

**WERNER ENTERPRISES, INC.**  
**COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS**  
**CHARTER**

*As approved and amended by the Board of Directors on March 15, 2007.*

**I. PURPOSE**

The primary functions of the Compensation Committee (the "Committee") are to: (i) oversee the policies of Werner Enterprises, Inc. (the "Company") relating to the compensation of the Company's executive officers and directors; (ii) annually review and discuss the Compensation Discussion and Analysis (the "CD&A") so as to determine whether to recommend that the CD&A should be included in the Company's annual report, proxy statement or other appropriate document(s) filed with the Securities and Exchange Commission (the "SEC"); and (iii) prepare a Compensation Committee Report about this process. The Committee's duties and responsibilities are more specifically enumerated in Section V. of this Charter.

**II. COMPOSITION**

The Committee shall be comprised of three or more directors, each of whom shall be (i) "non-employee directors" as defined by Rule 16b-3 of the Securities Exchange Act of 1934, (ii) "outside directors" as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), and (iii) "independent" as defined in the applicable listing standards of the Nasdaq Stock Market, Inc. The Nominating and Corporate Governance Committee, in consultation with the Chairman of the Board, shall recommend members for appointment to the Committee to the Board of Directors (the "Board") for its approval.

The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board or until their successors shall be duly elected and qualified. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership. No member of the Committee may be removed except by a majority vote of the independent directors of the Board then in office.

**III. MEETINGS**

The Committee shall meet at least annually, or more frequently as circumstances dictate. Special meetings of the Committee may be called by the Chairman of the Board or any member of the Committee.

Any member of the Board who is not a member of the Committee may attend any Committee meeting with the concurrence of the Committee Chair or a majority of the members of the Committee. The Committee may, to the extent consistent with maintaining the confidentiality of compensation discussions, invite the Company's Chief Executive Officer (the "CEO") to participate in Committee meetings, but if present during any deliberations of the Committee, the CEO may not vote. The CEO may not be present during any discussions and deliberations of the Committee regarding the CEO's compensation.

#### **IV. RESOURCES**

The Committee shall have the authority to retain, terminate and compensate such consulting firms, outside counsel, experts and other advisors as it determines appropriate to assist in the full performance of its functions. The Committee shall also have the authority to conduct or authorize investigations into any matters within its scope of responsibilities and shall have the authority to retain and compensate outside advisors to assist it in the conduct of any investigation.

The Committee may request any officer or employee of the Company or the Company's outside counsel to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Committee shall determine the extent of funding necessary for payment of compensation to any consulting firm, legal, or other advisors retained to advise the Committee.

#### **V. RESPONSIBILITIES AND DUTIES**

The responsibilities and duties of the Compensation Committee shall be to:

1. Establish the Company's general executive compensation policies, in consultation with senior management, and ensure that such policies are appropriately competitive to enable the Company to recruit, retain and motivate a group of talented executives. Additionally, such policies should support the Company's objectives and stockholder interests.
2. Develop and document a comprehensive compensation philosophy, policies and program.
3. Meet annually with the CEO to discuss corporate goals and performance results.
4. Review corporate goals and objectives relevant to the compensation of the Chairman, Vice Chairman, President and CEO, and periodically evaluate the performance of these executives in light of such goals and objectives. The Committee shall set the compensation of these executives, including determination of their base salary, annual incentive bonus and long-term incentive awards. In determining the long-term incentive component of compensation, the Committee will consider relevant factors, including the Company's performance and relative shareholder return, the value of similar incentive awards to executives at comparable companies and the awards given to these executives in past years.
5. Review and approve the compensation of all other executive officers of the Company, as defined by the SEC, in accordance with the Company's general executive compensation policies as determined by the Committee, including

development of an appropriate balance between short-term pay and long-term incentives while focusing on long-term shareholder interests.

6. Periodically review policies in the area of executive perquisites and “fringe” benefits.
7. Identify, in consultation with senior management, any executive officer who is or may become subject to Section 162(m) of the Internal Revenue Code and oversee compliance with respect to compensation matters.
8. Oversee the preparation and drafting of the CD&A required to be included in the Company’s Annual Report on Form 10-K (usually through incorporation by reference from the proxy statement) and the proxy statement for the annual meeting of stockholders. Review and discuss the CD&A with management, and recommend to the Board of Directors that the CD&A be included in the Company’s Annual Report on Form 10-K and the proxy statement for the annual meeting of stockholders.
9. Prepare and sign the annual Compensation Committee Report for inclusion in the proxy statement providing (i) a statement that the Compensation Committee has reviewed and discussed the CD&A with management and (ii) a statement that based on the review and discussions with management, the Compensation Committee’s recommendation to the Board of Directors that the CD&A be included in the Company’s Annual Report on Form 10-K and the proxy statement for the annual meeting of stockholders.
10. Review and recommend to the Board compensation policies for the outside directors.
11. Review and update this Charter periodically as conditions dictate.
12. Review and make recommendations to the Board with respect to the adoption of incentive-compensation plans and equity-based compensation plans, including any amendments to such plans.
13. Administer the Company’s equity-based compensation plans, including the determination of (i) recipients of awards, (ii) the number of shares subject to such awards, (iii) the dates such awards are granted and exercisable, (iv) whether or not such awards are exercisable in installments and (v) any other terms of the awards consistent with the terms of such plans.
14. Plan for executive development and succession.
15. Perform any other activities consistent with this Charter, the Company’s By-Laws and governing law, as the Committee or the Board deems necessary or appropriate.

## **VI. RELIANCE ON OTHERS**

Unless a Committee member has knowledge that makes reliance unwarranted, each Committee member, in discharging his or her duties to the Company, may rely on information, opinions, reports or statements, any of which may be written or oral, formal or informal, including financial statements, valuation reports and other financial data, if prepared or presented by: (i) one of more officers or employees of the Company whom the Committee member believes in his or her reasonable business judgment and good faith to be reliable and competent in the matters presented; (ii) compensation consultants, legal counsel or other persons as to matters which the Committee member believes in his or her reasonable business judgment and good faith to be within the professional or expert competence of such person; or (iii) another committee of the Board of which such Committee member is not a member if the Committee member believes in his or her reasonable business judgment and good faith that such committee merits confidence.