

Werner Employee Stock Purchase Plan Lunch and Learn Questions and Answers

1. What are the reasons it's a good idea to contribute?

- Pay yourself first.
- The company match is free money you are leaving on the table if you don't participate.
- It's your money that you can take with you if you leave Werner.
- It's an easy way to invest since it automatically deducts each check.
- Dollar cost averaging.
- Another financial tool in your toolbox.
- Social Security won't be enough.
- It's Exclusive! This is only available to associates who work at Werner.
- Psychological benefit- more skin in the game!
- It makes the Quarterly Update Meetings even more fun!!!

As employees of a publicly traded company, one of our responsibilities is to maximize shareholder value. If you are an employee and a shareholder, you reap the rewards of a successful business in two ways. We maximize shareholder value when we do our jobs well because the company becomes a better place to work and a better investment for shareholders. For example, if you work in Safety, and you help us be a safer place to work, if you work in HR and you make it a better place to work, or if you work in Legal or Risk and you help us reduce and eliminate risks, these all impact Werner's performance. Every department and every employee has the potential to improve Werner. If we perform well that impacts our bottom line, which makes Werner a more attractive investment and can in turn cause the stock price to increase. If you are an employee AND a shareholder, then your efforts at work also help maximize your own net worth. In this way participation in the ESPP is a win-win and is one of the reasons the company offers this benefit along with a generous 15% match.

2. How do I sell the stock, and can I do it at any time?

You can sell your ESPP shares through EQ Shareowner Services. The proceeds will be sent to the address for your account. Sale proceeds will be reported on IRS Form 1099-B. Sales must be done in compliance with our insider trading policy, which is distributed frequently to all employees. Designated insiders have certain times when they cannot buy or sell shares, as spelled out in the policy. Others can sell whenever, assuming they do not know material non-public information. If you are unsure, you should ask first. The Insider Trading policy also applies to timing of purchases, but if participants use payroll deduction, there are no limitations.

3. How soon after quarter end can I sell shares?

Werner typically sends the funds to EQ within 2 business days after the quarter ends. It typically takes a few days for EQ to buy all the shares, allow for 2-day trade settlement per SEC regulations, and then allocate the shares to the participant accounts.

4. Is there any incentive to buying WERN stocks through this program versus buying in the open market?

Yes, when you purchase stock through the Employee Stock Purchase Program, you receive the 15% match.

5. What is the vesting schedule?

You are immediately vested in your contributions and the 15% match under the Employee Stock Purchase Program.

6. What broker will be the administrator for my stock?

EQ Shareowner Services

7. Can I transfer my shares to my broker of preference?

Yes, you can transfer FULL shares from the plan to a broker account. Fractional shares must remain in the plan. Shares transferred to a broker will no longer have dividends reinvested; only shares in the plan have dividends reinvested.

8. Do we earn dividends with the ESPP?

Yes, as a shareholder you will earn dividends. Werner is a dividend stock. The company has paid a quarterly dividend every quarter since 1988. <https://investor.werner.com/stock-information/dividend-history/default.aspx> On occasion, Werner also has paid special dividends. Dividends increase return for shareholders. Under the ESPP, these dividends are reinvested and used to purchase additional shares. Thus, dividends allow your stock holdings to grow and, as your share ownership increases, any dividend paid would also be larger because they are paid per share.

9. How would my dividends be distributed?

They're reinvested to purchase additional shares. They are not distributed in cash.

10. Would I be responsible for any administrative or account maintenance 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.

11. Are there any tax penalties if I sell my stock?

There are no penalties. The purchases are made with after tax dollars. The company contribution is included as compensation in your annual W-2 and applicable taxes are withheld.

12. What happens to my stock upon retirement or disaffiliation with Werner?

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.

13. Is the stock purchased at the start or the end of the quarter?

The stock is purchased during the first few days of a calendar quarter with employee contributions that occurred during the quarter that just ended. For example, funds that are payroll deducted in the first quarter will occur around April 3-4th.

14. Are associates from Mexico and Canada associates eligible to purchase?

Yes, however, non-US participants are not able to enroll online. They must complete paper enrollment forms and return them to Brian Robson (Canada) or Patricia Morales/Alejandra Ponce (Mexico).

15. Are deductions pre or post tax?

Employee payroll deductions are post tax. The employer match and interest are added to income and taxed prior to the quarterly purchase.

16. If my stocks are transferred, will that generate a taxable event?

Transferring shouldn't create a taxable event if shares are not sold during the transfer.

17. How much time do we have to transfer the money after employment ends?

Participation in the program ends immediately. Regarding transferring the money, we send a file on a quarterly basis that includes any terminated participants. EQ Shareowner Services will send communication to former employees explaining the options available to them which include leaving the shares at EQ but not in the Plan, selling shares, or transferring shares to a brokerage account. If EQ does not receive a response after approximately 30 days, they will transfer the full shares out of the Plan account at EQ and into a common shareholder account at EQ. At that point, the shares are no longer in the Plan, and can remain at EQ indefinitely. Any fractional share would be sold, with proceeds sent to the former employee.

18. How do I find my account number to be able to register on the website?

You will receive an account statement after your first purchase that contains your account number. You will need that information in order to register online. You can also reach out to our ESPP Admin, Becky Norton, for assistance in getting that account number.

19. What if I contribute less than \$260 per year? Do I still receive the 15% match?

All contributions receive the 15% match. Match and interest are accumulated on each employee stock purchase payroll deduction. The participant must elect to contribute the minimum per pay period deduction (\$5.00 for weekly pay and \$10.00 for bi-weekly). This puts them on pace to contribute the \$260.00 annual minimum, but if they do not meet the \$260.00 requirement because they stop contributing or are on an unpaid leave or some other circumstance, they already earned their previously reported match and interest even if they do not meet \$260.00 for the entire year.

20. Can you explain why stock is only purchased quarterly – rather than more frequently for better dollar cost averaging?

ESPP plans have a defined offering period, which is outlined in their plan documents and vary between plans. Werner's plan does this quarterly since it wasn't administratively feasible to do it more often, and a quarterly offering period is common with employee stock purchase plans. While you may not have the benefit of more frequent purchases for dollar cost averaging, you gain the benefit of the company match. In addition, as of early 2023 associates receive 5.25% annual interest on their payroll contributions prior to the purchase being made.