
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2023
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission File Number: 001-38054

Schneider National, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Wisconsin
(State of Incorporation)

39-1258315
(IRS Employer Identification No.)

3101 South Packerland Drive
Green Bay Wisconsin 54313
(Address of Registrant's Principal Executive Offices and Zip Code)

(920) 592-2000
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading symbol | Name of each exchange on which registered |
|------------------------------------|----------------|---|
| Class B common stock, no par value | SNDR | New York Stock Exchange |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large accelerated filer | <input checked="" type="checkbox"/> | Accelerated filer | <input type="checkbox"/> |
| Non-accelerated filer | <input type="checkbox"/> | Smaller reporting company | <input type="checkbox"/> |
| | | Emerging growth company | <input type="checkbox"/> |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of April 21, 2023, the registrant had 83,029,500 shares of Class A common stock, no par value, outstanding and 95,389,957 shares of Class B common stock, no par value, outstanding.

SCHNEIDER NATIONAL, INC.
QUARTERLY REPORT ON FORM 10-Q
For the Quarter Ended March 31, 2023
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GLOSSARY OF TERMS

| | |
|------------|--|
| 3PL | Provider of outsourced logistics services. In logistics and supply chain management, it means a company's use of third-party businesses, the 3PL(s), to outsource elements of the company's distribution, fulfillment, and supply chain management services. |
| ASC | Accounting Standards Codification |
| Board | Board of Directors |
| ChemDirect | Fortem Invenio, Inc. |
| CODM | Chief Operating Decision Maker |
| deBoer | deBoer Transportation, Inc. |
| EBITDA | Earnings Before Interest, Taxes, Depreciation & Amortization |
| GAAP | United States Generally Accepted Accounting Principles |
| ILWU | International Longshore and Warehouse Union |
| IPO | Initial Public Offering |
| KPI | Key Performance Indicator |
| LIBOR | London InterBank Offered Rate |
| M&A | Mergers and Acquisitions |
| MLS | Midwest Logistics Systems, Ltd. and affiliated entities holding assets comprising substantially all of its business. |
| MLSI | Mastery Logistics Systems, Inc. |
| NASDAQ | National Association of Securities Dealers Automated Quotations |
| PSU | Performance-based Restricted Stock Unit |
| RSU | Restricted Stock Unit |
| rTSR | Relative Total Shareholder Return |
| SEC | United States Securities and Exchange Commission |
| TuSimple | TuSimple Holdings, Inc. (formerly TuSimple (Cayman) Limited) |
| U.S. | United States |
| WSL | Watkins and Shepard Trucking, Inc. and Lodeso, Inc. These businesses were acquired simultaneously in June 2016. |

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect the Company's current expectations, beliefs, plans, or forecasts with respect to, among other things, future events and financial performance and trends in the business and industry. The words "may," "will," "could," "should," "would," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "prospects," "potential," "budget," "forecast," "continue," "predict," "seek," "objective," "goal," "guidance," "outlook," "effort," "target," and similar words, expressions, terms, and phrases among others, generally identify forward-looking statements, which speak only as of the date the statements were made. Forward-looking statements involve estimates, expectations, projections, goals, forecasts, assumptions, risks, and uncertainties. Readers are cautioned that a forward-looking statement is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statement.

The risks, uncertainties, and other factors that could cause or contribute to actual results differing materially from those expressed or implied by the forward-looking statements include, but are not limited to, the following: inflation, both in the U.S. and globally; our ability to successfully manage operational challenges and disruptions, as well as related federal, state, and local government responses arising from future pandemics; economic and business risks inherent in the truckload and transportation industry, including inflation and competitive pressures pertaining to pricing, capacity, and service; our ability to effectively manage tight truck capacity brought about by driver shortages and successfully execute our yield management strategies; our ability to maintain key customer and supply arrangements (including dedicated arrangements) and to manage disruption of our business due to factors outside of our control, such as natural disasters, acts of war or terrorism, disease outbreaks, or pandemics; volatility in the market valuation of our investments in strategic partners and technologies; our ability to manage and effectively implement our growth and diversification strategies and cost saving initiatives; our dependence on our reputation and the Schneider brand and the potential for adverse publicity, damage to our reputation, and the loss of brand equity; risks related to demand for our service offerings; risks associated with the loss of a significant customer or customers; capital investments that fail to match customer demand or for which we cannot obtain adequate funding; fluctuations in the price or availability of fuel, the volume and terms of diesel fuel purchase agreements, our ability to recover fuel costs through our fuel surcharge programs, and potential changes in customer preferences (e.g. truckload vs. intermodal services) driven by diesel fuel prices; fluctuations in the value and demand for our used Class 8 heavy-duty tractors and trailers; our ability to attract and retain qualified drivers and owner-operators; our reliance on owner-operators to provide a portion of our truck fleet; our dependence on railroads in the operation of our intermodal business; potential port congestion or interruptions that may result from contract negotiations between the ILWU and west coast port owners; service instability, availability, and/or increased costs from third-party capacity providers used by our business; changes in the outsourcing practices of our third-party logistics customers; difficulty in obtaining material, equipment, goods, and services from our vendors and suppliers; variability in insurance and claims expenses and the risks of insuring claims through our captive insurance company; the impact of laws and regulations that apply to our business, including those that relate to the environment, taxes, associates, owner-operators, and our captive insurance company; changes to those laws and regulations; and the increased costs of compliance with existing or future federal, state, and local regulations; political, economic, and other risks from cross-border operations and operations in multiple countries; risks associated with financial, credit, and equity markets, including our ability to service indebtedness and fund capital expenditures and strategic initiatives; negative seasonal patterns generally experienced in the trucking industry during traditionally slower shipping periods and winter months; risks associated with severe weather and similar events; significant systems disruptions, including those caused by cybersecurity events and firmware defects; exposure to claims and lawsuits in the ordinary course of business; our ability to adapt to new technologies and new participants in the truckload and transportation industry; our ability to implement our plans to meet our greenhouse gas reduction goals; and those risks and uncertainties discussed in (1) our most recently filed Annual Report on Form 10-K in (a) Part I, Item 1A. "Risk Factors," (b) Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations," and (c) Part II, Item 8. "Financial Statements and Supplementary Data: Note 13, Commitments and Contingencies," (2) this Quarterly Report on Form 10-Q in (a) Part I, Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations," (b) Part I, Item 1. "Financial Statements: Note 12, Commitments and Contingencies," and (c) Part II, Item 1A. "Risk Factors," and (3) other factors discussed in filings with the SEC by the Company. The Company undertakes no obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this Report.

WHERE TO FIND MORE INFORMATION

The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information that the Company files electronically with the SEC. These documents are also available to the public from commercial document retrieval services and at the "Investors" section of our website at www.schneider.com. Information disclosed or available on our website shall not be deemed incorporated into, or to be a part of, this Report.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SCHNEIDER NATIONAL, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)

(in millions, except per share data)

| | Three Months Ended March 31, | |
|---|---------------------------------|------------|
| | 2023 | 2022 |
| Operating revenues | \$ 1,428.7 | \$ 1,620.5 |
| Operating expenses: | | |
| Purchased transportation | 563.1 | 740.1 |
| Salaries, wages, and benefits | 337.8 | 337.5 |
| Fuel and fuel taxes | 113.0 | 110.2 |
| Depreciation and amortization | 91.8 | 83.8 |
| Operating supplies and expenses—net | 147.9 | 89.5 |
| Insurance and related expenses | 24.7 | 26.4 |
| Other general expenses | 35.8 | 97.9 |
| Total operating expenses | 1,314.1 | 1,485.4 |
| Income from operations | 114.6 | 135.1 |
| Other expenses (income): | | |
| Interest income | (2.1) | (0.4) |
| Interest expense | 4.4 | 2.8 |
| Other expense (income)—net | (17.0) | 9.2 |
| Total other expenses (income)—net | (14.7) | 11.6 |
| Income before income taxes | 129.3 | 123.5 |
| Provision for income taxes | 31.3 | 31.4 |
| Net income | 98.0 | 92.1 |
| Other comprehensive income (loss): | | |
| Foreign currency translation adjustment—net | 0.3 | 0.1 |
| Net unrealized gains (losses) on marketable securities—net of tax | 0.5 | (1.6) |
| Total other comprehensive income (loss)—net | 0.8 | (1.5) |
| Comprehensive income | \$ 98.8 | \$ 90.6 |
| Weighted average shares outstanding | 178.2 | 177.7 |
| Basic earnings per share | \$ 0.55 | \$ 0.52 |
| Weighted average diluted shares outstanding | 179.1 | 178.5 |
| Diluted earnings per share | \$ 0.55 | \$ 0.52 |

See notes to consolidated financial statements (unaudited).

SCHNEIDER NATIONAL, INC.
CONSOLIDATED BALANCE SHEETS (Unaudited)
(in millions, except share data)

| | March 31, 2023 | December 31, 2022 |
|---|-------------------|----------------------|
| Assets | | |
| Current Assets: | | |
| Cash and cash equivalents | \$ 389.8 | \$ 385.7 |
| Marketable securities | 53.3 | 45.9 |
| Trade accounts receivable—net of allowance of \$12.5 million and \$13.7 million, respectively | 591.7 | 643.7 |
| Other receivables | 20.8 | 21.3 |
| Current portion of lease receivables—net of allowance of \$1.1 million and \$1.3 million, respectively | 112.6 | 111.2 |
| Inventories | 59.5 | 53.0 |
| Prepaid expenses and other current assets | 138.6 | 89.5 |
| Total current assets | <u>1,366.3</u> | <u>1,350.3</u> |
| Noncurrent Assets: | | |
| Property and equipment: | | |
| Transportation equipment | 3,498.1 | 3,410.7 |
| Land, buildings, and improvements | 220.0 | 219.0 |
| Other property and equipment | 176.5 | 174.1 |
| Total property and equipment | 3,894.6 | 3,803.8 |
| Less accumulated depreciation | 1,518.4 | 1,523.8 |
| Net property and equipment | 2,376.2 | 2,280.0 |
| Lease receivables | 164.1 | 163.1 |
| Internal use software and other noncurrent assets | 335.9 | 296.6 |
| Goodwill | 228.2 | 228.2 |
| Total noncurrent assets | <u>3,104.4</u> | <u>2,967.9</u> |
| Total Assets | <u>\$ 4,470.7</u> | <u>\$ 4,318.2</u> |
| Liabilities and Shareholders' Equity | | |
| Current Liabilities: | | |
| Trade accounts payable | \$ 330.1 | \$ 276.7 |
| Accrued salaries, wages, and benefits | 64.6 | 97.8 |
| Claims accruals—current | 73.7 | 75.5 |
| Current maturities of debt and finance lease obligations | 73.4 | 73.3 |
| Other current liabilities | 124.7 | 113.6 |
| Total current liabilities | <u>666.5</u> | <u>636.9</u> |
| Noncurrent Liabilities: | | |
| Long-term debt and finance lease obligations | 141.2 | 141.8 |
| Claims accruals—noncurrent | 97.8 | 95.2 |
| Deferred income taxes | 557.0 | 538.2 |
| Other noncurrent liabilities | 89.4 | 68.9 |
| Total noncurrent liabilities | <u>885.4</u> | <u>844.1</u> |
| Total Liabilities | <u>1,551.9</u> | <u>1,481.0</u> |
| Commitments and Contingencies (Note 12) | | |
| Shareholders' Equity: | | |
| Preferred shares, no par value, 50,000,000 shares authorized, no shares issued or outstanding | — | — |
| Class A common shares, no par value, 250,000,000 shares authorized, 83,029,500 shares issued and outstanding | — | — |
| Class B common shares, no par value, 750,000,000 shares authorized, 95,771,083 and 95,655,907 shares issued, and 95,388,727 and 94,993,144 shares outstanding, respectively | — | — |
| Additional paid-in capital | 1,583.6 | 1,584.4 |
| Retained earnings | 1,339.4 | 1,257.8 |
| Accumulated other comprehensive loss | (4.2) | (5.0) |
| Total Shareholders' Equity | <u>2,918.8</u> | <u>2,837.2</u> |
| Total Liabilities and Shareholders' Equity | <u>\$ 4,470.7</u> | <u>\$ 4,318.2</u> |

See notes to consolidated financial statements (unaudited).

SCHNEIDER NATIONAL, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(in millions)

| | Three Months Ended March 31, | |
|---|---------------------------------|-----------------|
| | 2023 | 2022 |
| Operating Activities: | | |
| Net income | \$ 98.0 | \$ 92.1 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 91.8 | 83.8 |
| Gains on sales of property and equipment—net | (12.3) | (60.9) |
| Proceeds from lease receipts | 19.3 | 20.5 |
| Deferred income taxes | 18.7 | 29.7 |
| Long-term incentive and share-based compensation expense | 4.8 | 5.8 |
| (Gains) losses on investments in equity securities—net | (17.6) | 8.4 |
| Other noncash items—net | — | (6.4) |
| Changes in operating assets and liabilities: | | |
| Receivables | 52.5 | (77.8) |
| Other assets | (51.3) | (52.6) |
| Payables | (13.7) | 56.1 |
| Claims reserves and other receivables—net | 0.8 | 9.1 |
| Other liabilities | (7.9) | 27.8 |
| Net cash provided by operating activities | <u>183.1</u> | <u>135.6</u> |
| Investing Activities: | | |
| Purchases of transportation equipment | (143.1) | (60.3) |
| Purchases of other property and equipment | (12.5) | (14.4) |
| Proceeds from sale of property and equipment | 34.7 | 64.8 |
| Proceeds from sale of off-lease inventory | 7.1 | 5.1 |
| Purchases of lease equipment | (20.9) | (21.0) |
| Proceeds from marketable securities | 2.0 | 2.2 |
| Purchases of marketable securities | (8.8) | (3.6) |
| Investments in equity securities | (5.0) | (4.0) |
| Investment in note receivable | (10.0) | — |
| Acquisition of business, net of cash acquired | — | (3.2) |
| Net cash used in investing activities | <u>(156.5)</u> | <u>(34.4)</u> |
| Financing Activities: | | |
| Payments of debt and finance lease obligations | (0.8) | (60.4) |
| Dividends paid | (15.7) | (12.9) |
| Other financing activities | (6.0) | (0.1) |
| Net cash used in financing activities | <u>(22.5)</u> | <u>(73.4)</u> |
| Net increase in cash and cash equivalents | 4.1 | 27.8 |
| Cash and Cash Equivalents: | | |
| Beginning of period | 385.7 | 244.8 |
| End of period | <u>\$ 389.8</u> | <u>\$ 272.6</u> |
| Additional Cash Flow Information: | | |
| Noncash investing and financing activity: | | |
| Transportation and lease equipment purchases in accounts payable | \$ 80.1 | \$ 25.2 |
| Dividends declared but not yet paid | 16.8 | 16.0 |
| Cash paid during the period for: | | |
| Interest | 3.2 | 4.2 |
| Income taxes—net of refunds | 1.8 | 16.7 |

See notes to consolidated financial statements (unaudited).

SCHNEIDER NATIONAL, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (Unaudited)
(in millions, except per share data)

| | Common Stock | Additional Paid-In Capital | Retained Earnings | Accumulated Other Comprehensive Loss | Total |
|---|--------------|----------------------------|-------------------|--------------------------------------|-------------------|
| Balance—December 31, 2021 | \$ — | \$ 1,566.0 | \$ 857.8 | \$ — | \$ 2,423.8 |
| Net income | — | — | 92.1 | — | 92.1 |
| Other comprehensive loss | — | — | — | (1.5) | (1.5) |
| Share-based compensation expense | — | 5.4 | — | — | 5.4 |
| Dividends declared at \$0.08 per share of Class A and Class B common shares | — | — | (14.9) | — | (14.9) |
| Share issuances | — | 0.1 | — | — | 0.1 |
| Exercise of employee stock options | — | 2.3 | — | — | 2.3 |
| Shares withheld for employee taxes | — | (2.4) | — | — | (2.4) |
| Balance—March 31, 2022 | <u>\$ —</u> | <u>\$ 1,571.4</u> | <u>\$ 935.0</u> | <u>\$ (1.5)</u> | <u>\$ 2,504.9</u> |
| Balance—December 31, 2022 | \$ — | \$ 1,584.4 | \$ 1,257.8 | \$ (5.0) | \$ 2,837.2 |
| Net income | — | — | 98.0 | — | 98.0 |
| Other comprehensive income | — | — | — | 0.8 | 0.8 |
| Share-based compensation expense | — | 5.1 | — | — | 5.1 |
| Dividends declared at \$0.09 per share of Class A and Class B common shares | — | — | (16.4) | — | (16.4) |
| Share issuances | — | 0.1 | — | — | 0.1 |
| Exercise of employee stock options | — | 0.1 | — | — | 0.1 |
| Shares withheld for employee taxes | — | (6.1) | — | — | (6.1) |
| Balance—March 31, 2023 | <u>\$ —</u> | <u>\$ 1,583.6</u> | <u>\$ 1,339.4</u> | <u>\$ (4.2)</u> | <u>\$ 2,918.8</u> |

See notes to consolidated financial statements (unaudited).

SCHNEIDER NATIONAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

1. GENERAL

Nature of Operations

Schneider National, Inc. and its subsidiaries (together “Schneider,” the “Company,” “we,” “us,” or “our”) are among the largest providers of surface transportation and logistics solutions in North America. We offer a multimodal portfolio of services and an array of capabilities and resources that leverage artificial intelligence, data science, and analytics to provide innovative solutions that coordinate the timely, safe, and effective movement of customer products. The Company offers truckload, intermodal, and logistics services to a diverse customer base throughout the continental U.S., Canada, and Mexico.

Principles of Consolidation and Basis of Presentation

The accompanying unaudited interim consolidated financial statements have been prepared in conformity with GAAP and the rules and regulations of the SEC applicable to quarterly reports on Form 10-Q. Therefore, these consolidated financial statements and footnotes do not include all disclosures required by GAAP for annual financial statements and should be read in conjunction with the consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2022. Financial results for an interim period are not necessarily indicative of the results for a full year. All intercompany transactions have been eliminated in consolidation.

In the opinion of management, these statements reflect all adjustments (consisting only of normal, recurring adjustments) necessary for the fair presentation of our financial results for the interim periods presented.

Property and Equipment

Gains and losses on property and equipment are recognized at the time of sale or disposition and are classified in operating supplies and expenses—net on the consolidated statements of comprehensive income. For the three months ended March 31, 2023 and 2022, we recognized \$12.3 million and \$60.9 million of net gains on the sale of property and equipment, respectively. Net gains during 2022 were primarily related to the sale of the Company’s Canadian facility.

2. ACQUISITIONS

We acquired 100% of the outstanding equity of deBoer on June 7, 2022 for a final purchase price of approximately \$34.6 million inclusive of certain cash and net working capital adjustments. The purchase price allocation for deBoer was considered final as of December 31, 2022 and resulted in \$6.1 million of goodwill being recorded within the Truckload reportable segment. deBoer was a regional, dedicated carrier headquartered in Blenker, WI, and the acquisition provided us the opportunity to expand our tractor and trailer fleet primarily within our dedicated Truckload operations. Operating results for deBoer are included in our consolidated results of operations from the acquisition date through July 2022 when their operations ceased and drivers and equipment were deployed primarily within our Truckload segment.

On December 31, 2021, we acquired 100% of the outstanding equity of MLS, a dedicated trucking company based in Celina, OH, and certain affiliated entities holding assets comprising substantially all of MLS’s business. MLS is a dedicated carrier in the central U.S. that complements our growing dedicated operations. The aggregate purchase price of the acquisition was approximately \$268.8 million inclusive of certain net working capital and other post-acquisition adjustments. The purchase price allocation for MLS was considered final as of December 31, 2022 and resulted in \$104.3 million of goodwill being recorded within the Truckload reportable segment. Operating results for MLS are included in our consolidated results of operations beginning January 1, 2022.

3. LEASES

As Lessee

We lease real estate and equipment under operating and finance leases. Our real estate operating leases include operating centers, distribution warehouses, offices, and drop yards. Our non-real estate operating leases and finance leases include transportation, office, yard, and warehouse equipment, in addition to truck washes. The majority of our leases include an option to extend the lease, and a small number include an option to terminate the lease early, which may include a termination payment.

Additional information related to our leases is as follows:

| <i>(in millions)</i> | Three Months Ended March 31, | |
|---|---------------------------------|--------|
| | 2023 | 2022 |
| Cash paid for amounts included in the measurement of lease liabilities | | |
| Operating cash flows for operating leases | \$ 9.0 | \$ 8.3 |
| Operating cash flows for finance leases | 0.1 | — |
| Financing cash flows for finance leases | 0.8 | 0.3 |
| Right-of-use assets obtained in exchange for new lease liabilities | | |
| Operating leases | \$ 14.0 | \$ 4.3 |
| Finance leases | 0.3 | 1.8 |

As of March 31, 2023, we had signed leases that had not yet commenced totaling \$20.8 million. These leases will commence during the remainder of 2023 and have lease terms of three to seven years.

As Lessor

We finance various types of transportation-related equipment for independent third parties under lease contracts, which are generally for one to three years and are accounted for as sales-type leases with fully guaranteed residual values. Our leases contain an option for the lessee to return, extend, or purchase the equipment at the end of the lease term for the guaranteed contract residual amount. This contract residual amount is estimated to approximate the fair value of the equipment. Lease payments primarily include base rentals and guaranteed residual values.

As of March 31, 2023 and December 31, 2022, investments in lease receivables were as follows:

| <i>(in millions)</i> | March 31, 2023 | December 31, 2022 |
|--|----------------|-------------------|
| Future minimum payments to be received on leases | \$ 202.9 | \$ 198.4 |
| Guaranteed residual lease values | 126.1 | 126.1 |
| Total minimum lease payments to be received | 329.0 | 324.5 |
| Unearned income | (52.3) | (50.2) |
| Net investment in leases | \$ 276.7 | \$ 274.3 |

Prior to entering a lease contract, we assess the credit quality of the potential lessee using credit checks and other relevant factors, ensuring that the inherent credit risk is consistent with our existing lease portfolio. Given our leases have fully guaranteed residual values and we can take possession of the transportation-related equipment in the event of default, we do not categorize net investment in leases by different credit quality indicators upon origination. We monitor our lease portfolio weekly by tracking amounts past due, days past due, and outstanding maintenance account balances, including performing subsequent credit checks as needed. Our net investment in leases with any portion past due as of March 31, 2023 was \$53.6 million, which includes both current and future lease payments. Lease payments on our lease receivables are generally due on a weekly basis and are classified as past due when the weekly payment is not received by its due date. As of March 31, 2023, our lease payments past due were \$3.4 million.

The table below provides additional information on our sales-type leases. Revenue and cost of goods sold are recorded in operating revenues and operating supplies and expenses—net in the consolidated statements of comprehensive income, respectively.

| <i>(in millions)</i> | Three Months Ended March 31, | |
|-------------------------------------|---------------------------------|---------|
| | 2023 | 2022 |
| Revenue | \$ 60.8 | \$ 42.3 |
| Cost of goods sold | (51.4) | (36.0) |
| Operating profit | \$ 9.4 | \$ 6.3 |
| Interest income on lease receivable | \$ 9.4 | \$ 8.7 |

4. REVENUE RECOGNITION

Disaggregated Revenues

The majority of our revenues are related to transportation and have similar characteristics. The following table summarizes our revenues by type of service.

| Disaggregated Revenues (in millions) | Three Months Ended March 31, | |
|---|---|-------------|
| | 2023 | 2022 |
| Transportation | \$ 1,317.0 | \$ 1,499.2 |
| Logistics Management | 49.8 | 75.7 |
| Other | 61.9 | 45.6 |
| Total operating revenues | \$ 1,428.7 | \$ 1,620.5 |

Quantitative Disclosure

The following table provides information related to transactions and expected timing of revenue recognition for performance obligations that are fixed in nature and relate to contracts with terms greater than one year as of the date shown.

| Remaining Performance Obligations (in millions) | March 31, 2023 |
|--|-----------------------|
| Expected to be recognized within one year | |
| Transportation | \$ 17.1 |
| Logistics Management | 11.5 |
| Expected to be recognized after one year | |
| Transportation | 20.6 |
| Logistics Management | 12.1 |
| Total | \$ 61.3 |

This disclosure does not include revenues related to performance obligations that are part of a contract with an original expected duration of one year or less, nor does it include expected consideration related to performance obligations for which the Company elects to recognize revenue in the amount it has a right to invoice (e.g., usage-based pricing terms).

The following table provides information related to contract balances associated with our contracts with customers as of the dates shown.

| Contract Balances (in millions) | March 31, 2023 | December 31, 2022 |
|--|-----------------------|--------------------------|
| Other current assets—Contract assets | \$ 27.8 | \$ 27.0 |
| Other current liabilities—Contract liabilities | 2.8 | 2.6 |

We generally receive payment within 40 days of completion of performance obligations. Contract assets in the table above relate to revenue in transit at the end of the reporting period. Contract liabilities relate to amounts that customers paid in advance of the associated services.

Non-monetary Consideration

Occasionally we provide freight movements to customers in exchange for non-monetary services. The fair value of non-monetary consideration on these freight movements is included in operating revenues on the consolidated statements of comprehensive income and consists primarily of transportation equipment. There was no revenue recorded for freight movements in exchange for non-monetary consideration for the three months ended March 31, 2023. During the three months ended March 31, 2022, \$6.5 million was recorded for these services.

5. FAIR VALUE

Fair value is the estimated price that would be received to sell an asset or paid to transfer a liability. Inputs to valuation techniques used to measure fair value fall into three broad levels (Levels 1, 2, and 3) as follows:

Level 1—Observable inputs that reflect quoted prices for identical assets or liabilities in active markets that we have the ability to access at the measurement date.

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Level 2—Observable inputs, other than quoted prices included in Level 1, for the asset or liability or prices for similar assets and liabilities.

Level 3—Unobservable inputs reflecting the reporting entity’s estimates of the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The table below sets forth the Company’s financial assets that are measured at fair value on a recurring, monthly basis in accordance with ASC 820.

| <i>(in millions)</i> | Level in Fair Value Hierarchy | Fair Value | |
|--|-------------------------------|----------------|-------------------|
| | | March 31, 2023 | December 31, 2022 |
| Equity investment in TuSimple ⁽¹⁾ | 1 | \$ 0.5 | \$ 0.6 |
| Marketable securities ⁽²⁾ | 2 | 53.3 | 45.9 |

(1) Our equity investment in TuSimple is classified as Level 1 in the fair value hierarchy as shares of TuSimple’s Class A common stock are traded on the NASDAQ. See Note 6, *Investments*, for additional information.

(2) Marketable securities are classified as Level 2 in the fair value hierarchy as they are valued based on quoted prices for similar assets in active markets or quoted prices for identical or similar assets in markets that are not active. See Note 6, *Investments*, for additional information.

The fair value of the Company’s debt was \$199.7 million and \$199.1 million as of March 31, 2023 and December 31, 2022, respectively. The carrying value of the Company’s debt was \$205.0 million as of both March 31, 2023 and December 31, 2022. The fair value of our debt was calculated using a fixed rate debt portfolio with similar terms and maturities, which is based on the borrowing rates available to us in the applicable period. This valuation used Level 2 inputs.

The recorded values of cash, trade accounts receivable, lease receivables, and trade accounts payable approximate fair values.

6. INVESTMENTS

Marketable Securities

Our marketable securities are classified as available-for-sale and carried at fair value in current assets on the consolidated balance sheets. While our intent is to hold our securities to maturity, sudden changes in the market or our liquidity needs may cause us to sell certain securities in advance of their maturity date.

Any unrealized gains and losses, net of tax, are included as a component of accumulated other comprehensive income on the consolidated balance sheets, unless we determine that the amortized cost basis is not recoverable. If we determine that the amortized cost basis of the impaired security is not recoverable, we recognize the credit loss by increasing the allowance for those losses. We did not have an allowance for credit losses on our marketable securities as of March 31, 2023 or December 31, 2022. Cost basis is determined using the specific identification method.

The following table presents the maturities and values of our marketable securities as of the dates shown.

| <i>(in millions, except maturities in months)</i> | Maturities | March 31, 2023 | | December 31, 2022 | |
|---|-----------------|----------------|----------------|-------------------|----------------|
| | | Amortized Cost | Fair Value | Amortized Cost | Fair Value |
| U.S. treasury and government agencies | 8 to 95 months | \$ 22.9 | \$ 20.7 | \$ 21.9 | \$ 19.3 |
| Corporate debt securities | 4 to 121 months | 18.9 | 17.9 | 16.0 | 14.9 |
| State and municipal bonds | 1 to 151 months | 15.2 | 14.7 | 12.4 | 11.7 |
| Total marketable securities | | <u>\$ 57.0</u> | <u>\$ 53.3</u> | <u>\$ 50.3</u> | <u>\$ 45.9</u> |

Equity Investments without Readily Determinable Fair Values

The Company’s primary strategic equity investments without readily determinable fair values include Platform Science, Inc., a provider of telematics and fleet management tools; MLSI, a transportation technology development company; and ChemDirect, a business to business digital marketplace for the chemical industry. These investments are being accounted for under ASC 321, *Investments - Equity Securities*, using the measurement alternative, and their combined values as of March 31, 2023 and December 31, 2022 were \$108.7 million and \$86.0 million, respectively. If the Company identifies observable price changes for identical or similar securities of the same issuer, the equity security is measured at fair value as of the date the observable

transaction occurred using Level 3 inputs. In addition to our investment in MLSI, we also hold a \$10.0 million note receivable from MLSI as of March 31, 2023. The note was funded during the first quarter of 2023, is subject to interest over its term, and matures in March 2030.

As of March 31, 2023, our cumulative upward adjustments were \$69.7 million. The following table summarizes the activity related to these equity investments during the periods presented.

| <i>(in millions)</i> | Three Months Ended March 31, | |
|-----------------------------------|---------------------------------|--------|
| | 2023 | 2022 |
| Investment in equity securities | \$ 5.0 | \$ 4.0 |
| Upward adjustments ⁽¹⁾ | 17.7 | — |

(1) Our updated investment value in 2023 was determined using a hybrid backsolve method, a valuation approach incorporating both IPO and M&A scenarios to estimate the value based on recently issued shares.

Equity Investments with Readily Determinable Fair Values

In 2021, the Company purchased a \$5.0 million non-controlling interest in TuSimple, a global self-driving technology company. Upon completion of its IPO in April 2021, our investment in TuSimple was converted into Class A common shares and is now being accounted for under ASC 321, *Investments - Equity Securities*. In the three months ended March 31, 2023 and 2022, the Company recognized pre-tax net losses of \$0.1 million and \$8.4 million, respectively. See Note 5, *Fair Value*, for additional information on the fair value of our investment in TuSimple.

All of our equity investments, as well our note receivable from MLSI, are included in internal use software and other noncurrent assets on the consolidated balance sheets. Subsequent gains or losses on our equity investments are recognized within other expenses (income)—net on the consolidated statements of comprehensive income.

7. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill represents the excess of the purchase price of acquisitions over the fair value of the identifiable net assets acquired. Our goodwill balance as of March 31, 2023 and December 31, 2022 was \$228.2 million and was comprised of \$214.0 million and \$14.2 million in our Truckload and Logistics segments, respectively. As of both March 31, 2023 and December 31, 2022, our Truckload segment had accumulated goodwill impairment charges of \$34.6 million.

The identifiable finite lived intangible assets other than goodwill listed below are included in internal use software and other noncurrent assets on the consolidated balance sheets and relate to the acquisition of MLS. Our customer relationships and trademarks are amortized over a weighted-average amortization period of ten years.

| <i>(in millions)</i> | March 31, 2023 | | | December 31, 2022 | | |
|-------------------------|-----------------------------|-----------------------------|---------------------------|-----------------------------|-----------------------------|---------------------------|
| | Gross Carrying Amount | Accumulated Amortization | Net Carrying Amount | Gross Carrying Amount | Accumulated Amortization | Net Carrying Amount |
| Customer relationships | \$ 3.2 | \$ 0.4 | \$ 2.8 | \$ 3.2 | \$ 0.3 | \$ 2.9 |
| Trademarks | 6.8 | 0.9 | 5.9 | 6.8 | 0.7 | 6.1 |
| Total intangible assets | \$ 10.0 | \$ 1.3 | \$ 8.7 | \$ 10.0 | \$ 1.0 | \$ 9.0 |

Amortization expense for intangible assets was \$0.3 million for the three months ended March 31, 2023.

Estimated future amortization expense related to intangible assets is as follows:

| <i>(in millions)</i> | March 31, 2023 |
|----------------------|----------------|
| Remaining 2023 | \$ 0.7 |
| 2024 | 1.0 |
| 2025 | 1.0 |
| 2026 | 1.0 |
| 2027 | 1.0 |
| 2028 and thereafter | 4.0 |
| Total | \$ 8.7 |

8. DEBT AND CREDIT FACILITIES

As of March 31, 2023 and December 31, 2022, debt included the following:

| <i>(in millions)</i> | March 31, 2023 | December 31, 2022 |
|--|-----------------|-------------------|
| Unsecured senior notes: principal maturities ranging from 2023 through 2025; interest payable in semiannual installments through the same timeframe; weighted average interest rate of 3.64% and 3.93% for 2023 and 2022, respectively | \$ 205.0 | \$ 205.0 |
| Current maturities | (70.0) | (70.0) |
| Long-term debt | <u>\$ 135.0</u> | <u>\$ 135.0</u> |

Our Credit Agreement (the “2022 Credit Facility”) provides borrowing capacity of \$250.0 million and allows us to request an additional increase in total commitment by up to \$150.0 million, for a total potential commitment of \$400.0 million through November 2027. The agreement also provides a sublimit of \$100.0 million to be used for the issuance of letters of credit. We had no outstanding borrowings under this agreement as of March 31, 2023 or December 31, 2022. Standby letters of credit under this agreement amounted to \$0.1 million for both March 31, 2023 and December 31, 2022 and were primarily related to the requirements of certain of our real estate leases.

We also have a Receivables Purchase Agreement (the “2021 Receivables Purchase Agreement”), which allows us to borrow funds against qualifying trade receivables at rates based on one-month LIBOR up to \$150.0 million and provides for the issuance of standby letters of credit through July 2024. We had no outstanding borrowings under this facility as of March 31, 2023 or December 31, 2022. As of March 31, 2023 and December 31, 2022, standby letters of credit under this agreement amounted to \$77.5 million and \$77.1 million, respectively, and were primarily related to the requirements of certain of our insurance obligations.

9. INCOME TAXES

Our effective income tax rate was 24.2% and 25.4% for the three months ended March 31, 2023 and 2022, respectively. In determining the quarterly provision for income taxes, we use an estimated annual effective tax rate adjusted for discrete items. This rate is based on our expected annual income, statutory tax rates, and best estimates of nontaxable and nondeductible income and expense items.

10. COMMON EQUITY

Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share for the three months ended March 31, 2023 and 2022, respectively.

| <i>(in millions, except per share data)</i> | Three Months Ended March 31, | |
|---|---------------------------------|--------------|
| | 2023 | 2022 |
| Numerator: | | |
| Net income available to common shareholders | \$ 98.0 | \$ 92.1 |
| Denominator: | | |
| Weighted average common shares outstanding | 178.2 | 177.7 |
| Dilutive effect of share-based awards and options outstanding | 0.9 | 0.8 |
| Weighted average diluted common shares outstanding ⁽¹⁾ | <u>179.1</u> | <u>178.5</u> |
| Basic earnings per common share | \$ 0.55 | \$ 0.52 |
| Diluted earnings per common share | 0.55 | 0.52 |

(1) Weighted average diluted common shares outstanding may not sum due to rounding.

The calculation of diluted earnings per share excluded 0.5 million and 0.6 million share-based awards and options that had an anti-dilutive effect for the three months ended March 31, 2023 and 2022, respectively.

Common Shares Outstanding

The following table shows changes to our common shares outstanding for the three months ended March 31, 2023 and 2022.

| | Class A Common Shares | Class B Common Shares |
|-------------------------------------|--------------------------|--------------------------|
| Outstanding as of December 31, 2021 | 83,029,500 | 94,626,740 |
| Share issuances | — | 258,523 |
| Exercise of employee stock options | — | 97,420 |
| Shares withheld for employee taxes | — | (92,121) |
| Outstanding as of March 31, 2022 | <u>83,029,500</u> | <u>94,890,562</u> |
| Outstanding as of December 31, 2022 | 83,029,500 | 94,993,144 |
| Share issuances | — | 633,860 |
| Exercise of employee stock options | — | 6,000 |
| Shares withheld for employee taxes | — | (244,277) |
| Outstanding as of March 31, 2023 | <u>83,029,500</u> | <u>95,388,727</u> |

In January 2023, our Board approved a share repurchase program under which the Company is authorized to repurchase up to \$150.0 million of its Class A and/or Class B common shares. The program does not obligate the Company to repurchase a minimum number of shares and is intended to help offset the dilutive effect of equity grants to employees over time. Under this program, the Company may repurchase shares in privately negotiated and/or open market transactions. The Company did not repurchase any shares during the three months ended March 31, 2023.

Subsequent Event - Dividends Declared

In April of 2023, the Board of Directors declared a quarterly cash dividend for the second fiscal quarter of 2023 in the amount of \$0.09 per share to holders of our Class A and Class B common stock. The dividend is payable to shareholders of record at the close of business on June 9, 2023 and will be paid on July 11, 2023.

11. SHARE-BASED COMPENSATION

We grant various equity-based awards relating to Class B common stock to employees under our 2017 Omnibus Incentive Plan (“the Plan”). These awards have historically consisted of restricted shares, RSUs, performance-based restricted shares (“performance shares”), PSUs, and non-qualified stock options. Performance shares and PSUs granted are earned based on attainment of threshold performance of earnings and return on capital targets, in addition to a multiplier applied based on rTSR against peers over the performance period.

Share-based compensation expense was \$4.8 million and \$5.1 million for the three months ended March 31, 2023 and 2022, respectively. We recognize share-based compensation expense over the awards’ vesting period. As of March 31, 2023, we had \$35.6 million of pre-tax unrecognized compensation cost related to outstanding share-based compensation awards expected to be recognized over a weighted average period of 2.1 years.

Equity-based awards granted during the first quarter of 2023 had a grant date fair value of \$17.5 million and are included in the table below. RSUs granted in 2023 vest ratably over a period of three years where the majority of RSUs granted prior to 2023 vest ratably over a period of four years. No restricted shares, performance shares, or non-qualified stock options were granted during the first quarter of 2023.

| 2023 Grants | Number of Awards Granted | Weighted Average Grant Date Fair Value |
|--------------|-----------------------------|---|
| RSUs | 345,369 | \$ 28.86 |
| PSUs | 237,886 | 31.60 |
| Total grants | <u>583,255</u> | |

The Monte-Carlo valuation model is used by the Company to determine the grant date fair value of PSUs, while the Company uses its stock price on the grant date as the fair value assigned to RSUs.

12. COMMITMENTS AND CONTINGENCIES

In the ordinary course of conducting our business, we become involved in certain legal matters and investigations including liability claims, taxes other than income taxes, contract disputes, employment, and other litigation matters. We accrue for anticipated costs to resolve matters that are probable and estimable. We believe the outcomes of these matters will not have a material impact on our business or our consolidated financial statements.

We record liabilities for claims against the Company based on our best estimate of expected losses. The primary claims arising for the Company through its trucking, intermodal, and logistics operations consist of accident-related claims for personal injury, collision, and comprehensive compensation, in addition to workers' compensation, property damage, cargo, and wage and benefit claims. We maintain excess liability insurance with licensed insurance carriers for liability in excess of amounts we self-insure, which serves to largely offset the Company's liability associated with these claims, with the exception of wage and benefit claims for which we self-insure. We review our accruals periodically to ensure that the aggregate amounts of our accruals are appropriate at any period after consideration of available insurance coverage. Although we expect that our claims accruals will continue to vary based on future developments, assuming that we are able to continue to obtain and maintain excess liability insurance coverage for such claims, we do not anticipate that such accruals will, in any period, materially impact our operating results.

As of March 31, 2023, our firm commitments to purchase transportation equipment totaled \$358.2 million.

During the first quarter of 2022, the Company recorded a \$5.2 million charge as a result of an adverse audit assessment by a state jurisdiction over the applicability of sales tax for prior periods on rolling stock equipment used within that state. The charge is included within operating supplies and expenses—net on the consolidated statements of comprehensive income for the three months ended March 31, 2022. The Company filed a request for appeal of the audit assessment with the state jurisdiction.

A representative of the former owners of WSL filed a lawsuit alleging that we did not fulfill certain obligations under the purchase and sale agreement and claiming that the former owners of WSL were entitled to damages including an additional payment of \$40.0 million under an earn-out arrangement. On April 25, 2022, the Delaware Superior Court entered judgment in favor of the former owners of WSL, awarding \$40.0 million in compensatory damages, plus prejudgment interest and the former owners' attorneys' fees, to which we recognized a \$59.0 million charge in the three months ended March 31, 2022. The Company later settled with the former owners of WSL for a total of \$57.0 million, which was included within other general expenses on the consolidated statements of comprehensive income for the year ended December 31, 2022.

13. SEGMENT REPORTING

We have three reportable segments – Truckload, Intermodal, and Logistics – which are based primarily on the services each segment provides.

In November 2022, the Company executed a management buyout agreement to sell its Asia operations. While Asia met the definition of an operating segment, it did not meet the quantitative threshold for separate disclosure, and the results were included in "Other" in the tables below during 2022.

The CODM reviews revenues for each segment without the inclusion of fuel surcharge revenues. For segment purposes, any fuel surcharge revenues earned are recorded as a reduction of the segment's fuel expenses. Income from operations at the segment level reflects the measure presented to the CODM for each segment.

Separate balance sheets are not prepared by segment, and as a result, assets are not separately identifiable by segment. All transactions between reportable segments are eliminated in consolidation.

Substantially all of our revenues and assets were generated or located within the U.S.

The following tables summarize our segment information. Inter-segment revenues were immaterial for all segments, with the exception of Other, which included revenues from insurance premiums charged to other segments for workers' compensation, auto, and other types of insurance. Inter-segment revenues included in Other revenues below were \$18.2 million and \$19.5 million for the three months ended March 31, 2023 and 2022, respectively.

| Revenues by Segment <i>(in millions)</i> | Three Months Ended March 31, | |
|---|---------------------------------|-------------------|
| | 2023 | 2022 |
| Truckload | \$ 537.0 | \$ 548.4 |
| Intermodal | 266.1 | 302.1 |
| Logistics | 382.2 | 545.7 |
| Other | 92.2 | 85.3 |
| Fuel surcharge | 179.2 | 166.0 |
| Inter-segment eliminations | (28.0) | (27.0) |
| Operating revenues | <u>\$ 1,428.7</u> | <u>\$ 1,620.5</u> |

| Income (Loss) from Operations by Segment <i>(in millions)</i> | Three Months Ended March 31, | |
|--|---------------------------------|-----------------|
| | 2023 | 2022 |
| Truckload | \$ 62.6 | \$ 119.4 |
| Intermodal | 30.0 | 38.9 |
| Logistics | 18.5 | 41.9 |
| Other | 3.5 | (65.1) |
| Income from operations | <u>\$ 114.6</u> | <u>\$ 135.1</u> |

| Depreciation and Amortization by Segment <i>(in millions)</i> | Three Months Ended March 31, | |
|--|---------------------------------|----------------|
| | 2023 | 2022 |
| Truckload | \$ 67.2 | \$ 57.1 |
| Intermodal | 13.1 | 13.7 |
| Logistics | 0.1 | — |
| Other | 11.4 | 13.0 |
| Depreciation and amortization | <u>\$ 91.8</u> | <u>\$ 83.8</u> |

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with the accompanying consolidated financial statements and related notes and our Annual Report on Form 10-K for the year ended December 31, 2022.

INTRODUCTION

Company Overview

We are a transportation and logistics services company providing a multimodal portfolio of truckload, intermodal, and logistics solutions. Our diversified portfolio of complementary service offerings enables us to serve the varied needs of our customers and to allocate capital in a manner that seeks to maximize returns across all market cycles and economic conditions. We continually monitor our performance and market conditions to ensure appropriate allocation of capital and resources to grow our businesses, while optimizing returns across reportable segments. Our strong balance sheet, scalable platform, and experienced operations team are supportive of our acquisition strategy, which includes acquiring high-quality businesses that meet our disciplined selection criteria to enhance our service offerings and broaden our customer base.

Our truckload services consist of over the road freight transportation via dry van, bulk, temperature-controlled, and flat-bed trailers across either network or dedicated configurations. Freight is transported and delivered by our company-employed drivers in company trucks and by owner-operators with company-owned trailers and executed through long-haul or regional services, including customized solutions for high-value and time-sensitive loads throughout North America.

Our intermodal services consist of door-to-door container on flat car service through a combination of rail and dray transportation, in association with our rail providers. Our intermodal business uses company-owned containers, chassis, and trucks with primarily company dray drivers, augmented by third-party dray capacity.

Our logistics services consist of asset-light freight brokerage (including both traditional brokerage and Power Only services which leverage our nationwide company-owned trailer pools to match third-party capacity with customer demand), supply chain (including 3PL), warehousing, and import/export services. Our logistics business provides value-added services using both our assets and third-party capacity, augmented by our trailing assets, to manage and move our customers' freight.

Our success depends on our ability to balance our transportation network and efficiently and effectively manage our resources in the delivery of truckload, intermodal, and logistics services to our customers. Resource requirements vary with customer demand, which may be subject to seasonal or general economic conditions. We believe that our ability to properly select freight and adapt to changes in customer transportation needs allows us to efficiently deploy resources and make capital investments in trucks, trailers, containers, and chassis or obtain qualified third-party capacity at reasonable prices.

Consistent with the transportation industry, our business can be seasonal across each of our segments, which generally translates to our reported revenues being the lowest in the first quarter and highest in the fourth quarter. Operating expenses tend to be higher in the winter months, primarily due to colder weather, which causes higher maintenance expense and higher fuel consumption from increased idle time.

RESULTS OF OPERATIONS

Non-GAAP Financial Measures

In this section of our report, we present the following non-GAAP financial measures: (1) revenues (excluding fuel surcharge), (2) adjusted income from operations, (3) adjusted operating ratio, and (4) adjusted net income. We also provide reconciliations of these measures to the most directly comparable financial measures calculated and presented in accordance with GAAP.

Management believes the use of each of these non-GAAP measures assists investors in understanding our business by (1) removing the impact of items from our operating results that, in our opinion, do not reflect our core operating performance, (2) providing investors with the same information our management uses internally to assess our core operating performance, and (3) presenting comparable financial results between periods. In addition, in the case of revenues (excluding fuel surcharge), we believe the measure is useful to investors because it isolates volume, price, and cost changes directly related to industry demand and the way we operate our business from the external factor of fluctuating fuel prices and the programs we have in place to manage such fluctuations. Fuel-related costs and their impact on our industry are important to our results of operations, but they are often independent of other, more relevant factors affecting our results of operations and our industry.

Although we believe these non-GAAP measures are useful to investors, they have limitations as analytical tools and may not be comparable to similar measures disclosed by other companies. You should not consider the non-GAAP measures in this report in isolation or as substitutes for, or alternatives to, analysis of our results as reported under GAAP. The exclusion of unusual or infrequent items or other adjustments reflected in the non-GAAP measures should not be construed as an inference that our future results will not be affected by unusual or infrequent items or by other items similar to such adjustments. Our management compensates for these limitations by relying primarily on our GAAP results in addition to using the non-GAAP measures.

Enterprise Summary

The following table includes key GAAP and non-GAAP financial measures for the consolidated enterprise. Adjustments to arrive at non-GAAP measures are made at the enterprise level, with the exception of fuel surcharge revenues, which are not included in segment revenues.

| <i>(in millions, except ratios)</i> | Three Months Ended March 31, | |
|--|---|-------------|
| | 2023 | 2022 |
| Operating revenues | \$ 1,428.7 | \$ 1,620.5 |
| Revenues (excluding fuel surcharge) ⁽¹⁾ | 1,249.5 | 1,454.5 |
| Income from operations | 114.6 | 135.1 |
| Adjusted income from operations ⁽²⁾ | 114.6 | 148.4 |
| Operating ratio | 92.0 % | 91.7 % |
| Adjusted operating ratio ⁽³⁾ | 90.8 % | 89.8 % |
| Net income | \$ 98.0 | \$ 92.1 |
| Adjusted net income ⁽⁴⁾ | 98.0 | 102.1 |

- (1) We define “revenues (excluding fuel surcharge)” as operating revenues less fuel surcharge revenues, which are excluded from revenues at the segment level. Included below is a reconciliation of operating revenues, the most closely comparable GAAP financial measure, to revenues (excluding fuel surcharge).
- (2) We define “adjusted income from operations” as income from operations, adjusted to exclude material items that do not reflect our core operating performance. Included below is a reconciliation of income from operations, which is the most directly comparable GAAP measure, to adjusted income from operations. Excluded items for the periods shown are explained in the table and notes below.
- (3) We define “adjusted operating ratio” as operating expenses, adjusted to exclude material items that do not reflect our core operating performance, divided by revenues (excluding fuel surcharge). Included below is a reconciliation of operating ratio, which is the most directly comparable GAAP measure, to adjusted operating ratio. Excluded items for the periods shown are explained below under our explanation of “adjusted income from operations.”
- (4) We define “adjusted net income” as net income, adjusted to exclude material items that do not reflect our core operating performance. Included below is a reconciliation of net income, which is the most directly comparable GAAP measure, to adjusted net income. Excluded items for the periods shown are explained below under our explanation of “adjusted income from operations.”

Revenues (excluding fuel surcharge)

| <i>(in millions)</i> | Three Months Ended March 31, | |
|-------------------------------------|---|-------------|
| | 2023 | 2022 |
| Operating revenues | \$ 1,428.7 | \$ 1,620.5 |
| Less: Fuel surcharge revenues | 179.2 | 166.0 |
| Revenues (excluding fuel surcharge) | \$ 1,249.5 | \$ 1,454.5 |

Adjusted income from operations

| <i>(in millions)</i> | Three Months Ended March 31, | |
|--|---------------------------------|-----------------|
| | 2023 | 2022 |
| Income from operations | \$ 114.6 | \$ 135.1 |
| Litigation and audit assessments ⁽¹⁾⁽²⁾ | — | 64.2 |
| Property gain—net ⁽³⁾ | — | (50.9) |
| Adjusted income from operations | <u>\$ 114.6</u> | <u>\$ 148.4</u> |

- (1) Includes \$5.2 million in charges related to an adverse audit assessment for prior period state sales tax on rolling stock equipment used within that state for the three months ended March 31, 2022.
- (2) Includes a \$59.0 million charge for an adverse settlement related to a lawsuit with former owners of WSL, inclusive of prejudgment interest and the former owners' attorneys' fees, for the three months ended March 31, 2022. Refer to Note 12, *Commitments and Contingencies*, for additional details.
- (3) Net gain on the sale of our Canadian facility due to a change in approach to servicing Canada.

Adjusted operating ratio

| <i>(in millions, except ratios)</i> | Three Months Ended March 31, | |
|-------------------------------------|---------------------------------|-------------------|
| | 2023 | 2022 |
| Total operating expenses | \$ 1,314.1 | \$ 1,485.4 |
| Divide by: Operating revenues | 1,428.7 | 1,620.5 |
| Operating ratio | <u>92.0 %</u> | <u>91.7 %</u> |
| Total operating expenses | \$ 1,314.1 | \$ 1,485.4 |
| Adjusted for: | | |
| Fuel surcharge revenues | (179.2) | (166.0) |
| Litigation and audit assessments | — | (64.2) |
| Property gain—net | — | 50.9 |
| Adjusted total operating expenses | <u>\$ 1,134.9</u> | <u>\$ 1,306.1</u> |
| Operating revenues | \$ 1,428.7 | \$ 1,620.5 |
| Less: Fuel surcharge revenues | 179.2 | 166.0 |
| Revenues (excluding fuel surcharge) | <u>\$ 1,249.5</u> | <u>\$ 1,454.5</u> |
| Adjusted operating ratio | <u>90.8 %</u> | <u>89.8 %</u> |

Adjusted net income

| <i>(in millions)</i> | Three Months Ended March 31, | |
|--|---------------------------------|-----------------|
| | 2023 | 2022 |
| Net income | \$ 98.0 | \$ 92.1 |
| Litigation and audit assessments | — | 64.2 |
| Property gain—net | — | (50.9) |
| Income tax effect of non-GAAP adjustments ⁽¹⁾ | — | (3.3) |
| Adjusted net income | <u>\$ 98.0</u> | <u>\$ 102.1</u> |

- (1) Our estimated tax rate on non-GAAP items is determined annually using the applicable consolidated federal and state effective tax rate, modified to remove the impact of tax credits and adjustments that are not applicable to the specific items. Due to differences in the tax treatment of items excluded from non-GAAP income, as well as the methodology applied to our estimated annual tax rates as described above, our estimated tax rate on non-GAAP items may differ from our GAAP tax rate and from our actual tax liabilities.

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022

Enterprise Results Summary

Enterprise net income increased \$5.9 million, approximately 6%, in the first quarter of 2023 compared to the same quarter in 2022. Income from operations declined \$20.5 million during that same period but was more than offset by a \$26.3 million favorable change in total other expenses (income)—net which was largely related to our equity investments. In the three months ended March 31, 2023, the Company recognized pre-tax net gains of \$17.6 million compared to \$8.4 million in pre-tax net losses on our equity investments during the three months ended March 31, 2022.

Adjusted net income decreased \$4.1 million, approximately 4%.

Components of Enterprise Net Income

Enterprise Revenues

Enterprise operating revenues decreased \$191.8 million, approximately 12%, in the first quarter of 2023 compared to the same quarter in 2022.

Factors contributing to the decrease were as follows:

- a \$163.5 million decrease in Logistics segment revenues (excluding fuel surcharge) driven by decreased revenue per order due to moderating market conditions, a decline in volume within our brokerage business, as well as decreased port dray revenues;
- a \$36.0 million decrease in Intermodal segment revenues (excluding fuel surcharge) due to a decrease in orders and revenue per order; and
- an \$11.4 million decrease in Truckload segment revenues (excluding fuel surcharge) resulting from a decline in revenue per truck per week and volume within our network business, partially offset by improved revenue per truck per week and increased volumes within our dedicated business.

The above factors were partially offset by:

- a \$13.2 million increase in fuel surcharge revenues resulting from increased fuel prices and dedicated volumes in the first quarter of 2023 compared to the same quarter in 2022.

Enterprise revenues (excluding fuel surcharge) decreased \$205.0 million, approximately 14%.

Enterprise Income from Operations and Operating Ratio

Enterprise income from operations decreased \$20.5 million, approximately 15%, in the first quarter of 2023 compared to the same quarter in 2022, primarily due to a decrease in net revenue per order in Logistics, revenue per truck per week in Truckload, and revenue per order in Intermodal. A net gain on sale of \$50.9 million in 2022 in connection with the sale of our Canadian facility, as well as the impacts on revenues of a decline in volume within our brokerage business and Intermodal, also contributed to the decrease. These factors were partially offset by the \$59.0 million adverse judgment related to a lawsuit with former owners of WSL in 2022, volume growth within our dedicated business, and a decline in rail purchased transportation costs.

Adjusted income from operations decreased \$33.8 million, approximately 23%.

Enterprise operating ratio (operating expenses as a percentage of operating revenues) increased on both a GAAP and adjusted basis when compared to the first quarter of 2022. Among other factors, our operating ratio can be negatively impacted by changes in portfolio mix when our higher operating ratio, less asset-focused Logistics segment grows faster than our lower operating ratio, capital-intensive Truckload segment.

Enterprise Operating Expenses

Key operating expense fluctuations are described below.

- Purchased transportation decreased \$177.0 million, or 24%, quarter over quarter, primarily resulting from a decline in third-party carrier costs within Logistics due to lower brokerage volumes and purchased transportation costs per order, in addition to a decline in rail purchased transportation driven by decreases in Intermodal orders and rail cost per mile.
- Fuel and fuel taxes for company trucks increased \$2.8 million, or 3%, quarter over quarter, driven primarily by increased dedicated volumes. A significant portion of fuel costs are recovered through our fuel surcharge programs.
- Depreciation and amortization increased \$8.0 million, or 10%, quarter over quarter, mainly due to additional depreciation expense incurred as a result of truck and trailer growth within Truckload, as well as inflationary unit costs for new equipment.

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- Operating supplies and expenses—net increased \$58.4 million, or 65%, quarter over quarter, largely resulting from a net gain in the first quarter of 2022 related to the sale of the Company’s Canadian facility and higher cost of goods sold in our leasing business due to an increase in lease activity in 2023. These factors were partially offset by an increase in gains on sales of equipment and a decrease in equipment rental expense driven by improved port fluidity and decreased port dray volumes in 2023.
- Other general expenses decreased \$62.1 million, or 63%, quarter over quarter, primarily related to a \$59.0 million adverse judgment in 2022 related to a lawsuit with the former owners of WSL.

Total Other Expenses (Income)

Total other income increased \$26.3 million in the first quarter of 2023 compared to the same quarter in 2022. This change was driven by a \$17.6 million pre-tax net gain on our equity investments in the first quarter of 2023 compared to an \$8.4 million pre-tax net loss in the first quarter of 2022. See Note 6, *Investments*, for more information on our equity investments.

Income Tax Expense

Our provision for income taxes decreased \$0.1 million in the first quarter of 2023 compared to the same quarter in 2022, primarily due to a decrease in the effective income tax rate. The effective income tax rate was 24.2% for the three months ended March 31, 2023 compared to 25.4% for the same quarter last year. Our provision for income taxes may fluctuate in future periods to the extent there are changes to tax laws and regulations.

Revenues and Income (Loss) from Operations by Segment

The following tables summarize revenues and income (loss) from operations by segment.

| Revenues by Segment <i>(in millions)</i> | Three Months Ended March 31, | |
|---|---|-------------------|
| | 2023 | 2022 |
| Truckload | \$ 537.0 | \$ 548.4 |
| Intermodal | 266.1 | 302.1 |
| Logistics | 382.2 | 545.7 |
| Other | 92.2 | 85.3 |
| Fuel surcharge | 179.2 | 166.0 |
| Inter-segment eliminations | (28.0) | (27.0) |
| Operating revenues | <u>\$ 1,428.7</u> | <u>\$ 1,620.5</u> |

| Income (Loss) from Operations by Segment <i>(in millions)</i> | Three Months Ended March 31, | |
|--|---|-----------------|
| | 2023 | 2022 |
| Truckload | \$ 62.6 | \$ 119.4 |
| Intermodal | 30.0 | 38.9 |
| Logistics | 18.5 | 41.9 |
| Other | 3.5 | (65.1) |
| Income from operations | 114.6 | 135.1 |
| Adjustments: | | |
| Litigation and audit assessments | — | 64.2 |
| Property gain—net | — | (50.9) |
| Adjusted income from operations | <u>\$ 114.6</u> | <u>\$ 148.4</u> |

We monitor and analyze a number of KPIs to manage our business and evaluate our financial and operating performance.

Truckload

The following table presents our Truckload segment KPIs for the periods indicated, consistent with how revenues and expenses are reported internally for segment purposes. The two operations that make up our Truckload segment are as follows:

- **Dedicated** - Transportation services with equipment devoted to customers under long-term contracts.
- **Network** - Transportation services of one-way shipments.

Impacts from deBoer are included within dedicated operations below beginning in the third quarter of 2022.

| | Three Months Ended March 31, | |
|--|---------------------------------|----------|
| | 2023 | 2022 |
| Dedicated | | |
| Revenues (excluding fuel surcharge) ⁽¹⁾ | \$ 303.0 | \$ 280.1 |
| Average trucks ⁽²⁾⁽³⁾ | 5,948 | 5,720 |
| Revenue per truck per week ⁽⁴⁾ | \$ 3,980 | \$ 3,861 |
| Network | | |
| Revenues (excluding fuel surcharge) ⁽¹⁾ | \$ 234.1 | \$ 266.7 |
| Average trucks ⁽²⁾⁽³⁾ | 4,474 | 4,582 |
| Revenue per truck per week ⁽⁴⁾ | \$ 4,089 | \$ 4,591 |
| Total Truckload | | |
| Revenues (excluding fuel surcharge) ⁽⁵⁾ | \$ 537.0 | \$ 548.4 |
| Average trucks ⁽²⁾⁽³⁾ | 10,422 | 10,302 |
| Revenue per truck per week ⁽⁴⁾ | \$ 4,027 | \$ 4,186 |
| Average company trucks ⁽³⁾ | 8,477 | 8,224 |
| Average owner-operator trucks ⁽³⁾ | 1,945 | 2,078 |
| Trailers ⁽⁶⁾ | 44,499 | 40,480 |
| Operating ratio ⁽⁷⁾ | 88.3 % | 78.2 % |

(1) Revenues (excluding fuel surcharge), in millions, exclude revenue in transit.

(2) Includes company and owner-operator trucks.

(3) Calculated based on beginning and end of month counts and represents the average number of trucks available to haul freight over the specified timeframe.

(4) Calculated excluding fuel surcharge and revenue in transit, consistent with how revenue is reported internally for segment purposes, using weighted workdays.

(5) Revenues (excluding fuel surcharge), in millions, include revenue in transit at the operating segment level and, therefore does not sum with amounts presented above.

(6) Includes entire fleet of owned trailers, including trailers with leasing arrangements between Truckload and Logistics.

(7) Calculated as segment operating expenses divided by segment revenues (excluding fuel surcharge) including revenue in transit and related expenses at the operating segment level.

Truckload revenues (excluding fuel surcharge) decreased \$11.4 million, approximately 2%, in the first quarter of 2023 compared to the same quarter in 2022. Rate per loaded mile decreased 4% as a result of moderating market conditions, primarily within network. Overall volume increased 2%, a result of new business within dedicated, while network volumes decreased slightly as market conditions continued to moderate. Dedicated average trucks grew nearly 230 units compared to the same quarter in 2022, further supporting increased volume. During the same period, network average trucks declined approximately 110 units to approximately 4,470, which contributed to increased network productivity.

Truckload income from operations decreased \$56.8 million, approximately 48%, in the first quarter of 2023 compared to the same quarter in 2022. Factors contributing to the decrease in income from operations include a \$50.9 million net gain on the sale of the Company's Canadian facility in 2022, decreased rate per loaded mile, increased depreciation resulting from equipment growth along with inflationary unit costs for new equipment, and lower volumes within network. These items were partially offset by volume growth within dedicated. The Truckload segment's operating ratio increased to 88.3% from 78.2% driven largely by the 930 basis point favorable impact of the net gain on the sale of the Company's Canadian facility in the first quarter of 2022.

Intermodal

The following table presents the KPIs for our Intermodal segment for the periods indicated.

| | Three Months Ended March 31, | |
|----------------------------------|---------------------------------|----------|
| | 2023 | 2022 |
| Orders ⁽¹⁾ | 100,745 | 110,227 |
| Containers | 27,735 | 27,423 |
| Trucks ⁽²⁾ | 1,536 | 1,596 |
| Revenue per order ⁽³⁾ | \$ 2,628 | \$ 2,679 |
| Operating ratio ⁽⁴⁾ | 88.7 % | 87.1 % |

(1) Based on delivered rail orders.

(2) Includes company and owner-operator trucks at the end of the period.

(3) Calculated using rail revenues excluding fuel surcharge and revenue in transit, consistent with how revenue is reported internally for segment purposes.

(4) Calculated as segment operating expenses divided by segment revenues (excluding fuel surcharge) including revenue in transit and related expenses at the operating segment level.

Intermodal revenues (excluding fuel surcharge) decreased \$36.0 million, approximately 12%, in the first quarter of 2023 compared to the same quarter in 2022, primarily due to a 9% decrease in orders. Revenue per order decreased \$51, or 2%, due to a lower rate per mile and shorter length of haul.

Intermodal income from operations decreased \$8.9 million, approximately 23%, in the first quarter of 2023 compared to the same quarter in 2022. Factors contributing to the decrease in income from operations are primarily due to the items cited above, partially offset by a decrease in rail-related costs.

Logistics

The following table presents the KPI for our Logistics segment for the periods indicated.

| | Three Months Ended March 31, | |
|--------------------------------|---------------------------------|--------|
| | 2023 | 2022 |
| Operating ratio ⁽¹⁾ | 95.2 % | 92.3 % |

(1) Calculated as segment operating expenses divided by segment revenues (excluding fuel surcharge) including revenue in transit and related expenses at the operating segment level.

Logistics revenues (excluding fuel surcharge) decreased \$163.5 million, approximately 30%, in the first quarter of 2023 compared to the same quarter in 2022. This was primarily due to a decrease in brokerage revenue per order and volume due to moderating market conditions, as well as lower port dry revenues.

Logistics income from operations decreased \$23.4 million, approximately 56%, in the first quarter of 2023 compared to the same quarter in 2022. This is due to the factors listed above, partially offset by a decrease in third-party carrier costs.

Other

Other income from operations increased \$68.6 million in the first quarter of 2023 compared to the same quarter in 2022. The increase was primarily driven by a \$59.0 million expense for an adverse judgment related to the former owners of WSL and \$5.2 million of expense related to an adverse audit assessment over the applicability of prior period state sales tax in 2022. Operating income from our leasing business also increased in 2023, further contributing to the quarter over quarter increase in income from operations.

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash are working capital requirements, capital expenditures, dividend payments, and debt service requirements. Additionally, we may use cash for acquisitions and other investing and financing activities. Working capital is required principally to ensure we are able to run the business and have sufficient funds to satisfy maturing short-term debt and operational expenses. Our capital expenditures consist primarily of transportation equipment and information technology.

Historically, our primary source of liquidity has been cash flow from operations. In addition, we have a \$250.0 million revolving credit facility and a \$150.0 million accounts receivable facility, for which our combined available capacity as of March 31, 2023 was \$322.4 million. We anticipate that cash generated from operations, together with amounts available under our credit facilities, will be sufficient to meet our requirements for the foreseeable future. To the extent additional funds are necessary to meet our long-term liquidity needs as we continue to execute our business strategy, we anticipate that we will obtain these funds through additional borrowings, equity offerings, or a combination of these potential sources of liquidity. Our ability to fund future operating expenses and capital expenditures, as well as our ability to meet future debt service obligations or refinance our indebtedness, will depend on our future operating performance, which will be affected by general economic, financial, and other factors beyond our control.

The following table presents our cash and cash equivalents, marketable securities, and outstanding debt as of the dates shown.

| <i>(in millions)</i> | March 31, 2023 | December 31, 2022 |
|---|-----------------|-------------------|
| Cash and cash equivalents | \$ 389.8 | \$ 385.7 |
| Marketable securities | 53.3 | 45.9 |
| Total cash, cash equivalents, and marketable securities | <u>\$ 443.1</u> | <u>\$ 431.6</u> |
| Debt: | | |
| Senior notes | \$ 205.0 | \$ 205.0 |
| Finance leases | 9.6 | 10.1 |
| Total debt | <u>\$ 214.6</u> | <u>\$ 215.1</u> |

Debt

As of March 31, 2023, we were in compliance with all financial covenants under our credit agreements and the agreements governing our senior notes. See Note 8, *Debt and Credit Facilities*, for information about our financing arrangements.

Cash Flows

The following table summarizes the changes to our net cash flows provided by (used in) operating, investing, and financing activities for the periods indicated.

| <i>(in millions)</i> | Three Months Ended March 31, | |
|---|---------------------------------|----------|
| | 2023 | 2022 |
| Net cash provided by operating activities | \$ 183.1 | \$ 135.6 |
| Net cash used in investing activities | (156.5) | (34.4) |
| Net cash used in financing activities | (22.5) | (73.4) |

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022

Operating Activities

Net cash provided by operating activities increased \$47.5 million, approximately 35%, in the first three months of 2023 compared to the same period in 2022. The increase was a result of an increase in net income adjusted for various noncash charges and a decrease in cash used by working capital. Working capital changes were driven by an increase in cash provided by trade accounts receivable, partially offset by an increase in cash used for payables and other liabilities due in part to a \$59.0 million adverse judgment related to a lawsuit with former owners of WSL in 2022.

Investing Activities

Net cash used in investing activities increased \$122.1 million in the first three months of 2023 compared to the same period in 2022. The increase in cash used was primarily driven by an increase in net capital expenditures and the funding of a note receivable in 2023 for \$10.0 million.

Net Capital Expenditures

The following table sets forth our net capital expenditures for the periods indicated.

| <i>(in millions)</i> | Three Months Ended March 31, | |
|--|---------------------------------|---------|
| | 2023 | 2022 |
| Purchases of transportation equipment | \$ 143.1 | \$ 60.3 |
| Purchases of other property and equipment | 12.5 | 14.4 |
| Proceeds from sale of property and equipment | (34.7) | (64.8) |
| Net capital expenditures | \$ 120.9 | \$ 9.9 |

Net capital expenditures increased \$111.0 million in the first three months of 2023 compared to the same period in 2022. The increase was driven by an \$82.8 million increase in purchases of transportation equipment mainly due to replacement equipment, growth capital, and higher costs for new equipment, as well as a \$30.1 million decrease in proceeds from the sale of property and equipment. The decrease in proceeds is primarily due to the sale of our Canadian facility in the first quarter of 2022, partially offset by more equipment sales in 2023.

Financing Activities

Net cash used in financing activities decreased \$50.9 million, approximately 69%, in the first three months of 2023 compared to the same period in 2022. The main driver of the decrease in net cash used was a \$60.0 million repayment of a private placement note in March of 2022.

Other Considerations that Could Affect Our Results, Liquidity, or Capital Resources

Factors that Could Result in a Goodwill Impairment

Goodwill is tested for impairment at least annually using the discounted cash flow, guideline public company, and guideline transaction methods, as applicable, to calculate the fair values of our reporting units. Key inputs used in the discounted cash flow approach include growth rates for sales and operating profit, perpetuity growth assumptions, and discount rates. Key inputs used in the guideline public company and guideline transaction methods include EBITDA valuation multiples of comparable companies and transactions. If interest rates rise or EBITDA valuation multiples of comparable companies and transactions decline, the calculated fair values of our reporting units will decrease, which could impact the results of our goodwill impairment tests.

We will perform our annual evaluation of goodwill for impairment as of October 31, 2023, with such analysis expected to be finalized during the fourth quarter. As part of our annual process of updating our goodwill impairment evaluation, we will assess the impact of current operating results and our resulting management actions to determine whether they have an impact on the long-term valuation of reporting units and the related recoverability of our goodwill.

Off-Balance Sheet Arrangements

As of March 31, 2023, we had no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on our consolidated financial condition, results of operations, liquidity, capital expenditures, or capital resources.

Contractual Obligations

See the disclosure under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Contractual Obligations” in our Annual Report on Form 10-K for the year ended December 31, 2022 for our contractual obligations as of December 31, 2022. There were no material changes to our contractual obligations during the three months ended March 31, 2023.

CRITICAL ACCOUNTING ESTIMATES

We have reviewed our critical accounting policies and considered whether new critical accounting estimates or other significant changes to our accounting policies require additional disclosures. We have found that the disclosures made in our Annual Report on Form 10-K for the year ended December 31, 2022 are still current and that there have been no significant changes.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our market risks have not changed significantly from the market risks discussed in the section entitled “Quantitative and Qualitative Disclosures about Market Risk” in Part II, Item 7A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 as filed with the SEC on February 17, 2023.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended), as of the end of the period covered by this report. Based upon their evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in Internal Control

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) during the fiscal quarter covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION**ITEM 1. LEGAL PROCEEDINGS**

The Company is party to various lawsuits in the ordinary course of its business. For information relating to legal proceedings, see Note 12, *Commitments and Contingencies*, which is incorporated herein by reference.

ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors disclosed in the Annual Report on Form 10-K for the year ended December 31, 2022.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table sets forth information regarding the purchases of our equity securities made by or on behalf of us or any affiliated purchaser (as defined in Exchange Act Rule 10b-18) during the three months ended March 31, 2023.

| Period | Total Number of Shares Purchased ⁽¹⁾ | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽²⁾ <i>(in millions)</i> |
|--------------------------------------|---|------------------------------|--|---|
| January 1, 2023 - January 31, 2023 | — | \$ — | — | \$ 150.0 |
| February 1, 2023 - February 28, 2023 | 176,905 | 26.13 | — | 150.0 |
| March 1, 2023 - March 31, 2023 | 67,372 | 26.36 | — | 150.0 |
| Total | <u>244,277</u> | | <u>—</u> | |

(1) Represents shares of common stock that employees surrendered to satisfy withholding taxes related to the vesting of restricted stock.

(2) In January 2023, our Board approved a share repurchase program under which the Company is authorized to repurchase up to \$150.0 million of its Class A and/or Class B common shares. The program does not obligate the Company to repurchase a minimum number of shares and is intended to help offset the dilutive effect of equity grants to employees over time. Under this program, the Company may repurchase shares in privately negotiated and/or open market transactions. As of March 31, 2023, the Company had \$150.0 million remaining available to repurchase.

Limitation Upon Payment of Dividends

The 2022 Credit Facility includes covenants limiting our ability to pay dividends or make distributions on our capital stock if a default exists under the 2022 Credit Facility or would be caused by giving effect to such dividend.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION**Executive Change of Control Severance Plan**

On April 24, 2023 and effective as of such date, the Compensation Committee (the “Committee”) of the Board adopted the Schneider National, Inc. Executive Change of Control Severance Plan (the “Change of Control Severance Plan”) to provide certain key employees with specified levels of compensation and benefits in the event of a qualifying termination of employment in connection with a change of control.

The Change of Control Severance Plan applies to the following executives:

- a. Tier 1 Participant: Our Chief Executive Officer (“CEO”);
- b. Tier 2 Participants: Senior executives who are direct reports to the CEO or who are otherwise designated by the Committee as Tier 2 Participants; and
- c. Tier 3 Participants: Employees designed by the Committee as Tier 3 Participants.

In general, participants in the Change of Control Severance Plan become eligible to receive compensation under the plan upon an involuntary termination of employment (i.e. a termination without cause or a resignation for good reason) occurring within a two-year period following a change of control (a “Qualifying Termination”). Upon a Qualifying Termination, the Change of Control Severance Plan provides for the participant to receive the following payments and benefits, which are in addition to any accrued but unpaid obligations of the Company to the Participant: (i) any earned but unpaid annual cash bonus, (ii) a severance payment equal to the product of (x) participant’s monthly base salary plus target bonus amount divided by twelve, multiplied by (y) the number of months in the applicable “Severance Period”, (iii) a pro rata annual bonus payment based on actual results (or target if actual results are not determinable), and (iv) a cash payment equal to the amount of the active employee premium for continued medical coverage for the participant and eligible dependents (as elected by the participant prior to the participant’s Qualifying Termination) multiplied by the number of months in the participant’s Severance Period. The participant must sign a release of claims in favor of the company to receive the various compensation and benefits provided for in the Change of Control Severance Plan and the amounts described above are paid in a cash lump sum payment, generally, shortly after the participant’s Qualifying Termination. The respective Severance Periods are as follows: 30 months for the Tier 1 Participant, 24 months for Tier 2 Participants, and 18 months for Tier 3 Participants.

If any participant’s payments under the Change of Control Severance Plan when aggregated with any other compensation due to the participant would trigger “golden parachute” excise taxes under the Internal Revenue Code, the payments to the participant will be reduced to limit or avoid the “golden parachute” excise tax, if and to the extent such reduction would produce a more favorable after-tax result for the participant.

The Change of Control Severance Plan does not provide for any payments or benefits upon a participant’s termination for cause or voluntary resignation without good reason or due to the death or disability of the participant. Moreover, the Change of Control Severance Plan does not modify the treatment of any outstanding equity or equity-based awards held by the participant.

The Committee may generally amend or modify the Change of Control Severance Plan; however, any amendment that reduces payments may only be effective with one year’s advance written notice to impacted participants and no amendment reducing payments under the Change of Control Severance Plan may occur during the two year period following a change of control.

The foregoing description is only a summary and is qualified in its entirety by reference to the full text of the Change of Control Severance Plan, a copy of which is filed as Exhibit 10.4 to this Quarterly Report and incorporated herein by reference.

ITEM 6. EXHIBITS

| Exhibit Number | Exhibit Description |
|-----------------------|---|
| 10.1*+ | Form of Schneider National, Inc. Restricted Stock Unit Award Agreement (2023) |
| 10.2*+ | Form of Schneider National, Inc. Performance-Based Restricted Stock Unit Award Agreement (2023) |
| 10.3*+ | Form of Schneider National, Inc. Director Restricted Stock Unit Award Agreement (2023) |
| 10.4*+ | Schneider National, Inc. Executive Change of Control Severance Plan |
| 31.1* | Certification pursuant to Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 31.2* | Certification pursuant to Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 32.1** | Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 32.2** | Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 101.INS* | XBRL Instance Document - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document. |
| 101.SCH* | XBRL Taxonomy Extension Schema Document |
| 101.CAL* | XBRL Taxonomy Calculation Linkbase Document |
| 101.DEF* | XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB* | XBRL Taxonomy Extension Labels Linkbase Document |
| 101.PRE* | XBRL Taxonomy Extension Presentation Linkbase Document |
| 104* | The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, formatted in Inline XBRL |

* Filed herewith.
** Furnished herewith.
+ Constitutes a management contract or compensatory plan or arrangement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant, Schneider National, Inc., has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SCHNEIDER NATIONAL, INC.

Date: April 27, 2023

/s/ Stephen L. Bruffett

Stephen L. Bruffett

Executive Vice President and Chief Financial Officer

(Duly Authorized Officer and Principal Financial Officer)

**SCHNEIDER NATIONAL, INC.
RESTRICTED STOCK UNIT
EXECUTIVE AWARD AGREEMENT**

THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (this “Agreement”), dated as of February 15, 2023 (the “Date of Grant”), is made by and between Schneider National, Inc., a Wisconsin corporation (the “Company”), and [_____] (the “Participant”).

WHEREAS, the Company has adopted the Schneider National, Inc. 2017 Omnibus Incentive Plan (as may be amended from time to time, the “Plan”), pursuant to which Restricted Stock Units (“RSUs”) may be granted; and

WHEREAS, the Compensation Committee of the Board of Directors of the Company (the “Committee”) has determined that it is in the best interests of the Company and its shareholders to grant the RSUs provided for herein to the Participant, subject to the terms set forth herein.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Restricted Stock Units.

(a) Grant. The Company hereby grants to the Participant a total of [_____] RSUs, on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan. Each RSU represents the right to receive one Share. The RSUs shall be credited to a separate book-entry account maintained for the Participant on the books of the Company.

(b) Incorporation by Reference, Etc. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon the Participant and his or her legal representative in respect of any questions arising under the Plan or this Agreement. The Participant acknowledges that the Participant has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all the terms and provisions of the Plan. Without limiting the foregoing, the Participant acknowledges that the RSUs and any Shares acquired upon settlement of the RSUs are subject to provisions of the Plan under which, in certain circumstances, an adjustment may be made to the number of the RSUs, and any Shares acquired upon settlement of the RSUs.

2. Vesting; Settlement.

(a) Vesting. The RSUs shall become vested in 33.33% cumulative installments on each of the first three anniversaries of February 15, 2023 (each, a “Vesting Date”); provided that the Participant remains continuously employed in active service by the Company or one of its Affiliates from the Date of Grant through such Vesting Date.

(b) **Settlement.** Except as otherwise provided herein, each vested RSU shall be settled within 60 days following the applicable Vesting Date. The RSUs are generally settled in Shares, but the Committee reserves the right to also settle in cash in an amount equal to the number of vested RSUs multiplied by the Fair Market Value of a Share as of the applicable Vesting Date or in a combination of cash and Shares.

3. Dividend Equivalents. Each RSU shall be credited with Dividend Equivalents, which shall be withheld by the Company for the Participant's account. Dividend Equivalents credited to the Participant's account and attributable to a RSU shall be distributed (without interest) to the Participant at the same time as the underlying Share is delivered (or equivalent cash payment made) upon settlement of such RSU and, if such RSU is forfeited, the Participant shall have no right to such Dividend Equivalents. Any adjustments for Dividend Equivalents shall be in the sole discretion of the Committee and are generally payable in cash, but may be settled (x) in Shares with a Fair Market Value as of the applicable Vesting Date equal to the Dividend Equivalents or (y) in an adjustment to the underlying number of Shares subject to the RSUs at the discretion of the Committee.

4. Tax Withholding. Vesting and settlement of the RSUs shall be subject to the Participant satisfying any applicable U.S. Federal, state and local tax withholding obligations and non-U.S. tax withholding obligations. Unless otherwise provided by the Company, (a) tax withholding shall be accomplished by withholding Shares subject to the RSUs or cash otherwise payable in settlement of the RSUs with a value up to the amount of any required withholding taxes and (b) tax withholding shall in no event exceed the applicable maximum statutory rate. The Company shall have the right and is hereby authorized to withhold from any amounts payable to the Participant in connection with the RSUs or otherwise the amount of any required withholding taxes in respect of the RSUs, its settlement or any payment or transfer of the RSUs or under the Plan and to take any such other action as the Committee or the Company deems necessary to satisfy all obligations for the payment of such withholding taxes.

5. Termination of Employment.

(a) Termination of Employment due to Death or Disability. If, on or prior to an applicable Vesting Date, (1) the Participant becomes Disabled or (2) the Participant's employment with the Company and its Affiliates is terminated due to the Participant's death, then the RSUs, to the extent unvested, shall become fully vested as of the date of such event. Such vested RSUs shall be settled within 60 days following such date, in Shares, in cash in an amount equal to the number of vested RSUs multiplied by the Fair Market Value of a Share as of such date, or in a combination of cash and Shares, as determined by the Committee. For the avoidance of doubt, this Section 5(a) shall not apply to any death or Disability of the Participant occurring after the date of termination of the Participant's employment for any reason (including Retirement).

(b) Termination of Employment due to Retirement. If, on or prior to an applicable Vesting Date, the Participant's employment with the Company and its Affiliates is terminated by the Participant due to Retirement, then the RSUs shall continue to vest and be settled in accordance with the schedule set forth in Section 2, as if the Participant had remained continuously employed in active service by the Company or one of its Affiliates through the applicable Vesting Date.

For the avoidance of doubt, a Participant must satisfy all requirements specified under the Plan to become eligible for Retirement, including and without limitation, the requirement that the Participant continue in active employment through the end of the year in which this Award was granted. In the event the Participant does not continue in active employment through the end of the year in which this Award was granted due to the Participant's voluntary termination of employment then the unvested RSUs shall be cancelled immediately, and the Participant shall not be entitled to receive any consideration with respect thereto.

(c) Other Termination of Employment. If, prior to the final Vesting Date, the Participant's employment with the Company and its Affiliates terminates for any reason other than as set forth in Sections 5(a) or 5(b) above (including any termination of employment by the Participant for any reason other than Retirement, or by the Company with or without Cause), then all unvested RSUs shall be cancelled immediately and the Participant shall not be entitled to receive any payments with respect thereto. When a Participant's employment with the Company is terminated for any reason other than due to Death, Disability, or Retirement as defined by the Plan: (i) Participant's access to the Company's online equity portal will be revoked on the 90th day following the date of the Participant's employment termination date; and (ii) within 90 days of Participant's employment termination date, the Participant shall be solely responsible for arranging for the transfer of all of Participant's vested RSUs to Participant's own personal brokerage account.

6. Change of Control.

(a) If a Change of Control occurs and the Committee determines that no sufficient provision has been made for assumption or substitution of the RSUs granted hereby in the manner contemplated by Section 8(a) of the Plan, the RSUs, to the extent then unvested, shall automatically be deemed vested as of immediately prior to such Change of Control, and the RSUs shall be settled within 60 days following such Change of Control (or, to the extent the RSUs are deferred compensation subject to Section 409A of the Code, within 60 days following a later payment event permissible under Section 409A of the Code), in Shares, in cash in an amount equal to the number of vested RSUs multiplied by the Fair Market Value of a Share (as of a date specified by the Committee), or in a combination of cash and Shares, as determined by the Committee.

(b) If a Change of Control occurs and the Committee determines that the acquirer has assumed or substituted the RSUs granted hereby in the manner contemplated by Section 8(b) of the Plan, and within the 24-month period following such Change of Control, the Participant's employment with the Company and its Affiliates is terminated by the Company or one of its Affiliates without Cause (other than due to death or Disability), or by the Participant for Good Reason (defined below), then the RSUs, to the extent unvested, shall become fully vested as of the date of termination of employment, and promptly settled upon vesting, in a manner consistent with Section 2(b) (or, to the extent the RSUs are deferred compensation subject to Section 409A of the Code, within 60 days following a later payment event permissible under Section 409A of the Code).

(c) For purposes of this Agreement only, "Good Reason" means (i) a material decrease in the Participant's total annual compensation opportunity (calculated as the sum of such Participant's annual base salary plus target annual bonus) or (ii) a relocation of the principal place of the Participant's work location to a location that increases the Participant's one-way commute by at least 50 miles. Notwithstanding anything herein to the contrary, Good Reason shall not occur unless and until (A) the Participant delivers written notice delivered to the General Counsel of the Company within 60 days following the initial existence of the circumstances giving rise to Good Reason, (B) 30 days have elapsed from the date the Company receives such notice from the Participant without the Company curing or causing to be cured the circumstances giving rise to Good Reason, and (C) the Participant's effective date of resignation is no later than 10 days following the Company's failure to cure.

7. Restrictive Covenants.

(a) Restrictive Covenant Agreements. During the term of the Participant's employment with the Company and thereafter according to their respective provisions, the Participant hereby agrees that he or she shall be bound by, and shall comply with, (i) the Key Employee Non-Compete and No-Solicitation Agreement, (ii) the Confidentiality Agreement, each in the form provided by the Company ((i) and (ii) collectively, the "Restrictive Covenant Agreements"), and (iii) all other agreements the Participant has executed during the course of employment with the Company and its Affiliates as in effect from time to time.

(b) Forfeiture; Other Relief. **In the event of a breach by the Participant of any Restrictive Covenant Agreement, then in addition to any other remedy which may be available at law or in equity, the RSUs shall be automatically forfeited effective as of the date on which such violation first occurs, and, in the event that the Participant has received settlement of RSUs within the three (3) year period immediately preceding such breach, the Participant will forfeit any Shares or cash payment received upon settlement thereof without consideration and be required to forfeit any compensation, gain or other value realized thereafter on the sale or other transfer of such Shares, and must promptly repay such amounts to the Company.** The foregoing rights and remedies are in addition to any other rights and remedies that may be available to the Company and shall not prevent (and the Participant shall not assert that they shall prevent) the Company from bringing one or more actions in any applicable jurisdiction to recover damages as a result of the Participant's breach of such Restrictive Covenant Agreement to the full extent of law and equity. The Participant acknowledges and agrees that irreparable injury will result to the Company and its goodwill if the Participant breaches any of the terms of the Restrictive Covenant Agreements, the exact amount of which will be difficult or impossible to ascertain, and that remedies at law would be an inadequate remedy for any breach. Accordingly, the Participant hereby agrees that, in the event of a breach of any of the terms of the Restrictive Covenant Agreements, in addition to any other remedy that may be available at law or in equity, the Company shall be entitled to specific performance and injunctive relief.

(c) **Severability; Blue Pencil.** The invalidity or nonenforceability of any provision of this Section 7 or any of the terms of the Restrictive Covenant Agreements in any respect shall not affect the validity or enforceability of the other provisions of this Section 7 or any of the terms of the Restrictive Covenant Agreements in any other respect, or of any other provision of this Agreement. In the event that any provision of this Section 7 or any of the terms of the Restrictive Covenant Agreements shall be held invalid, illegal or unenforceable (whether in whole or in part) by a court of competent jurisdiction, such provision shall be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability, and the remaining provisions (and part of such provision, as the case may be) shall not be affected thereby; provided, however, that if any provision of the Restrictive Covenant Agreements is finally held to be invalid, illegal or unenforceable because it exceeds the maximum scope determined to be acceptable to permit such provision to be enforceable, such provision shall be deemed to be modified to the minimum extent necessary to modify such scope in order to make such provision enforceable hereunder.

8. Rights as a Shareholder. The Participant shall not be deemed for any purpose, nor have any of the rights or privileges of, a shareholder of the Company in respect of any Shares underlying the RSUs unless, until and to the extent that (i) the Company shall have issued and delivered to the Participant the Shares underlying the vested RSUs and (ii) the Participant's name shall have been entered as a shareholder of record with respect to such Shares on the books of the Company. The Company shall cause the actions described in clauses (i) and (ii) of the preceding sentence to occur promptly following settlement as contemplated by this Agreement, subject to compliance with applicable laws.

9. Compliance with Legal Requirements. The granting and settlement of the RSUs, and any other obligations of the Company under this Agreement, shall be subject to all applicable Federal, provincial, state, local and foreign laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee shall have the right to impose such restrictions on the RSUs as it deems reasonably necessary or advisable under applicable Federal securities laws, the rules and regulations of any stock exchange or market upon which Shares are then listed or traded, and/or any blue sky or state securities laws applicable to such Shares. It is expressly understood that the Committee is authorized to administer, construe, and make all determinations necessary or appropriate to the administration of the Plan and this Agreement, all of which shall be binding upon the Participant. The Participant agrees to take all steps the Committee or the Company determines are reasonably necessary to comply with all applicable provisions of Federal and state securities law in exercising his or her rights under this Agreement.

10. Clawback. The RSUs and/or the Shares acquired upon settlement of the RSUs shall be subject (including on a retroactive basis) to clawback, forfeiture or similar requirements (and such requirements shall be deemed incorporated by reference into this Agreement) to the extent required or permitted by applicable law or regulation of any applicable securities exchange or inter-dealer quotation system on which the Shares may be listed or quoted, or if so required pursuant to a written policy either currently in place or which may subsequently be adopted by the Company.

11. Miscellaneous.

(a) **Transferability.** The RSUs may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered (a "Transfer") by the Participant other than by will or by the laws of descent and distribution, pursuant to a qualified domestic relations order or as otherwise permitted under the Plan. Any attempted Transfer of the RSUs contrary to the provisions hereof, and the levy of any execution, attachment or similar process upon the RSUs, shall be null and void and without effect.

(b) Amendment. The Committee at any time, and from time to time, may amend the terms of this Agreement; provided, however, that the rights of the Participant shall not be materially adversely affected without the Participant's written consent.

(c) Waiver. Any right of the Company contained in this Agreement may be waived in writing by the Committee. No waiver of any right hereunder by any party shall operate as a waiver of any other right, or as a waiver of the same right with respect to any subsequent occasion for its exercise, or as a waiver of any right to damages. No waiver by any party of any breach of this Agreement shall be held to constitute a waiver of any other breach or a waiver of the continuation of the same breach.

(d) Deferrals.

(i) Deferral Elections. The following rules shall apply to any deferral elections made by the Participant:

(A) The Participant may elect to defer all or any portion of the Shares or cash he would otherwise receive pursuant to Section 2 or 3 of this Agreement by completing and submitting a deferral election form (in a form provided by the Company) no later than December 31, 2022 or such other time determined by the Company.

(B) Deferral elections shall continue in effect until a written election to revoke or change such deferral election is received by the Company, except that a written election to revoke or change such deferral election must be made no later than December 31, 2022 or such other time determined by the Company.

(ii) Distributions Pursuant to Deferral Elections. Any Shares or cash deferred under this Agreement shall be distributed in a single lump-sum distribution on the last business day of the month following the month in which the earliest of the following events occurs (or as soon as administratively practicable thereafter): (A) the Participant's "separation from service" (within the meaning of Section 409A of the Code); (B) a fixed date specified by the Participant at the time the Participant makes a deferral election, (which date may not be prior to the first (1st) anniversary, or later than the tenth (10th) anniversary, of the payment or settlement date of the Equity Award, unless the Company determines otherwise in accordance with Section 409A of the Code); (C) the Participant's Disability (as provided in Section 11(d)(iii) below); or (D) the Participant's death. Share deferrals shall be paid in Shares and cash deferrals shall be paid in cash.

(iii) Disability. At the time that a Participant elects to defer the receipt of Shares or cash pursuant to Section 11(d)(i) above, the Participant shall make an election with respect to the treatment of the deferred Shares or cash in the event of his or her Disability. The Participant may elect (x) to receive distribution of the deferred Shares or cash in the event of his Disability, or (y) notwithstanding his or her Disability, to receive distribution of the deferred Shares or cash upon the occurrence of an event set forth in clauses (A), (B) or (D) in Section 11(d)(ii) above. For purposes of this Section 11(d), "Disability" shall have the meaning set forth in the Plan; however, to the extent a "Disability" event does not also constitute a "Disability" as defined in Section 409A, such Disability event shall not constitute a Disability for purposes of this Section 11(d).

(iv) Unforeseeable Emergency. The Committee may, in its sole and absolute discretion and subject to the requirements and restrictions under Section 409A of the Code, make a partial or total distribution of the Shares or cash deferred by a Participant

upon the Participant's request and a demonstration by the Participant of an "unforeseeable emergency" (as defined in Section 409A of the Code).

(v) Terms and Conditions of Deferrals. The deferrals made pursuant to this Section 11(d) shall be subject to such other terms and conditions determined by the Committee and set forth in a deferral election form and related documents.

(e) Section 409A. The RSUs are intended to be exempt from, or compliant with, Section 409A of the Code and shall be interpreted accordingly. Notwithstanding the foregoing or any provision of the Plan or this Agreement, if any provision of the Plan or this Agreement contravenes Section 409A of the Code or could cause the Participant to incur any tax, interest or penalties under Section 409A of the Code, the Committee may, in its sole reasonable discretion and with the Participant's consent, modify such provision to (i) comply with, or avoid being subject to, Section 409A of the Code, or to avoid the incurrence of taxes, interest and penalties under Section 409A of the Code, and (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the Participant of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A of the Code. This Section 11(e) does not create an obligation on the part of the Company to modify the Plan or this Agreement and does not guarantee that the RSUs or the Shares underlying the RSUs will not be subject to interest and penalties under Section 409A of the Code. Notwithstanding anything to the contrary in the Plan or this Agreement, to the extent that the Participant is a "specified employee" (within the meaning of the Committee's established methodology for determining "specified employees" for purposes of Section 409A of the Code), payment or distribution of any amounts with respect to the RSUs that are subject to Section 409A of the Code and that are required to be delayed due to the Participant's status as a "specified employee" will be made as soon as practicable following the first business day of the seventh month following the Participant's "separation from service" (within the meaning of Section 409A of the Code) from the Company and its Affiliates, or, if earlier, the date of the Participant's death.

(f) General Assets. All amounts credited in respect of the RSUs to the book-entry account under this Agreement shall continue for all purposes to be part of the general assets of the Company. The Participant's interest in such account shall make the Participant only a general, unsecured creditor of the Company.

(g) Notices. All notices, requests, consents and other communications to be given hereunder to any party shall be deemed to be sufficient if contained in a written instrument and shall be deemed to have been duly given when delivered in person, by telecopy, by nationally recognized overnight courier, or by first-class registered or certified mail, postage prepaid, addressed to such party at the address set forth below or such other address as may hereafter be designated in writing by the addressee to the addresser:

(i) if to the Company, to:

Schneider National, Inc.
3101 Packerland Drive
Green Bay, WI 54313
Facsimile: (920) 403-8445
Attention: General Counsel

(ii) if to the Participant, to the Participant's home address on file with the Company.

All such notices, requests, consents and other communications shall be deemed to have been delivered in the case of personal delivery or delivery by telecopy, on the date of such delivery, in the case of nationally recognized overnight courier, on the next business day, and in the case of mailing, on the third business day following such mailing if sent by certified mail, return receipt requested.

(h) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(i) No Rights to Employment. Nothing contained in this Agreement shall be construed as giving the Participant any right to be retained, in any position, as an employee, consultant or director of the Company or its Affiliates or shall interfere with or restrict in any way the rights of the Company or its Affiliates, which are hereby expressly reserved, to remove, terminate or discharge the Participant at any time for any reason whatsoever.

(j) Fractional Shares. In lieu of issuing a fraction of a Share resulting from an adjustment of the RSUs pursuant to Section 4(b) of the Plan or otherwise, the Company shall be entitled to pay to the Participant an amount equal to the Fair Market Value of such fractional share.

(k) Beneficiary. The Participant may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no beneficiary is designated, if the designation is ineffective, or if the beneficiary dies before the balance of a Participant's benefit is paid, the balance shall be paid to the Participant's estate. Notwithstanding the foregoing, however, a Participant's beneficiary shall be determined under applicable state law if such state law does not recognize beneficiary designations under Awards of this type and is not preempted by laws which recognize the provisions of this Section 11(k).

(l) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of the Participant and the beneficiaries, executors, administrators, heirs and successors of the Participant.

(m) Entire Agreement. This Agreement, the Plan and the Restrictive Covenant Agreements contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto.

(n) Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Wisconsin without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Wisconsin.

(o) Consent to Jurisdiction; Waiver of Jury Trial. The Participant and the Company (on behalf of itself and its Affiliates) each consents to jurisdiction in the United States District Court for the Eastern District of Wisconsin, or if that court is unable to exercise jurisdiction for any reason, the Circuit Court of the State of Wisconsin, Brown County, and each waives any other requirement (whether imposed by statute, rule of court or otherwise) with respect to personal jurisdiction or service of process and waives any objection to jurisdiction based on improper venue or improper jurisdiction. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY, IN ANY ACTION,

PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THE PLAN OR THIS AGREEMENT.

(p) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

(q) Counterparts. This Agreement may be executed in one or more counterparts (including via facsimile and electronic image scan (.pdf)), each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties.

[Signature Page to Follow]

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the parties hereto as of the date first written above.



SCHNEIDER NATIONAL, INC.

Thomas G. Jackson
Executive Vice President and Secretary

[Participant Name]

[Date Signed]

**SCHNEIDER NATIONAL, INC.
PERFORMANCE-BASED RESTRICTED STOCK UNIT
EXECUTIVE AWARD AGREEMENT**

THIS PERFORMANCE-BASED RESTRICTED STOCK UNIT AWARD AGREEMENT (this “Agreement”), dated as of February 15, 2023 (the “Date of Grant”), is made by and between Schneider National, Inc., a Wisconsin corporation (the “Company”), and [_____] (the “Participant”).

WHEREAS, the Company has adopted the Schneider National, Inc. 2017 Omnibus Incentive Plan (as may be amended from time to time, the “Plan”), pursuant to which performance-based restricted stock units (“PSUs”) may be granted; and

WHEREAS, the Compensation Committee of the Board of Directors of the Company (the “Committee”) has determined that it is in the best interests of the Company and its shareholders to grant the PSUs provided for herein to the Participant, subject to the terms set forth herein.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Performance-Based Restricted Stock Units.

(a) Grant. The Company hereby grants to the Participant a total of [_____] target PSUs, on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan. The number of PSUs actually earned at the end of the Performance Period (defined below), if any, shall be based on the attainment of specified levels of the performance measures set forth on Exhibit A (the “Performance Metrics & Calculations”), and may range between 0% to 250% of the number of target PSUs. Each PSU represents the right to receive one Class B share of the Company’s common stock, no par value per share (“Share”), subject to the transfer restrictions, forfeiture provisions and other terms and conditions specified herein. The PSUs shall be credited to a separate book-entry account maintained for the Participant on the books of the Company.

(b) Incorporation by Reference, Etc. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon the Participant and his or her legal representative in respect of any questions arising under the Plan or this Agreement. The Participant acknowledges that the Participant has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all the terms and provisions of the Plan. Without limiting the foregoing, the Participant acknowledges that the PSUs and any Shares acquired upon settlement of the PSUs are subject to provisions of the Plan under which, in certain circumstances, an adjustment may be made to the number of the PSUs and any Shares acquired upon settlement of the PSUs.

2. Earned PSUs, Vesting and Settlement.

(a) **Earned PSUs.** The PSUs are subject to both performance-based and service-based requirements. The number of earned PSUs (i.e. that number of PSUs which correspond to the level of performance attainment which the Committee has determined was achieved during any applicable period) shall be determined solely by the Committee, in its absolute discretion, based on the attainment by the Company or its Affiliates of the targeted levels of performance set forth in Exhibit A, during the period beginning on January 1, 2023 and ending on December 31, 2025 (the “Performance Period”) as determined by the Committee. The number of earned PSUs may range between 0% and 250% of the number of target PSUs granted hereunder (with 100% corresponding to target performance achievement). PSUs shall also be subject to, and earned only if, the Participant remains continuously employed in active service by the Company or one of its Affiliates from the Date of Grant through the final date of the performance period.

(b) **Performance Measures.** For purposes of determining the number of earned PSUs under this Agreement, the performance measures which the Committee shall assess and evaluate for determining the number of PSUs which have been earned by the Participant shall consist of: (i) a simple average of the Company’s annual return on invested capital (as defined on Exhibit A) (“ROC”) over the Performance Period, (ii) the cumulative compound annual growth rate of the Company’s earnings before taxes as defined on Exhibit A (“EBT CAGR”) over the Performance Period, and (iii) the Company’s relative total shareholder return (“rTSR”; collectively, the “Performance Measures”), in each case as derived from the consolidated financial statements (as applicable) of the Company for each calendar year in the Performance Period.

(c) **Committee Determination, Vesting and Settlement.** As soon as administratively practicable after the end of the Performance Period, the Committee shall solely and exclusively make all determinations with regard to: (a) the calculation of ROC, EBT CAGR, and rTSR performance (pursuant to Exhibit A) during the Performance Period (b) the corresponding level of performance achievement by the Company associated with such calculations; and (c) the number of PSUs which the participant is entitled to receive under this Agreement (“Certification”). For the avoidance of doubt, the Committee’s determinations regarding the Performance Measures or the Company’s level of achievement during the Performance Period or any portion of the Performance Period, shall be final and non-appealable. Subject to Sections 11(d) and 11(e), as soon as administratively practicable after Certification (or an earlier date in accordance with Section 5(a) or Section 6), but in any event during the first 60 days of 2025 (or within the first 60 days of the calendar year following the calendar year in which an event described in Section 5(a) or Section 6, as applicable, occurs, to the extent resulting in earlier vesting/settlement of the PSUs), each vested and earned PSU shall be settled. The PSUs may be settled in Shares, in cash in an amount equal to the number of vested PSUs multiplied by the Fair Market Value of a Share as of the Vesting Date, or in a combination of cash and Shares, as determined by the Committee. The Company shall deliver to the Participant notification of the number of PSUs which have been earned by the Participant and which the Committee may determine to be fully vested under this Agreement (“Vested PSUs”), net of any PSU amounts which are liquidated to cover any required tax withholding.

(d) **Cancellation/Forfeiture.** All unearned PSUs shall be cancelled and forfeited, and the Participant shall not be entitled to receive any consideration with respect to any unearned PSUs. Further, except as otherwise provided in Section 5, if the Participant’s employment terminates prior to the final date of the Performance Period, then all unvested PSUs shall be cancelled and forfeited immediately as of the date of such termination of employment, and the Participant shall not be entitled to receive any consideration with respect to any unearned PSUs.

3. Dividend Equivalents. Each PSU shall be credited with Dividend Equivalents, which shall be withheld by the Company for the Participant’s account. Dividend Equivalents credited to the Participant’s account and attributable to a PSU shall be distributed (without interest) to the

Participant at the same time as the underlying Share is delivered (or equivalent cash payment made) upon settlement of such PSU and, if such PSU is forfeited, the Participant shall have no right to such Dividend Equivalents. Any adjustments for Dividend Equivalents shall be in the sole discretion of the Committee and may be payable (x) in cash, (y) in Shares with a Fair Market Value as of the Vesting Date equal to the Dividend Equivalents, or (z) in an adjustment to the underlying number of Shares subject to the PSUs.

4. Tax Withholding. Vesting and settlement of the PSUs shall be subject to the Participant satisfying any applicable U.S. Federal, state and local tax withholding obligations and non-U.S. tax withholding obligations. Unless otherwise provided by the Company, (a) tax withholding shall be accomplished by withholding Shares subject to the PSUs with a value up to the amount of any required withholding taxes and (b) tax withholding shall in no event exceed the applicable maximum statutory rate. The Company shall have the right and is hereby authorized to withhold from any amounts payable to the Participant in connection with the PSUs or otherwise the amount of any required withholding taxes in respect of the PSUs, the vesting and settlement or any payment or transfer of the PSUs or under the Plan, and to take any such other action as the Committee or the Company deem necessary to satisfy all obligations for the payment of such withholding taxes.

5. Termination of Employment.

(a) Termination of Employment due to Death or Disability. If, during the first calendar year of the Performance Period, the Participant's employment with the Company or its Affiliates is terminated (1) due to the Participant's Disability, or (2) due to the Participant's death, then 100% of the PSUs shall be deemed earned by the Participant (which corresponds to target level of achievement) and vested as of the date of termination of the Participant's employment and shall be vested and settled in accordance with Section 2(c). If, on or prior to the final date of the Performance Period but after the first calendar year of the Performance Period, the Participant's employment with the Company and its Affiliates is terminated (1) by the Company or any of its Affiliates due to the Participant's Disability, or (2) due to the Participant's death, then the Committee, in its sole discretion, shall determine a number of PSUs, if any, that shall be deemed earned and vested as of the date of termination of employment based on actual performance, in accordance with Section 2 for the completed calendar years prior to the year in which such termination of employment occurs, and the earned PSUs shall be settled in accordance with Section 2(c). For the avoidance of doubt, this Section 5(a) shall not apply to any death or Disability of the Participant occurring after the date of termination of the Participant's employment for any reason (including Retirement).

(b) Termination of Employment due to Retirement. If, on or prior to the final date of the Performance Period, the Participant's employment with the Company or its Affiliates is terminated by the Participant due to Retirement, then a prorated number of PSUs shall remain eligible to be earned, vested and settled in accordance with Section 2, as if the Participant had remained continuously employed in active service by the Company or one of its Affiliates through the final date of the Performance Period. Such prorated number of PSUs shall be calculated by multiplying (x) the number of PSUs which would have been earned by the Participant had the Participant not retired prior to the end of the Performance Period, as determined by the Committee following the end of the Performance Period (or in connection with a Change of Control under Section 6), by (y) a fraction, the numerator of which is the number of completed and partial months in the Performance Period through the effective date of the Participant's Retirement, and the denominator of which is 36.

For the avoidance of doubt, a Participant must satisfy all requirements specified under the Plan to become eligible for Retirement, including and without limitation, the requirement that the Participant continue in active employment through the end of the year in which this award was

granted. In the event the Participant does not continue in active employment through the end of the year in which this award was granted due to the Participant's voluntary termination of employment then all PSUs granted under this Agreement shall be cancelled and forfeited immediately and the Participant shall not be entitled to receive any consideration with respect to any such cancelled and forfeited PSUs.

(c) Other Termination of Employment. If, prior to the final date of the Performance Period, the Participant's employment with the Company or its Affiliates terminates for any reason other than as set forth in Sections 5(a) or 5(b) above (including any termination of employment by the Participant for any reason other than Retirement, or by the Company with or without Cause), then all unvested PSUs shall be cancelled and forfeited immediately and the Participant shall not be entitled to receive any consideration with respect to any such cancelled and forfeited PSUs. When a Participant's employment with the Company is terminated for any reason other than due to Death, Disability, or Retirement as defined by the Plan: (i) Participant's access to the Company's online equity portal will be revoked on the 90th day following the date of the Participant's employment termination date; and (ii) within 90 days of Participant's employment termination date, the Participant shall be solely responsible for arranging for the transfer of all of Participant's Vested PSUs to Participant's own personal brokerage account; For the avoidance of doubt, if following the final date of the Performance Period and prior to the vesting and settlement of the PSUs in accordance with Section 2(c), the Participant's employment with the Company or its Affiliates terminates for any reason other than for Cause, the Participant shall remain eligible to earn PSUs under this Agreement following Certification in accordance with Section 2(c); provided, however, that if following the Performance Period and prior to the vesting and settlement of the PSUs in accordance with Section 2(c), the Participant's employment with the Company or its Affiliates terminates for Cause, then all unvested PSUs shall be cancelled and forfeited immediately and the Participant shall not be entitled to receive any consideration with respect to any cancelled and forfeited PSUs.

6. Change of Control.

(a) If a Change of Control occurs and the Committee determines that no sufficient provision has been made for assumption or substitution of the PSUs granted in this Agreement as contemplated by Section 8(a) of the Plan, a number of the PSUs, shall, as determined by the Committee, be deemed earned by the Participant and shall be vested and settled in accordance with Section 2(c). If such Change of Control occurs during the first calendar year of the Performance Period, then 100% of the PSUs shall be deemed earned by the Participant (which corresponds to target level of achievement) and shall be vested and settled in accordance with Section 2(c). If such Change of Control occurs prior to the final date of the Performance Period but after the first calendar year of the Performance Period, then the Committee shall determine a number of PSUs, if any, that shall be earned based on actual performance, in accordance with Section 2, for the completed calendar years of the Performance Period prior to the year in which such Change of Control occurs; provided that with respect to the rTSR modifier (as described in Exhibit A), performance shall be measured through the date of the Change of Control, and the earned PSUs shall be vested and settled in accordance with Section 2(c).

(b) If a Change of Control occurs and the Committee determines that the acquirer has assumed or substituted the PSUs granted hereby in the manner contemplated by Section 8(b) of the Plan, then the performance measures under this Agreement shall be deemed waived, and the Participant will be entitled to receive that number of PSUs indicated below so long as the Participant remains continuously employed in active service by the Company or one of its Affiliates through the final date of the Performance Period.

(i) If such Change of Control occurs during the first calendar year of the Performance Period, then 100% of the PSUs shall, as determined by the Committee, be

deemed earned by the Participant (which corresponds to target level of achievement) and shall be vested and settled in accordance with Section 2(c). If such Change of Control occurs prior to the final date of the Performance Period, but after the first calendar year of the Performance Period, then the Committee shall determine a number of PSUs, if any, that shall remain eligible to vest based on actual performance, in accordance with Section 2, for the completed calendar years of the Performance Period prior to the year in which such Change of Control occurs; provided, however, with respect to the rTSR modifier (as described in Exhibit A), the Company's performance shall be measured through the date of the Change of Control.

(ii) Notwithstanding anything to the contrary herein, if, within the 24-month period following such Change of Control, the Participant's employment with the Company and its Affiliates is terminated (1) by the Company or one of its Affiliates without Cause (other than due to death or Disability), or (2) by the Participant for Good Reason (defined below), then the number of PSUs eligible to vest under Section 6(b)(i), shall become fully earned as of the date of termination of employment and shall be vested and settled in accordance with Section 2(c).

(iii) For purposes of this Agreement only, "Good Reason" means (i) a material decrease in the Participant's total annual compensation opportunity (calculated as the sum of such Participant's annual base salary plus target annual bonus) or (ii) a relocation of the principal place of the Participant's work location to a location that increases the Participant's one-way commute by at least 50 miles. Notwithstanding anything herein to the contrary, Good Reason shall not occur unless and until (A) the Participant delivers written notice delivered to the General Counsel of the Company within 60 days following the initial existence of the circumstances giving rise to Good Reason, (B) 30 days have elapsed from the date the Company receives such notice from the Participant without the Company curing or causing to be cured the circumstances giving rise to Good Reason, and (C) the Participant's effective date of resignation is no later than 10 days following the Company's failure to cure.

(iv) For the avoidance of doubt, if at any time following such Change of Control, the Participant's employment with the Company and its Affiliates is terminated (1) by the Company or one of its Affiliates due to the Participant's Disability, or (2) due to the Participant's death, then the number of PSUs determined pursuant to Section 6(b)(i), to the extent unvested, shall become fully earned as of the date of termination of employment and shall be vested and settled in accordance with Section 2(c).

7. Restrictive Covenants.

(a) Restrictive Covenant Agreements. As a condition to the award of PSUs under this Agreement, the Participant hereby agrees that he or she remains bound by the following agreements with the Company: (i) the Key Employee Non-Compete and No-Solicitation Agreement, (ii) the Confidentiality Agreement, each in the form provided by the Company ((i) and (ii) collectively, the "Restrictive Covenant Agreements"), and (iii) covenants not to breach or contest, directly or indirectly, the validity of any of the Restrictive Covenant Agreements.

(b) Forfeiture; Other Relief. **In the event of a breach by the Participant of any Restrictive Covenant Agreement (including, without limitation, any non-compete, non-solicitation or confidentiality agreement between the Participant and the Company or any of the Company's Affiliates, to which the Participant is a party), then in addition to any other remedy which may be available at law or in equity, the PSUs shall be automatically forfeited effective as of the date on which such violation first occurs, and, in the event that any of the Participant's PSUs have vested within the three (3) year period immediately**

preceding such breach, the Participant will forfeit any Shares or cash payment received upon settlement thereof without consideration and be required to forfeit any compensation, gain or other value realized thereafter on the sale or other transfer of such Shares, and must promptly repay such amounts to the Company. The foregoing rights and remedies are in addition to any other rights and remedies that may be available to the Company and shall not prevent (and the Participant shall not assert that they shall prevent) the Company from bringing one or more actions in any applicable jurisdiction to recover damages as a result of the Participant's breach of such restrictive covenants to the full extent of law and equity. The Participant acknowledges and agrees that irreparable injury will result to the Company and its goodwill if the Participant breaches any of the terms of the Restrictive Covenant Agreements, the exact amount of which will be difficult or impossible to ascertain, and that remedies at law would be an inadequate remedy for any breach. Accordingly, the Participant hereby agrees that, in the event of a breach of any of the terms of the Restrictive Covenant Agreements, in addition to any other remedy that may be available at law or in equity, the Company shall be entitled to specific performance and injunctive relief.

(c) Severability; Blue Pencil. The invalidity or nonenforceability of any provision of this Section 7 or any of the terms of the Restrictive Covenant Agreements in any respect shall not affect the validity or enforceability of the other provisions of this Section 7 or any of the terms of the Restrictive Covenant Agreements in any other respect, or of any other provision of this Agreement. In the event that any provision of this Section 7 or any of the terms of the Restrictive Covenant Agreements shall be held invalid, illegal or unenforceable (whether in whole or in part) by a court of competent jurisdiction, such provision shall be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability, and the remaining provisions (and part of such provision, as the case may be) shall not be affected thereby; provided, however, that if any provision of the Restrictive Covenant Agreements is finally held to be invalid, illegal or unenforceable because it exceeds the maximum scope determined to be acceptable to permit such provision to be enforceable, such provision shall be deemed to be modified to the minimum extent necessary to modify such scope in order to make such provision enforceable hereunder.

8. Rights as a Shareholder. The Participant shall not be deemed for any purpose, nor have any of the rights or privileges of, a shareholder of the Company in respect of any Shares underlying the PSUs unless, until and to the extent that (i) the Company shall have issued and delivered to the Participant the Shares underlying the vested PSUs and (ii) the Participant's name shall have been entered as a shareholder of record with respect to such Shares on the books of the Company. The Company shall cause the actions described in clauses (i) and (ii) of the preceding sentence to occur promptly following settlement as contemplated by this Agreement, subject to compliance with applicable laws.

9. Compliance with Legal Requirements. The granting, vesting, and settlement of the PSUs, and any other obligations of the Company under this Agreement, shall be subject to all applicable Federal, provincial, state, local and foreign laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee shall have the right to impose such restrictions on the PSUs as it deems reasonably necessary or advisable under applicable Federal securities laws, the rules and regulations of any stock exchange or market upon which Shares are then listed or traded, and/or any blue sky or state securities laws applicable to such Shares. It is expressly understood that the Committee is authorized to administer, construe, and make all determinations necessary or appropriate to the administration of the Plan and this Agreement, all of which shall be binding upon the Participant. The Participant agrees to take all steps the Committee or the Company determines are reasonably necessary to comply with all applicable provisions of Federal and state securities law in exercising his or her rights under this Agreement.

10. Clawback. The PSUs and/or the Shares acquired upon settlement of the PSUs shall be subject (including on a retroactive basis) to clawback, forfeiture or similar requirements (and such requirements shall be deemed incorporated by reference into this Agreement) to the extent required or permitted by applicable law or regulation of any applicable securities exchange or inter-dealer quotation system on which the Shares may be listed or quoted, or if so required pursuant to a written policy either currently in place or which may subsequently be adopted by the Company.

11. Miscellaneous.

(a) Transferability. The PSUs may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered (a “Transfer”) by the Participant other than by will or by the laws of descent and distribution, pursuant to a qualified domestic relations order or as otherwise permitted under the Plan. Any attempted Transfer of the PSUs contrary to the provisions hereof, and the levy of any execution, attachment or similar process upon the PSUs, shall be null and void and without effect.

(b) Amendment. The Committee at any time, and from time to time, may amend the terms of this Agreement; provided, however, that the rights of the Participant shall not be materially adversely affected without the Participant’s written consent.

(c) Waiver. Any right of the Company contained in this Agreement may be waived in writing by the Committee. No waiver of any right hereunder by any party shall operate as a waiver of any other right, or as a waiver of the same right with respect to any subsequent occasion for its exercise, or as a waiver of any right to damages. No waiver by any party of any breach of this Agreement shall be held to constitute a waiver of any other breach or a waiver of the continuation of the same breach.

(d) Deferrals.

(i) Deferral Elections. The following rules shall apply to any deferral elections made by the Participant:

(A) The Participant may elect to defer all or any portion of the Shares or cash he or she would otherwise receive pursuant to Section 2 or 3 of this Agreement by completing and submitting a deferral election form (in a form provided by the Company) no later than June 30, 2025 or such other time determined by the Company.

(B) Deferral elections shall continue in effect until a written election to revoke or change such deferral election is received by the Company, except that a written election to revoke or change such deferral election must be made no later than June 30, 2025 or such other time determined by the Company.

(ii) Distributions Pursuant to Deferral Elections. Any Shares or cash deferred under this Agreement shall be distributed in a single lump-sum distribution on the last business day of the month following the month in which the earliest of the following events occurs (or as soon as administratively practicable thereafter): (A) the Participant’s “separation from service” (within the meaning of Section 409A of the Code); (B) a fixed date specified by the Participant at the time the Participant makes a deferral election, (which date may not be prior to the first (1st) anniversary, or later than the tenth (10th) anniversary, of the payment or settlement date of the Equity Award, unless the Company determines otherwise in accordance with Section 409A of the Code); (C) the Participant’s

Disability (as provided in Section 11(d)(iii) below); or (D) the Participant's death. Share deferrals shall be paid in Shares and cash deferrals shall be paid in cash.

(iii) Disability. At the time that a Participant elects to defer the receipt of Shares or cash pursuant to Section 11(d)(i) above, the Participant shall make an election with respect to the treatment of the deferred Shares or cash in the event of his or her Disability. The Participant may elect (x) to receive distribution of the deferred Shares or cash in the event of his Disability, or (y) notwithstanding his or her Disability, to receive distribution of the deferred Shares or cash upon the occurrence of an event set forth in clauses (A), (B) or (D) in Section 11(d)(ii) above. For purposes of this Section 11(d), "Disability" shall have the meaning set forth in the Plan; however, to the extent a "Disability" event does not also constitute a "Disability" as defined in Section 409A, such Disability event shall not constitute a Disability for purposes of this Section 11(d).

(iv) Unforeseeable Emergency. The Committee may, in its sole and absolute discretion and subject to the requirements and restrictions under Section 409A of the Code, make a partial or total distribution of the Shares or cash deferred by a Participant upon the Participant's request and a demonstration by the Participant of an "unforeseeable emergency" (as defined in Section 409A of the Code).

(v) Terms and Conditions of Deferrals. The deferrals made pursuant to this Section 11(d) shall be subject to such other terms and conditions determined by the Committee and set forth in a deferral election form and related documents.

(e) Section 409A. The PSUs are intended to be exempt from, or compliant with, Section 409A of the Code and shall be interpreted accordingly. Notwithstanding the foregoing or any provision of the Plan or this Agreement, if any provision of the Plan or this Agreement contravenes Section 409A of the Code or could cause the Participant to incur any tax, interest or penalties under Section 409A of the Code, the Committee may, in its sole reasonable discretion and with the Participant's consent, modify such provision to (i) comply with, or avoid being subject to, Section 409A of the Code, or to avoid the incurrence of taxes, interest and penalties under Section 409A of the Code, and (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the Participant of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A of the Code. This Section 11(e) does not create an obligation on the part of the Company to modify the Plan or this Agreement and does not guarantee that the PSUs or the Shares underlying the PSUs will not be subject to interest and penalties under Section 409A of the Code. Notwithstanding anything to the contrary in the Plan or this Agreement, to the extent that the Participant is a "specified employee" (within the meaning of the Committee's established methodology for determining "specified employees" for purposes of Section 409A of the Code), payment or distribution of any amounts with respect to the PSUs that are subject to Section 409A of the Code and that are required to be delayed due to the Participant's status as a "specified employee" will be made as soon as practicable following the first business day of the seventh month following the Participant's "separation from service" (within the meaning of Section 409A of the Code) from the Company and its Affiliates, or, if earlier, the date of the Participant's death.

(f) General Assets. All amounts credited in respect of the PSUs to the book-entry account under this Agreement shall continue for all purposes to be part of the general assets of the Company. The Participant's interest in such account shall make the Participant only a general, unsecured creditor of the Company.

(g) Notices. All notices, requests, consents and other communications to be given hereunder to any party shall be deemed to be sufficient if contained in a written instrument and

shall be deemed to have been duly given when delivered in person, by telecopy, by nationally recognized overnight courier, or by first-class registered or certified mail, postage prepaid, addressed to such party at the address set forth below or such other address as may hereafter be designated in writing by the addressee to the addresser:

(i) if to the Company, to:

Schneider National, Inc.
3101 Packerland Drive
Green Bay, WI 54313
Facsimile: (920) 403-8445
Attention: General Counsel

(ii) if to the Participant, to the Participant's home address on file with the Company.

All such notices, requests, consents and other communications shall be deemed to have been delivered in the case of personal delivery or delivery by telecopy, on the date of such delivery, in the case of nationally recognized overnight courier, on the next business day, and in the case of mailing, on the third business day following such mailing if sent by certified mail, return receipt requested.

(h) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(i) No Rights to Employment. Nothing contained in this Agreement shall be construed as giving the Participant any right to be retained, in any position, as an employee, consultant or director of the Company or its Affiliates or shall interfere with or restrict in any way the rights of the Company or its Affiliates, which are hereby expressly reserved, to remove, terminate or discharge the Participant at any time for any reason whatsoever.

(j) Fractional Shares. In lieu of issuing a fraction of a Share resulting from an adjustment of the PSUs pursuant to Section 4(b) of the Plan or otherwise, the Company shall be entitled to pay to the Participant an amount equal to the Fair Market Value of such fractional share.

(k) Beneficiary. The Participant may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no beneficiary is designated, if the designation is ineffective, or if the beneficiary dies before the balance of a Participant's benefit is paid, the balance shall be paid to the Participant's estate. Notwithstanding the foregoing, however, a Participant's beneficiary shall be determined under applicable state law if such state law does not recognize beneficiary designations under equity Awards of this type and is not preempted by laws which recognize the provisions of this Section 11(k).

(l) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of the Participant and the beneficiaries, executors, administrators, heirs and successors of the Participant.

(m) Entire Agreement. This Agreement (including Exhibit A), the Plan and the Restrictive Covenant Agreements contain the entire agreement and understanding of the parties

hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto.

(n) Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Wisconsin without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Wisconsin.

(o) Consent to Jurisdiction; Waiver of Jury Trial. The Participant and the Company (on behalf of itself and its Affiliates) each consents to jurisdiction in the United States District Court for the Eastern District of Wisconsin, or if that court is unable to exercise jurisdiction for any reason, the Circuit Court of the State of Wisconsin, Brown County, and each waives any other requirement (whether imposed by statute, rule of court or otherwise) with respect to personal jurisdiction or service of process and waives any objection to jurisdiction based on improper venue or improper jurisdiction. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY, IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THE PLAN OR THIS AGREEMENT.

(p) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

(q) Counterparts. This Agreement may be executed in one or more counterparts (including via facsimile and electronic image scan (.pdf)), each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties.

[Signature Page to Follow]

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the parties hereto as of the date first written above.

A handwritten signature in black ink that reads "Thomas G. Jackson." The signature is written in a cursive, flowing style.

SCHNEIDER NATIONAL, INC.

Thomas G. Jackson
Executive Vice President and Secretary

[Participant Name]

[Date Signed]

EXHIBIT A

Performance Metrics & Calculations

For purposes of this Agreement, the following terms have the meanings set forth below:

- “Cumulative EBT” means the aggregate of Earnings Before Tax over the Performance Period to achieve the “3 Years Total Earnings Before Tax” target listed on this Exhibit A.
- “Earnings Before Tax” means earnings before tax as reported in the audited financial statements to the Company’s Form 10-K, in accordance with GAAP.
- “Return on Capital” or “ROC” means operating earnings divided by invested capital; provided, that for purposes of this Agreement, the following items are omitted from the calculation: cash, marketable securities, debt, SFI, goodwill, interest, taxes.
- “rTSR” means the Company’s relative total shareholder return compared to a Peer Group determined by the Committee for the performance period beginning January 1, 2023 and ending December 31, 2025. For clarity when calculating the rTSR the beginning price of the performance period will be determined using the average closing share price over the trading days in December immediately prior to the performance period and the ending price at the end of the performance period will be determined using the average closing share price over the trading days in December in year three of the performance period. For purposes of the rTSR calculation, dividends are assumed to be reinvested on the ex-dividend date.
- “Peer Group” means the following companies:

| | | |
|--|---|--------------------------------------|
| Air Transport Services Group, Inc. | GXO Logistics | P.A.M. Transportation Services, Inc. |
| ArcBest Corporation | Heartland Express, Inc. | Radiant Logistics, Inc. |
| C.H. Robinson Worldwide, Inc. | Hub Group, Inc. | Ryder System, Inc. |
| Covenant Logistics Group, Inc. | J.B. Hunt Transport Services, Inc. | Saia, Inc. |
| Daseke, Inc. | Knight-Swift Transportation Holding, Inc. | United Parcel Service, Inc. |
| Expeditors International of Washington, Inc. | Landstar System, Inc. | Universal Logistics Holdings, Inc. |
| FedEx Corporation | Marten Transport, Ltd. | Werner Enterprises, Inc. |
| Forward Air Corporation | Old Dominion Freight Line, Inc. | XPO Logistics, Inc. |

The Peer Group may be changed as follows, subject to the discretion of the Compensation Committee:

- i. M&A – If a Peer Group member ceases to have a class of equity securities that is both registered under the Securities Exchange Act of 1934 and actively traded on a U.S. public securities market (unless such cessation of such listing is due to bankruptcy/delisting), such Peer Group member shall be removed from the Peer Group.
- ii. Bankruptcy/delisting – In the event of a bankruptcy, liquidation or delisting of a Peer Group member, such Peer Group member shall remain in the Peer Group.

Except as may otherwise be provided in the Agreement, the number of PSUs that will be eligible to vest under this Agreement shall be determined based on the following formula:

- Total Restricted Shares granted x 60% x Cumulative EBT Achievement (as described below); plus
 - Total Restricted Shares granted x 40% x ROC Achievement (as described below); then multiplied by
-

- The rTSR Multiplier (as described below).

Cumulative EBT Achievement shall equal the Company's 3-year Cumulative EBT performance* over the Performance Period as compared to the Company's Cumulative EBT target of [\$1.776B] ("Target Cumulative EBT"), as follows:

- Cumulative EBT performance below [1.421B] ("Threshold Cumulative EBT Performance") shall result in Cumulative EBT Achievement of 0%.
- Cumulative EBT performance at Target EBT shall result in Cumulative EBT Achievement of 100%.
- Cumulative EBT performance at or above [2.309B] ("Maximum Cumulative EBT Performance") shall equal 200%.

* Intermediate levels of Cumulative EBT Achievement between Threshold Cumulative EBT Performance, Target Cumulative EBT Performance or Maximum Cumulative EBT Performance may be estimated by the Committee using linear interpolation.

ROC Achievement shall equal a percentage based on the Company's ROC performance** over the Performance Period as compared to the Company's 3 Year Average ROC target of [17.0%] ("Target ROC") as follows:

- 3 Year Average ROC performance below [12.0%] ("Threshold ROC Performance") shall result in ROC Achievement of 0%.
- 3 Year Average ROC performance at Target ROC shall result in ROC Achievement of 100%.
- 3 Year Average ROC performance at or above [22.0%] ("Maximum ROC Performance") shall result in ROC Achievement of 200%.

** Intermediate levels of ROC Achievement between Threshold ROC Performance, Target ROC Performance or Maximum ROC Performance may be estimated by the Committee using linear interpolation.

The rTSR Multiplier shall equal 0.75 if the Company's rTSR is at or below the 25th percentile of the comparator group. The rTSR Multiplier shall equal 1.00 if the Company's rTSR is above the 25th but below the 75th percentile of the comparator group. The rTSR Multiplier shall equal 1.25 if the Company's rTSR is at or above the 75th percentile of the comparator group.

**SCHNEIDER NATIONAL, INC.
DIRECTOR RESTRICTED STOCK UNIT
AWARD AGREEMENT**

THIS DIRECTOR RESTRICTED STOCK UNIT AWARD AGREEMENT (this "Agreement"), dated as of April 24, 2023 (the "Date of Grant"), is made by and between Schneider National, Inc., a Wisconsin corporation (the "Company"), and [] (the "Participant").

WHEREAS, the Company has adopted the Schneider National, Inc. 2017 Omnibus Incentive Plan (as may be amended from time to time, the "Plan"), pursuant to which Restricted Stock Units ("RSUs") may be granted to members of the Board;

WHEREAS, the Company's Director Compensation Program provides for equity compensation to be paid annually to Non-Employee Directors in the form of a grant of restricted stock units of the Company's Class B common stock with a one-year vesting period and that such equity awards are to be granted prospectively on the date of the Annual Meeting of Shareholders (each a "Director Equity Retainer Award");

WHEREAS, to effectuate the payment of the 2023 Director Equity Retainer Awards for the 2023-2024 Board year, the Company desires to enter into this Agreement with the Participant as a duly elected Director.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Restricted Stock Units.

(a) Grant. The Company hereby grants to the Participant a total of [] RSUs, on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan. Each RSU represents the right to receive one Share. The RSUs shall be credited to a separate book-entry account maintained for the Participant on the books of the Company.

(b) Incorporation by Reference, Etc. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon the Participant and his or her legal representative in respect of any questions arising under the Plan or this Agreement. The Participant acknowledges that the Participant has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all the terms and provisions of the Plan. Without limiting the foregoing, the Participant acknowledges that the RSUs and any Shares acquired upon settlement of the RSUs are subject to provisions of the Plan under which, in certain circumstances, an adjustment may be made to the number of the RSUs and any Shares acquired upon settlement of the RSUs.

2. Vesting; Settlement.

(a) Vesting. All of the RSUs shall vest on the earlier of (i) the one-year anniversary of the Date of Grant and (ii) the Company's annual shareholder meeting for the year following the Date of Grant (the "Vesting Date"), subject to the Participant's continued service as a member of the Board from the Date of Grant through such Vesting Date.

(b) Settlement. Except as otherwise provided herein, each vested RSU shall be settled within 60 days following the applicable Vesting Date. The RSUs may be settled in Shares, in cash in an amount equal to the number of vested RSUs multiplied by the Fair Market Value of a Share as of the applicable Vesting Date, or in a combination of cash and Shares, as determined by the Committee.

3. Dividend Equivalents. Each RSU shall be credited with Dividend Equivalents, which shall be withheld by the Company for the Participant's account. Dividend Equivalents credited to the Participant's account and attributable to a RSU shall be distributed (without interest) to the Participant at the same time as the underlying Share is delivered (or equivalent cash payment made) upon settlement of such RSU and, if such RSU is forfeited, the Participant shall have no right to such Dividend Equivalents. Any adjustments for Dividend Equivalents shall be in the sole discretion of the Committee and may be payable (x) in cash, (y) in Shares with a Fair Market Value as of the applicable Vesting Date equal to the Dividend Equivalents, or (z) in an adjustment to the underlying number of Shares subject to the RSUs.

4. Tax Obligations. The Participant shall be solely responsible for satisfying any applicable U.S. federal, state and local tax obligations and non-U.S. tax obligations. Unless otherwise provided by the Company, any applicable tax withholding shall in no event exceed the applicable maximum statutory rate. The Company shall have the right and is

hereby authorized to withhold from any amounts payable to the Participant in connection with the RSUs or otherwise the amount of any required withholding taxes in respect of the RSUs, its settlement or any payment or transfer of the RSUs or under the Plan and to take any such other action as the Committee or the Company deems necessary to satisfy all obligations for the payment of such withholding taxes.

5. Termination of Membership on the Board.

(a) Termination of Employment due to Death or Disability. If, on or prior to an applicable Vesting Date, the Participant's membership on the Board is terminated due to the Participant's death or Disability, then the RSUs, to the extent unvested, shall become fully vested as of the effective date of such termination of Board membership. Such vested RSUs shall be settled within 60 days following such termination date, in Shares, in cash in an amount equal to the number of vested RSUs multiplied by the Fair Market Value of a Share as of such termination date, or in a combination of cash and Shares, as determined by the Committee.

b) Other Termination. If, prior to the Vesting Date, the Participant's membership on the Board terminates for any reason other than as set forth in Section 5(a) above, then as of the date of such termination, the Participant shall become vested in a prorated number of RSUs (calculated by multiplying (x) the number of RSUs granted hereby, by (y) a fraction, the numerator of which is the number of days during the period beginning on the Date of Grant and ending on the effective date of such termination (inclusive of such beginning and end dates), and denominator of which is 365), and such vested RSUs shall be promptly settled within 60 days following such termination date. Any unvested RSUs which do not become vested as per the previous sentence shall be cancelled immediately upon such termination and the Participant shall not be entitled to receive any payments with respect thereto. RSUs which vest under this Section 5(b) shall be settled within 60 days following such termination date, in Shares, in cash in an amount equal to the number of vested RSUs multiplied by the Fair Market Value of a Share as of such termination date, or in a combination of cash and Shares, as determined by the Committee.

6. Change of Control. Notwithstanding any provision contained in the Plan or this Agreement to the contrary, if, prior to the Vesting Date, a Change of Control occurs, the RSUs, to the extent unvested, shall vest immediately upon the effective date of the Change of Control. Such vested RSUs shall be settled within 60 days following such Change of Control (or, to the extent the RSUs are deferred compensation subject to Section 409A of the Code, within 60 days following a later payment event permissible under Section 409A of the Code), in Shares, in cash in an amount equal to the number of vested RSUs multiplied by the Fair Market Value of a Share (as of a date specified by the Committee), or in a combination of cash and Shares, as determined by the Committee.

7. Rights as a Shareholder. The Participant shall not be deemed for any purpose, nor have any of the rights or privileges of, a shareholder of the Company in respect of any Shares underlying the RSUs unless, until and to the extent that (i) the Company shall have issued and delivered to the Participant the Shares underlying the vested RSUs and (ii) the Participant's name shall have been entered as a shareholder of record with respect to such Shares on the books of the Company. The Company shall cause the actions described in clauses (i) and (ii) of the preceding sentence to occur promptly following settlement as contemplated by this Agreement, subject to compliance with applicable laws.

8. Compliance with Legal Requirements. The granting and settlement of the RSUs, and any other obligations of the Company under this Agreement, shall be subject to all applicable federal, provincial, state, local and foreign laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee shall have the right to impose such restrictions on the RSUs as it deems reasonably necessary or advisable under applicable federal securities laws, the rules and regulations of any stock exchange or market upon which Shares are then listed or traded, and/or any blue sky or state securities laws applicable to such Shares. It is expressly understood that the Committee is authorized to administer, construe, and make all determinations necessary or appropriate to the administration of the Plan and this Agreement, all of which shall be binding upon the Participant. The Participant agrees to take all steps the Committee or the Company determines are reasonably necessary to comply with all applicable provisions of federal and state securities law in exercising his or her rights under this Agreement.

9. Miscellaneous

(a) Transferability. The RSUs may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered (a "Transfer") by the Participant other than by will or by the laws of descent and distribution, pursuant to a qualified domestic relations order or as otherwise permitted under the Plan. Any attempted Transfer of the RSUs contrary to the provisions hereof, and the levy of any execution, attachment or similar process upon the RSUs, shall be null and void and without effect.

(b) Amendment. The Committee at any time, and from time to time, may amend the terms of this Agreement; provided, however, that the rights of the Participant shall not be materially adversely affected without the Participant's written consent.

(c) Waiver. Any right of the Company contained in this Agreement may be waived in writing by the Committee. No waiver of any right hereunder by any party shall operate as a waiver of any other right, or as a waiver of the same

right with respect to any subsequent occasion for its exercise, or as a waiver of any right to damages. No waiver by any party of any breach of this Agreement shall be held to constitute a waiver of any other breach or a waiver of the continuation of the same breach.

(d) Deferrals. If the Participant has made a timely deferral election with respect to the RSUs, such deferral, and this Agreement to the extent of such deferral, shall be subject to the Company's Director Deferred Compensation Program and such other terms and conditions determined by the Committee and set forth in a deferral election form and related documents.

(e) Section 409A. The RSUs are intended to be exempt from, or compliant with, Section 409A of the Code and shall be interpreted accordingly. Notwithstanding the foregoing or any provision of the Plan or this Agreement, if any provision of the Plan or this Agreement contravenes Section 409A of the Code or could cause the Participant to incur any tax, interest or penalties under Section 409A of the Code, the Committee may, in its sole reasonable discretion and with the Participant's consent, modify such provision to (i) comply with, or avoid being subject to, Section 409A of the Code, or to avoid the incurrence of taxes, interest and penalties under Section 409A of the Code, and (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the Participant of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A of the Code. This Section 9(e) does not create an obligation on the part of the Company to modify the Plan or this Agreement and does not guarantee that the RSUs or the Shares underlying the RSUs will not be subject to interest and penalties under Section 409A of the Code. Notwithstanding anything to the contrary in the Plan or this Agreement, to the extent that the Participant is a "specified employee" (within the meaning of the Committee's established methodology for determining "specified employees" for purposes of Section 409A of the Code), payment or distribution of any amounts with respect to the RSUs that are subject to Section 409A of the Code and that are required to be delayed due to the Participant's status as a "specified employee" will be made as soon as practicable following the first business day of the seventh month following the Participant's "separation from service" (within the meaning of Section 409A of the Code) from the Company and its Affiliates, or, if earlier, the date of the Participant's death.

(f) General Assets. All amounts credited in respect of the RSUs to the book-entry account under this Agreement shall continue for all purposes to be part of the general assets of the Company. The Participant's interest in such account shall make the Participant only a general, unsecured creditor of the Company.

(g) Notices. All notices, requests, consents and other communications to be given hereunder to any party shall be deemed to be sufficient if contained in a written instrument and shall be deemed to have been duly given when delivered in person, by telecopy, by nationally recognized overnight courier, or by first-class registered or certified mail, postage prepaid, addressed to such party at the address set forth below or such other address as may hereafter be designated in writing by the addressee to the addresser:

(i) if to the Company, to:

Schneider National, Inc.
3101 Packerland Drive
Green Bay, WI 54313
Attention: General Counsel

(ii) if to the Participant, to the Participant's home address on file with the Company.

All such notices, requests, consents and other communications shall be deemed to have been delivered in the case of personal delivery or delivery by telecopy, on the date of such delivery, in the case of nationally recognized overnight courier, on the next business day, and in the case of mailing, on the third business day following such mailing if sent by certified mail, return receipt requested.

(h) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(i) No Rights to Employment. Nothing contained in this Agreement shall be construed as giving the Participant any right to be retained, in any position, as an employee, consultant or director of the Company or its Affiliates or shall interfere with or restrict in any way the rights of the Company or its Affiliates, which are hereby expressly reserved, to remove, terminate or discharge the Participant at any time for any reason whatsoever.

(j) Fractional Shares. In lieu of issuing a fraction of a Share resulting from an adjustment of the RSUs pursuant to Section 4(b) of the Plan or otherwise, the Company shall be entitled to pay to the Participant an amount equal to the Fair Market Value of such fractional share.

(k) Beneficiary. The Participant may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no beneficiary is designated, if the designation is ineffective, or if the beneficiary dies before the balance of a Participant's benefit is paid, the balance shall be paid to the Participant's estate. Notwithstanding the foregoing, however, a Participant's beneficiary shall be determined under applicable state law if such state law does not recognize beneficiary designations under Awards of this type and is not preempted by laws which recognize the provisions of this Section 9(k).

(l) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of the Participant and the beneficiaries, executors, administrators, heirs and successors of the Participant.

(m) Entire Agreement. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto.

(n) Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Wisconsin without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Wisconsin.

(o) Consent to Jurisdiction; Waiver of Jury Trial. The Participant and the Company (on behalf of itself and its Affiliates) each consents to jurisdiction in the United States District Court for the Eastern District of Wisconsin, or if that court is unable to exercise jurisdiction for any reason, the Circuit Court of the State of Wisconsin, Brown County, and each waives any other requirement (whether imposed by statute, rule of court or otherwise) with respect to personal jurisdiction or service of process and waives any objection to jurisdiction based on improper venue or improper jurisdiction. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY, IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THE PLAN OR THIS AGREEMENT.

(p) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

(q) Counterparts. This Agreement may be executed in one or more counterparts (including via facsimile and electronic image scan (.pdf)), each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties.

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the parties hereto as of the date first written above.



SCHNEIDER NATIONAL, INC.

By:
Name: Thomas G. Jackson
Title: Executive Vice President and Secretary

[Participant Name]

[Date Signed]

SCHNEIDER NATIONAL, INC.
EXECUTIVE CHANGE OF CONTROL SEVERANCE PLAN

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**SCHNEIDER NATIONAL, INC.
EXECUTIVE CHANGE OF CONTROL SEVERANCE PLAN**

1. Establishment and Purpose of Plan

1.1 **Establishment.** The Schneider National, Inc. Executive Change of Control Severance Plan (as amended from time to time, the “*Plan*”) is hereby established by the Compensation Committee of the Board of Directors of the Company.

1.2 **Effective Date.** The Plan is adopted and will be effective as of April 24, 2023.

1.3 **Purpose.** The purpose of the Plan is to provide certain key employees with specified levels of compensation and benefits in the event of a qualifying termination of employment in connection with a Change of Control under the circumstances specified herein.

2. Definitions and Construction

2.1 **Definitions.** Whenever used in the Plan, the following terms shall have the meanings set forth below:

(a) “*Accrued Obligations*” means the following:

(i) any salary and accrued but unused vacation, in each case earned but unpaid, through the date of Participant’s termination of employment;

(ii) any unreimbursed business expenses which have been appropriately incurred by Participant under the Company’s business expense policies and procedures prior to his or her termination of employment, provided that the Participant has properly completed and submitted an expense report covering such expenses within one (1) month following Participant’s termination of employment; and

(iii) vested benefits, if any, under any Company Group retirement plan, nonqualified deferred compensation plan, or other health or welfare benefit plan to which Participant may be entitled pursuant to the terms of such plans or related agreements.

(b) “*Base Salary*” means the annual base salary in effect immediately prior to any termination of employment (without giving effect to any reduction forming the basis for a termination for Good Reason). For the avoidance of doubt, Base Salary does not include any bonuses, commissions, fringe benefits, car allowances, or other special or irregular payments.

(c) “*Board*” means the Board of Directors of the Company.

(d) “*Cause*” shall have the meaning specified in the Company’s 2017 Omnibus Incentive Plan, as amended from time to time, or any successor plan thereto.

(e) “*Change of Control*” shall have the meaning specified in the Company’s 2017 Omnibus Incentive Plan, as amended from time to time, or any successor plan thereto.

(f) “**Change of Control Protection Period**” means the period commencing on the date a Change of Control is consummated and ending twenty-four (24) months following the date of such consummation.

(g) “**Code**” means the Internal Revenue Code of 1986, as amended, or any successor thereto and any applicable regulations promulgated thereunder.

(h) “**Committee**” means the Compensation Committee of the Board.

(i) “**Company**” means Schneider National, Inc., a Wisconsin corporation, or its successor.

(j) “**Company Group**” means the group consisting, from time to time, of the Company and each parent and subsidiary company, and their respective affiliates.

(k) “**Director**” means a member of the Board.

(l) “**Disability**” shall have the meaning specified in the Company’s 2017 Omnibus Incentive Plan, as amended from time to time, or any successor plan thereto.

(m) “**Good Reason**” shall mean with respect to a Participant that, without his or her consent, one or more of the following events has occurred:

(i) a material diminution of title, authorities, duties or responsibilities from those in effect immediately prior to the Change in Control;

(ii) a material decrease in the Participant’s Base Salary or Target Bonus;

(iii) a relocation of the principal place of the Participant’s work location to a new work location that increases the Participant’s one-way commute by at least 50 miles;

(iv) the Company’s failure to obtain the express assumption of the Plan by the successor entity in connection with a Change of Control; or

(v) the Company’s material breach of any obligations under this Plan.

Notwithstanding anything herein to the contrary, Good Reason shall not occur unless and until (A) the Participant delivers written notice of the circumstances giving rise to Good Reason to the General Counsel of the Company within sixty (60) days following the initial existence of the circumstances giving rise to Good Reason, (B) thirty (30) days have elapsed from the date the Company receives such notice from the Participant without the Company curing or causing to be cured the circumstances giving rise to Good Reason, and (C) the Participant’s effective date of resignation is no later than ten (10) days following the Company’s failure to cure. The Participant’s failure to satisfy the requirements set forth in this paragraph shall void the Participant’s right to any payments or benefits under this Plan.

(n) “**Medical Benefits Continuation**” means, an amount equal to the amount of the “active employee” premium for continued medical coverage for the Participant and his or her eligible dependents (as elected by the Participant prior to his or her severance from the Company) under the Company’s medical and welfare

plans for continuation of coverage for the Participant following the Participant's severance date (excluding, for purposes of calculating cost, Participant's ability to pay premiums with pre-tax dollars), until the expiration of the Participant's Severance Period.

(o) "**Participant**" means each of the Company's Chief Executive Officer, the Chief Executive Officers' executive direct reports, and any additional key employee designated by the Committee from time to time to participate in the Plan as a Participant.

(p) "**Qualifying Termination**" means the occurrence of either of the following events:

- (i) involuntary termination by the Company Group of Participant's employment without Cause; or
- (ii) a Participant's resignation from employment with the Company Group for Good Reason;

provided, however, that Qualifying Termination shall not include any termination of Participant's employment which is (A) for Cause, (B) a result of Participant's death or Disability, or (C) a result of Participant's voluntary termination of employment other than for Good Reason.

(q) "**Release**" means a full general release in favor of the Company Group and any of its affiliates, stockholders, Directors, officers, employees, agents, successors and/or assigns releasing all claims, known or unknown in a form acceptable to the Company Group in its sole discretion which may include confidentiality provisions regarding the contents of the Release and post-employment non-disparagement obligations.

(r) "**Section 409A**" means Section 409A of the Code and any applicable regulations (including proposed or temporary regulations) and other administrative guidance promulgated thereunder.

(s) "**Severance Period**" means (i) thirty (30) months with respect to a Tier 1 Participant; (ii) twenty-four (24) months with respect to a Tier 2 Participant; and (3) eighteen (18) months with respect to a Tier 3 Participant.

(t) "**Specified Employee**" means a specified employee within the meaning of Section 409A.

(u) "**Target Bonus**" means the target annual cash bonus opportunity as in effect immediately prior to any termination of employment (without giving effect to any reduction forming the basis for a termination for Good Reason).

(v) "**Tier 1 Participant**" means a Participant who holds the title of "Chief Executive Officer" within the Company Group or is otherwise designated by the Committee from time to time to participate in the Plan as a Tier 1 Participant.

(w) "**Tier 2 Participant**" means a Participant who is a senior executive of the Company and an executive direct report to the Chief Executive Officer of the Company or is otherwise designated by the Committee from time to time to participate in the Plan as a Tier 2 Participant. (For the avoidance of doubt, a Tier 2 Participant shall automatically become a Tier 1 Participant upon his or her promotion to Chief Executive Officer.)

(x) **Tier 3 Participant** means a Participant who is designated by the Committee from time to time to participate in the Plan as a Tier 3 Participant. (For the avoidance of doubt, a Tier 3 Participant shall automatically become a Tier 2 Participant upon his or her promotion to the a direct report to the Chief Executive Officer.)

2.2 **Construction.** Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

3. **Termination of Employment**

3.1 **Qualifying Termination During the Change of Control Protection Period.** If Participant incurs a Qualifying Termination during the Change of Control Protection Period, Participant shall be eligible to receive any Accrued Obligations and, *provided* that within sixty (60) days following Qualifying Termination, Participant (x) executes and does not revoke the Release, and (y) complies with his or her obligations under Section 4 hereunder:

(a) any annual cash bonus that is earned but unpaid for the prior fiscal year, payable at such time as bonuses for such year are paid to the Company’s executives generally;

(b) an amount equal to the sum of Participant’s (x) monthly Base Salary and (y) Target Bonus amount divided by twelve (12), for the number of months represented by the Severance Period, payable in a single lump sum on the sixtieth (60th) day following the termination date;

(c) a pro-rata portion of the annual cash bonus for the fiscal year in which termination occurs based on actual results if determinable (or based on the target level of performance if actual results are not determinable, provided that target shall be assumed for purposes of any individual performance metrics) for such year (determined by multiplying the amount of such annual bonus which would be due for the full fiscal year by a fraction, the numerator of which is the number of whole months during the fiscal year of termination that Participant is employed by the Company Group and the denominator of which is 12), payable in a single lump sum on the sixtieth (60th) day following the termination date; and

(d) the Medical Benefits Continuation amount (payable in a single lump sum on the sixtieth (60th) day following the termination date).

3.2 **Other Terminations.** If Participant’s termination results from any reason other than a Qualifying Termination, Participant shall be eligible only to receive his or her Accrued Obligations. If Participant terminates his or her employment for Good Reason and it is subsequently determined that Participant did not have Good Reason for termination, then Participant’s decision to terminate for Good Reason shall be deemed to have been a voluntary resignation, the terms of this Section 3.2 shall apply, and all amounts paid to Participant pursuant to Sections 3.1(a)-(d) shall be returned to the Company within sixty (60) days of the date of the determination that the Participant did not have Good Reason for termination. Similarly, if Participant’s employment is terminated by the Company for Cause, and it is subsequently determined that the Company did not have Cause for termination, then the Company’s decision to terminate for Cause shall be deemed to have been an involuntary termination without Cause and Participant shall be eligible for the severance benefits under Sections 3.1(a)-(d) above. Finally, if Participant’s employment is terminated by the Company without Cause, and it is subsequently determined that the Company had Cause for termination, then the Company’s decision to terminate without Cause shall be deemed to have been a termination for Cause and all amounts paid to Participant pursuant to Sections 3.1(a)-(d) shall be returned to the

Company within sixty (60) days of the date of the determination that the Company had Cause for termination.

3.3 **Treatment of Outstanding Equity Awards.** Any unvested equity awards granted under the Company's equity incentive plan shall vest if and to the extent provided for in the applicable equity award agreement and as otherwise provided in the equity incentive plan.

4. No Contract of Employment

Neither the establishment of the Plan, nor any amendment thereto, nor the payment or provision of any benefits shall be construed as giving any person the right to be employed by the Company Group. The employment relationship between Participant and the Company Group is an "at-will" relationship. Accordingly, either Participant or the Company Group may terminate the relationship at any time. Following the termination of Participant's employment for any reason, Participant shall hold no further office or position with the Company Group. Nothing in the Plan shall in any manner obligate any successor or other member of the Company Group to offer employment to any Participant or to continue the employment of any Participant which it does hire for any specific duration of time.

5. Conflict in Benefits; Non-cumulation of Benefits; Exclusive Remedy

5.1 **Effect of Plan.** The Plan shall supersede and replace all prior agreements, arrangements, promises or understandings between the Participant and the Company Group, whether written or oral, regarding the subject matter of the Plan (including, but not limited to any severance provisions under any employment agreement with the Company Group which was entered into prior to the effective date of Participant's participation in the Plan), and shall be the exclusive agreement or plan document for the determination of any severance payments and benefits due to Participant in the event of a Qualifying Termination during the Change of Control Protection Period.

5.2 **Non-cumulation of Benefits.** Except as expressly provided in a written agreement between Participant and the Company which was entered into after the date of such Participant's commencement of participation in the Plan and which was approved by the Board or the Committee, the total amount of payments and benefits that may be received by Participant as a result of the events described in Section 3 pursuant to (a) the Plan, (b) any agreement between Participant and the Company Group, or (c) any other plan, practice, or statutory obligation of the Company Group, shall not exceed the amount of payments and benefits provided by the Plan upon such events, and the aggregate amounts payable under the Plan shall be reduced to the extent of any excess (but not below zero).

5.3 **Exclusive Remedy.** The payments and benefits provided by the Plan shall constitute Participant's sole and exclusive remedy for any alleged injury or other damages arising out of the cessation of the employment relationship between Participant and the Company Group and Participant shall be entitled to no other compensation, benefits, or other payments from the Company Group.

6. Administration, Termination, and Amendment of Plan

6.1 **Administration.** The Committee shall act as the plan administrator of the Plan. The Committee has discretion and authority to administer the Plan, including the discretion and authority to:

- (a) adopt such rules as it deems advisable in connection with the administration of the Plan, and to construe, interpret, apply and enforce the Plan and any such rules and to remedy ambiguities, errors or omissions in the Plan;

(b) resolve questions of eligibility and entitlement to benefits and any other terms of the Plan applicable to Participants; the Committee's determinations are conclusive and binding on all parties affected by its determinations;

(c) act under the Plan on a case-by-case basis; the Committee's decisions under the Plan need not be uniform with respect to similarly situated Participants; and

(d) delegate its authority under the Plan to any director, officer, employee, or group of directors, officers and/or employees of the Company Group; provided that if any person with administrative authority becomes eligible or makes a claim for Plan benefits, that person will have no authority with respect to any matter specifically affecting his/her individual interest under the Plan, and the Company will designate another person to exercise such authority.

6.2 **Amendment and Termination of the Plan.** The Committee may amend or terminate the Plan in any respect (including any change to the severance benefits) at any time; *provided, however*, that with respect to any amendment to severance benefits that would reduce the severance payment and benefits provided to any Participant hereunder, assign Participant to a lower eligible tier of Participant (i.e. Tier 2, Tier 3 or a lower tier or Participant), remove Participant from participation in the Plan or revise the definition of Good Reason or Cause in a manner that adversely affects Participant (each an "**Adverse Amendment**") or any termination of the Plan, such Adverse Amendment or termination shall be effective only with one (1) year prior written notice to affected Participant(s); *provided further, however*, notwithstanding anything in the Plan to the contrary, no Adverse Amendment may be adopted or become effective during the Change of Control Protection Period.

7. **Claims for Benefits**

7.1 **ERISA Plan.** This Plan is intended to be (a) an employee welfare plan as defined in Section 3(1) of Employee Retirement Income Security Act of 1974 ("**ERISA**") and (b) a "top-hat" plan maintained for the benefit of a select group of management or highly compensated employees of the Company Group.

7.2 **7.2 Application for Eligible Compensation.** All applications for the compensation and other amounts provided for in Section 3 ("**Eligible Compensation**") shall be submitted to the Company's highest-level officer in charge of Human Resources (the "**Claims Administrator**"), with a copy to the Company's General Counsel. Applications for Eligible Compensation must be in writing on forms acceptable to the Claims Administrator and must be signed by the Participant. The Claims Administrator reserves the right to require Participant to furnish proof of any costs or expenses which Participant seeks reimbursement of under the Plan, including without limitation, receipts, canceled checks, bills, or invoices. Notwithstanding the foregoing, in the event that Participant would otherwise be the Claims Administrator, then the Company's General Counsel shall act as the Claims Administrator.

7.3 **Appeal of Denial of Applications for Eligible Compensation.**

(a) If a Participant's claim for Eligible Compensation is denied, the Claims Administrator shall provide written notice to the Participant ("**Denial Notice**") within ninety (90) days of Participant's application. The Denial Notice shall include:

- (i) The specific reason or reasons for the denial;
- (ii) Specific references to the Plan provisions on which the denial is based;

(iii) A description of any additional material or information necessary for the Participant to perfect the Participant's claim and an explanation of why such material or information is necessary; and

(iv) An explanation of the Plan's claims review procedures and a statement of Participant's right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination.

(b) If special circumstances require an extension of time for processing the initial claim, a written notice of the extension and the reason therefor shall be furnished to the claimant before the end of the initial ninety (90) day period. In no event shall such extension exceed ninety (90) days.

(c) If a claim for Eligible Compensation is denied, the Participant, at the Participant's sole expense, may appeal the denial to the Committee (the "**Appeals Administrator**") within sixty (60) days of the Participant's receipt of written notice of the denial. In pursuing such appeal the Participant:

(i) may request in writing that the Appeals Administrator review the denial;

(ii) may review pertinent documents; and

(iii) may submit issues and comments in writing.

(d) The decision on review shall be made within sixty (60) days of receipt of the request for review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered as soon as possible, but not later than one hundred twenty (120) days after receipt of the request for review. If such an extension of time is required, written notice of the extension shall be furnished to the Participant before the end of the original sixty (60) day period. The decision on review shall be made in writing, shall be written in a manner calculated to be understood by the Participant, and, if the decision on review is a denial of the claim for Eligible Compensation, shall include:

(i) The specific reason or reasons for the denial;

(ii) Specific references to the Plan provisions on which the denial is based; and

(iii) An explanation of the Plan's claims review procedures and a statement of Participant's right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination.

8. Successors and Assigns; Payments Upon Death

8.1 **Successors of the Company.** The Company shall require any successor or assign (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, expressly, absolutely and unconditionally to assume and agree to perform the Plan in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place.

8.2 **Payments upon Death of the Participant.** In the event a Participant dies prior to receiving all payments owed to such Participant under this Plan, any unpaid amounts shall be paid to the Participant's estate within sixty (60) days of the date of the Participant's death.

9. Notices

9.1 **General.** For purposes of the Plan, notices and all other communications provided for herein shall be in writing and may be delivered electronically to either the Company or any Participant. Notwithstanding the foregoing, any notice or communication regarding a disputed Plan benefit or concerning the Participant's resignation from employment from the Company Group for Good Reason must also be accompanied by a copy of such notice or communication mailed by United States certified mail, return receipt requested, or by overnight courier, postage prepaid, to the following applicable address:

(a) if to the Company:

Schneider National, Inc.
3101 Packerland Drive
Green Bay, WI 54313
Attention: General Counsel
Email: legaldepartment@schneider.com

(b) if to Participant, at the email address / home address on file with the Company for the Participant.

Either party may provide the other with notices of change of address, which shall be effective upon receipt.

9.2 **Notice of Termination.** Any termination by the Company of Participant's employment or any resignation of employment by Participant shall be communicated by a notice of termination or resignation to the other party hereto given in accordance with Section 9.1. Such notice shall indicate the specific termination provision in the Plan relied upon, shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and shall specify the termination date.

10. Certain Federal Tax Considerations

10.1 **Internal Revenue Code Section 409A**

(a) The Plan shall be interpreted to comply with or be exempt from Section 409A, and all provisions of the Plan shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. In no event whatsoever will the Company Group be liable for any additional tax, interest or penalties that may be imposed on Participant under Section 409A or any damages for failing to comply with Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of the Plan providing for the payment of any amounts or benefits subject to Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of the Plan, references to a "termination," "termination of employment" or like terms shall mean "separation from service." In the event that as a result of an earlier absence because of mental or physical incapacity Participant incurs a "separation from service," Participant shall on such date automatically be terminated from employment as a Disability termination. If Participant is deemed on the date of termination to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit under the Plan that is considered deferred compensation under Section 409A payable on account of a "separation from service," to the extent necessary to avoid taxes or penalties under Section 409A of the Code, such payment or benefit shall be made or provided at the date which is the earlier of

(i) the expiration of the six (6)-month period measured from the date of such “separation from service” of Participant, and (ii) the date of Participant’s death (the “*Delay Period*”). Upon the expiration of the Delay Period, all payments and benefits for which a Participant is eligible to receive under the Plan which are delayed pursuant to this Section 10.1(b) (whether such payments or benefits would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to Participant in a lump sum, and any remaining payments and benefits due under the Plan shall be paid or provided in accordance with the normal payment dates specified for them herein.

(c) (i) All expenses or other reimbursements as provided herein shall be payable in accordance with Company’s policies in effect from time to time, but in any event shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by Participant, (ii) no such reimbursement or expenses eligible for reimbursement in any taxable year shall in any way affect the expenses eligible for reimbursement in any other taxable year and (iii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchanged for another benefit.

(d) For purposes of Section 409A, Participant’s right to receive any installment payments pursuant to the Plan shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under the Plan specifies a payment period with reference to a number of days (e.g., “payment shall be made within 60 days following the date of termination”), the actual date of payment within the specified period shall be within the sole discretion of Company.

(e) To the extent any payment or benefit which constitutes Section 409A deferred compensation is contingent upon the execution and non-revocation of a Release, then such payment or benefit shall not commence until the later of (i) the first payroll date occurring on or after the sixtieth (60th) day following Participant’s “separation from service,” and (ii) the set payment date otherwise established for commencing the payments and/or benefits.

10.2 Internal Revenue Code Section 280G

(a) Anything in the Plan to the contrary notwithstanding, if it shall be determined that any payment or distribution by the Company Group to or for the benefit of Participant (whether paid or payable or distributed or distributable pursuant to the terms of the Plan or otherwise, but determined without regard to any additional payments required under this Section 10.2) (all such payments and benefits being hereinafter referred to as the “*Total Payments*”) would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by Participant with respect to such excise tax (such excise tax, together with any such interest and penalties, collectively the “*Excise Tax*”), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, arrangement or agreement, the payments under the Plan shall be reduced in the order specified below, to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax but only if (i) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments) is greater than or equal to (ii) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of Excise Tax to which Participant would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments). The payments and

benefits under this Plan shall be reduced in the following order: (A) reduction of any cash severance payments otherwise payable to Participant that are exempt from Section 409A; (B) reduction of any other cash payments or benefits otherwise payable to Participant that are exempt from Section 409A, but excluding any payments attributable to any acceleration of vesting or payments with respect to any equity award that are exempt from Section 409A; (C) reduction of any other payments or benefits otherwise payable to Participant on a pro-rata basis or such other manner that complies with Section 409A, but excluding any payments attributable to any acceleration of vesting and payments with respect to any equity award that are exempt from Section 409A; and (D) reduction of any payments attributable to any acceleration of vesting or payments with respect to any equity award that are exempt from Section 409A, in each case beginning with payments that would otherwise be made last in time.

(b) Subject to the provisions of Section 10.2(c) hereof, all determinations required to be made under this Section 10.2, including whether and when Total Payments should be reduced, the amount of such Total Payments, Excise Taxes and all other related determinations, as well as all assumptions to be utilized in arriving at such determinations, shall be made by a nationally recognized certified public accounting firm as may be designated by Company, subject to Participant's approval which will not be unreasonably withheld (the "**Accounting Firm**"). The Accounting Firm shall provide detailed supporting calculations both to the Company and Participant within fifteen (15) business days of the receipt of notice from Participant that there has been a payment or such earlier time as is requested by the Company. In the event that the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the Change of Control, the Company, subject to Participant's approval, which shall not be unreasonably withheld, may appoint another nationally recognized accounting firm to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any determination by the Accounting Firm shall be binding upon the Company and Participant.

(c) As a result of uncertainty in the application of Section 280G and Section 4999 of the Code at the time of the initial calculation by the Accounting Firm hereunder, it is possible that the cash severance payment made by the Company will have been less than the Company should have paid pursuant to Section 3.1 hereof (the amount of any such deficiency, the "**Underpayment**"), or more than the Company should have paid pursuant to Section 3.1 hereof (the amount of any such overage, the "**Overpayment**"). In the event of an Underpayment, the Company shall pay Participant the amount of such Underpayment not later than five (5) business days after the amount of such Underpayment is subsequently determined, *provided, however*, such Underpayment shall not be paid later than the end of the calendar year following the calendar year in which Participant remitted the related taxes. In the event of an Overpayment, the amount of such Overpayment shall be paid to the Company by Participant not later than five (5) business days after the amount of such Overpayment is subsequently determined.

11. Miscellaneous Provisions

11.1 **Choice of Law.** This Plan shall generally be governed by Federal law under ERISA. To the extent otherwise applicable, the laws of the State of Wisconsin, shall apply without regard to its conflict of law provisions.

11.2 **Unfunded Obligation.** Any amounts payable to Participants pursuant to the Plan are unfunded obligations. The Company shall not be required to segregate any monies from its general funds, or to create any trusts, or establish any special accounts with respect to such

obligations. The Company shall retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of any trust or any Participant account shall not create or constitute a trust or fiduciary relationship between the Board, the Committee or the Company Group and Participant, or otherwise create any vested or beneficial interest in any Participant or Participant's creditors in any assets of the Company.

11.3 **Recoupment.** The Company has the unilateral right to offset the payment of benefits under the Plan against amounts due from Participant under the Company Group's clawback/recoupment policy(ies) as in effect from time to time.

11.4 **No Representations.** By participating in the Plan, Participant acknowledges that Participant is not relying and has not relied on any promise, representation or statement made by or on behalf of the Company Group which is not set forth in the Plan.

11.5 **Waiver.** No waiver by Participant or the Company Group of any breach of, or of any lack of compliance with, any condition or provision of the Plan by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

11.6 **Validity.** The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision of the Plan, which shall remain in full force and effect.

11.7 **Benefits Not Assignable.** Except as otherwise required by law, no right or interest of any Participant under the Plan shall be assignable or transferable, in whole or in part, either directly or otherwise, including, without limitation, by execution, levy, garnishment, attachment, pledge or in any other manner, and no attempted transfer or assignment thereof shall be effective. No right or interest of any Participant under the Plan shall be liable for, or subject to, any obligation or liability of such Participant.

11.8 **Tax Withholding.** All payments made pursuant to the Plan will be subject to withholding of applicable income and employment taxes.

11.9 **Further Assurances.** From time to time, at the Company Group's request and without further consideration, Participant shall execute and deliver such additional documents and take all such further action as reasonably requested by the Company Group to be necessary or desirable to make effective, in the most expeditious manner possible, the terms of the Plan and/or, Participant's Release.

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**Certification of Chief Executive Officer Pursuant to Exchange Act Rule 13a-14(a),
as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Mark B. Rourke, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Schneider National, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the periods covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 27, 2023

/s/ Mark B. Rourke

Mark B. Rourke

Chief Executive Officer and President

(Principal Executive Officer)

**Certification of Chief Financial Officer Pursuant to Exchange Act Rule 13a-14(a),
as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Stephen L. Bruffett, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Schneider National, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the periods covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 27, 2023

/s/ Stephen L. Bruffett

Stephen L. Bruffett

Executive Vice President and Chief Financial Officer

(Principal Financial Officer)

**Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted
Pursuant to Section 906 of the Sarbanes-Oxley Act Of 2002**

In connection with the Quarterly Report on Form 10-Q of Schneider National, Inc. (the "Company"), for the quarterly period ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark B. Rourke, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 27, 2023

/s/ Mark B. Rourke

Mark B. Rourke

Chief Executive Officer and President

(Principal Executive Officer)

**Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted
Pursuant to Section 906 of the Sarbanes-Oxley Act Of 2002**

In connection with the Quarterly Report on Form 10-Q of Schneider National, Inc. (the "Company"), for the quarterly period ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen L. Bruffett, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 27, 2023

/s/ Stephen L. Bruffett

Stephen L. Bruffett

Executive Vice President and Chief Financial Officer

(Principal Financial Officer)