by calling 866-230-1974.

Werner's Employee Stock Purchase Plan

How much can I contribute?

- Minimum of \$260 per year
- Maximum of \$20,000 per year

How can I contribute?

- Payroll Deduction
 - Paid weekly- Between \$5 and \$384 per pay period.
 - Paid biweekly- Between \$10 and \$769 per pay period. **OR**
- Single Annual Payment
 - Cannot exceed the Plan maximum of \$20,000 in any calendar year, either by itself or when combined with payroll deductions.
 - Must have your election form and payment no later than fifteen (15) days before the end of the quarter.
 - Please return completed form with your check to:
ESPP Administrator, Werner Enterprises, Inc., P.O. Box 45308, Omaha, NE 68145-0308

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Where do my contributions go?



- Werner partners with EQ Shareowner Services to manage our ESPP
- Your contributions are held through the quarter and are paid interest
 - Stock is purchased each quarter in January, April, July and October at the market price at time of purchase.
 - Whole and fractional shares.
 - Quarterly dividends are reinvested to purchase additional shares.
- Werner contributions
 - Werner contributes an additional 15% of your contribution. (Taxes are withheld from company contribution)
 - Werner Stock Price: \$40
 - Quarterly Payroll Deduction: \$400
 - 15% Match: \$60
 - Estimated interest: \$2.50
 - Less Taxes: (\$22.50)
 - Total Contribution: $\$440 / \$40 \text{ share price} = 11 \text{ shares of stock}$

Werner's Employee Stock Purchase Plan

What if I want to make a change to the amount I'm contributing?

- You can increase, decrease, or stop your contribution amount at any time, up to a max of 2 changes each calendar year.
- Changes must be received at least two weeks before the quarter begins to become effective at the beginning of that calendar quarter.
- **How do I stop contributing?**
- Go to www.shareowneronline.com
- Choose the Stop Contribution option
- Print the Stop Contribution form located at shareowneronline.com and return to Werner.
- Your contribution will not be stopped mid-quarter unless you return the Stop Contribution form to Werner.
- You may not re-enter the ESPP for a period of six months after stopping your contribution.

What happens to my contributions if my employment ends?

- Your ESPP participation will end once your employment with the company ends.
- The accumulated balance can remain at EQ in a non-ESPP account, be sold (either in full or partially), or transferred to a brokerage account.
- Any fractional shares must be sold.

Werner's Employee Stock Purchase Plan

What if I want to sell my shares?

- You can sell your ESPP shares through EQ Shareowner Services and have the proceeds sent to the address for your account.
- Sale proceeds will be reported on IRS Form 1099-B.

Can I sell at any time?

- Must be in accordance with our Insider Trading Policy
- Some positions have restrictions on when they can buy or sell

Can I transfer shares to my broker?

- Yes, but must be full shares
- Fractional shares will remain in the plan
- Shares transferred will no longer have funds reinvested

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Are there any fees?

- You are responsible for all fees and trading commissions on sale transactions
- Werner will pay all fees and trading commissions related to the purchase of shares and reinvestment of dividends, if applicable.

Are there any tax consequences?

- The company contribution will be included as compensation in your annual W-2
- Applicable taxes are withheld.

The ESPP document and prospectus is available at shareowneronline.com

Werner's Employee Stock Purchase Plan

QUESTIONS?

Contact Werner's Benefits Department at 877-856-7711 option 7
or email us at stockpurchaseplan@werner.com

Thank you!



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FOR MORE INFORMATION, VISIT WERNER.COM

