

BNSF LOGISTICS

CORPORATE RESPONSIBILITY REPORT

DELIVERING WHAT MATTERS

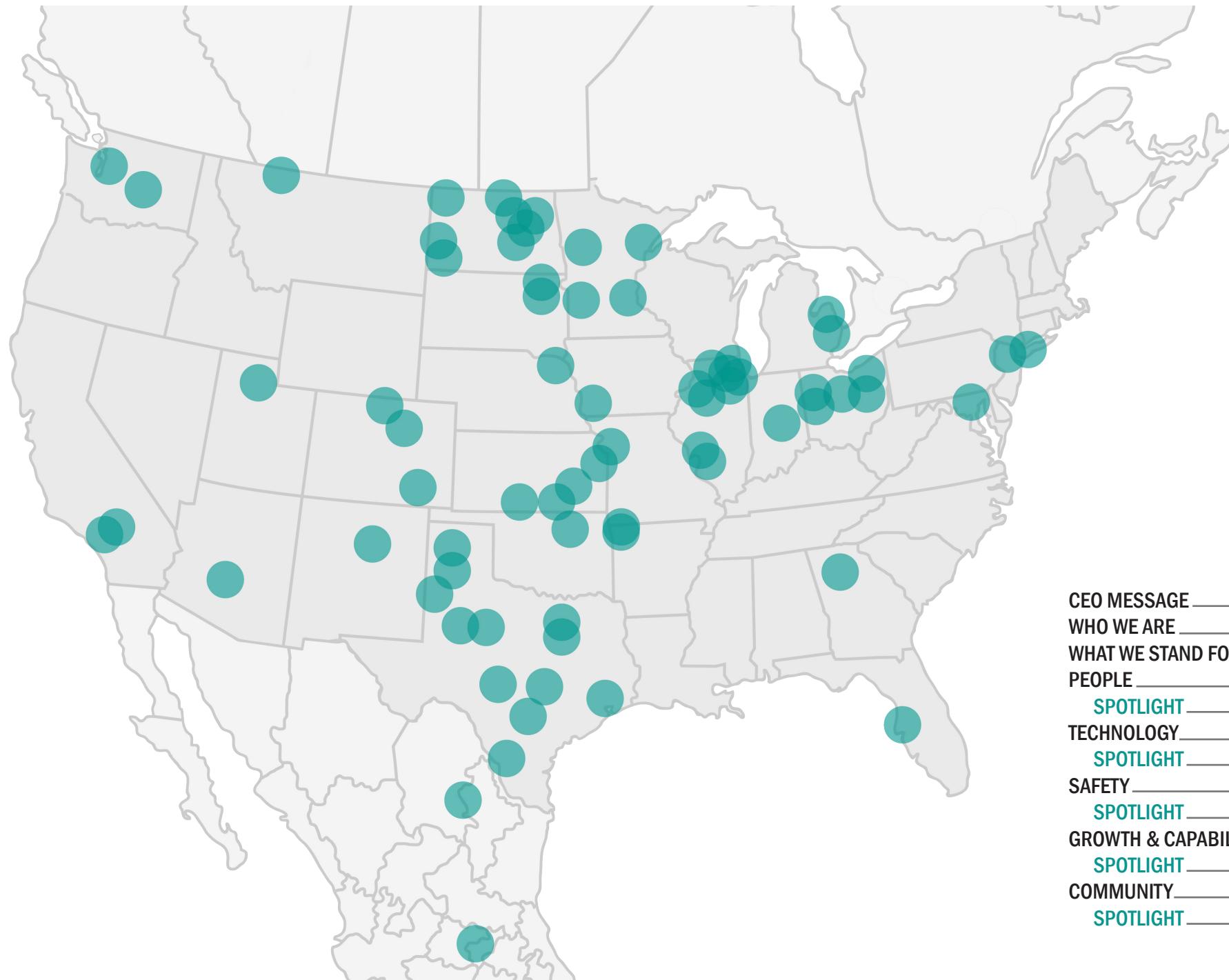




“

The best time to plant a tree was 20 years ago. The second best time is now.

”



CEO MESSAGE	4
WHO WE ARE	5
WHAT WE STAND FOR	5
PEOPLE	6
SPOTLIGHT	9
TECHNOLOGY	10
SPOTLIGHT	13
SAFETY	14
SPOTLIGHT	17
GROWTH & CAPABILITIES	18
SPOTLIGHT	21
COMMUNITY	22
SPOTLIGHT	24

CEO MESSAGE

Although this is our first such Corporate Responsibility Report, we are confident this effort will grow as we continue our journey of serving our customers and communities in a more innovative, strategic and sustainable way.

We have spent two decades managing the flow of items both big and small over land, through the air and across the sea. When viewed one job at a time, the potential impact to the world around us doesn't seem very significant. When viewed collectively, however, the size of our company's—and our industry's—footprint becomes clearer.

By being deliberate in the services we provide and the solutions we recommend, we can generate value for our customers and our communities. And, because companies are made of people and not just products or services, we can also create a satisfying and productive workplace for our employees and the carriers with whom we work.

In this report, we are shining a light on the following areas in our pursuit of the so-called “triple bottom line” of performance, people and planet:



PEOPLE: We believe in creating a place where every customer and employee is welcomed, respected, appreciated and able to be themselves.



TECHNOLOGY: We will find—or build—the tools our customers need to be successful, whether through reducing unused shipping space or other inefficiencies while lessening environmental impacts.



SAFETY: Our goal is to prevent and eliminate workplace accidents and injuries, ensuring every employee has a safe work environment.



GROWTH AND CAPABILITIES: We will highlight our unique strengths—particularly in areas like renewable energy transportation and engineering capabilities—while leading change in the industry through the creation of more efficient supply chains.



COMMUNITY: We support the communities where we live and work through involvement, outreach and support whenever possible.

I am very proud of our team and all they have accomplished in these areas in the midst of tremendous challenges to our company and our industry, and I look forward to sharing more of their successes moving forward.



Dan Curtis
President & CEO

WHO WE ARE

Founded in 2002, **BNSF Logistics** is a technology- and people-driven third-party logistics company that specializes in the movement of freight around the globe. To do this, we leverage uncommon service scope, resources and financial depth. We are a growing company that harnesses creativity, deep experience and technology to provide smart supply chain solutions that align with our customers' business needs and that bring efficient, on-time results to their bottom lines. We are a subsidiary of Burlington Northern Santa Fe, LLC (a Berkshire Hathaway company) with a vast network of carriers and global service providers.

WHAT WE STAND FOR

Our Guiding Principles provide a clear framework for how we conduct our business, no matter where or with whom we work. Most importantly, they provide clear boundaries for making the right choices by defining what we stand for as a company.

PROTECT THE WELL-BEING OF OURSELVES AND OTHERS

We ensure the physical and psychological safety of self and others. We practice empathy, include others and value all aspects of diversity.

DRIVE INNOVATION AND EMBRACE TRANSFORMATION

We lead with a growth and abundance mindset. We embrace challenges, welcome new ideas and foster creative thinking. We find a better way.

RESPECT AND SERVE EVERYONE

We proactively engage others and assume positive intent. We treat others with dignity and place the collective interests above our own. We speak with candor, authenticity and transparency.

KEEP OUR COMMITMENTS

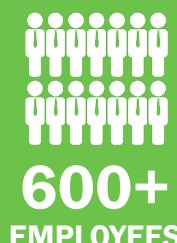
We do what we say we will do and take ownership of our actions. We take pride in working smart and empower others to succeed. We act with integrity.

FOSTER A COLLABORATIVE AND INCLUSIVE COMMUNITY

We share credit and recognize others. We proactively work to strengthen relationships. We speak truth. We work together.

CELEBRATE AND ENJOY THE JOURNEY!

We are inspired by the success of others. We celebrate, and win, together.



PEOPLE



The people-centered culture at BNSF Logistics embodies many different elements. It's about always looking for new ways to solve problems and not being afraid to make mistakes. It's about being an inclusive and collaborative workplace. It's about openness and being willing to express new ideas. It's about growth, both personal and professional, and supplying our employees with the tools they need to be successful. Most important, our culture is the way we work not only with each other but with our customers, vendors and in the communities where we live and work.



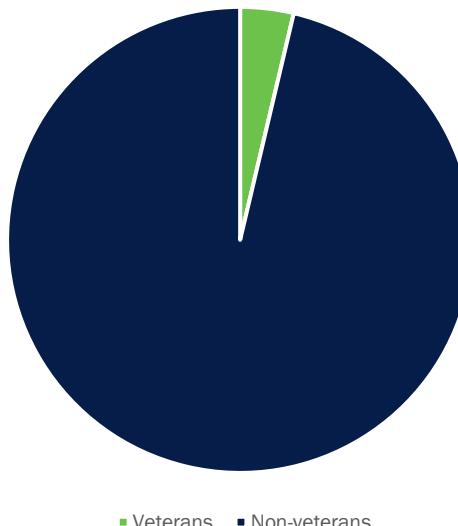
DIVERSITY, EQUITY, INCLUSION AND BELONGING

Our guiding principles are centered on the notion of creating a place where every customer and employee is welcomed, respected, appreciated and able to be themselves. In addition, we employ a strategy to incorporate diversity and inclusion into our hiring process by focusing on underrepresented groups such as minorities, women, veterans and individuals with disabilities.

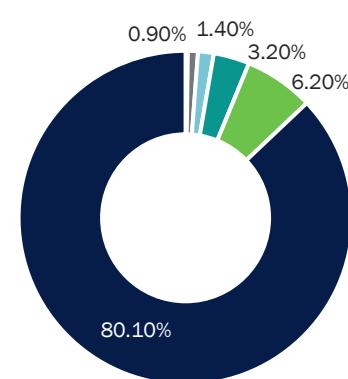
We foster a culture of diversity, equity, inclusion and belonging that encourages the respect and well-being of everyone. Some of our accomplishments include:

- ▶ Establishing a new **DEIB manager position** within our Human Resources Department to focus on this critical area.
- ▶ Requiring all people managers to complete **inclusive leadership** training to drive awareness and understanding on an individual, team and organizational level.
- ▶ Requiring **anti-discrimination and anti-harassment training**.
- ▶ Launching **employee resource groups** with the Women In Leadership group in 2020.
- ▶ Honoring **cultural and heritage months** as well as awareness days.

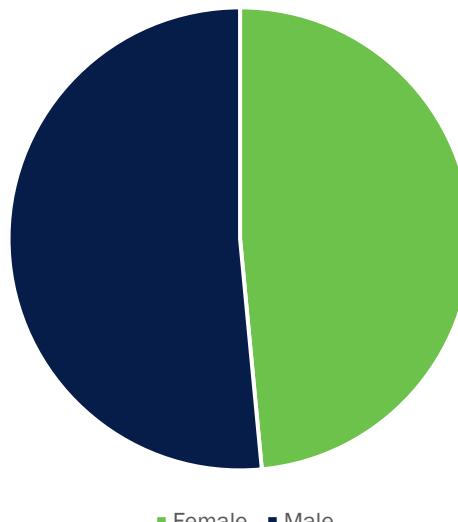
U.S. EMPLOYEE VETERAN STATUS



U.S. EMPLOYEES BY RACE



U.S. EMPLOYEES BY GENDER



EARNING RECOGNITION

Our team thrives in a collaborative and inclusive community that protects the well-being of everyone. When everyone has a voice, the results speak for themselves both in terms of business outcomes and company culture. In addition to regional “Best Places to Work” awards, we have been honored by Comparably in a number of categories, including:

- ▶ **Best CEO**
- ▶ **Best CEOs for Women**
- ▶ **Best Company**
- ▶ **Work-Life Balance**
- ▶ **Best Leadership Teams**

GROWING CAREERS

We are dedicated to hiring top talent and to helping that talent grow to meet their career aspirations. To prepare our employees for the next step on their journey, our Learning and Development team provides curricula for all phases of employee development, from onboarding and soft-skill training to leadership development programs. Our employees enjoy opportunities for professional and personal growth through a variety of offerings, including:

- ▶ E-Learning courses, including LinkedIn Learning
- ▶ Leadership development opportunities
- ▶ Functional training for specific skills and roles
- ▶ Tuition assistance

PROTECTING OUR TEAM

In addition to comprehensive benefits packages that protect the well-being of our employees, our Human Resources Department manages a suite of policies that serve to guide and inform our team, including (among others):

- ▶ Adoption Assistance Policy
- ▶ Anti-Harassment, Anti-Discrimination, and Anti-Retaliation Policy and Complaint Procedure
- ▶ Anti-Corruption and Prohibited Business Practices Policy & Rules
- ▶ Confidential Information Policy
- ▶ Intellectual Property Policy
- ▶ Prohibited Business Practices Rules
- ▶ Code of Conduct Policy
- ▶ Family and Medical Leave Act (FMLA) Policy

But policies don't tell the whole story. We are committed to increasing awareness around the importance of mental health for our team members and their families.

Our HR team creates and distributes a monthly *Mental Health Matters* newsletter and has provided free access for all employees to resources like the **Headspace** mindfulness app that helps reduce stress and increase rest.

Other mental health resources and initiatives for our employees and their families include access to licensed, professional counselors as part of our **Employee Assistance Program (EAP)**, who can provide confidential assessments and

referrals to professional help with personal and work-related challenges such as stress, marital issues, substance abuse and other life issues.



GIVING BACK TO THOSE WHO HAVE GIVEN SO MUCH



With roughly **one out of every 12 employed veterans working in the transportation industry**, BNSF Logistics is dedicated to supporting our military families—both active and retired—and to recruiting those who have served our country.

In 2021, we teamed up with **Veterati**, a veterans service organization that connects transitioning service members with business professionals to provide career mentorship and support.

Founded as a pilot program in 2015, Veterati has grown into an innovative platform that makes being a mentor and finding mentors effortless. As part of this partnership, BNSF Logistics employees will donate their time as mentors, offering one-on-one conversations and helping veterans overcome one of the most challenging hurdles in transitioning from military service.

"This innovative platform allows BNSF Logistics employees of all levels to

mentor veterans on topics that are best suited for them. We know that service in the military helps hone skills that are also effective in the business world, so this partnership is an opportunity for our company to honor that and truly give back to the veterans community," said Marie Song, senior manager of Diversity and Inclusion.

The values of those who serve our country align well with BNSF Logistics' six Guiding Principles and the spirit of service at the heart of our strategy of "delivering what matters." We are committed to providing opportunities that support veterans in applying their unique skills and experience, as well as the ongoing support needed to ensure a smooth transition and continued professional growth.

With this in mind, the company also has started a new tradition of honoring our team members who are current or former members of the armed forces by presenting them with an exclusive BNSF Logistics challenge coin.

Historically, military challenge coins have been awarded to commemorate military milestones and accomplishments. In recent years, however, their use has been expanded to celebrate achievements within other types of organizations as well, including government groups, emergency medical teams and more. Ultimately, owning such a coin fosters a sense of pride and camaraderie among peers.

By issuing these custom-designed coins to our military employees, we intend to thank them for their valued service both in the military and on our team while underscoring our commitment to working closely with the veteran community.



TECHNOLOGY



We use technology to simplify and improve the experience of our customers, carriers and employees. By moving beyond the traditional third-party logistics (3PL) model that solely focuses on shipping goods, we can step back and take a broader look at what's possible, thereby increasing efficiency and reducing harmful impacts to businesses and the environment.



REDUCE, REUSE, RECYCLE

The three “R’s” of sustainability are represented in the name of our **3RLink®** tracking resource: a web-based, user-friendly tool that our customers use to track and manage cargo shipments, including recyclable items, as they embark on their own sustainability efforts.

We also work with industry leaders in all streams of recycling to capture more revenue return for products. Once the disposition of materials is determined, we can sort and distribute customer materials into the following recycle streams:

- ▶ Metal
- ▶ Plastics
- ▶ Corrugated
- ▶ E-waste

Full visibility and reporting of client recycling data is available through **3RLink®** so clients can visualize their carbon footprints.

At our reverse logistics facility in Rogers, Arkansas, a number of “3R” efforts are employed:

- ▶ **REDUCE:** Loss is all-but-eliminated through the use of GPS tracking on many shipments, allowing our team to pinpoint the location of goods in transit or even inside a warehouse facility. This saves time, money

and fuel by eliminating redundant shipments.

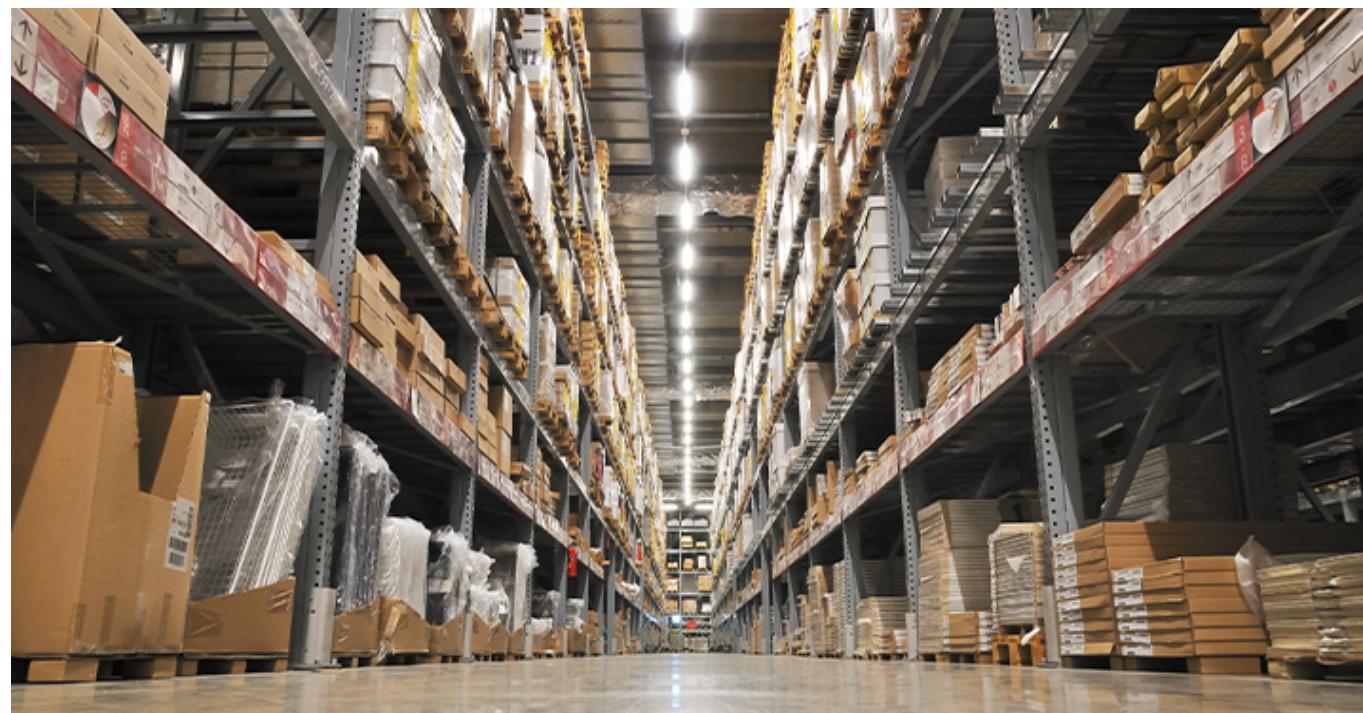
▶ **REUSE:** By offering “kit and consolidation” services that combine several items into one smaller box or pallet, it reduces packaging materials and adds value for our customers. It also simplifies tracking, plus, the leftover packaging materials are either reused or recycled. This results in essentially no need for the purchase of packaging material for the facility.

▶ **RECYCLE:** For a major retail customer, we collect technology

equipment that is either unused or deemed out-of-date, test them, update or repair where necessary, and put them back into use. This technology ranges from printers, scanners and handheld devices to metal display brackets, and what can’t be used is either stored for future use or recycled.

QUEST FOR QUALITY

BNSF Logistics’ focus on delivering what matters via technology resulted in our inclusion in the annual **Quest for Quality 2021 Awards**, which honors the industry’s top performers.



During a year marred by industry disruption and uncertainty, our team topped the rankings in the Logistics Information Systems category amongst 3PL companies.

Tools like our proprietary Quest transportation management system (built in-house) allow users to automate the process of building loads, tracking shipments and managing transportation in real-time, connecting suppliers and end-users as efficiently as possible. We also have begun piloting the use of third-party tools such as a payment app and a digital logistics platform to reduce the use of paper and automate back-office processes.

"We're always looking for new ways to solve problems and give our customers, carriers and partners the tools they need to be successful," said Dan Curtis, company president. "By simplifying and improving these processes through technology, we're upholding our guiding principle of driving innovation and embracing transformation within our industry."

FOR OUR EMPLOYEES

Internally, we have looked for ways to use technology to adapt our facilities and

our behaviors to make better use of our resources. These efforts include:

- ▶ Employing collaboration tools such as **Microsoft Teams®** and **Sharepoint®** to maintain our culture while employees adjust to new ways of decentralized working.
- ▶ Transitioning to a new, web-based phone system, which will result in significant savings in costs and hardware obsolescence due to the elimination of a physical phone system across our network.
- ▶ Investing in digital-first communications channels to engage employees, including SuccessFactors, email and video.
- ▶ At our company headquarters in Dallas, the state-of-the-art building features a number of high-tech touches, including auto-sensing light switches and on-site electric vehicle charging stations.



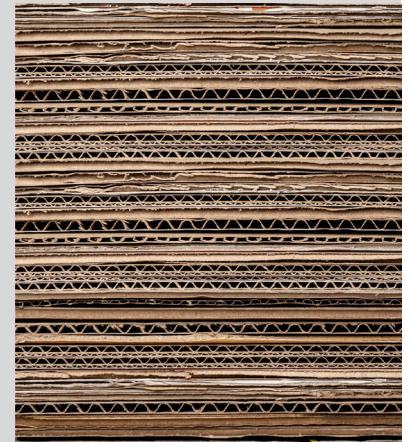
ADDING VALUE, REDUCING WASTE



A major retail customer approached BNSF Logistics with a challenge: they needed to bring thousands of point-of-sale systems from their stores back to a central location to be refurbished and updated with new software. The project required extensive logistics coordination with tracking to more than 800 destinations. The units also needed to be tracked to minimize impact on each store and to ensure machines were 100% reliable when returned to service.

Through the use of technology like 3RLink®, we were able to:

- ▶ Give our customer visibility of each shipment throughout the process
- ▶ Save significant costs based on reduced waste and increased recycling
- ▶ Save the customer time and manpower by handling start-to-finish refurbishment
- ▶ Reduced environmental impact by reusing existing equipment



SAFETY



Transporting complex, costly shipments of goods via land, air and sea is not without risk, which is why BNSF Logistics fosters a culture of safety and responsibility that is reinforced through comprehensive rules, guidelines and consistent training. The goal of all training programs is to keep our employees, our carriers and the communities we serve safe.

To do this, we provide:

- ▶ Regular, effective safety communications
- ▶ Continuous learning opportunities
- ▶ Measurement
- ▶ Accountability via continuous adaptation



EXPERIENCE MODIFICATION RATING

BNSF Logistics' annual **EMR**, or experience modification rating, is a reflection of our dedication to employee safety. An average EMR is 1.0 and indicates a safe, low-risk work environment to potential insurers, while an EMR below 1.0 is considered especially safe. By maintaining a **mean EMR of 0.85** over the last 10 years, our company has proven that we provide a low-risk, safety-first workplace for our employees.

Our safety training programs ensure employees have a comprehensive understanding of the risks inherent in the logistics industry. Some of those programs include:

COURSE	AUDIENCE	FREQUENCY
General safety training	All employees	Onboarding
Field Operations Safety Training (FOST), including: Blue Signal Protection, Emergency Action Plan, Job Safety Analysis (JSA), Incident Investigation and Reporting, Pre-Tour Safety Meeting, Bloodborne Pathogens, Mobile Equipment (personal/industrial), Manual Lifting, Fall Protection, General Ladder Safety, Fire Protection, Hazmat Spill Prevention / HAZCOM, Personal Protective Equipment	EPLT employees	Two-year rotation
E-Rail – Railway operations and security training	EPLT primarily, various other positions	Every two years
Systematic equipment (forklifts, manlifts, ATVs)	Field Services and warehouse positions	Every three years
Railway railcar/equipment movement training (Movement and Radio Procedures or Switch Crew Training)	Select Field Services positions	Every three years
CPR/First Aid/AED	All employees (optional)	Every three years
Fire extinguishers	All employees (optional)	Every two years
Power tools	Field Services and warehouse positions	When needed



The company's formal, comprehensive safety policy manual includes 29 articles. Below are a few examples of those policies:

- ▶ **Health, Safety and Environmental Policy**
- ▶ **Leadership and Staff HSE Responsibilities**
- ▶ **Drug and Alcohol Policy**
- ▶ **Internal Audits**
- ▶ **Management by Objectives**
- ▶ **Personal Protective Equipment Policy**
- ▶ **Bloodborne Pathogen Policy**
- ▶ **Disciplinary Policy**
- ▶ **Fire Prevention, Response and Hazards Policy**

CORE SAFETY RULES POLICY

BNSF Logistics also supplies safety information through regularly updated safety manuals tailored to specific divisions at the company, including:

- ▶ **Engineering and Field Safety**
- ▶ **Warehouse Safety**
- ▶ **Office Safety**

SMARTWAY



In response to the steady increase of global freight activity, BNSF Logistics has taken steps to counteract the negative impacts of freight transport on the environment. In order to accurately track and mitigate the effects of our truck and railway carriers' emissions, we have partnered with the Environmental Protection Agency's **SmartWay program**.

The SmartWay program aids logistics companies by providing tools, guidance and other resources to help us annually measure and assess the environmental performance of our freight operations. By measuring and benchmarking our supply chain operations, we are able to improve our freight transportation efficiency and sustainability.

Launched in 2004—with BNSF Logistics as one of its **initial partners**—the SmartWay program is a voluntary public-private program that:

- ▶ Provides a comprehensive and well-recognized system

for tracking, documenting and sharing information about fuel use and freight emissions across supply chains.

- ▶ Helps companies identify and select more efficient freight carriers, transport modes, equipment, and operational strategies to improve supply chain sustainability and lower costs from goods movement.
- ▶ Supports global energy security and offsets environmental risk for companies and countries.
- ▶ Reduces freight transportation-related emissions by accelerating the use of advanced fuel-saving technologies.
- ▶ Is supported by major transportation industry associations, environmental groups, state and local governments, international agencies and the business community.

BNSF Logistics' continued involvement in the SmartWay program holds us accountable for our effects on the environment and helps us solve supply chain problems in new and informed ways.



GROWTH & CAPABILITIES



Helping our customers run successful, sustainable enterprises requires more than rolling out the same old answers, regardless of the unique requirements of a job. It requires identifying—or in some cases, inventing—the right solutions. To do this, we collaborate with clients to gain a deep understanding of their businesses, end-to-end processes and key initiatives. As supply chains continue to evolve, we are dedicated to providing the best solutions for our customers and for the communities we serve. Our focus on innovation, engineering and capabilities within the renewable energy space offers our customers a variety of solutions that set us apart in the industry.



BIG JOBS, BIG SOLUTIONS

When your cargo is oversized, heavy, high-value and time-critical, it calls for the specialized over-dimensional logistics expertise our Project Cargo Team provides. Cargo with weights heavier than standard loads and dimensions too large for normal containers comes with unique challenges and complexities. Our heavy-haul transportation capabilities and resources include vast rail experience and deep knowledge of the industrial products industry.



ENGINEERING SERVICES

Our Engineering Services Team also provides a distinct and uncommon in-house advantage. When customer loads require specialized equipment, expert regulation compliance, custom securements or other environmental needs, our team of mechanical, industrial and civil engineers are experts in ensuring all factors are considered, including:

- ▶ Designing load configurations on pre-clearance drawings and securement designs per AAR Open Top Loading Rules.
- ▶ Equipping shipments with GPS to track the location and/or impact recorders to provide data of in-transit activity.
- ▶ Designing and employing patented transport fixtures for wind turbine blades straddling multiple cars.
- ▶ Creating new car designs for both freight and tank cars.

AN EYE ON SUSTAINABILITY

Rather than insisting on a one-size-fits-all approach, our intermodal logistics solutions link customers to a network of transportation experts in intermodal routes and drayage who specialize in truck and rail transportation.



By partnering with railroads, drayage companies and equipment owners, BNSF Logistics combines the economics (and efficient, sustainable advantages) of rail and the reliability of trucks to get our customers' cargo wherever it needs to go.

RENEWABLE ENERGY

Wind energy is growing at a record pace, representing **the largest source of new additions to the United States' electric-generating capacity**. In 2020 alone, 17 gigawatts (GW) of new wind capacity was installed in the United States, bringing the cumulative total to 122 GW.

BNSF Logistics has extensive experience in the wind energy sector, having coordinated

logistics for more wind turbine components than any other rail logistics company in North America.

It takes special capabilities to synchronize wind component delivery to provide just-in-time staging for installation without damage or delays. The cornerstones to our service offering—component transportation, distribution center and transload site development and engineering—provide us with a broad base of available solutions and the ability to anticipate and adapt to client and industry needs. No component move is the same and each move may require a unique combination of resources to offer the most effective and efficient shipment possible. As a multimodal logistics firm, we provide a mode-neutral approach to planning the transportation for wind components.

In addition to our wind business, we work with solar energy partners to drive efficiencies in their global procurement, manufacturing and supply chain processes. Our agile team of experts provide a unique suite of custom solutions that grow and adapt along with our customers, including proprietary inventory reporting and shipment tracking tools, warehousing and distribution solutions, dedicated project personnel and a multi-modal transportation approach that enables us to move renewable energy equipment and technology safely, efficiently and on time.



BLADE CONTROLLER™



BNSF Logistics' **Blade Controller™** is a patented fixture designed for rail and ocean transport to optimize movement of wind components between any two points in the world. The innovative design allows transport of longer wind turbine blades by enabling the blade to span multiple rail cars and even adapt to turns as it travels.

This fixture, which was designed and created in collaboration with a leading global supplier of wind power solutions, will greatly increase efficiency and drive down logistics costs in moving wind components.

Using the same technology for ocean, rail, truck and storage will allow blades to move without the need for attached fixtures, which have historically been both expensive and difficult to manage.

The fixture is the latest solution to stem from BNSF Logistics' Innovation team, which works to design and commercialize new technologies

across all modes including rail, ocean and truck. The team brings together engineering, project management, market research and product launches, and is a testament to BNSF Logistics' commitment to drive innovation and embrace transformation.



COMMUNITY



Our dedication to the communities where we live and work is a natural extension of our dedication to our fellow employees and to our principle of respecting and serving everyone. Simply put, people come first at BNSF Logistics. As a result, we work to develop strong relationships with the communities around us and the causes that matter to us as a company and as individuals.



SUPPORTING OUR LOCAL COMMUNITIES

Although the COVID-19 pandemic has affected the ability of many of our locations to host events as they have in past years, recent efforts have focused on honoring the contributions of our nation's truckers, including:



- ▶ Donating food during **National Truck Driver Appreciation Week 2021** with the Arkansas Trucking Association in Alma, AR – an event that took on special significance considering the crucial role truck drivers have played during the COVID-19 pandemic.
- ▶ Donating meals from the Nor Cal Kitchen food truck for truckers passing through Sacramento, CA, during the pandemic in May 2020

- ▶ Supporting **World Day Against Trafficking in Persons**
- ▶ Painting colorful murals that were donated to local women's shelters in the Dallas-Fort Worth area

HONORING OUR PARTNERS

Each year, BNSF Logistics presents Supplier Recognition Awards to those partners who have helped us uphold our corporate promise, which is **We Deliver What Matters™**.

To help our customers deliver goods to their final destinations, we use a diverse group of more than 60,000 suppliers globally and across all modes of transportation. The continued support of those providers is vital to meeting and exceeding the expectations of our customers.

Top service providers from among this global pool are nominated by our Operations team members and evaluated on a multitude of performance metrics, with the winners receiving Supplier Recognition Awards.

TRUCKERS AGAINST TRAFFICKING®

Truckers Against Trafficking® is a non-profit organization that educates and mobilizes members of the trucking, travel plaza and bus industries to combat domestic human trafficking.

BNSF Logistics is one of a number of shippers and third-party logistics providers that are working with the group's Shipping Partners Program, which encourages the customer or connector of trucking companies to use their position and influence to make introductions to carriers about the free TAT training program.

Through this partnership, our employees can play a significant role in the fight against this heinous crime by doing our part in educating the industry to assist law enforcement in the reporting and recognition of human trafficking. This partnership aligns with our guiding principle of protecting the well-being of ourselves and others.

Since the organization's creation in 2009, truckers have made thousands of calls to the National Human Trafficking Hotline, identifying hundreds of likely human trafficking cases.



THE HUMAN ELEPHANT FOUNDATION



At first glance, there would seem to be very little in common between a U.S.-based logistics company and a South African sculptor who has dedicated his life to examining “the fragile co-existence of man with other lifeforms.”

When you consider that the sculptor, Andries Botha, needed help transporting one of his prized, life-size

elephant sculptures made entirely of recycled materials on part of its North American tour, the relationship makes much more sense.

Founded in 2009, the **Human Elephant Foundation** is a visionary organization that aims to initiate discussion and innovative problem solving around creating a more respectful and sustainable world.

The foundation creates the opportunity for people and companies “to work together to develop and implement innovative projects that address social and ecological imbalances, as well as vulnerabilities resulting from the human footprint.” To do so, it invites partnerships between schools, universities, local businesses, cultural and creative communities and individual citizens.

To help spark this discussion, Botha crafted 16 full-scale models of African elephants from recycled car tires, steel and other materials. One such creation, named Nomkhubulwane (Nom-koo-bull-wah'-nee), toured the United States aboard a flatbed trailer arranged by BNSF Logistics—providing a one-of-a-kind example of the over-dimensional logistics expertise of our Project Cargo team.

According to the foundation’s website, “Nom’s” worldwide tour was greeted with brass bands, local dignitaries and “hordes of citizens lining the streets to hear her message of goodwill and hope.”

