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

FORM 10-K

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

For the fiscal year ended December 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

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ☐ No ☒

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	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

Yes ☐ No ☒

The aggregate market value of Class B common stock held by non-affiliates on June 30, 2023, the last business day of the registrant's most recently completed second fiscal quarter, was approximately $1,570.9 million. The registrant's Class A common stock is not listed on a national securities exchange or traded in an organized over-the-counter market, but each share of the registrant's Class A common stock is convertible into one share of the registrant's Class B common stock.

As of February 20, 2024, the registrant had 83,029,500 shares of Class A common stock, no par value, outstanding and 92,955,984 shares of Class B common stock, no par value, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Proxy Statement for the registrant's 2024 Annual Meeting of Shareholders are incorporated by reference into Part III of this Form 10-K.

SCHNEIDER NATIONAL, INC.
ANNUAL REPORT ON FORM 10-K
For the Fiscal Year Ended December 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.
ACF	Advanced Clean Fleets
ACT	Advanced Clean Trucks
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
BEV	Battery-electric vehicle
Board	Board of Directors
BRG	Business Resource Group
CARB	California Air Resources Board
CTA	California Trucking Association
CO_2	Carbon dioxide
CAT	CDL Apprenticeship Training
CCA	Cloud Computing Arrangement
CDL	Commercial Driver's License
ChemDirect	Fortem Invenio, Inc.
CITO	Chief Innovation and Technology Officer
Clearinghouse	Commercial Driver's License Drug and Alcohol Clearinghouse
CODM	Chief Operating Decision Maker
deBoer	deBoer Transportation, Inc.
DHS	Department of Homeland Security
DOL	Department of Labor
DOT	Department of Transportation
DSU	Deferred Stock Unit
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
EPA	United States Environmental Protection Agency
ERC	Enterprise Risk Council
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ESG	Environmental, Social, and Governance
FLSA	Fair Labor Standards Act of 1938
FMCSA	Federal Motor Carrier Safety Administration
GAAP	United States Generally Accepted Accounting Principles
GHG	Greenhouse Gas
HOS	Hours of Service
ILWU	International Longshore and Warehouse Union
IPO	Initial Public Offering
IRS	Internal Revenue Service
KPI	Key Performance Indicator
LTL	Less than Truckload. LTL carriers pick up and deliver multiple shipments, each typically weighing less than 10,000 pounds, for multiple customers in a single trailer.
M&M	M&M Transport Services, LLC
MLS	Midwest Logistics Systems, Ltd. and affiliated entities holding assets comprising substantially all of its business.
MLSI	Mastery Logistics Systems, Inc.
MSSP	Managed Security Service Provider
NASDAQ	National Association of Securities Dealers Automated Quotations
NHTSA	National Highway Traffic Safety Administration

NYSE	New York Stock Exchange
OEM	Original Equipment Manufacturers
OSHA	Occupational Safety and Health Administration
PSU	Performance-based Restricted Stock Unit
RSU	Restricted Stock Unit
rTSR	Relative Total Shareholder Return
SaaS	Software as a Service
SCDM	Supply Chain and Distribution Management operating segment
SDIS	Senior Director of Information Security
SEC	United States Securities and Exchange Commission
Term SOFR	The CME Term SOFR Reference Rate administered by CME Group Benchmark Administration Limited
TMS	Transportation Management System
TuSimple	TuSimple Holdings, Inc. (formerly TuSimple (Cayman) Limited)
U.S.	United States
Voting Trust	Schneider National, Inc. Voting Trust
VTL	Van Truckload
VCMDA	Voluntary Carbon Market Disclosures Business Regulation Act
WBCL	Wisconsin Business Corporation Law
WSL	Watkins and Shepard Trucking, Inc. and Lodeso, Inc. These businesses were acquired simultaneously in June 2016.
ZEV	Zero-emission vehicles

PART I

ITEM 1. BUSINESS

Certain acronyms and terms used throughout this Annual Report are specific to our Company, commonly used in our industry, or are otherwise frequently used throughout our document. Definitions for these acronyms and terms are provided in the "Glossary of Terms" available at the front of this document. References to "Notes" are to the notes to consolidated financial statements included in this Annual Report on Form 10-K.

Company Overview

Schneider National, Inc. and its subsidiaries (together "Schneider," the "Company," "we," "us," or "our") are among the largest providers of multimodal surface transportation and logistics solutions in North America. We offer a scaled 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. We were founded in 1935 and have been a publicly held holding company since our IPO in 2017. Our stock is publicly traded on the NYSE under the ticker symbol "SNDR".

Our portfolio of complementary service offerings enables us to serve the diverse needs of our customers and to allocate capital in a manner that seeks to maximize returns across all market cycles and economic conditions. Our service offerings include transportation of full-truckload freight, which we directly transport utilizing either our company-owned transportation equipment and company drivers, owner-operators, or third-party carriers under contract with us. We have arrangements with most of the major North American rail carriers to transport freight in containers. We also provide customized freight movement, transportation equipment, labor, systems, and delivery services tailored to meet individual customer requirements, which typically involve long-term contracts. These arrangements are generally referred to as dedicated services and may include multiple pickups and drops, local deliveries, freight handling, specialized equipment, and freight network optimization. In addition, we provide comprehensive logistics services with a network of over 50,000 qualified third-party carriers. We are able to expand capacity through our Power Only offering by leveraging our nationwide trailer pool to match customer demand with third-party carriers. We categorize our operations into the following reportable segments:

- **Truckload** – 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.
- **Intermodal** – 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.
- **Logistics** – 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 customers' freight.

Consistent with the transportation industry, our business can be seasonal across each of our segments, which generally translates to our reported revenues and operating expenses 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 fuel consumption from increased idle time.

For more information on our reportable segments, see Note 14, *Segment Reporting.*

Additionally, we lease equipment to third parties through our wholly owned subsidiary Schneider Finance, Inc., which is primarily engaged in leasing trucks to owner-operators including, but not limited to, owner-operators with whom we contract, and we provide insurance for both company drivers and owner-operators through our wholly owned insurance subsidiary.

Our Mission and Strategy

We are driven by our uncompromising values to safely deliver goods that enhance the lives of people everywhere. We forge long-term relationships with our customers as an integral partner in, and extension of, their supply chains. Our strategy is based on delivering superior experiences to our customers utilizing an integrated, multimodal approach to provide capacity-oriented solutions centered on delivering customer value and industry-leading service. We believe our operating strategy adds value to customers, fuels our earnings, and generates shareholder returns. We continually analyze opportunities for capital investment and effective capital deployment to provide additional value for our customers and increase returns for our shareholders.

Business Developments

Acquisitions

On August 1, 2023, the Company completed the acquisition of M&M, a privately held truckload carrier based in West Bridgewater, Massachusetts that primarily provides specialty solutions for retail and manufacturing customers. M&M is a dedicated carrier that complements our growing dedicated operations. The operating results of M&M are reported in dedicated operations as part of our Truckload segment beginning in the third quarter of 2023.

Refer to Note 2, *Acquisitions,* for additional details on our acquisition of M&M and other recent acquisitions.

Industry and Competition

Truckload

The trucking industry plays a vital role in providing both growth and stability in the U.S. economy and moves the vast majority of freight volume in the U.S. It is a highly competitive and fragmented industry, characterized by numerous small to mid-sized carriers. Increased regulations and initiatives to improve the safety and reduce emissions of the U.S. trucking industry have impacted industry dynamics in recent years and are discussed in the Regulation section below. Our Truckload segment competes with thousands of dry van and specialty equipment carriers. While we compete with many smaller carriers on a regional basis, only a limited number of carriers represent competition in all markets across North America.

Intermodal

The domestic intermodal market is highly consolidated amongst three of the largest intermodal providers, including our Intermodal segment. Our Intermodal segment competes with intermodal providers and other transportation service companies, including truckload carriers. We have exclusive agreements with three precision-scheduled Class I railroad providers, which augments our differentiation in the market and allows for increased freight reliability.

Logistics

The logistics industry is a large, fast-growing, and fragmented market that represents an integral part of the economy. Logistics plans, implements, and controls the movement and storage of goods, generally using the assets of others. Our Logistics segment competes with other logistics companies, brokerage businesses, and truckload carriers.

Customers

During the year ended December 31, 2023, we offered our services to approximately 8,400 customers across our portfolio, including nearly 150 Fortune 500 companies, and 24 of our top 25 customers used services from all three of our reportable segments. Our Logistics segment manages over 50,000 qualified carrier relationships and managed approximately $2.4 billion of third-party freight in 2023.

Our revenue is derived from a diverse customer base across a broad end-market footprint, encompassing numerous industries including consumer products, retail, auto, chemicals, electronics and appliances, e-commerce, home improvement, and food and beverage. Our diversified revenue mix and customer base allow for revenue and yield management stability throughout the year, despite the fact that many of our customers are also affected by seasonal fluctuations.

Transportation Equipment

Our company-owned transportation equipment fleet was comprised of the following at December 31, 2023:

Transportation Equipment Type	Approximate Number of Units
Over-the-road sleeper cab tractors	7,200
Day cab tractors	3,100
Other tractors (yard tractors, straight trucks, and training tractors)	300
Trailers	47,300
Containers	27,400
Chassis	23,800

Human Capital Management

Schneider is committed to promoting a diverse and inclusive culture that values and respects the varied talents and perspectives of our associates. We recognize the advantage of hiring and retaining associates who contribute to the creation of value for our shareholders.

Associates and Workforce

As of December 31, 2023, we employed approximately 17,300 associates, 68% of whom are drivers with the remaining 32% consisting of mechanics and warehouse personnel, managers, and other corporate office associates. Approximately 15% of our associates are based at our headquarters in Green Bay, Wisconsin. We have not experienced any work stoppages and consider our associate relations to be good. Currently, five of our company drivers are members of an organized labor union, as a result of a commitment we made in the 1980s to allow this group of drivers to finish their careers at Schneider while remaining union members. None of our other associates are represented by a labor union.

We have a highly engaged workforce deployed over a diverse set of positions across our segments, geographies, and businesses. Where consistent with our operational needs, we offer a variety of flexible working arrangements to associates, including remote and blended work configurations.

Associate Recruitment, Development, and Retention

- **Company drivers** - Our drivers play an essential role in the ability to serve our customers, and we remain focused on making our driver experience the best in the industry. We employ measures to improve retention which include offering drivers competitive salaries and benefits, establishing driver pay scales which provide for increasing pay by experience level and performance, offering both live and remote driver training by experienced driving instructors, and maintaining a modern truck fleet with the latest safety technology, all of which focus on improving the overall driver experience.
- **Non-driver Company associates** - Our mechanics, warehouse personnel, managers, and other corporate office associates help to facilitate and coordinate service to customers, ensure equipment is operational and well-maintained, and generally support our operations. As we strive to offer best-in-class service to our customers, we focus on hiring top talent and providing them with opportunities for development and growth within their roles and throughout the organization. We utilize a performance management system that incorporates goals and development plans that are assessed semiannually to better position associates for future career growth. Succession planning is regularly performed to help identify and develop a pipeline of talent in critical roles within our organization. Additionally, we routinely conduct market analyses to evaluate the competitiveness of our wages and benefits, and we offer associates classroom, virtual, and web-based training options through our comprehensive learning program.

Associate Engagement

We promote associate engagement throughout our organization. We conduct biennial associate surveys to measure associate satisfaction and garner ideas to improve workforce engagement. Survey results are used to implement programs that will enhance associate connectivity with the Company which is believed to lead to increased innovation, productivity, and profitability.

In 2023, we opened The Grove, a state-of-the-art innovation center located on the campus of our headquarters which is a curated, collaborative workspace for associates and customers aimed at driving innovation in transportation and logistics with a focus on technology.

Compensation Structure and Benchmarking

Our comprehensive compensation and benefits package is designed to enable us to attract and retain high quality talent across the wide variety of roles in the Company. We routinely benchmark pay and benefits against peers and companies in jurisdictions where we operate to evaluate whether our total package is fair, competitive, and meets the needs of our associates. Our comprehensive package includes competitive pay, tuition reimbursement, medical, dental, vision, wellness programs, mental health support, 401(k) savings and retirement, work schedule flexibility, paid time off, disability and a wide variety of other voluntary insurance options, recognition programs, and development and career growth opportunities. Some of our driver pay packages include minimum guarantees while providing increasing pay by experience level and incentivizing for performance. Our non-driver pay varies by job, is market competitive, and includes short and long-term incentive programs that motivate associates and reward high performance.

Driver Turnover Rate

As a result of retirements, high turnover rates for new entrants to the driver market, and the challenges of attracting drivers, the industry and the long-haul truckload sector, in particular, have been characterized by persistent shortages of truck drivers. In response to the driver shortage and high driver turnover rate in our industry, we recruit recent driver training school graduates as a source of new drivers or hire driver candidates to participate in our own nationwide network of 19 training academies. These drivers have completed a training program at a private driver training school and hold a CDL. For areas of the country where truck driver jobs are in demand and demographics don't support many qualified drivers, we have established CAT for candidates with no previous truck driving experience. Our CAT Program enables these candidates to earn their CDL in their first few weeks of training then continue training under the supervision of experienced driver trainers to strengthen and hone their driving skills.

Diversity and Inclusion

We believe diversity fuels innovation, improves strategic thinking, and cultivates leadership. 'Respect for All' is one of our four core values. We embrace and seek diversity that is inclusive of thought, race, ethnicity, gender, age, religion, sexual orientation, experience, and background. Furthering our Company's diversity and inclusion goals and objectives is incorporated into our hiring, training and development programs, performance management, and community giving programs so that we nurture an environment where associates feel safe, supported, and empowered to share their creativity, experiences, and ideas. Creating communities rooted in a culture of belonging is the ultimate goal of Schneider's BRGs. We have six BRGs for associates who share identity, life experience or common purpose, and who come together to fulfill both individual and group goals that tie to business strategies and objectives. Finally, we are proud supporters of military veterans and have been recognized as a top military-friendly employer.

Safety

"Safety first and always" is a Schneider core value. We believe we have a responsibility to our associates, customers, and the community to operate safely. Our safety culture is built on five key components:

- **Driver hiring and drug testing**. We hire both experienced drivers and drivers new to the industry through a comprehensive hiring process. As part of that process, we voluntarily choose to use hair testing in addition to mandated urine-based drug testing. While costing more per driver, hair testing is generally more accurate than urine-based testing.
- **Military drivers**. We support service members and veterans and employ many drivers with military experience. This experience produces quality truck drivers due to the discipline instilled through military training programs.
- **Training**. Initial training is complemented by regularly scheduled follow-up training to sustain and enhance basic skills. We operate company-sponsored driver training facilities and have invested in simulators for both initial and sustainment training.
- **Equipment and technology**. We invest in trucks that are configured with roll stability, collision mitigation, lane departure warning, and forward-facing cameras. Driving behavior is electronically monitored, alerts are provided to the driver situationally, and performance is documented for subsequent coaching. We also employ electronic logging to improve HOS compliance and reduce fatigue occurrences.
- **Active management**. Driver leaders and safety coordinators have real-time access to activity in the truck, facilitating situational and scheduled coaching. We have invested in predictive analytics that assist in proactively identifying drivers with potential safety issues and recommending a remediation path.

Truckload carriers share safety performance information in monitored peer-to-peer forums. We have always maintained a satisfactory DOT safety rating, which is the highest available rating.

Owner-Operators

In addition to the company drivers we employ, we enter into contracts with independent contractors who work as "owner-operators". Owner-operators are small business owners who own and maintain their own trucks, may employ drivers they hire, and provide us with services under a contractual arrangement whereby they are generally responsible for the costs of truck ownership and operating expenses. Owner-operators select their own load assignments, have control over their schedule, and are compensated on a per load basis. Owner-operators tend to be experienced drivers and represented approximately 15% of driver capacity as of December 31, 2023.

Environmental, Social, and Governance

We seek to do business responsibly and embrace that we have a role to play in the betterment of society. At Schneider, we define sustainability broadly as safe and responsible practices that strengthen the economy and create a safer world. We seek to accomplish this by maintaining a modern fleet to maximize fuel and energy efficiency, leveraging our intermodal service to convert loads from truck to rail, consolidating freight whenever possible, and continuing to introduce technologies to coordinate the movement of products timely, safely, and efficiently. Additionally, we continue to evaluate alternative fuel vehicles, and our efforts to improve overall fleet fuel efficiency and reduce GHG emissions are ongoing.

During 2023, we added nearly 100 Class 8 BEVs to our Intermodal fleet based out of California to contribute toward the Company's goal of cutting its CO_2 emissions by 7.5% per mile by 2025 and 60% per mile by 2035, and we continue to look for opportunities to expand our battery-electric fleet. As of mid-2023, we were already more than halfway to our goal of reducing CO_2 emissions by 7.5% per mile by 2025, as compared to our baseline established in 2020, and expect to fully achieve this goal in 2025. Additionally, in 2023 we delivered over 1 million emission free miles via our BEVs operating in California. This milestone has kept approximately 3.3 million pounds of CO_2 emissions out of the environment.

In addition to efforts to make our fleet more efficient and reduce emissions, we are focused on improving sustainability at our operating facilities including upgrading to high-efficiency lighting and enhancing existing programs for recycling motor oil, tires, and batteries. We are an EPA SmartWay® Transport Partner and are proud to be one of only four freight carriers to receive the EPA's SmartWay® Award of Excellence each year since the award was created. We were the first company to receive the National Safety Council's Green Cross for Safety Award for two consecutive years. We established GREEN, an internal BRG, which focuses on educating associates on how to enhance sustainability and improve the environmental health of communities where we operate. Finally, we opened The Grove on our main campus in Green Bay, WI. This state of the art facility leverages both geothermal and solar energy to maximize resource efficiency in the facility as part of our commitment to sustainability. As always, we continue to ingrain safety into our corporate culture and strive to conduct all of our operations as safely as possible.

Fuel

We actively manage our fuel purchasing network in an effort to maintain adequate fuel supplies. In 2023, we made 99% of our fuel purchases through negotiated volume purchase discounts. We store fuel in underground storage tanks at five locations and in above-ground storage tanks at eight locations. We believe that we are in material compliance with applicable environmental laws relating to the storage of fuel.

In response to fluctuations in fuel prices, we use surcharge programs to adjust fuel costs charged to our customers. We believe the most cost-effective protection against variability in fuel costs is to continue the fuel surcharge programs and invest in a fuel-efficient fleet; however, fuel surcharges historically have not protected us against the full effect of increases in diesel fuel prices and are not expected to do so in the future. As an additional measure, we leverage fuel consumption metrics in evaluating drivers' performance, and drivers utilize a fuel optimizer program where they purchase fuel at the most cost-effective locations based on distance to empty and fuel purchase commitments.

We seek to find ways to reduce our CO_2 emissions including increasing the fuel efficiency of our current fleet, exploring alternative fuel vehicles, and deploying BEVs. In recent years, we invested in our existing diesel fleet to improve truck aerodynamics, reduce trailer drag, and implement electric-powered heating, ventilating, and air conditioning systems, which translates to emissions reductions and fuel savings. We are currently exploring alternative fuel vehicles, including hydrogen vehicles, and have added nearly 100 BEVs to our fleet which replaced existing diesel trucks and helped reduce our diesel fuel usage.

Regulation

Our operations as a for-hire motor carrier are regulated and licensed by various federal, state, and local government agencies in North America, including the U.S. DOT, FMCSA, U.S. DHS, NHTSA, EPA, and OSHA. These regulatory authorities have broad powers over matters relating to authorized motor carrier operations, as well as motor carrier registration, safety and fitness of transportation equipment and drivers, transportation of hazardous materials, certain mergers and acquisitions, and periodic financial reporting. Our driver associates and owner-operators must also comply with carrier qualifications and enacted governmental regulations regarding safety, equipment, and operating methods, including DOT regulation of equipment weight and drug and alcohol testing of our current and prospective driver associates and FMCSA regulation of driver HOS. In addition, we are subject to compliance with cargo-security and transportation regulations issued by the Transportation Security Administration and Customs and Border Protection within the DHS, and our cross-border operations in Canada and Mexico are subject to regulation by each of those countries.

We are also subject to various environmental laws and regulations dealing with, among other aspects of our operations, the handling of hazardous materials, underground fuel storage tanks at our terminals, emissions from our vehicles and facilities, engine idling, and discharge and retention of storm water.

Additionally, we are subject to a variety of laws and regulations which are targeted at reducing GHG emissions, improving air quality and fuel efficiency at a national level, and accelerating a large-scale transition to medium and heavy-duty ZEVs. Prominent among those regulations are certain environmental regulations in effect in the State of California which have been adopted by CARB, including:

- The Heavy-Duty Vehicle GHG Emission Reduction Regulation which was issued to reduce GHG emissions from certain long-haul tractor-trailers that operate in California by requiring owners of such vehicles or equipment to retrofit their vehicles with aerodynamic elements and accessories and implement technologies that improve fuel efficiency (regardless of where the vehicle is registered);
- CARB's ACT regulation, as enacted, is intended to accelerate a large-scale transition to medium and heavy-duty ZEVs. The ACT requires OEMs to begin shifting towards greater production of zero-emission heavy-duty tractors beginning in 2024. Under the ACT, every new tractor sold in California will need to be zero-emission by 2045. As of the date of this Annual Report on Form 10-K, the following states have also adopted the ACT regulation: Colorado, Maryland, Massachusetts, New Jersey, New Mexico, New York, Oregon, Rhode Island, Vermont, and Washington;
- CARB's ACF regulation is intended to work in conjunction with the ACT regulation to require the deployment of medium and heavy-duty ZEVs in California. Components of the ACF regulation, as adopted by CARB, include the following:
  - Drayage fleets. Beginning January 1, 2024, trucks would be required to be registered in the CARB Online System to conduct drayage activities in California. Any truck that is to conduct drayage activities in California and is added to the California fleet on or after January 1, 2024 will be required to be a ZEV.
  - High priority fleets. High priority fleets (defined by the regulation to include an entity that owns, operates, or directs vehicles in California and has $50 million or more in total gross revenue or a fleet that owns, operates, or directs 50 or more vehicles in its California fleet) would be required to either (i) purchase only ZEVs beginning 2024 and, starting January 1, 2025, remove internal combustion engine vehicles at the end of their maximum useful life as specified in the regulation or (ii) use the ZEV Milestones Option to phase-in ZEVs into their fleets to meet ZEV targets as a percentage of their total California fleet.

Our California fleet consists of both a drayage fleet and a high priority fleet as defined in the ACF regulation as adopted by CARB and therefore, is required to be in compliance according to the following schedule:

Table A: ZEV Fleet Milestones by Milestone Group and Year

Milestone Group	10%	25%	50%	75%	100%
1: Box trucks, vans, 2-axle buses, yard tractors, light-duty package delivery vehicles	2025	2028	2031	2033	2035+
2: Work trucks, day cab tractors, 3-axle buses	2027	2030	2033	2036	2039+
3: Sleeper cab tractors and specialty vehicles	2030	2033	2036	2039	2042+

On October 16, 2023, the CTA filed a lawsuit in the Eastern District of California challenging the ACF regulation on several grounds including that the ACF is preempted by federal law under the Federal Clean Air Act and the Federal Aviation Administration Authorization Act of 1994. The CTA seeks declaratory relief that the ACF regulation is invalid and unenforceable, as well as preliminary and permanent injunctive relief barring the implementation and enforcement of the ACF regulation. No assurances can be provided regarding the CTA's litigation challenging the ACF regulation, including the timing of any proceedings relating to the litigation.

Moreover, in 2023, California passed three climate reporting laws which mandate all companies conducting business in California to make climate-related disclosures beginning in 2026. SB 253 requires companies with revenues greater than $1 billion doing business in California to report their emissions comprehensively, including their Scope 1 and 2 beginning in 2026 and Scope 3 beginning in 2027. SB 253 also requires reporting companies to obtain third-party auditor assurance of their reports on their Scope 1 and 2 emissions; for Scope 3 emissions, assurance requirements will be determined by 2027. SB 261 requires large U.S. businesses with annual revenues over $500 million operating in California to bi-annually disclose climate-related financial risks and their mitigation strategies to the public. As of the date of this Annual Report on Form 10-K, New York and Washington State are also considering mandatory GHG emissions disclosures, while Colorado and Minnesota have introduced new laws focused on the disclosure of climate-related risks. Several business groups including the U.S. Chamber of Commerce, the California Chamber of Commerce, and the American Farm Federation recently filed a lawsuit seeking to overturn SB 253 and SB 261. As of the date of this Annual Report on Form 10-K, that lawsuit remains pending. Finally, in a

significant step toward implementing transparency in voluntary carbon markets, California enacted AB 1305 - the VCMDA. The VCMDA requires that companies operating in California which market or sell voluntary carbon offsets or make claims regarding the achievement of net zero emissions, carbon neutral status, or significant carbon emissions reductions publicly disclose information documenting how the claim was determined to be accurate or accomplished and the measurement of interim progress. Companies that purchase carbon credits in conjunction with certain climate-related claims are required to publicly disclose information documenting how the claim was determined to be accurate or accomplished and the measurement of interim progress. At times, in conjunction with delivering freight transportation services to certain of its customers, the Company purchases carbon credits or offsets to enable or assist such customers with achieving their carbon reduction targets.

In 2022, the SEC issued a proposed rule, SEC Climate Disclosure Rule, that would enhance and standardize the climate-related disclosures provided by public companies. As proposed, the SEC Climate Disclosure Rule would require public companies to report on the identification and management of climate risks, provide updates on their public climate goals, and annually provide information on their emissions. All companies would be required to disclose their Scope 1 and 2 emissions, and large companies would also be required to disclose Scope 3 emissions, which are generated by activities in the company's broader value chain, if material or as part of a set public goal. There have been repeated delays in finalizing the rule. As a result, we can not predict when, or if, the proposed rule will be finalized or whether the final rule will have a material adverse impact on the Company's results of operations.

These laws and regulations historically have resulted in increased costs, decreased equipment productivity, risks, and/or liabilities associated with our operations, and have the potential to further increase such costs, risks, and/or liabilities, particularly if costs are not offset by potential fuel savings. We cannot predict the extent to which our operations and productivity will be impacted. We continue to monitor and evaluate the proposed rule makings of the SEC, DOT, FMCSA, NHTSA, EPA, State of California, and other federal and state regulatory agencies to determine the expected impact on our operations.

Technology

Our business is executed through an integrated technology platform that encompasses an end-to-end process design which focuses on information accessibility and connectivity across our value chain. Our platform enables an integrated approach to cash processing including load/order acceptance based on driver and network optimization, vehicle dispatch, continuous quote monitoring, and visibility to loads from pick-up to delivery and customer collection. Proprietary decision support tools are embedded throughout the platform and assist our associates in making the right trade-offs to drivers' needs for earnings and work-life balance, customers' needs for reliable capacity and service, and our business and its shareholders' needs for an adequate return. Decision support tools improve our ability to, among other things, situationally coach drivers, minimize fuel costs, and maintain the fleet in the most cost-effective manner to maximize shareholder value.

Schneider FreightPower® for carriers and shippers digitally connects the benefits of our integrated technology platform with the strength of our trailer network and carrier relationships to service our customers. We continue to expand our business capabilities by extending our foundational integrated technology platform, making advancements to our in-cab technology, and leveraging mobile applications to better connect with company drivers and customers. One example is the rollout of our new global navigation system. This system uses real-time maps to generate driver routes to account for traffic, road closures, and route changes to aid our drivers in taking the best route. Additionally, through our investment in MLSI, in which we are collaborating to develop a TMS using MLSI's SaaS technology, we aim to further complement our technology platform and enable enhanced decision making, resource allocation, and visibility for our supply chain partners. Our Power Only business was successfully transitioned to MLSI's TMS in 2022, and we will begin transitioning the remainder of our Logistics business in the near future.

Our in-cab telematics platform delivers on-board technology through our private application store to enable communication, regulatory compliance, and driver productivity. This comprehensive platform includes messaging capabilities, applications that scan and automate paperwork, and customer and location specific step-by-step work assignments. Our telematics platform is fully integrated with our back-office planning and execution systems and delivers real-time data in our business. Trailer and container fleets are equipped with monitoring devices which function both when tethered to a tractor or standing alone. Our tractors are equipped with stability control and collision mitigation technology, lane departure warning, and forward-facing cameras. All tractor technology interfaces with the in-cab device and provides the driver and the driver's leader with real-time performance data. We are constantly reevaluating our existing technology to find efficiencies and drive innovation, with some of our current efforts focused on exploring autonomous trucking and additional safety technologies.

Available Information

We make a number of reports and other information available free of charge on our website, www.schneider.com, including our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934.

The "Investors" section of our website contains corporate governance guidelines, our code of ethics, Board committee charters, and other corporate policies. The information on our website is not, and shall not be deemed to be, a part of this Annual Report on Form 10-K or incorporated into any other filings we make with the SEC.

ITEM 1A. RISK FACTORS

Cautionary Statement Concerning Forward-Looking Statements

This Annual Report on Form 10-K contains certain statements regarding business strategies, market potential, future financial performance, future action, results, and any other statements that do not directly relate to any historical or current fact which are "forward-looking" statements within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), the Exchange Act, and the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "anticipate," "project," "estimate," "budget," "continue," "could," "intend," "may," "plan," "potential," "predict," "seek," "should," "will," "would," "expect," "objective," "forecast," "goal," "guidance," "outlook," "effort," "target," among others, generally identify forward-looking statements, which speak only as of the date the statements were made.

In particular, information included under the sections entitled "Business," "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contains forward-looking statements.

Readers are cautioned that the matters discussed in these forward-looking statements are subject to risks, uncertainties, assumptions, and other factors that are difficult to predict, and which could cause actual results to differ materially from those projected, anticipated, or implied in the forward-looking statements. Where, in any forward-looking statement, an expectation or belief as to future results or events is expressed, such expectation or belief is based on the current plans and expectations of management and expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will be achieved or accomplished. Many factors that could cause actual results or events to differ materially from those anticipated include those matters described under the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." We caution you not to place undue reliance on these forward-looking statements, which speak only as of the date of this Annual Report on Form 10-K, and we do not assume any obligation to update any forward-looking statement as a result of new information, future events, or otherwise, except as required by applicable law. All forward-looking statements, expressed or implied, included in this Annual Report on Form 10-K are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we may make or persons acting on our behalf may issue.

You should consider each of the following factors, as well as the other information in this Annual Report on Form 10-K, including our financial statements and the related notes, in evaluating our business and our prospects. The risks and uncertainties described below are not the only ones we face. In general, we are subject to the same general risks and uncertainties that impact many other companies such as general economic, industry, and/or market conditions and growth rates; risks and uncertainties associated with or arising out of possible future pandemics; possible future terrorist threats or armed conflicts and their effect on the worldwide economy; and changes in laws or accounting rules. Additional risks and uncertainties not presently known to us or that we currently consider immaterial may also impair our business operations. If any of these risks occur, our business and financial results could be harmed. In that case, the trading price of our common stock could decline.

Risks Related to Our Business, Industry, and Strategy

Our operating results may be adversely affected by unfavorable economic and market conditions.
Our business and results of operations are sensitive to changes in overall economic conditions that impact customer shipping volumes, industry freight demand, industry truck capacity, inflation, and our operating costs. Regarding our operating costs, inflationary pressures persist but are generally expected to decline or stabilize in the U.S. in the near-term due to the stabilization of the recent imbalance between supply and demand for goods and services in the economy. We cannot predict future economic conditions, fuel price fluctuations, transportation equipment resale values, or how consumer confidence could be affected by such conditions. Economic conditions that decrease shipping demand, including but not limited to public health crises, outbreaks of infectious diseases, or excess capacity in the North American transportation and logistics industry, can exert

downward pressure on rates and equipment utilization. In general, significant decreases in shipping volumes within the industry or increases in available truck capacity result in more aggressive freight pricing as carriers compete for loads and truck productivity. Likewise, we are also subject to cost increases outside our control that could materially reduce our profitability if we are unable to offset such increases through rate increases or cost reductions. Such cost increases include, but are not limited to, driver wages, third-party carrier costs, fuel and energy prices, taxes and interest rates, tolls, license and registration fees, insurance premiums, regulatory compliance costs, transportation equipment and related maintenance costs, and healthcare and other employee benefit costs. We cannot predict whether, or in what form, or at what rate any such cost increases could occur. Any such cost increase or event could adversely affect our results of operations or cash flows.

We operate in a highly competitive and fragmented industry that is characterized by intense price competition which could have a materially adverse effect on our results of operations.
Our operating segments compete with many other truckload carriers, logistics, brokerage, and transportation service providers of varying sizes, and to a lesser extent, LTL carriers, railroads, and other transportation or logistics companies, some of which have larger fleets, greater access to equipment, preferential customer contracts, greater capital resources, or other competitive advantages. Competition for the freight we transport or manage is based primarily on service, efficiency, available capacity, and to some degree, on freight rates alone. Our competitors periodically reduce their freight rates to gain business, especially when economic conditions negatively impact customer shipping volumes, truck capacities, or operating costs. Moreover, to limit the number of approved carriers to a manageable number, some of our customers select “core carriers” as approved transportation service providers, and in some instances, we may not be selected. Other of our customers periodically accept bids from multiple carriers for their shipping needs, which also periodically results in the loss of business to competitors. Some of our customers have, and others may in the future, used or expanded their own private fleets rather than outsource loads to us. Further, our industry has experienced market entrance by well-resourced, non-traditional firms or startups who, in some cases, have undercut market prices to capture market share. Finally, our existing competitors, as well as new market entrants, have and continue to introduce new brokerage platforms or technologies, which has increased competition. Although we believe we are well positioned and have adopted technologies, developed strategies, and heavily invested in our own digital service offerings to deter, compete with, or supplant existing competitors and new market entrants, there can be no assurance that our investments, technologies, or strategies will be successful in enabling us to sustain or grow our current market share in each of our segments. These competitive dynamics could have an adverse effect on the number of shipments we transport and the freight rates we receive, which could limit our growth opportunities and reduce our profitability.

We derive a significant portion of our revenues from our major customers, the loss of one or more of which could have a materially adverse effect on our business.
We strive to maintain a diverse customer base; however, a significant portion of our operating revenues is generated from a number of major customers, the loss of one or more of which could have a material adverse effect on our business. Aside from our dedicated operations and customer relationships where we manage such customers’ supply chains, we generally do not have long-term contractual relationships, rate agreements, or minimum volume guarantees with our customers. Furthermore, certain of the long-term contracts in our dedicated operations are subject to cancellation. There is no assurance any of our customers, including our dedicated customers, will continue to utilize our services, renew our existing contracts, or continue at the same volume levels. Despite the existence of contractual arrangements, certain of our customers may engage in competitive bidding processes that could negatively impact our contractual relationships. In addition, certain of our major customers may increasingly use their own truckload and delivery fleets, which would reduce our freight volumes. A reduction in or termination of our services by one or more of our major customers, including our dedicated customers, could have a materially adverse effect on our business, financial condition, and results of operations.

Difficulties attracting and retaining qualified drivers could materially, adversely affect our profitability and ability to maintain or grow our fleet.
The trucking industry historically has and may continue to experience difficulty attracting and retaining sufficient numbers of qualified drivers, both new and experienced, including owner-operators, and such shortages have and could continue to require us to significantly increase driver compensation, rely more on higher-cost third-party carriers, idle transportation equipment, or dispose of the equipment altogether, any of which could adversely affect our growth and profitability. The challenge with attracting and retaining qualified drivers is driven by several factors including intense market competition for a limited pool of qualified drivers, driver compensation, the preference among drivers to work closer to home and be home most nights, and our highly selective hiring standards.

Our turnover rate requires us to continually recruit a substantial number of company and owner-operator drivers to support our operations. Owner-operator availability is generally affected by operating cost increases (which the owner-operator is responsible for) and economic conditions, which drive overall increases in customer demand, and heightened competition for owner-operators from other carriers. When shortages of owner-operators occur, we may have to increase settlement rates paid to them and increase company driver pay rates to attract and retain a sufficient number of drivers. These increases could negatively affect our results of operations to the extent that we would be unable to obtain corresponding freight rate increases.

We recently completed the deployment of a new ERP system, and challenges with the system may adversely impact our business and operations.
In May 2023, we began the implementation of a new ERP system, which was completed in December, to support and streamline our core financial systems. This implementation required the integration of the new system with multiple new and existing information systems and business processes. The new ERP system is designed to increase the efficiency and accuracy of data by streamlining data sources, simplifying complex processes, and reducing manual processes. Any remaining open disruptions, deficiencies, or other problems associated with the implementation of our ERP system, such as quality issues, programming errors, or any cost increases could adversely affect our ability to operate our business, produce timely and accurate financial statements, or comply with applicable regulations. This could result in negative impacts on our business, operations, and stock price or could subject us to potential liability or investigation by regulatory authorities. Additionally, the new ERP system involves greater utilization of third-party cloud computing services in connection with our business operations. Problems faced by us or our third-party providers, including technological or business-related disruptions and cybersecurity threats, could adversely impact our business, results of operations, and financial condition for future periods. Any failures identified within our internal controls as a result of this implementation, even if quickly remediated, or remaining difficulties encountered, may adversely impact our operating results or hinder our ability to report our financial results in a timely and accurate basis.

We face risks associated with unionization.
Although the number of our associates who are currently represented by a labor union is not significant, we face ongoing risks associated with the potential unionization of certain of our associates. Over the last several years we have been the subject of isolated unionization efforts involving a relatively small number of associates, which efforts were, in each case, unsuccessful. Overall, we believe our relations with our associates are good; however, should a significant number of our associates opt to be represented by a labor union, we could experience a significant disruption of, or inefficiencies in, our operations or incur higher labor costs, which could have a material adverse effect on our business, results of operations, financial condition, and liquidity.

Additionally, our responses to any union organizing efforts could negatively impact how our brand is perceived and have adverse effects on our business, including on our financial results. These responses could also expose us to legal risk or reputational harm and cause us to incur costs to defend legal and regulatory actions. Moreover, any labor disputes or work stoppages, whether or not our other associates unionize, could disrupt our operations and reduce our revenues.

A subset of our employee population works remotely which may exacerbate the cybersecurity risks to our business, including an increased demand for information technology resources, increased risk of phishing, and other cybersecurity attacks.
We have, and will continue to have, a portion of our workforce that works from home full-time or under flexible work arrangements, and we have provided associates with expanded remote network access options which enable them to work outside of our corporate infrastructure and, in some cases, use their own personal devices, which exposes the Company to additional cybersecurity risks. Specifically, our associates working remotely expose the Company to cybersecurity risks in the following ways: (1) unauthorized access to sensitive information as a result of increased remote access, including associates use of company-owned and personal devices and videoconferencing functions and applications to remotely handle, access, discuss, or transmit confidential financial data, (2) increased exposure to phishing and other scams as cybercriminals manipulate associates through phishing schemes to, among other things, install malicious software on Company systems and equipment and surrender sensitive information, and (3) violation of international, federal, or state-specific privacy laws. We believe that the increased number of associates working remotely has incrementally increased our cyber risk profile, but we are unable to predict the extent or impacts of those risks at this time. A significant disruption of our information technology systems, unauthorized access to or loss of confidential information, or legal claims resulting from our violation of privacy laws could each have a material adverse effect on our business.

The success of our businesses depends on our strong reputation and ability to maintain the Schneider brand value.
Because the transportation and logistics services we offer are primarily marketed under the Schneider brand, the Schneider brand name is our most valuable sales and marketing tool. Press coverage, lawsuits, regulatory investigations, or other adverse publicity that assert some form of wrongdoing or that depict the Company or any of our executives, associates, contractors, or agents in a negative light, regardless of the factual basis of the assertions being made, could negatively impact public or customer perceptions of the Company resulting in a loss of brand equity. If we do not maintain and protect our brand image and reputation, demand for our services could wane and thus have an adverse effect on our financial condition, liquidity, and results of operations, as well as require additional resources to rebuild our reputation and restore the value of our brand.

If fuel prices rise or fall significantly, our results of operations could be adversely affected.
Our truckload operations are largely dependent on diesel fuel, and accordingly, significant increases in diesel fuel costs could materially and adversely affect our truckload operations, and if we are unable to pass increased costs on to customers through rate increases or fuel surcharges or if shippers opt for intermodal rail over trucking their freight, our results of operations and

financial condition could be adversely affected. Likewise, if diesel fuel prices decrease significantly, the results of our intermodal operations could be adversely affected as shippers shift intermodal freight to over-the-road trucking. Prices and availability of petroleum products are subject to political, economic, geographic, weather-related, and market factors that are generally outside our control and each of which may lead to fluctuations in the cost of fuel.

Our fuel surcharge program does not protect us against the full effect of increases in diesel fuel prices, and the terms of our fuel surcharge agreements vary by customer. In addition, because our fuel surcharge recovery lags behind changes in diesel fuel prices, our fuel surcharge recovery may not capture the increased costs we pay for fuel, especially when prices are rising. There is variability in the compensatory nature of individual customer fuel surcharge programs that can affect inflationary cost recovery of fuel.

There is no assurance that such fuel surcharges can be maintained indefinitely or will be sufficiently effective. Our results of operations would be negatively affected to the extent we cannot recover higher fuel costs or fail to improve our fuel price protection through our fuel surcharge program. Increases in diesel fuel prices, or a shortage or rationing of diesel fuel, could also materially and adversely affect our results of operations. As of December 31, 2023, we did not have any derivative financial instruments to reduce our exposure to fuel price fluctuations.

We depend on railroads and access to the nation's ports of call in the operation of our intermodal business, and therefore, our ability to offer intermodal services or our results of operations could be adversely impacted if our rail partners or certain ports of call were to perform poorly or experience service disruptions.
Our Intermodal segment utilizes railroads and, in some cases, third-party drayage carriers to transport freight for our intermodal customers. The majority of these services are provided pursuant to contracts with our service partners which are subject to periodic renewal. While we have had agreements with all of the Class I railroads, our primary contracts for railroad transportation in support of our intermodal operations are currently with CSX Transportation, the Union Pacific Railroad Company, and the Canadian Pacific Kansas City Railroad.

In certain areas of the U.S., rail service is limited to a few railroads, or even a single railroad due to the lack of competition. Our ability to provide intermodal services in certain traffic lanes is, therefore, likely to be adversely affected if any of the Class I railroads were to discontinue service in certain lanes, or if any of our rail partners experience service interruptions, or if the overall quality of their rail service were to deteriorate. In addition, our intermodal business may be adversely affected by declines in service and volume levels provided by the railroads.

All of the Class I railroads in the U.S., including our current rail partners, are unionized and have a recent history of disruption due to labor disputes and collective action, including strikes. While there is currently a contract in place between the Class I Railroads and the unions representing rail workers, underlying labor issues remain including, most prominently, precision-scheduled railroading, the business model adopted in recent years by Class I rail carriers which has been blamed by railroad unions as the reason for a dramatic reduction in the freight rail workforce, increased supply-chain congestion, and deteriorating railroad safety. As a result, we cannot predict whether or when a labor dispute involving our rail partners could occur, the duration of such dispute, and the impact, if any, on our results of operations. Any strike or labor related disruption at any of the Class I railroads can be expected to have an adverse impact on the results of operations of our Intermodal or Truckload segments.

In addition, a portion of the freight we deliver through both our Intermodal and Truckload segments is imported to the U.S. through ports of call where workers are represented by the ILWU, a labor union which primarily represents a significant number of longshore workers at 29 ports across the West Coast, or the International Longshoremen's Association, the largest union of maritime workers in North America, which represents a larger number of longshoremen on the Atlantic and Gulf Coasts, Great Lakes, major U.S. rivers, Puerto Rico, and Eastern Canada. The west and east coast ports have long been the primary gateways for cargo coming into and leaving the U.S. and have a long history of labor and other port disputes, protracted collective bargaining and contract negotiations which, in the past, have involved port disputes and closures, as well as threats of a strike that would have disrupted domestic supply chains. Although, as of the date of this Annual Report on Form 10-K, there have been no reports or signs of labor strife at the ports on either coast, there can be no guarantee that work stoppages or other disruptions at the west or east coast ports will not occur.

We are making strategic investments in new offerings and technologies and expect to continue to make such investments in the future. These ventures are inherently risky and subject to volatility, and we may never realize any expected benefits from them which could have a material adverse effect on our business and financial results.
We engage in strategic transactions and continue to make strategic investments including investments in new technologies and potentially disruptive startup companies which are focused on establishing a competitive advantage in the transportation and logistics services offered by the Company or exploiting new market opportunities including autonomous vehicle technologies, TMS software platforms, telematics, and mobile software applications. Such strategic investments naturally entail risks and uncertainties, some of which are beyond our control. For example, we may not be able to derive value from strategic

investments, or we may incur higher than expected costs in realizing a return on such investments or overestimate the benefits that we receive or realize from such investments. Therefore, we cannot provide assurance that any of our strategic investments will generate anticipated financial returns. If our strategic investments fail to meet our expectations, our business and results of operations may be adversely impacted.

The market valuation of our strategic investments may experience substantial price volatility which, when accounted for under GAAP, could have a material adverse effect on the Company's financial condition and results of operations. Refer to Note 5, *Investments*, to our consolidated financial statements for information on our strategic investments. Those investments can be negatively affected by market and economic factors including liquidity, credit deterioration, financial results, interest rate fluctuations, or other factors. As a result, future fluctuations in their value could result in significant losses and have a material adverse impact on the Company's financial condition and results of operations.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.
Borrowings under our Receivables Purchase Agreement and our revolving credit facility are at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations on the variable rate indebtedness will increase even though the amount borrowed remains the same. Our net income and cash flows, including our cash available for servicing our indebtedness, will correspondingly decrease.

We depend on third-party capacity providers, and issues of performance, availability, or pricing with these transportation providers could increase our operating costs, reduce our ability to offer intermodal and logistics services, and limit growth in our brokerage and logistics operations, which could adversely affect our revenue, results of operations, and customer relationships.
Our Logistics segment is highly dependent on the services of third-party capacity providers, such as other truckload carriers, LTL carriers, railroads, ocean carriers, and airlines. Many of those providers face the same economic challenges as we do and, therefore, are actively and competitively soliciting business. These economic conditions may have an adverse effect on the performance, availability, and cost of third-party capacity. If we are unable to secure the services of these third-party capacity providers at reasonable rates, our results of operations could be adversely affected.

Severe weather, climate, and similar events could harm our results of operations or make our results more volatile.
From time to time, we may suffer impacts from severe weather, climate, and similar events, such as tornadoes, hurricanes, blizzards, ice storms, floods, fires, earthquakes, and explosions, which may become more severe in the future as a result of climate change. These events may disrupt freight shipments or routes, affect regional economies, destroy our assets, disrupt fuel supplies, increase fuel costs, cause lost revenue and productivity, increase our maintenance costs, or adversely affect the business or financial condition of our customers, any of which could harm our results of operations or make our results of operations more volatile.

Risks Relating to Our Financial Condition, Taxation, and Capital Requirements

Our goodwill, other intangible assets, internal use software, or long-lived assets may become impaired, which could result in a significant charge to earnings.
We hold significant amounts of goodwill and long-lived assets, and the balances of these categories of assets could increase in the future if we acquire other businesses. At December 31, 2023, the balance of our goodwill, other intangible assets, internal use software, and long-lived assets was $3.1 billion, and the total market value of the Company's outstanding shares was $4.5 billion. Under GAAP, our goodwill, other intangible assets, internal use software, and long-lived assets are subject to an impairment analysis when events or changes in circumstances indicate the carrying value of such assets may not be recoverable. In addition, we test goodwill for impairment annually. Factors that may be considered a change in circumstances indicating that the carrying value of our goodwill, other intangible assets, internal use software, and long-lived assets may not be recoverable include, but are not limited to, a sustained decline in stock price and market capitalization, an increase in interest rates, significant negative variances between actual and expected financial results, reduced future cash flow estimates, adverse changes in applicable laws or regulations or legal proceedings, changes to technology, failure to realize anticipated synergies from acquisitions, and slower growth rates in our industry. We may be required to record a significant charge to earnings in our consolidated financial statements during the period in which any impairment of our goodwill, other intangible assets, internal use software, and long-lived assets is determined to exist, negatively impacting our results of operations. If our market capitalization was to fall below the book value of our total stockholders' equity for a sustained period, we may conclude that the fair value of certain of our long-lived assets is materially impaired. In this case, we would be required under GAAP to record a noncash charge to our earnings which could have a material adverse effect on our business, results of operations, and financial condition.

We have significant ongoing capital requirements that could affect our profitability if we either fail or are unable to match the timing of our capital investments with customer demand, or we are otherwise unable to generate sufficient returns on our invested capital.
Our truckload and intermodal operations are capital-intensive, and our strategic decision to invest in newer equipment requires us to expend significant amounts in capital expenditures annually. The amount and timing of such capital expenditures depend on various factors, including anticipated freight demand and the price and availability of new or used tractors. If anticipated freight volume differs materially from our forecasts or customer demand, our truckload operations may have too many or too few assets. During periods of decreased customer demand, our asset utilization is challenged, and we may be forced to sell equipment on the open market in order to right-size our fleet. This could cause us to incur losses on such sales, particularly during times of a softer used equipment market, either of which could have a materially adverse effect on our profitability. Our leasing business could also be at risk of inventory impairment if truck deliveries are not aligned with owner-operator demand, which could also have a materially adverse effect on our profitability. Should demand for freight shipments weaken or our margins suffer due to increased competition or general economic conditions, we may have to limit our fleet size or operate our transportation equipment for longer periods, either of which could have a materially adverse effect on our operations and profitability.

Our effective tax rate may fluctuate, which would impact our future financial results.
Our effective tax rate may be adversely impacted by, among other things, changes in the regulations relating to capital expenditure deductions, or changes in tax laws where we operate, including the uncertainty of future tax rates. We cannot give any assurance as to the stability or predictability of our effective tax rate in the future because of, among other things, uncertainty regarding the tax laws and policies of the countries where we operate. For example, the Organisation for Economic Co-operation and Development ("OECD") agreed to enact Pillar Two, which introduces a global minimum effective tax rate whereby certain multinational groups are subject to a 15% minimum tax which will be effective in some countries as early as 2024. While we do not believe Pillar Two will have a material impact on the Company, we continue to monitor the developments to evaluate the impact it could have on our effective tax rate, if any. Further, our tax returns are subject to periodic reviews or audits by domestic and international authorities, and these audits may result in adjustments to our provision for taxes or allocations of income or deductions that result in tax assessments different from amounts that we have estimated. We regularly assess the likelihood of an adverse outcome resulting from these audits to determine the adequacy of our provision for taxes. There can be no assurance as to the outcome of these audits or that our tax provisions will not change materially or be adequate to satisfy any associated tax liability. If our effective tax rates were to increase or if our tax liabilities exceed our estimates and provisions for such taxes, our financial results could be adversely affected.

Insurance and claims expenses could significantly reduce our earnings.
We self-insure, or insure through our wholly-owned captive insurance company, a significant portion of our claims exposure resulting from auto liability, general liability, cargo, and property damage claims, as well as workers' compensation. In addition to insuring portions of our risk, our captive insurance company provides insurance coverage to our owner-operator drivers. We are also responsible for our legal expenses relating to such claims, which can be significant both on an aggregate and individual claim basis. Although we reserve for anticipated losses and expenses and periodically evaluate and adjust our claims reserves to reflect our experience, estimating the number and severity of claims, as well as related costs to settle or resolve them, is inherently difficult, and such costs could exceed our estimates. Accordingly, our actual losses associated with insured claims may differ materially from our estimates and adversely affect our financial condition and results of operations in material amounts.

As a supplement to our self-insurance program, we maintain insurance with excess insurance carriers for potential losses, which exceed the amounts we self-insure. Although we believe our aggregate insurance limits should be sufficient to cover our historic claims amounts, the commercial trucking industry has experienced a wave of blockbuster or so-called "nuclear verdicts," where juries have awarded tens or even hundreds of millions of dollars to accident victims and their families. Given this recent trend, it is possible that one or more claims could exceed our aggregate coverage limits. If any claim were to exceed our aggregate insurance coverage, we would bear the excess, in addition to our other self-insured amounts.

Given the current claims settlement environment, the amount of coverage available from excess insurance carriers is decreasing, and the premiums for this excess coverage are increasing significantly. For the foregoing reasons, our insurance and claims expenses may increase, or we could increase our self-insured retention as policies are renewed or replaced. In addition, we may assume additional risk within our captive insurance company that we may or may not reinsure. Our results of operations and financial condition could be materially and adversely affected if (1) our costs or losses significantly exceed our aggregate coverage limits, (2) we are unable to obtain insurance coverage in amounts we deem sufficient, (3) our insurance carriers fail to pay on our insurance claims, or (4) we experience a claim for which coverage is not provided.

Risks Relating to Our Governance Structure

Voting control of the Company is concentrated with a Voting Trust that was established for certain members of the Schneider family, which limits the ability of our other shareholders to influence major corporate transactions.
We currently have a dual class common stock structure consisting of (1) Class A common stock, entitled to ten votes per share and (2) Class B common stock, entitled to one vote per share. The Schneider family, including trusts established for the benefit of certain members of the Schneider family, collectively beneficially own 100% of our outstanding Class A common stock and approximately 40% of our outstanding Class B common stock, representing approximately 94% of the total voting power of all of our outstanding common stock and approximately 68% of our total outstanding common stock.

A Voting Trust holds the shares of Class A common stock that are beneficially owned by the Schneider family. The independent directors who are members of our Corporate Governance Committee serve as trustees of the Voting Trust, and in general, those directors have full power and discretion to vote the Class A shares included in the Voting Trust with two exceptions. First, in the case of any Major Transaction (as defined under our Amended and Restated Bylaws, including, most notably, a transaction resulting in more than 40% of the voting power of our common stock being held outside of the Schneider family), the independent directors of our Corporate Governance Committee must vote the shares of common Class A stock held in the Voting Trust as directed by the trustees of certain trusts which have been established for the benefit of certain Schneider family members. As a result, the outcome of the vote on any Major Transaction is not within the discretion of the Voting Trustees. Second, the independent directors of our Corporate Governance Committee must vote the shares of common Class A stock held in the Voting Trust in accordance with a nomination process agreement pursuant to which two specified Schneider family members will be nominated to serve on our Board on an annual, rotating basis.

As a result of these arrangements, the Voting Trust controls the outcome of major corporate transactions that require or may be accomplished by shareholder approval, and our Class B shareholders would be unable to affect the outcome of such transactions should any be proposed.

We are a “controlled company” within the meaning of the rules of the NYSE and, as a result, qualify for, and intend to rely on, exemptions from certain corporate governance requirements relating to our Compensation and Corporate Governance Committees. Our shareholders will not have the same protections afforded to shareholders of other companies that are subject to such requirements.
The Voting Trust has more than 50% of the voting power for the election of directors. As a result, we qualify as a “controlled company” under the corporate governance rules for NYSE-listed companies. As a controlled company, certain exemptions under the NYSE listing standards exempt us from the obligation to comply with certain NYSE corporate governance requirements, including the requirement that we have a Compensation Committee and a Corporate Governance Committee that are composed entirely of independent directors.

We have elected to take advantage of this “controlled company” exemption, and therefore, the holders of our Class B common stock may not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance rules for NYSE-listed companies. Our status as a controlled company could therefore make our Class B common stock less attractive to some investors or otherwise depress our stock price.

The price of our Class B common stock has been and may continue to be volatile and may fluctuate significantly, which may adversely impact investor confidence and increase the likelihood of securities class action litigation.
Our Class B common stock price has experienced volatility in the past and may remain volatile in the future. Volatility in our stock price can be driven by many factors including divergence between our actual or anticipated financial results and published expectations of analysts or the expectations of the market, the gain or loss of customers, announcements that we, our competitors, our customers, or our vendors or other key partners may make regarding their operating results and other factors which are beyond our control such as market conditions in our industry, new market entrants, technological innovations, and economic and political conditions or events. These and other factors may cause the market price and demand for our Class B common stock to fluctuate substantially. During 2023, the closing stock price of our Class B common stock ranged from a low of $21.48 per share to a high of $31.47 per share. Our Class B common stock is also included in certain market indices, and any change in the composition of these indices to exclude our company may adversely affect our stock price. Increased volatility in the financial markets and/or overall economic conditions may reduce the amounts that we realize in the future on our cash equivalents and/or marketable securities and may reduce our earnings as a result of any impairment charges that we record to reduce recorded values of marketable securities to their fair values.

Further, securities class action litigation is often brought against a public company following periods of volatility in the market price of its securities. Due to changes in our stock price, we may be the target of securities litigation in the future. Securities litigation could result in substantial uninsured costs and divert management’s attention and our resources.

Certain provisions in our certificate of incorporation, by-laws, and Wisconsin law may prevent or delay an acquisition of the Company, which could decrease the trading price of our Class B common stock.
Each of our certificate of incorporation, our by-laws, and Wisconsin law, as currently in effect, contain provisions that are intended to deter coercive takeover practices and inadequate takeover bids by making such practices or bids unacceptably expensive to a bidder and to encourage prospective acquirers to negotiate with our Board rather than to attempt a hostile takeover. These provisions include, among others:

- a dual class common stock structure, which provides the Voting Trust the ability to control the outcome of matters requiring shareholder approval, even if the Voting Trust beneficially owns significantly less than a majority of the shares of our outstanding Class A and Class B common stock;
- a requirement that certain transactions be conditioned upon approval by 60% of the voting power of our capital stock, including any transaction which results in the Schneider family holding less than 40% of the voting power of our capital stock, a sale of substantially all of our assets, and a dissolution;
- no provision for cumulative voting in the election of directors, which would otherwise allow holders of less than a majority of stock to elect some directors;
- the inability of shareholders to call a special meeting except when the holders of at least ten percent of all votes entitled to be cast on the proposed issue submit a written demand;
- advance notice procedures for the nomination of candidates for election as directors or for proposing matters that can be acted upon at shareholder meetings;
- the ability of our directors, without a stockholder vote, to fill vacancies on our Board (including those resulting from an enlargement of the Board);
- the requirement that both 75% of the directors constituting the full Board and stockholders holding at least 80% of our voting stock are required to amend certain provisions in our certificate of incorporation and our by-laws; and
- the right of our Board to issue preferred stock without stockholder approval.

Our status as a Wisconsin corporation and the anti-takeover provisions of the WBCL may discourage, delay, or prevent a change in control even if a change in control would be beneficial to our shareholders by prohibiting us from engaging in a business combination with any person that is the beneficial owner of at least 10% of the voting power of our outstanding voting stock (an “interested shareholder”) for a period of three years after such person becomes an interested shareholder, unless our Board has approved, before the date on which the shareholder acquired the shares, that a business combination or the purchase of stock made by such interested stockholder on such stock acquisition date. In addition, we may engage in a business combination with an interested shareholder after the expiration of the three-year period with respect to that shareholder only if one or more of the following conditions is satisfied: (1) our Board approved the acquisition of the stock before the date on which the shareholder acquired the shares, (2) the business combination is approved by a majority of our outstanding voting stock not beneficially owned by the interested shareholder, or (3) the consideration to be received by shareholders meets certain fair price requirements of the WBCL with respect to form and amount.

These provisions could have the effect of discouraging, delaying, or preventing a transaction involving a change in control of our company. These provisions could also have the effect of discouraging proxy contests and making it more difficult for our non-controlling shareholders to elect directors of their choosing, causing us to take other corporate actions.

In light of present circumstances, we believe these provisions taken as a whole protect our stockholders from coercive or otherwise unfair takeover tactics by requiring potential acquirers to negotiate with our Board and by providing our Board with more time to assess any acquisition proposal. These provisions are not intended to make us immune from takeovers or prevent the removal of incumbent directors. However, these provisions could delay or prevent an acquisition that our Board determines is not in the best interests of the Company and all of our stockholders.

We may change our dividend policy at any time.
The declaration and amount of any future dividends, including the payment of special dividends, is dependent on multiple factors, including our financial performance and capital needs, and is subject to the discretion of our Board. The Board may, in its discretion, determine to cut, cancel, or eliminate our dividend and, therefore, the declaration of any dividend, at any frequency, as it is not assured. Each quarter, the Board considers whether the declaration of a dividend is in the best interest of our shareholders and in compliance with applicable laws and agreements. Although we expect to continue to pay dividends to holders of our Class A and Class B common stock, we have no obligation to do so, and our dividend policy may change at any time without notice. Future dividends may also be affected by factors that our Board deems relevant, including our potential future capital requirements for investments, legal risks, changes in federal and state income tax laws, or corporate laws and contractual restrictions such as financial or operating covenants in our debt arrangements. As a result, we may not pay dividends at any rate or at all.

Risks Related to Legal Compliance

If the independent contractors with whom we engage under our alternative owner-operator business model are deemed by law to be employees, our business, financial condition, and results of operations could be adversely affected.
Like many of our competitors, in certain of our service offerings we offer an alternative owner-operator business model, which provides opportunities for small business owners and private entrepreneurs who own tractors to selectively contract with us as independent contractors to transport freight, which they choose, at contracted rates. Were such independent contractors subsequently determined to be our employees, we would be liable under various federal and state laws for a variety of taxes, wages, and other compensation and benefits, including for prior periods, which were not timely paid or remitted. In the U.S., the regulatory and statutory landscape relating to the classification status of independent contractors (or workers) who work in temporary or flexible jobs and who are paid by the task or project is evolving. Various federal and state regulatory authorities, as well as independent contractors themselves, have asserted that independent contractor drivers in the trucking industry, such as those operating under our “owner-operator choice model”, are employees rather than independent contractors for a variety of purposes, including income tax withholding, workers’ compensation, wage and hour compensation, unemployment, and other issues. Some state and federal authorities have enacted, or are considering, new laws to make it harder to classify workers as independent contractors and easier for tax and other authorities to reclassify independent contractors as employees.

On January 9, 2024, the DOL released its final rule addressing when employers can classify workers as independent contractors under federal labor law. The new rule replaces the existing standard that was enacted under the Trump Administration. The rule, set to take effect March 11, 2024, directs employers to consider six criteria and employ a “totality of the circumstances” analysis to determine whether a worker is an employee or a contractor, without predetermining whether one criteria outweighs the other. The six factors, which are non-exhaustive, include a worker's opportunity for profit or loss; investments made by the worker and the potential employer; the degree of permanence of the work relationship; and the degree of control an employer has over the work. The factors also include the extent to which work performed is integral to the employer's business, and the use of a worker's skill and initiative. We believe that the final rule, as compared with its Trump Administration predecessor, is a less predictable framework that increases the likelihood of an employee determination and could dramatically limit the circumstances under which we may classify our current independent contractor owner-operators as independent contractors under FLSA. Because the final DOL independent contractor rule has not yet gone into effect, or been tested, we do not have any internal projections of the potential financial or operational impact of the final ruling. Any legislation or regulation, however, which limits our ability to classify owner-operators as independent contractors could result in driver shortages or adversely impact our freight capacity which, in turn, could adversely impact our results of operations.

Additionally, courts in certain jurisdictions have issued decisions that could result in a greater likelihood that independent contractors will be judicially classified as employees. As a result, we are, from time to time, party to administrative proceedings and litigation, including class actions, alleging violations of the FLSA and other state and federal laws which seek retroactive reclassification of certain current and former independent contractors as employees. An adverse decision in such legal proceedings in an amount that materially exceeds our reserves or federal or state legislation in this area which render the owner-operator model either impractical or extinct thereby curtailing our revenue opportunities could have an adverse effect on our results of operations and profitability.

We operate in a regulated industry, and increased direct and indirect costs of compliance with, or liability for violation of, existing or future regulations could have a material adverse effect on our business.
In the U.S., the DOT, FMCSA, and various state agencies exercise broad powers over our business, generally governing matters including authorization to engage in motor carrier service, equipment operation, safety, financial reporting, and leasing arrangements with independent contractors. We are audited periodically by the DOT to ensure that we are in compliance with various safety, HOS, and other rules and regulations. If we were found to be out of compliance, the DOT could restrict or otherwise impact our operations. We also operate in various Canadian provinces (as granted by the Ministries of Transportation and Communication in such provinces) and contract with third-party carriers to transport freight into Mexico. Our failure to comply with any applicable laws, rules, or regulations to which we are subject, whether actual or alleged, could expose us to fines, penalties, or potential litigation liabilities, including costs, settlements, and judgments. Further, these agencies or governments could institute new laws, rules or regulations, or issue interpretation changes to existing regulations at any time. The short and long-term impacts of changes in legislation or regulations are difficult to predict and could materially and adversely affect our earnings and results of operations.

The EPA and the NHTSA have begun taking coordinated steps in support of a new generation of clean vehicles and engines to reduce GHG emissions. Complying with these and any future GHG regulations enacted by the CARB, EPA, NHTSA, and/or any other state or federal governing body has increased, and will likely continue to increase, the cost of our new tractors, may increase the cost of new trailers, may require us to retrofit certain of our trailers, may increase our maintenance costs, and could impair equipment productivity and increase our operating costs, particularly if such costs are not offset by potential fuel savings. These adverse effects, combined with the uncertainty as to the reliability of the newly designed diesel engines and the

residual values of our equipment, could materially increase our costs or otherwise adversely affect our business or operations. However, we cannot predict the extent to which our operations and productivity will be impacted. We will continue monitoring our compliance with federal and state GHG regulations.

Federal and state lawmakers are considering a variety of other climate-change proposals related to carbon and GHG emissions. The proposals could potentially limit carbon emissions within certain states and municipalities, which would restrict the location and amount of time that diesel-powered tractors may idle. Such proposals could result in decreased productivity or increased driver turnover. Regulatory requirements and changes in regulatory requirements may affect our business or the economics of the industry by requiring changes in operating practices that could influence the demand for and increase the costs of providing transportation services. If current regulatory requirements become more stringent or new environmental laws and regulations regarding climate change are introduced, we could be required to make significant capital expenditures or discontinue certain activities. Refer to Item 1. *Business*, for additional details on recent climate-related regulation and laws that impact our operations.

Our operations are subject to various environmental laws and regulations, the violation of which could result in substantial fines or penalties.
We are subject to various environmental laws and regulations dealing with emissions from our tractor fleet, the handling of hazardous materials, underground fuel storage tanks, and discharge and retention of storm water. We operate in industrial areas where truck terminals and other industrial activities are located and where groundwater or other forms of environmental contamination have occurred. Our operations involve the risks of fuel spillage or seepage, environmental damage, and hazardous waste disposal, among others. Certain of our facilities have waste oil or fuel storage tanks and fueling islands. If a spill or other accident involving hazardous substances occurs, if there are releases of hazardous substances we transport, if soil or groundwater contamination is found at our facilities or results from our operations, or if we are found to be in violation of applicable laws or regulations, we could be liable for cleanup costs, other damages, fines, or penalties, any of which could be in material amounts or have a materially adverse effect on our business and operating results.

Additionally, in 2023, CARB passed ACF, a groundbreaking regulation designed to phase out the sales of medium and heavy-duty internal combustion engine trucks in California. The act aligns with the state's long-term vision of transitioning the state's transport system to zero-emissions vehicles by 2045. Other states have followed suit and enacted similar legislation. Despite successfully adding BEVs to our ntermodal fleet in California, the emission targets and timelines established by the ACF will make it more challenging for us to continue our current truckload and other operations in California and we believe will result in increased operating costs for us in California.

We are subject to various regulations which are aimed at reducing GHG emissions and mandating GHG emissions disclosures, which could adversely impact our results of operations.
Currently the long-haul trucking industry in North America is diesel fuel-based, and long-haul trucking operations powered by electricity, natural gas, or hydrogen-based powertrains rather than diesel are not commercially feasible at scale in North America. Significant challenges remain with respect to the economic feasibility of these trucks, and further development of this technology is necessary considering power, torque, range, efficiency and other performance requirements of long-haul trucking operations. Moreover, the extensive nationwide charging/fueling infrastructure and maintenance network that would be necessary to support such operations does not exist. Nevertheless, federal, state, and local governmental agencies continue to engage in efforts to support legislation and regulations mandating the transition of diesel fuel-based commercial motor vehicles, such as Class 8 tractors operated by the Company's independent owner operators and third-party brokerage carriers, to ZEVs.

In 2022, the SEC proposed the SEC Climate Disclosure Rule that would require dramatic changes in the nature and extent of disclosures by public companies regarding their climate risks, progress on their climate goals and information on their Scope 1, Scope 2 and, as proposed, Scope 3 emissions. According to the SEC, the newly proposed rule would require SEC-registered companies to include detailed climate-related information in registration statements and periodic reports such as 10-K annual reports including: their climate-related risks and actual or likely material impacts on their business, strategy, and outlook; Scope 1 and Scope 2 greenhouse gas emissions, which would require attestation reports for accelerated filers; Scope 3 emissions if either of two conditions are present: 1) if Scope 3 emissions are material to the company or 2) if the company has set an emissions target or goal that includes Scope 3 emissions; and certain climate-related financial statement metrics and related disclosures in a note to audited consolidated financial statements. The proposed SEC Climate Disclosure Rule includes footnote disclosure, which would be subject to the financial statement audit and management's internal control over financial reporting, as well as disclosures outside the financial statements, including a scope 1 and scope 2 greenhouse gas attestation requirements for accelerated and large accelerated filers. If adopted generally as proposed, we expect that we would need to expand our disclosures, even as the reporting timeline is accelerated. Should the Company fail to implement appropriate policies and procedures to accurately track or report all of the information required under the proposed SEC Climate Disclosure Rule, it could be determined that the Company has weaknesses in its internal controls, the Company would not be able to obtain the

required third-party attestation report or file them timely and could lose customers. Should any of those events occur, the Company would face fines and disciplinary actions by the SEC and the Company's share price could be negatively impacted.

At the state level, the CARB has adopted new regulations that would mandate the transition of commercial trucking operations in California to ZEVs over time. To the extent that the ACF regulation survives legal challenges and becomes effective, we expect that the ACT will impact the cost and/or supply of traditional diesel tractors. Moreover, despite our limited deployment of BEVs in our intermodal fleet and making adjustments to our operations to comply with the ACT, no assurances can be given with respect to the extent that the Company, its independent owner-operators, or third-party capacity providers will choose to become CARB-compliant by purchasing a ZEV. Accordingly, unless, in addition to its intermodal operations in California, the Company opts to become CARB-compliant in its truckload operations, the Company may not be permitted to haul loads that would require travel within California, which could negatively affect the ability of the Company to service customer freight needs for freight originating from, delivering to, or traveling through California. Furthermore, mandates requiring the transition to ZEVs would create substantial costs for the Company's third-party capacity providers and, in turn, increase the cost of purchased transportation to the Company. An increase in the costs to purchase, lease, or maintain tractor equipment or in purchased transportation cost caused by existing or new regulations, without a corresponding increase in price to the customer, could adversely affect our results of operations and financial condition. Due primarily to the uncertainty of the timing of availability of compliant tractors from OEMs and the timing of the effectiveness of such laws and regulations, we are not currently able to forecast whether such impact will be material.

We, and others, currently do not expect that long-haul trucking operations powered by electricity, natural gas, or hydrogen-based powertrains rather than diesel, will become commercially viable at scale throughout North America in the next five years. However, as various technology alternatives continue to develop and mature and investment in infrastructure continues, local or regional service in certain geographic areas utilizing Class 8 tractors powered by electricity, natural gas, or hydrogen-based powertrains may become commercially viable in such time frame. We continue to actively monitor, evaluate, and test developments in the trucking industry related to the design, manufacture, operation, and support of heavy-duty trucks powered by electricity, natural gas, or hydrogen-based powertrains in order to consider the implementation of initiatives involving those technologies, as those technologies and the related infrastructure needed to support them may mature in the future. An increase in costs to implement these initiatives without a corresponding increase in price to the customer could adversely affect our results of operations and financial condition.

In 2023, California also passed three climate reporting laws, which apply to companies that do business in California, which require such companies to make mandated climate-related disclosures, SB 253 and SB 261. We are monitoring the pending legal challenges to SB 253 and SB 261 and do not currently have internal projections of the potential financial or operational impact these laws or proposed regulations may have on our operations however, an increase in our operating costs to comply with these laws and make the required disclosures without a corresponding increase in our fuel savings or pricing could adversely affect our results of operations and financial condition.

In 2023, in a significant step toward implementing transparency in voluntary carbon markets, California also enacted the VCMDA which requires companies which operate in California and market or sell voluntary carbon offsets, or which make claims regarding the achievement of net zero emissions, carbon neutral status, or significant carbon emissions reductions to publicly disclose information documenting how the claim was determined to be accurate or accomplished and the measurement of interim progress. The VCMDA authorizes California to bring civil actions against subject companies and seek civil penalties for misstatements or other violations of these laws, with a maximum fine of $500,000. From time to time, in conjunction with delivering freight transportation services to certain of its customers, the Company purchases carbon credits or offsets to enable or assist such customers with achieving their carbon reduction targets. Should the Company either fail to achieve its GHG emission reduction goals or California subsequently determines that any of its related green marketing claims are unachievable, inaccurate, or overstated, the Company could be found to be in violation of the VCDMA and be subject to statutory fines or penalties under the VCMDA, which could adversely affect our financial condition or results of operations.

Refer to Item 1. *Business*, for additional details on the ACT and ACF Regulations, the SEC Climate Disclosure Rule, California SB 253 and SB 261, and the VCMDA.

General Risk Factors

We rely significantly on our information technology systems, a disruption, failure, or security breach of which could have a material adverse effect on our business.
We rely on information technology throughout all areas of our business and operations to receive, track, accept, and complete customer orders; process financial and non-financial data; compile results of operations for internal and external reporting; and achieve operating efficiencies and growth. Such data and information remain vulnerable to cyber-attacks, cybersecurity breaches, ransomware attacks, hackers, theft, or other unauthorized disclosure. Like other companies in the transportation industry, we have identified, and expect to continue to identify, attempted cyberattacks and cyber security incidents, but none of

the attempted cyberattacks or cybersecurity incidents identified as of the filing date of this Annual Report on Form 10-K has had a material impact on us, except as the continued presence of cybersecurity threats has resulted, and is expected to continue to result, in significant investments in cybersecurity risk management programs, processes, and tools. If a cyberattack, cybersecurity breach, ransomware, or other similar attack on us is successful, this could result in the disclosure of confidential customer or commercial data, loss of valuable intellectual property, or system disruptions, and subject us to civil liability and fines or penalties, damage our brand and reputation, or otherwise harm our business, any of which could be material. In addition, delayed sales, lower margins, or lost customers resulting from security breaches or network disruptions could materially reduce our revenues, materially increase our expenses, damage our reputation, and have a material adverse effect on our stock price.

Our information technology systems may also be susceptible to interruptions or failures for a variety of reasons including software or hardware failure, user error, power outages, natural disasters, computer viruses, or other types of interruptions. For example, in 2022 our operations were temporarily disrupted due to a firmware defect (which was not related to a cyber event and did not involve a breach of data) in a third-party vendor's equipment, which caused certain critical computer applications to not function properly. As a result of this incident, we were required to rely on manual processes to book freight, execute loads, and pay carriers for two business days and otherwise execute our business continuity plans. While this disruption resulted in lost revenue and operating profit, it did not have a material impact on our annual results of operations. However, despite our ability to potentially utilize manual processes, a significant disruption or failure in our computer networks or applications, of any duration, could have a material adverse effect on our business, including operational disruptions, loss of confidential information, external reporting delays or errors, legal claims, or damage to our business reputation.

Our success depends on our ability to attract and retain key employees, and if we are unable to attract and retain such qualified employees, our business and our ability to execute our business strategies may be materially impaired.
Our future success depends largely on the continued service and efforts of our executive officers and other key management and technical personnel and on our ability to continue to identify, attract, retain, and motivate them. Although we believe we have an experienced and highly qualified management team, the loss of the services of these key personnel could have a significant adverse impact on us and our future profitability. Additionally, we must continue to recruit, develop, and retain skilled and experienced operations, technology, and sales managers if we are to realize our goal of expanding our operations and continuing our growth. Failure to recruit, develop, and retain a core group of service center managers could have a materially adverse effect on our business.

As a result of the nature and scope of our operations, we are subject to various claims and lawsuits in the ordinary course of business, which could adversely affect us.
As a result of the nature and scope of our operations, we are involved in various legal proceedings and claims and exposed to a variety of litigation, including those related to accidents involving our trucks and our brokerage operations, cargo claims, commercial disputes, property damage, and environmental liability, which may not be fully covered by our insurance. Such litigation may include claims by current or former employees or third parties, and certain proceedings may be certified or purport to be class actions. In appropriate cases, we have taken and will seek subrogation from third parties who are responsible for losses or damages that we may become legally obligated to pay to claimants.

In particular, the defense of trucking accidents is challenging for a variety of reasons, one of which is the recent rise in "nuclear verdicts" - excessive jury awards that surpass what would generally be regarded as reasonable or rational compensation for the injuries or damages suffered, social inflation, societal perceptions of the trucking industry, and ultimately, litigation financing, where third parties are financing litigation in return for a share of settlement proceeds or awarded damages.

Litigation is inherently uncertain, and the costs of defending litigation, particularly class-action litigation, may be substantial, and in any period, we could experience significant adverse results, which could have an adverse effect on our financial condition or results of operations. While we purchase insurance coverage at levels we deem adequate, future litigation may exceed our insurance coverage or may not be covered by insurance. In addition, adverse publicity surrounding an allegation or claim that results in litigation may cause significant reputational harm that could have a significant adverse effect on our financial condition or results of operations.

Increasing scrutiny from investors and other stakeholders regarding ESG related matters may have a negative impact on our business.
Companies across all industries are facing increasing scrutiny from investors and other stakeholders related to ESG matters, including practices and disclosures related to environmental stewardship, social responsibility, and diversity and inclusion. Organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters. Such ratings are used by some investors to inform their investment and voting decisions. Unfavorable ESG ratings may lead to negative investor sentiment toward us, which could have a negative impact on our stock price and our access to and costs of capital. We have developed certain initiatives and goals relating to ESG matters. Our ability to successfully execute these initiatives and accurately report our progress presents

numerous operational, financial, legal, reputational, and other risks, many of which are outside our control, and all of which could have a material negative impact on our business. Additionally, the implementation of these initiatives imposes additional costs on us. If our ESG initiatives and goals do not meet the expectations of our investors or other stakeholders, which continue to evolve, then our reputation, our attractiveness as an investment and business partner, and our ability to attract or retain employees could be negatively impacted. Similarly, our failure, or perceived failure, to pursue or fulfill our goals, targets, and objectives or to satisfy various reporting standards in a timely manner, or at all, could also have similar negative impacts and expose us to government enforcement actions and private litigation.

Our long-term sustainability and GHG reduction goals are predicated on large scale customer adoption of intermodal services, the operational feasibility and reliability of heavy-duty ZEVs, and the corresponding build out of a national support infrastructure to reasonably and efficiently manufacture, distribute, or store electricity or alternative fuels for ZEVs, none of which can be assured.
A critical component of our multi-pronged plan to reduce our carbon emissions and comply with California's and other states' zero or reduced emission requirements is the deployment of ZEVs in significant numbers in these states together with leveraging our intermodal capability. As an early adopter of ZEVs, there can be no assurance that we will be successful deploying ZEVs in our operations in significant numbers, that we will be successful converting more over-the-road freight to intermodal, that the national support infrastructure, including the nation's electricity grid, for heavy-duty ZEVs will be built-out as expected. Should any of those things fail to occur, we may fail to meet our published sustainability goals, which could result in losing the support of our investors, customers, and other stakeholders; our becoming subject to regulatory enforcement actions; or suffering reputational harm which, in any case, may increase the cost of providing transportation services or adversely affect our financial condition, results of operations, and liquidity.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

As a large, multinational transportation and logistics company, we face a range of risks from cybersecurity threats in connection with our operations due to our inherent dependence on interconnected advanced information systems, software, and digital technologies to operate safely, efficiently, and effectively. Such risks include, but are not limited to, those related to cyberattacks, network breaches, ransomware, malware or denial-of-service attacks, phishing and other scams, theft, and unauthorized disclosure, any of which, if successful, could result in the disclosure of confidential customer or commercial data, loss of valuable intellectual property, or systems disruption, and subject us to civil liability, fines, penalties, damage of our brand or reputation, or otherwise harm our business, any of which, could be material. We are exposed to such risks both through direct attacks on our own information systems and, indirectly, as a result of our engagement of third-party service providers, software vendors, and independent contractors, such as cloud computing providers. Certain of our third-party service providers or software vendors provide us with computing services which, in certain cases, involve hosting our data or processes on third-party servers, which exposes us to the risk that our data may be compromised or our operations disrupted if such third-party servers are compromised. Other third-party service providers provide us with contracted labor to whom we necessarily grant access to certain of our information systems, which indirectly exposes us to additional risks of network breaches and cybersecurity threats. In addition, because the trucking industry has been designated by the federal government as part of the critical U.S. infrastructure, as a leading provider of truckload, intermodal, and logistics services, we face increased risks from cybersecurity threats, cybercriminals, and bad actors, both foreign and domestic.

Cyber risk management has become a vital part of our broader ERM efforts. To manage and mitigate cyber risks, we have a dedicated information security team that has been charged with monitoring and managing cyber threats to our information systems, and the data that is stored on those systems, using our cyber risk management methodology. Our information security team is led by our SDIS and overseen by our CITO. Our cybersecurity risk management framework encompasses, among other things, ongoing systematic processes to identify, analyze, prioritize, manage, and monitor potential cyber risks to the information systems that we own or use and the cybersecurity threats to which we are exposed as a result of our reliance on third-party service providers and third-party software. Our cyber risk management methodology is comprised of the following core tasks:

- **Risk identification**. Our internal information security team works with a MSSP and other external security partners to identify existing and new threats to our information systems. Our information security team, working in partnership with our MSSP, monitors our information systems to identify malicious and anomalous activity, uncover potential cybersecurity threats, and assess risks to information systems.

- **Risk analysis.** Our information security team, working in partnership with relevant cybersecurity and technology experts, analyzes identified threats to determine the likelihood of the actualization of a threat and the potential business impacts, including evaluating the potential for data loss, data corruption, disruption to business operations, and financial impact.
- **Risk evaluation.** Identified risks are evaluated to determine whether gaps in our controls or risk mitigation strategies exist that could result in material risk to the Company. If it is determined that our existing processes, strategies, or technology may be insufficient to effectively mitigate or manage an identified risk, it is escalated to our CITO and SDIS to assess and implement potential responsive or corrective actions in our processes, strategies, or technology to address the risk.
- **Risk mitigation.** Our senior executive team, which includes our CITO, using input from our information security team and our broader information technology (or IT) department, develop and approve budgets, strategies, technology roadmaps and programs which are designed to effectively manage our cyber risks, safeguard our information resources, and reduce the likelihood or impact of cybersecurity incidents.

Our cybersecurity risk management framework is integrated into our overall ERM process which is managed, administered, and governed by our senior executive team under the oversight of the Board. As part of our ERM program, our senior executive team has delegated the initial identification and assessment of the Company's leading risks to an ERC which is comprised of executives from various operating segments and functional departments across the Company, inclusive of information security.

Although both we, and the third parties who provide services to us, commit resources to the design, implementation, monitoring, and protection of the information systems we own or use, there is no guarantee that either our or those third parties' cybersecurity measures will effectively manage the multitude of cyber risks to which we are exposed. For more information regarding the risks from cybersecurity threats that may impact our business strategy, results of operations, or financial condition, see Part I, "Item 1A. Risk Factors" of this Annual Report on Form 10-K.

Governance

Board Oversight of Risks from Cybersecurity Threats

Our Board believes that evaluating management's oversight, administration, and governance of the risks confronting the Company, including risks related to cybersecurity, is one of its most important areas of oversight. In carrying out this responsibility, the Board is assisted by each of its standing committees, which each considers risks that are within its areas of chartered responsibility, and each of which apprises the full Board of any significant risks which are considered by the committee and management's response to those risks. The Audit Committee of the Board ("Audit Committee") is charged with the primary responsibility for overseeing our design, execution, and administration of our ERM process and, with regard to cybersecurity risks, setting expectations and accountability for management and reviewing our internal auditors' assessment of the effectiveness of our cybersecurity controls, including policies and procedures to address our cyber risks, and overseeing the Company's cybersecurity disclosures. The Audit Committee receives semiannual updates, and the Board receives annual updates, from our senior executive team (including our CITO and the SDIS) on our cybersecurity risks, threats, and initiatives including evolving cybersecurity threats and trends, cybersecurity technologies and solutions that have been deployed internally, policies and procedures to address major cyber risk areas and threats to the Company, third-party assessments of the adequacy of our cybersecurity resources, and attendance by members of our information security team at various seminars and conferences on emerging cybersecurity risks and threats. In addition to these regular updates, the Audit Committee or the Board may receive additional updates if deemed appropriate.

Management's Role in Assessing and Managing Material Risks from Cybersecurity Threats

Cybersecurity is a key component of our technology strategy, which is architected and managed by our CITO and reviewed and monitored by our senior executive team, with oversight from our Board and the Audit Committee, as described above. Our CITO's experience and expertise in cybersecurity includes 20 years of practitioner experience as an information security advisor across multiple industry verticals where he has served in security analyst, architect, and security program leadership roles, and has led information security teams to deliver large scale information security programs for multiple Fortune 500 companies. Our cybersecurity risk management program is managed by our SDIS, who reports directly to the CITO. Our SDIS's experience and expertise in cybersecurity includes 32 years of working in the information technology field as an analyst, architect, and leader and 14 years leading information security teams at multiple enterprises. The processes by which the CITO and SDIS are informed about and monitor the prevention, detection, mitigation, and remediation of cybersecurity incidents are described above under "Risk Management and Strategy."

ITEM 2. PROPERTIES

As of December 31, 2023, we owned or leased approximately 240 properties across 40 states and Mexico. Our expansive network includes approximately 56 operating centers, 7 distribution warehouses, 14 offices, and over 150 drop yards. In addition, we physically operate at several customer locations. The operating centers we own or lease throughout the U.S. offer on-site management to support our transportation network for our Truckload and Intermodal segments. Often, our facilities include customer service centers, fuel and maintenance stations, and other amenities to support our drivers. Our facility network also includes warehouse capacity to further enhance our supply chain solutions. The following table provides a list of 44 properties that are central to our transportation network and indicates the functional capability at each site as of December 31, 2023. Approximately half of the properties are owned and the remainder are leased.

			Facility Capabilities			
Location	**Owned or Leased**	**Segment**	**Customer Service**	**Operations**	**Fuel**	**Maintenance**
Alexander, AR	Owned	Truckload	X	X		X
Atlanta, GA	Owned	Truckload	X	X		X
Boaz, AL	Owned	Truckload	X	X		X
Carlisle/Harrisburg, PA	Leased	Truckload	X	X	X	X
Celina, OH	Leased	Truckload	X	X		
Charlotte, NC	Owned	Truckload	X	X	X	X
Chicago, IL	Leased	Logistics	X	X		
Chicago, IL (four locations)	Leased	Intermodal		X		X
Dallas/Wilmer, TX	Owned	Truckload	X	X		X
Dallas, TX	Leased	Logistics	X	X		
Des Moines, IA	Leased	Truckload		X		
Edwardsville, IL	Owned	Truckload	X	X	X	X
Gary, IN	Owned	Truckload	X	X	X	X
Green Bay, WI	Owned	Truckload		X		
Green Bay, WI (two facilities)	Owned	Other	X	X		
Houston, TX	Leased	Truckload	X	X		X
Houston, TX	Leased	Truckload		X		X
Indianapolis, IN	Owned	Truckload	X	X		X
Joliet, IL	Leased	Intermodal		X		
Laredo, TX	Leased	Truckload	X	X	X	X
Lima, OH	Leased	Truckload	X	X		X
Lincoln, AL	Owned	Truckload	X	X		X
London, KY	Owned	Truckload	X	X		X
Marysville, OH	Owned	Truckload	X	X	X	X
Mexico City, Mexico	Leased	Multiple	X	X		
New Castle, IN	Owned	Truckload	X	X		X
Obetz, OH	Leased	Truckload	X	X		X
Phoenix, AZ	Owned	Truckload	X	X		X
Portland, OR	Owned	Truckload	X	X		X
Putnam, CT (two locations)	Leased	Truckload	X	X	X	X
Rainbow City, AL	Owned	Truckload	X	X		X
Reserve, LA	Leased	Truckload		X		X
Salt Lake City, UT	Leased	Truckload	X	X		X
San Antonio, TX	Leased	Truckload	X	X		X
San Bernardino, CA	Leased	Intermodal		X		
Shrewsbury, MA	Leased	Truckload	X	X		X
Upton, KY	Owned	Truckload	X	X		X
West Memphis, AR	Owned	Truckload	X	X	X	X
Woodhaven, MI	Leased	Truckload	X	X		X

ITEM 3. LEGAL PROCEEDINGS

We are currently, directly or indirectly, involved in certain litigation or claims arising from the normal conduct of our business. Where appropriate, we have accrued for these matters, or notified our insurance carriers of the potential loss. Based on present knowledge of the facts, and in certain cases, opinions of outside counsel, we believe the resolution of these claims and pending litigation will not have a material adverse effect on our financial condition, results of operations, or liquidity.

For a description of certain pending legal proceedings, see Note 13, *Commitments and Contingencies,* of the notes to consolidated financial statements, which is incorporated herein by reference.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES

Common Stock

Our common equity consists of our Class B common stock, entitled to one vote per share, and our Class A common stock, entitled to 10 votes per share. Our Class B common stock has traded on the NYSE under the symbol "SNDR" since our IPO in April 2017. Our Class A common stock is held by the Voting Trust for the benefit of members of the Schneider family. Each share of Class A common stock is convertible into one share of Class B common stock. There is no public trading market for our Class A common stock.

Holders of Record

As of February 20, 2024, there was one holder of record of our Class A common stock, the Voting Trust, and 28 holders of record of our Class B common stock. Because many of our shares of Class B common stock are held by brokers and other institutions on behalf of shareholders, we are unable to estimate the total number of shareholders represented by these record holders.

Dividend Policy

We have a policy of paying quarterly cash dividends to holders of our Class A and Class B common stock. The declaration and amount of any future dividends is subject to the discretion of our Board and will depend on our financial condition, earnings, legal requirements, certain debt agreements we are then party to, and other factors our Board deems relevant and, therefore, is not assured.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

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 December 31, 2023.

Period	Total Number of Shares Purchased	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 [1] *(in millions)*
October 1, 2023 - October 31, 2023	225,821	$ 26.82	225,821	$ 93.4
November 1, 2023 - November 30, 2023	242,230	22.83	242,230	87.8
December 1, 2023 - December 31, 2023	167,742	24.26	167,742	83.8
Total	635,793		635,793	

(1) On February 1, 2023, the Company announced that the 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 over the next three years. 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 December 31, 2023, the Company had $83.8 million remaining available for repurchase.

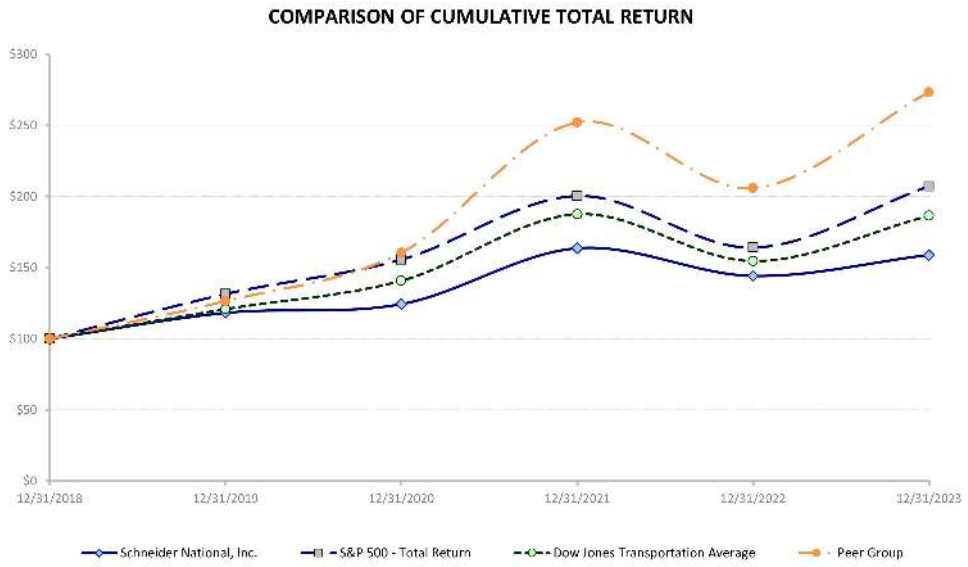
Equity Compensation Plan Disclosure

The remaining information required by Item 5 is incorporated herein by reference to the information set forth under the caption "Equity Compensation Plan Information" under Item 12, *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*.

Stock Performance Graph

The following performance graph and related information shall not be deemed "soliciting material" or to be "filed" with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 or securities Exchange Act of 1934, each as amended, except to the extent the Company specifically incorporates such information by reference into such filing.

The following graph compares the cumulative total shareholder return on our Class B common stock to the cumulative total return of the Standard and Poor's 500 Stock Index, the Dow Jones Transportation Index, and a customized peer group for the period from December 31, 2018 through December 31, 2023. The 2020 peer group, which was used by the Board's Compensation Committee for 2021 compensation decisions, consisted of ArcBest Corp., JB Hunt Transport Services, Inc., Ryder System, Inc., Avis Budget Group, Inc., Knight-Swift Transportation Holdings Inc., C.H. Robinson Worldwide, Landstar System, Inc., Werner Enterprises, Inc., Expeditors International of Washington, Inc., Old Dominion Freight Line, Inc., XPO Logistics, Hub Group, Inc., Kirby Corporation, and Saia. There were no changes to the peer group used to make 2022 or 2023 compensation decisions. The comparison assumes $100 was invested on December 31, 2018 in our Class B common stock and in each of the foregoing indices and peer group and assumes reinvestment of dividends. The stock performance shown on the graph below represents historical stock performance and is not necessarily indicative of future stock price performance.



	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
Schneider National, Inc.	$ 100.00	$ 118.19	$ 124.31	$ 163.50	$ 144.07	$ 158.80
S&P 500 - Total Returns	100.00	131.49	155.68	200.37	164.08	207.21
Dow Jones Transportation	100.00	120.83	140.80	187.56	154.62	186.46
Peer Group	100.00	126.47	160.50	252.04	205.92	273.29

ITEM 6. [RESERVED]

ITEM 7. 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.

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 combines truckload services with intermodal and logistics offerings, enabling us to serve our customers' varied transportation needs.

Recent Developments

Acquisitions

On August 1, 2023, the Company completed the acquisition of M&M, a privately held truckload carrier based in West Bridgewater, Massachusetts. M&M is a dedicated carrier that complements our growing dedicated operations. The results of M&M are reported in dedicated operations as part of our Truckload segment beginning in the third quarter of 2023. Refer to Note 2, *Acquisitions,* for additional details on our recent acquisitions.

Strategy

We seek to deliver a superior portfolio of services that enables our business to grow revenue, profitability, and shareholder returns and perform resiliently through economic and freight cycles. We believe our competitive strengths position us to pursue our strategy as follows:

Leverage core strengths to drive organic growth and advance our market position

We intend to drive organic growth by leveraging our existing customer relationships, as well as expanding our customer base. We believe our broad portfolio of services, with different asset intensities, and our North American footprint allow for supply chain alternatives, which enable new and existing customer growth. We also plan to drive revenue growth by increasing our marketing to customers that seek to outsource their transportation services. Our growth decisions are based on our "Value Triangle," which represents profitable growth while balancing the needs of our customers, associates, and shareholders. Our integrated technology platform serves as an instrumental factor, which drives profitability as it enables real-time, data-driven decision support science on every load/order and assists our associates in proactively managing our services across our network. Together with our highly incentivized and proactive sales organization, we believe that our platform will continue to provide a high level of service and foster organic growth in each of our reportable segments.

Expand capabilities in the specialty and dedicated freight markets and continue growing our asset-light and non-asset businesses

We believe that our capabilities position us to grow in the specialty and dedicated freight markets, which have higher barriers to entry, greater stability through freight/market cycles, potentially more resilient margins, and lasting customer relationships. The complexity and time-sensitivity of the loads often require increased collaboration with, and greater understanding of, our customers' business needs and processes. The transportation of specialty freight requires specially trained drivers with appropriate licenses and certain hauling permits, as well as equipment that can handle items with unique requirements in terms of temperature, freight treatment, size, and shape. As such, there are few carriers that have comparable scale and capabilities in the specialty and dedicated markets, which we believe will allow us to grow profitably.

As an asset-based intermodal provider, we have more control over our equipment, perform most of our own drays, and retain strong contractual and differentiated rail relationships across the western, eastern, and southern/Mexico-based portions of our network. We believe our integrated technology platform will enable us to experience certain benefits of complete end-to-end control, including increased pick-up and delivery predictability, better visibility, and the ability to source and retain capacity.

Freight brokerage, which is a significant part of our Logistics segment, is a business that is expected to be a driver of continued growth. As shippers increasingly consolidate their business with fewer freight brokers, we continue to be well-positioned due to our customer service, Schneider FreightPower® digital marketplace, an established, dense network of qualified third-party carriers, and access to our sizable trailer network via our Power Only offering. We believe shippers see the value of working with providers like us that have scale, capacity, and lane density. Brokerage serves as an asset-light innovation hub for Schneider, particularly in the areas of predictive analytics, process automation, and new customer relationship generation.

Improve our operations and margins by leveraging benefits from investments in technology and business transformation

We continue to benefit from our technology and business transformation by improving the effectiveness with which we use data to increase revenue and lower costs. Visibility into each driver's profile allows us to increase driver satisfaction and retention by matching drivers to loads and routes that better fit their individual needs. We can improve our customer service, retain drivers, lower costs, and generate business by anticipating our customers' and drivers' needs and preferences in a dynamic network. We believe the implementation of simple and intuitive customer interfaces will also enable a stronger connection with our customers through increased interaction and an enhanced user experience. Our Schneider FreightPower® online marketplace, for example, digitally connects our asset-based network capabilities with the strength of our trailer network and carrier relationships to service our customers. Additionally, through our investment in MLSI, with which we are collaborating to develop a TMS using MLSI's SaaS technology, we aim to further complement our technology platform and enable enhanced decision making, resource allocation, and visibility with our supply chain partners. We expect additional margin improvement as we continue to leverage data analytics within our integrated technology platform. Along with our revenue management discipline, our integration of technology and systems through leading, third-party providers will allow us to continue to incorporate new technologies and build additional capabilities into the platform over time, maintaining our competitive edge and setting the foundation for future growth.

Allocate capital across businesses to maximize return on capital while pursuing strategic organic and inorganic growth opportunities

Our broad portfolio of services provides us with a greater opportunity to allocate capital within our portfolio in a manner that maximizes returns across all market cycles and economic conditions. For example, we can efficiently move our equipment between services and regions when we see opportunities to maximize our return on capital. 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. Furthermore, our strong balance sheet and financial position enable us to carry out an acquisition strategy that strengthens our overall portfolio. We are positioned to leverage our scalable platform and experienced operations team to acquire high-quality businesses that meet our disciplined selection criteria to enhance our service offerings and broaden our customer base.

Create a differentiated driver and associate experience that enables us to attract and retain top talent at all levels

Our people are our strongest assets, and we believe they are key to growing our customer base and driving our performance. Our goal is to be the employer of choice; attract, develop, engage, and retain the best talent in the industry. We strive for a high-performance culture that seeks individuals who are passionate about our business and fit our culture, and that promotes diversity, equality, and inclusion through a collaborative environment. We value the direct relationship we have with our associates, and we intend to continue working together to provide professional growth and a quality work environment. Our compensation structure is performance-based and aligns with our strategic objectives.

We seek to maintain our reputation as a preferred carrier of choice within the driver community through our continued focus on improving the driver experience and to attract and retain high-quality, safe drivers that meet or exceed our qualification standards. We invest in the well-being of our associates through our commitment to ensure a differentiated driver experience and efforts to improve time at home, pay stability, and the quality of drivers' touchpoints. We provide mandatory physical check-ups which cover sleep apnea and hair or urine-based drug testing, among other things. We believe that investing in the health of our associates helps maintain a high-quality driver base.

Our technology platform facilitates the application, screening, and onboarding of top talent. As an industry leader with both a respected "safety first and always" culture and underlying core value, we believe that we will continue to be the employer of choice for both driving and non-driving associates.

RESULTS OF OPERATIONS

A discussion regarding our financial condition and results of operations for fiscal 2023 compared to fiscal 2022 is presented below. A discussion regarding our financial condition and results of operations for fiscal 2022 compared to fiscal 2021 can be found under Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our Annual Report on the Form 10-K for the fiscal year ended December 31, 2022, which was filed with the SEC on February 17, 2023 and is available on the SEC's website, www.sec.gov, as well as the "Investors" section of our website at www.schneider.com.

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 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.

	Year Ended December 31,	
(in millions, except ratios)	**2023**	**2022**
Operating revenues	$ 5,498.9	$ 6,604.4
Revenues (excluding fuel surcharge) [1]	4,814.6	5,741.9
Income from operations	296.4	600.4
Adjusted income from operations [2]	302.9	617.0
Operating ratio	94.6 %	90.9 %
Adjusted operating ratio [3]	93.7 %	89.3 %
Net income	$ 238.5	$ 457.8
Adjusted net income [4]	243.4	471.5

(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)

(in millions)	Year Ended December 31, 2023	Year Ended December 31, 2022
Operating revenues	$ 5,498.9	$ 6,604.4
Less: Fuel surcharge revenues	684.3	862.5
Revenues (excluding fuel surcharge)	$ 4,814.6	$ 5,741.9

Adjusted income from operations

(in millions)	Year Ended December 31, 2023	Year Ended December 31, 2022
Income from operations	$ 296.4	$ 600.4
Litigation and audit assessments [(1) (2)]	2.9	62.2
Acquisition-related costs [(3)]	0.9	0.3
Property gain—net [(4)]	—	(50.9)
Amortization of intangible assets [(5)]	2.7	—
Sale of business [(6)]	—	5.0
Adjusted income from operations	$ 302.9	$ 617.0

(1) Includes a $57.0 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 year ended December 31, 2022. Refer to Note 13, *Commitments and Contingencies*, for more information.
(2) Includes $2.9 million and $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 years ended December 31, 2023 and December 31, 2022, respectively.
(3) Advisory, legal, and accounting costs related to the Company's acquisitions. Refer to Note 2, *Acquisitions*, for additional details.
(4) Net gain on the sale of our Canadian facility due to a change in approach to servicing Canada for the year ended December 31, 2022.
(5) Amortization expense related to intangible assets acquired through recent business acquisitions. Refer to Note 6, *Goodwill and Other Intangible Assets*, for additional details. As we finalized our purchase accounting adjustments related to intangible assets, and to better reflect our ongoing operations, we made the decision to exclude the related amortization expense from non-GAAP income beginning in the fourth quarter of 2023. Amortization expense for 2022 was $1.0 million and overall not material to the organization.
(6) Loss from the sale of our China-based logistics operations. See Note 1, *Summary of Significant Accounting Policies,* for additional details.

Adjusted operating ratio

(in millions, except ratios)	Year Ended December 31, 2023	Year Ended December 31, 2022
Total operating expenses	$ 5,202.5	$ 6,004.0
Divide by: Operating revenues	5,498.9	6,604.4
Operating ratio	94.6 %	90.9 %
Total operating expenses	$ 5,202.5	$ 6,004.0
Adjusted for:		
Fuel surcharge revenues	(684.3)	(862.5)
Litigation and audit assessments	(2.9)	(62.2)
Acquisition-related costs	(0.9)	(0.3)
Property gain—net	—	50.9
Amortization of intangible assets	(2.7)	—
Sale of business	—	(5.0)
Adjusted total operating expenses	$ 4,511.7	$ 5,124.9
Operating revenues	$ 5,498.9	$ 6,604.4
Less: Fuel surcharge revenues	684.3	862.5
Revenues (excluding fuel surcharge)	$ 4,814.6	$ 5,741.9
Adjusted operating ratio	93.7 %	89.3 %

Adjusted net income

(in millions)	Year Ended December 31, 2023	Year Ended December 31, 2022
Net income	$ 238.5	$ 457.8
Litigation and audit assessments	2.9	62.2
Acquisition-related costs	0.9	0.3
Property gain—net	—	(50.9)
Amortization of intangible assets	2.7	—
Sale of business	—	5.0
Income tax effect of non-GAAP adjustments [1]	(1.6)	(2.9)
Adjusted net income	$ 243.4	$ 471.5

(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. There were no income tax effects related to the sale of business in 2022.

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022

Enterprise Results Summary

Enterprise net income decreased $219.3 million, approximately 48%, in the year ended December 31, 2023 compared to 2022, primarily due to a $304.0 million decrease in income from operations, partially offset by the corresponding decrease in the provision for income taxes, and a $6.1 million favorable change in total other income—net primarily related to our equity investments. Pre-tax equity investment net gains were $19.7 million and $13.7 million for 2023 and 2022, respectively.

Adjusted net income decreased $228.1 million, approximately 48%.

Components of Enterprise Net Income

Enterprise Revenues

Enterprise operating revenues decreased $1,105.5 million, approximately 17%, in the year ended December 31, 2023 compared to 2022.

Factors contributing to the decrease were as follows:

- a $562.5 million decrease in Logistics segment revenues (excluding fuel surcharge) driven by decreased revenue per order due to a softer demand environment, a decline in brokerage volumes, and a reduction in port dray revenues;
- a $236.7 million decrease in Intermodal segment revenues (excluding fuel surcharge) due to a decrease in revenue per order and orders;
- a $178.2 million decrease in fuel surcharge revenues resulting from decreased fuel prices in 2023 compared to 2022; and
- an $80.9 million decrease in Truckload segment revenues (excluding fuel surcharge) driven by a decline in revenue per truck per week within our network business, partially offset by an increase in dedicated volumes due to organic growth and the M&M acquisition and revenue per truck per week.

Enterprise revenues (excluding fuel surcharge) decreased $927.3 million, approximately 16%.

Enterprise Income from Operations and Operating Ratio

Enterprise income from operations decreased $304.0 million, approximately 51%, in the year ended December 31, 2023 compared to 2022, primarily due to a decrease in net revenue per order in Logistics, revenue per order in Intermodal, and revenue per truck per week in our Truckload network business. A net gain on sale of $50.9 million in 2022 in connection with the sale of our Canadian facility, the revenue impacts of volume declines within our brokerage business and Intermodal, and incremental equipment depreciation costs also contributed to the decrease. These factors were partially offset by a $57.0 million adverse judgment related to a lawsuit with former owners of WSL in 2022 and an increase in Truckload volumes attributable to organic dedicated growth and the M&M acquisition in the third quarter of 2023, as well as revenue per truck per week within the Truckload dedicated business. Lower rail and owner-operator purchased transportation costs, equipment rental expense, performance-based incentive compensation, and rail storage expense in 2023 also partially offset the decreases in income from operations discussed above.

Adjusted income from operations decreased $314.1 million, approximately 51%.

Enterprise operating ratio (operating expenses as a percentage of operating revenues) increased on both a GAAP and adjusted basis when compared to the same period in 2022.

Enterprise Operating Expenses

Key operating expense fluctuations are described below.

- Purchased transportation decreased $718.4 million, or 25%, year over year, primarily resulting from decreased third-party carrier costs within Logistics due to lower purchased transportation costs per order and brokerage volumes, as well as lower rail purchased transportation resulting from a decrease in both rail cost per mile and orders in Intermodal. Owner-operator purchased transportation costs also declined due to lower pay per mile and a reduction in owner-operator capacity within Truckload.
- Salaries, wages, and benefits decreased $16.9 million, or 1%, year over year, largely due to a decrease in performance-based incentive compensation, office salaries and wages driven by lower headcount, and healthcare costs as a result of claims favorability and lower plan utilization. These factors were partially offset by higher driver salaries, wages, and benefits as a result of the M&M acquisition and organic dedicated growth.
- Fuel and fuel taxes for company trucks decreased $83.6 million, or 16%, year over year, driven by a decrease in cost per gallon, partially offset by an increase in company driver miles within Truckload. A significant portion of fuel costs are recovered through our fuel surcharge programs.
- Depreciation and amortization increased $32.5 million, or 9%, year over year, mainly due to additional depreciation expense resulting from trailer growth within Truckload, inflationary unit cost increases for new equipment, a reduction in tractor age of fleet, and incremental depreciation and amortization expense related to the M&M acquisition.
- Operating supplies and expenses—net increased $42.0 million, or 8%, year over year, driven by a $50.9 million net gain in 2022 related to the sale of the Company's Canadian facility and higher cost of goods sold in our leasing business due to lease mix and an increase in lease activity in 2023. These factors were partially offset by a decrease in equipment rental expense as a result of improved port fluidity, lower port dray volumes, and an increase in the percentage of dray moves performed by company drivers in 2023; lower rail storage expense due to improved yard fluidity; and an increase in gains on sales of equipment due to a higher quantity of units sold.

- Insurance and related expenses increased $11.3 million, or 11%, year over year, primarily due to an increase in auto liability insurance costs relating to unfavorable claims severity largely related to two recent claims, as well as higher cargo and collision losses in 2023 compared to 2022.
- Other general expenses decreased $68.4 million, or 32%, year over year, primarily due to a $57.0 million adverse settlement related to a lawsuit with former owners of WSL in 2022, lower professional service fees, and a decrease in driver onboarding costs due to lower cost per hire and fewer driver hires due to market conditions. These items were partially offset by an increase in bad debt expense.

Total Other Expenses (Income)

Total other income increased $6.1 million in the year ended December 31, 2023 compared to 2022, driven primarily by pre-tax net gains on our equity investments of $19.7 million in 2023 compared to $13.7 million in 2022 and an increase in interest income of $4.1 million due to higher interest rates. These factors were partially offset by an increase in interest expense of $4.6 million due to higher debt balances in 2023 compared to 2022. See Note 5, *Investments*, for more information on our equity investments.

Income Tax Expense

Our provision for income taxes decreased $78.6 million, approximately 54%, in the year ended December 31, 2023 compared to 2022 due to lower taxable income and a lower effective income tax rate. Our effective income tax rate was 22.1% for the year ended December 31, 2023 compared to 24.2% in 2022 with the decrease driven by valuation allowance changes and increases in tax credits for new electric vehicles and qualified research and development costs. While we anticipate that our ongoing effective tax rate will be 24.0% - 25.0%, 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.

	Year Ended December 31,	
Revenues by Segment *(in millions)*	**2023**	**2022**
Truckload	$ 2,155.7	$ 2,236.6
Intermodal	1,050.7	1,287.4
Logistics	1,393.7	1,956.2
Other	333.4	364.0
Fuel surcharge	684.3	862.5
Inter-segment eliminations	(118.9)	(102.3)
Operating revenues	$ 5,498.9	$ 6,604.4

	Year Ended December 31,	
Income (Loss) from Operations by Segment *(in millions)*	**2023**	**2022**
Truckload	$ 170.7	$ 352.2
Intermodal	71.0	165.1
Logistics	45.9	141.2
Other	8.8	(58.1)
Income from operations	296.4	600.4
Adjustments:		
Litigation and audit assessments	2.9	62.2
Acquisition-related costs	0.9	0.3
Property gain—net	—	(50.9)
Amortization of intangible assets	2.7	—
Sale of business	—	5.0
Adjusted income from operations	$ 302.9	$ 617.0

We monitor and analyze a number of KPIs in order 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.

M&M and deBoer impacts are included within dedicated operations beginning in the third quarters of 2023 and 2022, respectively.

	Year Ended December 31,	
	2023	2022
Dedicated		
Revenues (excluding fuel surcharge) [1]	$ 1,272.0	$ 1,190.4
Average trucks [2] [3]	6,233	5,915
Revenue per truck per week [4]	$ 4,011	$ 3,948
Network		
Revenues (excluding fuel surcharge) [1]	$ 884.5	$ 1,045.1
Average trucks [2] [3]	4,374	4,534
Revenue per truck per week [4]	$ 3,974	$ 4,522
Total Truckload		
Revenues (excluding fuel surcharge) [5]	$ 2,155.7	$ 2,236.6
Average trucks [2] [3]	10,607	10,449
Revenue per truck per week [4]	$ 3,996	$ 4,197
Average company trucks [3]	8,695	8,438
Average owner-operator trucks [3]	1,912	2,011
Trailers [6]	47,460	43,950
Operating ratio [7]	92.1 %	84.3 %

(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 $80.9 million, approximately 4%, for the year ended December 31, 2023 compared to 2022. Rate per loaded mile decreased 7% due to market conditions, which was partially offset by a 3% increase in volume largely driven by increased volume within dedicated due to organic and acquisitive growth.

Truckload income from operations decreased $181.5 million, approximately 52%, in the year ended December 31, 2023 compared to 2022. Factors contributing to the decrease in income from operations included a $50.9 million net gain related to the sale of the Company's Canadian facility in 2022, higher driver pay due to additional drivers in dedicated as a result of new business growth and the M&M acquisition, and incremental depreciation due to business growth, inflationary cost pressures on equipment, and M&M. Additional bad debt expense and higher claims costs due to an increase in severity also contributed to the decrease. These items were partially offset by lower owner-operator and third-party carrier costs and higher gains on equipment sales, primarily due to an increase in the number of units sold.

Intermodal

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

	Year Ended December 31,	
	2023	2022
Orders [1]	415,095	453,218
Containers	26,991	28,035
Trucks [2]	1,485	1,588
Revenue per order [3]	$ 2,530	$ 2,845
Operating ratio [4]	93.2 %	87.2 %

(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 $236.7 million, approximately 18%, in the year ended December 31, 2023 compared to 2022. This was driven by a decrease in revenue per order of $315, or 11%, primarily due to a decrease in price and a change in mix. Additionally, orders decreased 8% driven by market conditions.

Intermodal income from operations decreased $94.1 million, approximately 57%, in the year ended December 31, 2023 compared to 2022 mainly due to factors impacting revenues discussed above, partially offset by lower rail-related costs and dray execution costs resulting from the mix of company driver drays.

Logistics

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

	Year Ended December 31,	
	2023	2022
Operating ratio [1]	96.7 %	92.8 %

(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 $562.5 million, approximately 29%, in the year ended December 31, 2023 compared to 2022. This was mainly the result of a decrease in revenue per order and volume within our brokerage business. Port dray revenues decreased as well due to reduced freight volume and improved port fluidity in 2023.

Logistics income from operations decreased $95.3 million, approximately 67%, in the year ended December 31, 2023 compared to 2022. Net revenue per order decreased primarily due to the factors related to revenue discussed above, partially offset by a decrease in third-party transportation costs as both volume and per order costs decreased.

Other

Included in Other was income from operations of $8.8 million in the year ended December 31, 2023 compared to a loss of $58.1 million in 2022. The change was primarily due to a $57.0 million adverse settlement related to a lawsuit with former owners of WSL in 2022, a decrease in performance-based incentive compensation expense, $5.2 million of expense related to an adverse audit assessment over the applicability of state sales tax in 2022, and a $5.0 million loss related to the sale of the Asia business in 2022. This was partially offset by lower income from operations in our leasing business and $2.9 million of additional interest and penalties related to the sales tax audit assessment. See Note 13, *Commitments and Contingencies*, for more information.

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash are working capital requirements, capital expenditures, dividend payments, share repurchases, 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 maturing in November 2027 and a $150.0 million receivables purchase agreement maturing in July 2024, for which our combined available capacity as of December 31, 2023 was $213.2 million. Our revolving credit facility also allows us to request an additional increase in total commitment by up to $150.0 million. We had maximum borrowings under the facilities of $141.0 million during the year ended December 31, 2023. We anticipate that cash generated from operations, together with amounts available under our credit and receivables purchase agreement, 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 and finance lease obligations as of the dates shown.

(in millions)	December 31, 2023	December 31, 2022
Cash and cash equivalents	$ 102.4	$ 385.7
Marketable securities	57.2	45.9
Total cash, cash equivalents, and marketable securities	$ 159.6	$ 431.6
Debt:		
Senior notes	$ 185.0	$ 205.0
Receivables purchase agreement	60.0	—
Credit agreement	45.0	—
Finance leases	12.1	10.1
Total debt and finance lease obligations	$ 302.1	$ 215.1

Debt

At December 31, 2023, we were in compliance with all financial covenants under our credit agreements and the agreements governing our senior notes. See Note 7, *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.

	Year Ended December 31,	
(in millions)	2023	2022
Net cash provided by operating activities	$ 680.0	$ 856.4
Net cash used in investing activities	(907.6)	(598.8)
Net cash used in financing activities	(55.7)	(116.7)

Operating Activities

Net cash provided by operating activities decreased $176.4 million, approximately 21%, during 2023 compared to 2022. The decrease was a result of a decrease in net income adjusted for various noncash charges and an increase in cash used for working capital. Working capital changes were driven by an increase in cash used for other liabilities largely related to the decrease in accrued performance-based incentive compensation along with a decrease in cash provided by other receivables, partially offset by a decrease in cash used for other assets and payables and an increase in cash provided by trade accounts receivable which corresponds with the decrease in revenues.

Investing Activities

Net cash used in investing activities increased $308.8 million, approximately 52%, during 2023 compared to 2022. The increase was primarily driven by an increase in cash used for acquisitions related to the 2023 acquisition of M&M and an increase in net capital expenditures.

Net Capital Expenditures

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

	Year Ended December 31,	
(in millions)	**2023**	**2022**
Purchases of transportation equipment	$ 660.1	$ 535.1
Purchases of other property and equipment	42.3	52.9
Proceeds from sale of property and equipment	(128.6)	(126.3)
Net capital expenditures	$ 573.8	$ 461.7

Net capital expenditures increased $112.1 million in 2023 compared to 2022. The increase was driven by a $125.0 million increase in purchases of transportation equipment driven by replacement equipment reducing tractor age of fleet, growth capital, and higher costs for new equipment. Proceeds from the sale of property and equipment were comparable year over year as 2023 had more proceeds from equipment sales compared to 2022 which included the proceeds from the sale of the Canada property. The year over year increase in proceeds from equipment sales was largely due to the increased quantity of units sold.

We currently anticipate 2024 net capital expenditures to be $400.0 - $450.0 million.

Financing Activities

Net cash used in financing activities decreased $61.0 million, approximately 52%, during 2023 compared to 2022 primarily due to $105.0 million of net proceeds from our revolving credit agreements and $50.0 million of proceeds from long-term debt in 2023, partially offset by $66.9 million of treasury stock repurchases, $10.0 million of additional private placement note repayments in 2023, and an additional $7.9 million of dividend payments.

Off-Balance Sheet Arrangements

As of December 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

As of December 31, 2023, we had contractual obligations related to our long-term debt, inclusive of our credit and receivables purchase agreement, of $290.0 million and $20.8 million for principal borrowings and interest, respectively, which become due through 2027. See Note 7, *Debt and Credit Facilities*, for additional information regarding our debt obligations. We also have contractual obligations for finance and operating leases and purchase commitments related to agreements to purchase transportation equipment. See Note 8, *Leases*, and Note 13, *Commitments and Contingencies*, respectively, for additional information regarding our lease and purchase commitment obligations.

CRITICAL ACCOUNTING ESTIMATES

The preparation of our consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that impact the amounts reported in our consolidated financial statements and accompanying notes. Therefore, these estimates and assumptions affect reported amounts of assets, liabilities, revenue, expenses, and associated disclosures of contingent liabilities. Management evaluates these estimates on an ongoing basis, using historical experience, consultation with third parties, and other methods considered reasonable in the particular circumstances. Nevertheless, actual results may differ significantly from our estimates. Any effects on our business, financial position, or results of operations resulting from revisions to these estimates are recognized in the accounting period in which the facts that give rise to the revision become known.

The estimates discussed below include the financial statement elements that are either the most judgmental or involve the selection or application of alternative accounting policies and are material to our consolidated financial statements. Management has discussed the development and selection of these critical accounting estimates with the Audit Committee of our Board and with our independent registered public accounting firm.

Claims Accruals

Reserves are established based on estimated or expected losses for claims. The primary claims arising for the Company 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 self-insurance levels for these various areas of risk and have established reserves to cover self-insured liabilities. The amounts of self-insurance change from time to time based on measurement dates, policy expiration dates, policy exhaustion, and claim type. We also maintain insurance to cover liabilities in excess of the self-insurance amounts to limit our exposure to catastrophic claim costs or damages. We are substantially self-insured for loss of and damage to our owned and leased equipment. The current claims settlement environment within the industry has resulted in excess insurance carriers decreasing coverage and increasing premiums. As a result of this trend, we may experience increases in our insurance and claims expense.

Our reserves represent accruals for the estimated self-insured and reinsured portions of pending claims, including adverse development of known claims, as well as incurred but not reported claims. Our estimates require judgments concerning the nature and severity of the claim, historical trends, advice from third-party administrators and insurers, consultation with actuarial experts, the specific facts of individual cases, the jurisdictions involved, estimates of future claims development, and the legal and other costs to settle or defend the claims. The actual cost to settle our self-insured claim liabilities can differ from our reserve estimates because of a number of uncertainties, including the inherent difficulty in estimating the severity of a claim and the potential amount to defend and settle a claim. At December 31, 2023 and 2022, we had an accrual of $178.4 million and $164.9 million, respectively, for estimated claims net of reinsurance receivables.

We have significant exposure to fluctuations in the number and severity of claims. If there is an increase in the frequency and/or severity of claims, we are required to accrue or pay additional amounts if the claims prove to be more severe than originally assessed or exceed the limits of our insurance coverage, and our profitability would be adversely affected. In addition to estimates within our self-insured retention, we also must make judgments concerning our coverage limits. If any claim were to exceed our coverage limits, we would have to accrue for the excess amount. Our critical estimates include evaluating whether a claim may exceed such limits and, if so, by how much. Currently, we are not aware of any such claims. If one or more claims were to exceed our effective coverage limits, our financial condition and results of operations could be materially and adversely affected.

Our claims accrual policy for all self-insured claims is to recognize a liability at the time of the incident based on our analysis of the nature and severity of the claims and analyses provided by third-party claims administrators or outside counsel, as well as legal, economic, and regulatory factors. Our insurance and claims personnel work directly with representatives from the insurance companies to provide updated estimates of the potential loss associated with each tendered claim. The ultimate cost of a claim is developed over time as additional information regarding the nature, timing, and extent of damages claimed becomes available.

Goodwill

To expand our business offerings, we have, on occasion, acquired other companies. In a business combination, the consideration is first assigned to identifiable assets and liabilities based on estimated fair values, with any excess recorded as goodwill. Determining fair value requires significant estimates and assumptions based on an evaluation of a number of factors, such as marketplace participants, history, future expansion and profitability expectations, amount and timing of future cash flows, and the discount rate applied to the cash flows. Goodwill is not amortized but is assessed for impairment at least annually and more frequently if a triggering event indicates that impairment may exist.

Our goodwill balance at December 31, 2023 and 2022 was $331.7 million and $228.2 million, respectively. Goodwill is evaluated for impairment annually at the reporting unit level, or more frequently if events or circumstances indicate the carrying value is not recoverable. A reporting unit can be a segment or business within a segment, and reporting units can be aggregated to the extent they share similar economic characteristics. When reviewing goodwill for impairment, we consider the amount of excess fair value over the carrying value of each reporting unit, the period of time since a reporting unit's last quantitative test, the extent a reorganization or disposition changes the composition of one or more of our reporting units, and other factors to determine whether or not to first perform a qualitative test. When performing a qualitative test, we assess numerous factors to determine whether it is more likely than not that the fair values of our reporting units are less than their respective carrying values. Examples of qualitative factors that are assessed include our share price, financial performance, market and competitive factors in our industry, and other events specific to our reporting units. If we conclude that it is more likely than not that the fair value of a reporting unit is less than its carrying value, we perform a quantitative impairment test. In the quantitative impairment evaluation, the carrying value of a reporting unit, including goodwill, is compared with its fair value. We base our fair value estimation on a valuation, which uses a combination of (1) an income approach based on the present value of estimated future cash flows and (2) market approaches based on EBITDA valuation multiples of comparable companies and transactions. If the carrying value of a reporting unit exceeds its fair value, an impairment loss is recorded equal to that excess.

Significant judgment is necessary to evaluate the impact of operating and macroeconomic changes and to estimate future cash flows. Assumptions used in impairment evaluations, such as forecasted growth rates and our cost of capital, are based on the best available market information and are consistent with our internal forecasts and operating plans. These assumptions could be adversely impacted by certain risks discussed earlier in this document.

The Company acquired M&M in 2023 and deBoer in 2022. As a result of these acquisitions, we recorded additions to our goodwill of $103.5 million and $6.1 million, respectively, within the VTL-Dedicated reporting unit.

Prior to the fourth quarter of 2023, the Company had three reporting units with goodwill subject to impairment testing: MLS, VTL-Dedicated, and Import/Export. Quantitative goodwill impairment tests were performed for all three reporting units as of October 31, 2023, and their fair values were substantially in excess of their respective carrying values.

With the expansion of our dedicated business through recent acquisition, we reorganized the operating segments within Truckload into Dedicated; Van Network; and Bulk during the fourth quarter of 2023. As a result of this segment reorganization, we aggregated the MLS and VTL-Dedicated components, as they share similar economic characteristics, and tested the goodwill at the Dedicated operating segment level. The fair value of the Dedicated operating segment goodwill was also substantially in excess of its carrying value. Going forward, our goodwill impairment test will be performed at the Dedicated operating segment level.

There were no triggering events identified from the date of our assessment through December 31, 2023 that would require an update to our annual impairment test. If future operating performance of our Dedicated or Import/Export reporting units is below our expectations, or there are changes to forecasted growth rates or our cost of capital, a decline in the fair value of the reporting units could result, and we may be required to record a goodwill impairment charge. See Note 6, *Goodwill and Other Intangible Assets,* for more information.

Business Combinations

We record assets acquired and liabilities assumed in a business combination under the acquisition method of accounting where consideration is first assigned to identifiable assets and liabilities based on estimated fair values, with any excess recorded as goodwill. During the measurement period, which is up to one year from the acquisition date, we may adjust provisional amounts that were recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date.

Determining the fair value of assets acquired and liabilities assumed requires significant judgment, including the selection of valuation methodologies. For our recent acquisitions, fair value estimates of acquired property and equipment were based on independent appraisals that gave consideration to the highest and best use of the assets. The transportation equipment; land, buildings, and improvements; and other property and equipment appraisals used one, or a combination, of the market, income (direct capitalization), or sales comparison approaches. Significant estimates and assumptions, including recent sales prices of similar equipment, asset condition, and current and anticipated market trends, were used in determining the fair values of these assets. The assistance of an independent third-party valuation firm was used to determine the estimated fair values and useful lives of finite-lived intangible assets including customer relationships and trademarks. Valuation methods used were based on income-based approaches including the multi-period excess earnings method and relief from royalty method for customer relationships and trademarks, respectively. Non-compete agreements were recorded based on amounts paid at closing. Assumptions used in the intangible valuations include forecasted revenue growth rates, future cash flows, useful lives of intangible assets acquired, and our cost of capital.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk from changes in certain commodity prices, inflation, and interest rates. All of these market risks arise in the normal course of business, as we do not engage in speculative trading activities. We have established policies, procedures, and internal processes governing our management of market risk and the use of financial instruments to manage our exposure to such risk.

Commodity Risk

We have commodity exposure with respect to fuel used in company-owned tractors. Increases in fuel prices will raise our operating costs, even after applying fuel surcharge revenues. Historically, we have been able to recover a majority of fuel price increases from our customers in the form of fuel surcharges. The average diesel price per gallon in the U.S., as reported by the Department of Energy, decreased from $4.96 per gallon for fiscal year 2022 to $4.23 per gallon for fiscal year 2023. We cannot predict the extent or speed of potential changes in fuel prices in the future, the degree to which the lag effect of our fuel surcharge programs will impact us as a result of the timing and magnitude of such changes, or the extent to which effective fuel surcharges can be maintained and collected to offset future increases. We generally have not used derivative financial instruments to hedge our fuel price exposure in the past but continue to evaluate this possibility.

Inflation Risk

Inflation can have an unfavorable impact on our operating costs, and a prolonged period of inflation could cause interest rates, fuel, wages, healthcare and other employee benefits, transportation equipment and related maintenance, insurance premiums, and other costs to increase, which would adversely affect our results of operations unless freight rates correspondingly increase. While inflation has stabilized during 2023, the prior two years have seen considerable price inflation where we experienced increases in our fuel, transportation equipment, labor and third-party capacity, tire, and maintenance costs. A resumption of an upward inflationary environment could harm our business, financial condition, and results of operations.

Interest Rate Risk

We have exposure from variable interest rates primarily related to borrowings under our accounts receivable securitization facility and our revolving credit facility which bear interest based on the one-month Term SOFR. See Note 7, *Debt and Credit Facilities*. We manage interest rate exposure through a mix of variable and fixed rate debt and lease financing. As of December 31, 2023, our weighted average interest rate for our variable rate debt instruments was 6.36%. Based on our level of borrowings as of December 31, 2023, our annual interest expense would increase by $1.1 million assuming a one percentage point increase in interest rates.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Schneider National, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Schneider National, Inc. and subsidiaries (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of comprehensive income, cash flows, and shareholders' equity, for each of the three years in the period ended December 31, 2023, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 23, 2024, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Claims Accruals — Refer to Note 1 to the financial statements

Critical Audit Matter Description

The Company is self-insured for various claims, which primarily relate to accident-related claims for personal injury, collision, and comprehensive compensation, along with workers' compensation. Claims accruals represent accruals for pending claims, including adverse development of known claims, as well as incurred but not reported claims. The claims accruals are based on estimated or expected losses for claims considering the nature and severity of each claim, historical trends, advice from third-party administrators and insurers, consultation with actuarial experts, the specific facts of individual cases, the jurisdictions involved for each case, estimates of future claims development, and the legal and other costs to settle or defend the claims. At December 31, 2023 and 2022, the Company had an accrual of $178.4 million and $164.9 million, respectively, for estimated claims net of reinsurance receivables.

The subjectivity of estimating the claims accruals for pending claims and incurred but not reported claims requires a high degree of auditor judgment and an increased extent of effort, including the need to involve our actuarial specialists, when performing audit procedures to evaluate whether claims accruals are appropriately stated as of December 31, 2023.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the claims accruals included the following, among others:

- We tested the effectiveness of internal controls related to claims accruals, including those over the projected development of known claims and incurred but not reported claims.
- We evaluated the methods and assumptions used by management to estimate claims accruals by:
  - Testing the underlying data and inputs for completeness and accuracy that served as the basis for the actuarial analysis, including reconciling the claims data to the Company's actuarial analysis, testing the annual exposure data, and testing current year claims and payment data.
  - Comparing management's selected claims accrual estimates to the range provided by their third-party actuary and to historical trends.
  - With the assistance of our actuarial specialists, we developed an independent range of estimates of the claims accruals, utilizing loss development factors from the Company's historical data and industry claim development factors, and compared our estimated range to management's recorded reserve.

Goodwill Valuation – Midwest Logistics Systems Reporting Unit prior to Operating Segment Realignment — Refer to Note 6 to the financial statements

Critical Audit Matter Description

The Company's evaluation of goodwill for potential impairment involves comparing the fair value of each reporting unit to its carrying value. The Company determines the fair value of its reporting units using a combination of (1) an income approach based on the present value of estimated future cash flows and (2) market approaches based on Earnings Before Interest, Taxes, Depreciation & Amortization ("EBITDA") valuation multiples of comparable companies and transactions. Significant judgment is necessary to evaluate the impact of operating and macroeconomic changes and to estimate future cash flows. Assumptions used in impairment evaluations, such as forecasted growth rates and cost of capital could have significant impacts in determining the fair value of reporting units, the amount of any goodwill impairment charge, or both. Prior to the Company's segment realignment on October 31, 2023, management tested the Midwest Logistics Systems ("MLS") reporting unit goodwill balance, which was $104.3 million, in which the fair value of MLS exceeded its carrying value, and therefore, no impairment was recognized.

The subjectivity of management's estimates and assumptions related to the discount rate, forecasts of future revenues and profitability, and EBITDA valuation multiples requires a high degree of auditor judgement and an increased extent of effort, including the need to involve our fair value specialists, when performing audit procedures to evaluate the reasonableness of management's estimates and assumptions.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the selection of the discount rate, forecasts of future revenues and profitability, and EBITDA valuation multiples for the MLS reporting unit included the following, among others:

- We tested the effectiveness of internal controls over management's goodwill impairment evaluation, including those over the selection of the discount rate, forecasts of future revenues and profitability, and EBITDA valuation multiples.
- We evaluated the reasonableness of management's forecasts for both revenue and profitability by comparing the forecasts to (1) historical results, (2) internal communications to the Board of Directors, (3) forecasted information in industry reports, and (4) obtaining long-term customer contracts which support near-term revenue growth projections.
- With the assistance of our fair value specialists, we evaluated the reasonableness of the discount rate by (1) testing the source information underlying the determination of the discount rate, (2) testing the mathematical accuracy of the calculations, and (3) developing a range of independent estimates and comparing those to the discount rate selected by management.
- With the assistance of our fair value specialists, we evaluated the reasonableness of the EBITDA valuation multiples selected by (1) testing the source information underlying the determination of the discount rate, (2) testing the mathematical accuracy of the calculations, and (3) assessing the appropriateness of the guideline companies and transactions.

/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin
February 23, 2024

We have served as the Company's auditor since 2002.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Schneider National, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Schneider National, Inc. and subsidiaries (the "Company") as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2023, of the Company and our report dated February 23, 2024, expressed an unqualified opinion on those financial statements.

As described in Management's Report on Internal Control over Financial Reporting, management excluded from its assessment the internal control over financial reporting at M&M Transport Services, LLC, which was acquired on August 1, 2023, and whose financial statements constitute 5.7% of total assets of the consolidated financial statement total assets and 1.3% of operating revenues of the consolidated financial statement operating revenues as of and for the year ended December 31, 2023. Accordingly, our audit did not include the internal control over financial reporting at M&M Transport Services, LLC.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.
/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin
February 23, 2024

SCHNEIDER NATIONAL, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions, except per share data)

	Year Ended December 31,		
	2023	2022	2021
Operating revenues	$ 5,498.9	$ 6,604.4	$ 5,608.7
Operating expenses:			
Purchased transportation	2,184.5	2,902.9	2,657.7
Salaries, wages, and benefits	1,359.1	1,376.0	1,149.5
Fuel and fuel taxes	437.4	521.0	281.4
Depreciation and amortization	382.5	350.0	296.2
Operating supplies and expenses—net	576.0	534.0	462.4
Insurance and related expenses	114.3	103.0	82.4
Other general expenses	148.7	217.1	134.8
Goodwill impairment charge	—	—	10.6
Total operating expenses	5,202.5	6,004.0	5,075.0
Income from operations	296.4	600.4	533.7
Other expenses (income):			
Interest income	(7.0)	(2.9)	(2.1)
Interest expense	14.2	9.6	12.5
Other income—net	(16.9)	(10.3)	(18.7)
Total other income—net	(9.7)	(3.6)	(8.3)
Income before income taxes	306.1	604.0	542.0
Provision for income taxes	67.6	146.2	136.6
Net income	238.5	457.8	405.4
Other comprehensive income (loss):			
Foreign currency translation adjustment—net	0.5	(1.5)	0.1
Net unrealized gains (losses) on marketable securities—net of tax	1.1	(3.5)	(0.9)
Total other comprehensive income (loss)—net	1.6	(5.0)	(0.8)
Comprehensive income	$ 240.1	$ 452.8	$ 404.6
Weighted average shares outstanding	177.3	177.9	177.6
Basic earnings per share	$ 1.35	$ 2.57	$ 2.28
Weighted average diluted shares outstanding	178.2	178.8	178.1
Diluted earnings per share	$ 1.34	$ 2.56	$ 2.28
Dividends per share of common stock	$ 0.36	$ 0.32	$ 0.28

See notes to consolidated financial statements.

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

	December 31, 2023	December 31, 2022
Assets		
Current Assets:		
Cash and cash equivalents	$ 102.4	$ 385.7
Marketable securities	57.2	45.9
Trade accounts receivable—net of allowance of $15.0 million and $13.7 million, respectively	575.7	643.7
Other receivables	61.9	21.3
Current portion of lease receivables—net of allowance of $1.0 million and $1.3 million, respectively	93.3	111.2
Inventories—net	117.9	53.0
Prepaid expenses and other current assets	102.5	89.5
Total current assets	1,110.9	1,350.3
Noncurrent Assets:		
Property and equipment:		
Transportation equipment	3,781.0	3,410.7
Land, buildings, and improvements	226.1	219.0
Other property and equipment	180.2	174.1
Total property and equipment	4,187.3	3,803.8
Less accumulated depreciation	1,605.6	1,523.8
Net property and equipment	2,581.7	2,280.0
Lease receivables	130.2	163.1
Internal use software and other noncurrent assets	402.7	296.6
Goodwill	331.7	228.2
Total noncurrent assets	3,446.3	2,967.9
Total Assets	$ 4,557.2	$ 4,318.2
Liabilities and Shareholders' Equity		
Current Liabilities:		
Trade accounts payable	$ 241.3	$ 276.7
Accrued salaries, wages, and benefits	66.7	97.8
Claims accruals—current	89.2	75.5
Current maturities of debt and finance lease obligations	104.5	73.3
Other current liabilities	104.5	113.6
Total current liabilities	606.2	636.9
Noncurrent Liabilities:		
Long-term debt and finance lease obligations	197.6	141.8
Claims accruals—noncurrent	92.7	95.2
Deferred income taxes	595.7	538.2
Other noncurrent liabilities	108.2	68.9
Total noncurrent liabilities	994.2	844.1
Total Liabilities	1,600.4	1,481.0
Commitments and Contingencies (Note 13)		
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, 95,796,669 and 95,655,907 shares issued, and 92,931,242 and 94,993,144 shares outstanding, respectively	—	—
Additional paid-in capital	1,595.2	1,584.4
Retained earnings	1,431.9	1,257.8
Accumulated other comprehensive loss	(3.4)	(5.0)
Treasury stock at cost (2,505,267 and no shares)	(66.9)	—
Total Shareholders' Equity	2,956.8	2,837.2
Total Liabilities and Shareholders' Equity	$ 4,557.2	$ 4,318.2

See notes to consolidated financial statements.

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

	Year Ended December 31,		
	2023	2022	2021
Operating Activities:			
Net income	$ 238.5	$ 457.8	$ 405.4
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	382.5	350.0	296.2
Goodwill impairment	—	—	10.6
Gains on sales of property and equipment—net	(28.7)	(85.7)	(63.9)
Proceeds from lease receipts	74.9	83.5	75.8
Loss on sale of business	—	5.0	—
Deferred income taxes	55.8	83.0	2.0
Long-term incentive and share-based compensation expense	15.8	16.5	14.4
Gains on investments in equity securities—net	(19.7)	(13.7)	(21.6)
Other noncash items—net	0.5	(15.2)	(4.4)
Changes in operating assets and liabilities:			
Receivables	42.4	51.6	(162.0)
Other assets	(21.2)	(43.4)	(46.0)
Payables	(32.6)	(42.2)	70.2
Claims reserves and receivables—net	9.4	8.5	6.8
Other liabilities	(37.6)	0.7	(17.4)
Net cash provided by operating activities	680.0	856.4	566.1
Investing Activities:			
Purchases of transportation equipment	(660.1)	(535.1)	(399.4)
Purchases of other property and equipment	(42.3)	(52.9)	(49.5)
Proceeds from sale of property and equipment	128.6	126.3	177.8
Proceeds from sale of off-lease inventory	34.6	25.8	17.0
Purchases of lease equipment	(105.2)	(105.6)	(91.7)
Proceeds from government grants	14.6	—	—
Proceeds from marketable securities	6.2	6.2	14.6
Purchases of marketable securities	(16.2)	(7.6)	(18.7)
Investments in equity securities and equity method investment	(17.6)	(24.2)	(5.2)
Investment in note receivable	(10.0)	—	—
Acquisitions and sale of business, net of cash acquired	(240.2)	(31.7)	(271.3)
Net cash used in investing activities	(907.6)	(598.8)	(626.4)
Financing Activities:			
Proceeds under revolving credit agreements	186.0	—	—
Payments under revolving credit agreements	(81.0)	—	—
Proceeds from long-term debt	50.0	—	—
Payments of debt and finance lease obligations	(73.9)	(62.0)	(40.8)
Dividends paid	(63.6)	(55.7)	(49.6)
Repurchases of common stock	(66.9)	—	—
Other financing activities	(6.3)	1.0	—
Net cash used in financing activities	(55.7)	(116.7)	(90.4)
Net increase (decrease) in cash and cash equivalents	(283.3)	140.9	(150.7)
Cash and Cash Equivalents:			
Beginning of period	385.7	244.8	395.5
End of period	$ 102.4	$ 385.7	$ 244.8

Additional Cash Flow Information:			
Noncash investing and financing activity:			
Transportation and lease equipment purchases in accounts payable	$ 8.7	$ 13.0	$ 14.6
Dividends declared but not yet paid	16.9	16.2	14.1
Noncash equity method investment	3.3	—	—
Sale of assets in exchange for notes receivable	—	2.3	—
Cash paid during the period for:			
Interest	10.2	9.3	11.6
Income taxes—net of refunds	67.6	52.8	145.9

See notes to consolidated financial statements.

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

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance—December 31, 2020	$ —	$ 1,552.2	$ 502.5	$ 0.8	$ —	$ 2,055.5
Net income	—	—	405.4	—	—	405.4
Other comprehensive loss	—	—	—	(0.8)	—	(0.8)
Share-based compensation expense	—	14.6	—	—	—	14.6
Dividends declared at $0.28 per share of Class A and Class B common shares	—	—	(50.1)	—	—	(50.1)
Share issuances	—	0.9	—	—	—	0.9
Exercise of employee stock options	—	0.7	—	—	—	0.7
Shares withheld for employee taxes	—	(2.4)	—	—	—	(2.4)
Balance—December 31, 2021	—	1,566.0	857.8	—	—	2,423.8
Net income	—	—	457.8	—	—	457.8
Other comprehensive loss	—	—	—	(5.0)	—	(5.0)
Share-based compensation expense	—	17.2	—	—	—	17.2
Dividends declared at $0.32 per share of Class A and Class B common shares	—	—	(57.8)	—	—	(57.8)
Share issuances	—	0.2	—	—	—	0.2
Exercise of employee stock options	—	3.4	—	—	—	3.4
Shares withheld for employee taxes	—	(2.4)	—	—	—	(2.4)
Balance—December 31, 2022	—	1,584.4	1,257.8	(5.0)	—	2,837.2
Net income	—	—	238.5	—	—	238.5
Other comprehensive income	—	—	—	1.6	—	1.6
Share-based compensation expense	—	17.0	—	—	—	17.0
Dividends declared at $0.36 per share of Class A and Class B common shares	—	—	(64.4)	—	—	(64.4)
Repurchases of common stock	—	—	—	—	(66.9)	(66.9)
Share issuances	—	0.1	—	—	—	0.1
Exercise of employee stock options	—	0.1	—	—	—	0.1
Shares withheld for employee taxes	—	(6.4)	—	—	—	(6.4)
Balance—December 31, 2023	$ —	$ 1,595.2	$ 1,431.9	$ (3.4)	$ (66.9)	$ 2,956.8

See notes to consolidated financial statements.

SCHNEIDER NATIONAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

We are one of the largest providers of surface transportation and logistics solutions in North America that, through our wholly owned subsidiaries, provides safe, reliable, and innovative truckload, intermodal, and logistics services to a diverse group of customers throughout the continental U.S., Canada, and Mexico.

Principles of Consolidation and Basis of Presentation

Our consolidated financial statements have been prepared in conformity with GAAP and include all of our wholly owned subsidiaries. All intercompany transactions have been eliminated in consolidation.

Use of Estimates

We make estimates and assumptions that affect assets, liabilities, the disclosure of contingent liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

Cash and Cash Equivalents

Cash in excess of current operating requirements is invested in short-term, highly liquid investments. We consider all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

Receivables and Allowance

Our trade accounts receivable is recorded net of an allowance for doubtful accounts and revenue adjustments. The allowance is based on an aging analysis using historical experience, as well as any current and forecasted trends or uncertainties related to customer billing and account collectability. The adequacy of our allowance is reviewed at least quarterly, and reserves for receivables not expected to be collected are established. In circumstances where we are aware of a customer's inability to meet its financial obligations, a specific reserve is recorded to reduce the net receivable to the amount we reasonably expect to collect. Bad debt expense is included in other general expenses in the consolidated statements of comprehensive income.

We record our lease receivables net of an allowance for doubtful accounts based on an aging analysis to reserve amounts expected to be uncollectible. The terms of the lease agreements generally give us the ability to take possession of the underlying asset in the event of default. We may incur credit losses in excess of recorded allowances if the full amount of anticipated proceeds from the sale or re-lease of the asset supporting the third party's financial obligation, which can be impacted by economic conditions, is not realized.

Inventory

Our inventories consist of tractors and trailing equipment owned by our equipment leasing company to be sold or leased to owner-operators, as well as parts, tires, supplies, and fuel for use in our Company operations. These inventories are valued at the lower of cost or net realizable value using specific identification or average cost. The following table shows the components of our inventory balances as of the dates shown.

(in millions)	December 31, 2023	December 31, 2022
Tractors and trailing equipment for sale or lease	$ 99.0	$ 35.8
Replacement parts	17.5	15.7
Tires and other	1.4	1.5
Total	$ 117.9	$ 53.0

Investments in 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 to our liquidity needs may cause us to sell certain securities in advance of their maturity date.

Our marketable securities are accounted for under ASU 2016-13, *Financial Instruments - Credit Losses: Measurement of Credit Losses on Financial Instruments*. Under this guidance, credit losses are recorded through an allowance for credit losses rather than as a direct write-down to the security, and 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 December 31, 2023 and 2022. Cost basis is determined using the specific identification method.

We elected to continue to present the accrued interest receivable balance associated with our investments in marketable securities separate from the marketable securities line in the consolidated balance sheets. In addition, we elected the practical expedient provided under the guidance to exclude the applicable accrued interest from the amortized cost basis disclosure of our marketable securities. We have also elected not to measure an allowance for credit losses on our accrued interest receivable and to write off accrued interest receivable by reversing interest income when it is not considered collectible.

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.

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.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is calculated using the straight-line method based on the estimated useful lives and residual values. Generally, the estimated useful lives are as follows:

	2023
Tractors	3 - 8 years
Trailing equipment	6 - 20 years
Other transportation equipment	4 - 5 years
Buildings and improvements	5 - 25 years
Other property	3 - 10 years

Salvage values, when applicable, generally range from 0% - 30% or 0% - 25% of the original cost for tractors and trailing equipment, respectively, and reflect agreements with tractor suppliers for residual or trade-in values for certain new equipment.

Long-lived assets require an impairment review when events or circumstances indicate that the carrying amount may not be recoverable. We base our evaluation of other long-lived assets on the presence of impairment indicators such as the future economic benefit of the assets, any historical or future profitability measurements, and other external market conditions or factors. The carrying amount of tangible long-lived assets held and used is considered not recoverable if the carrying amount exceeds the undiscounted sum of cash flows expected to result from the use and eventual disposition of the asset. If the carrying amount is not recoverable, the impairment loss is measured as the excess of the asset's carrying amount over its fair value.

Gains and losses on the sale or other disposition of equipment are based on the difference between the proceeds received less costs to sell and the net book value of the assets disposed. Gains and losses are recognized at the time of sale or disposition and are classified in operating supplies and expenses—net in the consolidated statements of comprehensive income. For the years ended December 31, 2023, 2022, and 2021, we recognized $28.7 million of net gains, $85.7 million of net gains, and $63.9 million of net gains on the sale of property and equipment, respectively. Net gains for 2022 were primarily related to the sale of the Company's Canadian facility.

Assets Held for Sale

Assets held for sale consist of transportation equipment and are included in prepaid expenses and other current assets in the consolidated balance sheets. Reclassification to assets held for sale occurs when the required criteria, as defined by ASC 360, *Property, Plant and Equipment*, are satisfied.

Assets held for sale are evaluated for impairment when transferred to held for sale status or when impairment indicators are present. The carrying amount of assets held for sale is not recoverable if the carrying amount exceeds the fair value less estimated costs to sell the asset. An impairment loss is recorded for the excess of the asset's carrying amount over its fair value less estimated costs to sell. Impairment losses are recorded in operating supplies and expenses—net in the consolidated statements of comprehensive income. We recorded no significant impairment losses for the years ended December 31, 2023, 2022, or 2021.

Assets held for sale by segment as of December 31, 2023 and 2022 were as follows:

(in millions)	2023	2022
Truckload	$ 22.1	$ 21.0
Intermodal	6.7	0.8
Total	$ 28.8	$ 21.8

Internal Use Software and Cloud Computing Arrangements

We capitalize certain costs incurred to acquire, develop, or modify software to meet the Company's internal needs. Only costs incurred during the application development stage are capitalized once the preliminary project stage is complete and management has committed to funding the project. Internal use software costs are amortized on a straight-line basis primarily over five years, or the expected useful life if different, with amortization expense recorded within depreciation and amortization on the consolidated statements of comprehensive income. We recorded $25.2 million, $24.5 million, and $20.2 million of amortization expense related to internal use software during the years ended December 31, 2023, 2022, and 2021, respectively.

Under ASU 2018-15, we capitalize certain implementation costs for internal use software incurred in a CCA that is a service contract. CCA implementation costs are amortized on a straight-line basis over the term of the related hosting agreement, taking into consideration renewal options, if any. The renewal period is included in the amortization period if determined that the option is reasonably certain to be exercised. Amortization expense is recorded within operating supplies and expenses—net on the consolidated statements of comprehensive income, similar to the related hosting fees. We recorded $4.7 million, $1.3 million, and $1.0 million of amortization expense related to CCA implementation costs during the years ended December 31, 2023, 2022, and 2021, respectively.

Capitalized computer costs are evaluated for impairment on an ongoing basis. If events or changes in circumstances (such as the manner in which the hosting arrangement is expected to be used) indicate that the carrying value may not be recoverable, the Company will evaluate the asset for impairment. If impairment is identified, it is recorded in operating supplies and expenses—net in the consolidated statements of comprehensive income.

The following table provides information related to our internal use software and CCA implementation costs as of the dates shown.

(in millions)	December 31, 2023	December 31, 2022
Internal use software	$ 325.6	$ 341.3
Less accumulated amortization	242.3	249.5
Net internal use software	$ 83.3	$ 91.8
CCA implementation costs	$ 35.9	$ 27.2
Less accumulated amortization	7.0	2.3
Net CCA implementation costs [(1)]	$ 28.9	$ 24.9

(1) On the consolidated balance sheets, the current portion of CCA implementation costs are included within prepaid expenses and other current assets and amounted to $6.7 million and $1.3 million for the years ended December 31, 2023 and 2022, respectively, and the noncurrent portion is included in internal use software and other noncurrent assets and amounted to $22.2 million and $23.5 million for the years ended December 31, 2023 and 2022, respectively.

Goodwill

Goodwill is tested for impairment annually in October, or more frequently if impairment indicators exist. The carrying amount of a reporting unit's goodwill is considered not recoverable, and an impairment loss is recorded if the carrying amount of the reporting unit exceeds the reporting unit's fair value, as determined based on the combination of income and market approaches. See Note 6, *Goodwill and Other Intangible Assets*, for more information on our goodwill.

Revenue Recognition

We recognize revenue during the delivery period based on relative transit time in each reporting period, in accordance with ASC 606, with expenses recognized as incurred. Accordingly, a portion of the total revenue that will be billed to the customer once a load is delivered is recognized in each reporting period based on the percentage of the freight delivery service that has been completed at the end of the reporting period.

When we use third-party carriers, we generally record revenues on the gross basis at amounts charged to our customers because we are the primary obligor, we are a principal in the transaction, we invoice our customers and retain all credit risks, and we maintain discretion over pricing. Additionally, we are responsible for selection of third-party transportation providers to the extent they are used to satisfy customer freight requirements.

We record revenues net of pass-through taxes in our consolidated statements of comprehensive income.

For the years ended December 31, 2023, 2022, and 2021, no customer accounted for more than 10% of our consolidated revenues.

Income Taxes

Income taxes are accounted for under the liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized as income or expense in the period that includes the enactment date. We record valuation allowances for deferred tax assets to the extent we do not believe these assets are more likely than not to be realized through the reversal of existing taxable temporary differences, projected future taxable income, or tax-planning strategies. We record a liability for unrecognized tax benefits when the benefits of tax positions taken on a tax return are not more likely than not to be sustained upon audit. Interest and penalties related to uncertain tax positions are classified as income tax expense in the consolidated statements of comprehensive income.

Earnings Per Share

We compute basic earnings per share by dividing net income available to common stockholders by the weighted average number of common shares outstanding for the reporting period. Diluted earnings per share reflects the potential dilution that could occur if holders of unvested restricted and performance share units or options were to exercise or convert their holdings into common stock. Awards that would have an anti-dilutive impact are excluded from the calculation.

Treasury Stock

In 2023, the Company approved a stock repurchase program (the "Share Repurchase Program") in which it periodically purchases its own common stock to offset the dilutive effects of equity grants to employees over time. The Inflation Reduction Act of 2022 subjects repurchases to a 1% nondeductible excise tax, which is included in the cost. The repurchased stock is classified as treasury stock on the consolidated balance sheets and is held at cost.

Share-based Compensation

We have share-based compensation plans covering certain employees, including officers and directors. We account for share-based compensation using the fair value recognition provisions of current accounting standards for share-based payments. These awards have historically consisted of restricted shares, RSUs, performance-based restricted shares, PSUs, and non-qualified stock options. We recognize compensation expense over the requisite service periods within each award. See Note 12, *Share-Based Compensation*, for more information about our plans.

Claims Accruals

We are self-insured for loss of and damage to our owned and leased transportation equipment. We purchase insurance coverage for a portion of expenses related to employee injuries, vehicular accidents, and cargo damage. Certain insurance arrangements include a level of self-insurance (deductible) coverage applicable to each claim. We have excess policies to limit our exposure

to catastrophic claim costs. The amounts of self-insurance change from time to time based on measurement dates, policy expiration dates, and claim type.

Our claims accrual policy for all self-insured claims is to recognize a liability at the time of the incident based on our analysis of the nature and severity of the claims and analyses provided by third-party claims administrators, as well as legal, economic, and regulatory factors. The ultimate cost of a claim develops over time as additional information regarding the nature, timing, and extent of damages claimed becomes available. Accordingly, we use an actuarial method to develop current claim information to derive an estimate of our ultimate claim liability. This process involves the use of loss-development factors based on our historical claims experience and includes a contractual premium adjustment factor, if applicable. In doing so, the recorded liability considers future claims growth and provides an allowance for incurred but not reported claims. We do not discount our estimated losses. At December 31, 2023 and 2022, we had an accrual of $178.4 million and $164.9 million, respectively, for estimated claims net of reinsurance receivables. In addition, we are required to pay certain advanced deposits and monthly premiums. At December 31, 2023 and 2022, we had an aggregate prepaid insurance asset of $9.6 million and $9.2 million, respectively, which represented prefunded premiums and deposits.

Government Grants

We have received grants from various California state organizations to be used towards the electrification of our fleet, inclusive of BEVs and charging stations. As there is no specific guidance under GAAP, we have elected to account for such grants under IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*, using the gross presentation model for the balance sheet and the net presentation model for the income statement. In accordance with IAS 20's net presentation model, government grants can be offset against the related expenditures on the income statement when there is reasonable assurance that (1) the recipient will comply with the relevant conditions and (2) the grant will be received.

During 2023, the Company placed assets in service that were purchased using grants from the EPA's Targeted Airshed Grant (administered by the CARB) and the South Coast Air Quality Management District's Joint Electric Truck Scaling Initiative. As of December 31, 2023, the Company believes the above conditions have been met, and for the year ended December 31, 2023, depreciation and amortization expense was reduced by $1.3 million in the consolidated statements of comprehensive income. As of December 31, 2023, the Company's consolidated balance sheets included $2.1 million of grant receivables within other receivables and $2.4 million and $13.5 million in deferred grant income within other current liabilities and other noncurrent liabilities, respectively.

Sale of Business

On November 30, 2022, the Company entered into a management buyout agreement to sell 100% of its China-based logistics operations to certain members of Asia's management team, ceasing Schneider's Asia operations. The sale resulted in the recognition of a $5.0 million loss, which was recorded within operating supplies and expenses—net in the consolidated statements of comprehensive income, and operating results through the date of sale are included within Other. In conjunction with the management buyout agreement, a $4.1 million payment was made and is included within acquisitions and sale of business, net of cash acquired on the consolidated statements of cash flows.

Accounting Standards Issued but Not Yet Adopted

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280)*. This standard requires entities to disclose significant segment expenses that are regularly provided to the CODM, an amount and description of other segment items by reportable segment, all annual disclosures currently required under ASC 280 on an interim basis, if the CODM uses more than one measure of a segment's profit or loss, at least one of the reported measures should be the measure most consistent with the measurement principle used in the consolidated financial statements, disclosure of title and position of CODM, as well as an explanation of how the CODM uses the reported measures in accessing performance and allocating resources, and a requirement for an entity with a single reportable segment to provide all of the disclosures required by this standard. This standard is effective for fiscal years beginning after December 15, 2023 with the interim requirement beginning within fiscal years beginning after December 15, 2024. We are currently evaluating the potential impacts of this update.

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures*. This standard requires additional income tax disclosures to enhance the transparency and decision usefulness of income tax disclosures. ASU 2023-09 requires entities to disclose information on revised quantitative thresholds and to disaggregate taxes by federal, state, and local jurisdictions. This is effective for annual periods beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the potential impacts of this update.

2. ACQUISITIONS

M&M Transport Services, LLC

On August 1, 2023 ("Acquisition Date"), we acquired 100% of the membership interest in M&M for $243.8 million, inclusive of cash and other working capital adjustments. M&M is a dedicated trucking company located primarily in New England with nearly 500 tractors and 1,900 trailers which we believe complements our dedicated operations.

The acquisition of M&M was accounted for under the acquisition method of accounting, which requires that assets acquired and liabilities assumed be recognized on the consolidated balance sheets at their fair value as of the Acquisition Date. Fair value estimates of acquired transportation equipment were based on an independent appraisal, giving consideration to the highest and best use of the assets with key assumptions based on the market approach. These inputs represent Level 3 measurements in the fair value hierarchy and required significant judgments and estimates at the time of valuation. The assistance of an independent third-party valuation firm was used to determine the estimated fair values and useful lives of finite-lived intangible assets including customer relationships and trademarks. Valuation methods used were the multi-period excess earnings method and relief from royalty method for customer relationships and trademarks, respectively. Non-compete agreements were recorded based on the amount paid at closing.

The excess of the purchase price over the estimated fair values of assets acquired and liabilities assumed was recorded as goodwill within the Truckload segment. The goodwill is attributable to expected synergies and growth opportunities within our dedicated business and is expected to be deductible for tax purposes.

Acquisition-related costs, which consist of fees incurred for advisory, legal, and accounting services were $0.9 million and were included in other general expenses in the Company's consolidated statements of comprehensive income for the period ended December 31, 2023.

Certain amounts recorded in connection with the acquisition are still considered preliminary as we continue to gather the necessary information to finalize our fair value estimates and provisional amounts. Provisional amounts include items related to indemnification assets and liabilities and deferred taxes.

During the measurement period, which is up to one year from the acquisition date, we may adjust provisional amounts that were recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. We anticipate finalizing the determination of fair value no later than July 31, 2024.

The preliminary purchase price allocation for M&M, which may be adjusted as we finalize our fair value estimates and provisional amounts, was as follows:

Recognized amounts of identifiable assets acquired and liabilities assumed *(in millions)*	**August 1, 2023 Opening Balance Sheet**	**Adjustments**	**Adjusted August 1, 2023 Opening Balance Sheet**
Cash and cash equivalents	$ 3.6	$ —	$ 3.6
Trade accounts receivable—net of allowance	15.1	—	15.1
Prepaid expenses and other current assets	3.0	—	3.0
Net property and equipment	77.8	—	77.8
Internal use software and other noncurrent assets	56.9	0.5	57.4
Goodwill	104.6	(1.1)	103.5
Total assets acquired	261.0	(0.6)	260.4
Trade accounts payable	1.4	—	1.4
Accrued salaries, wages, and benefits	5.3	—	5.3
Claims accruals—current	1.8	—	1.8
Other current liabilities	4.2	(1.3)	2.9
Other noncurrent liabilities	5.2	—	5.2
Total liabilities assumed	17.9	(1.3)	16.6
Net assets acquired	$ 243.1	$ 0.7	$ 243.8

The above adjustments made during the measurement period were primarily related to working capital, accrued taxes, and intangible assets.

The following unaudited pro forma revenues give effect to the acquisition had it been effective January 1, 2021. Combined unaudited pro forma operating revenues of the Company and M&M would have been approximately $5,569.6 million during the year ended December 31, 2023, $6,729.6 million during the year ended December 31, 2022, and $5,720.5 million during the year ended December 31, 2021, and our earnings for the same periods would not have been materially different.

deBoer Transportation, Inc.

We entered into a Securities Purchase Agreement, dated June 7, 2022, to acquire 100% of the outstanding equity of deBoer, a regional, dedicated carrier headquartered in Blenker, WI. The acquisition provided Schneider the opportunity to expand our tractor and trailer fleet primarily within our dedicated Truckload operations, as well as our company driver capacity. During the second half of 2022, the Company successfully transitioned equipment and employees from deBoer to Schneider, deBoer operations ceased, and equipment and drivers were deployed primarily within our Truckload segment.

The aggregate purchase price of the acquisition was approximately $34.6 million inclusive of certain cash and net working capital adjustments, and the assets acquired consisted primarily of rolling stock. The acquisition was accounted for under the acquisition method of accounting, which requires that assets acquired and liabilities assumed be recognized on the consolidated balance sheets at their fair values as of the acquisition date. The fair values of net assets acquired were determined using Level 3 inputs, and the excess of the purchase price over the estimated fair value of the net assets resulted in $7.7 million of goodwill being recorded within the Truckload segment at the time of acquisition. Following the acquisition, purchase price adjustments of $1.6 million were made relating to deferred taxes and certain working capital amounts resulting in an adjusted goodwill balance of $6.1 million as of December 31, 2022.

Acquisition-related costs, which consisted of fees incurred for advisory, legal, and accounting services, were $0.3 million and were included in other general expenses in the Company's consolidated statements of comprehensive income for the period ended December 31, 2022.

Operating results for deBoer are included in our consolidated results of operations from the acquisition date. Pro forma information for this acquisition is not provided as it did not have a material impact on the Company's consolidated operating results.

Midwest Logistics Systems, Ltd.

We entered into a Securities Purchase Agreement, dated December 31, 2021, to acquire 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 premier dedicated carrier in the central U.S. that we believe complements our growing dedicated operations.

The aggregate purchase price of the acquisition was approximately $268.8 million inclusive of $5.7 million in net working capital and other post-acquisition adjustments received in 2022 and a deferred payment of $3.2 million made in January 2022. Proceeds from the total purchase consideration were used to settle $26.9 million of MLS's outstanding debt as of the acquisition date.

The acquisition of MLS was accounted for under the acquisition method of accounting, which requires that assets acquired and liabilities assumed be recognized on the consolidated balance sheets at their fair values as of the acquisition date. These inputs represent Level 3 measurements in the fair value hierarchy and required significant judgments and estimates at the time of valuation. Fair value estimates of acquired property and equipment were based on an independent appraisal, giving consideration to the highest and best use of the assets. Key assumptions used in the transportation equipment appraisals were based on the market approach, while key assumptions used in the land, buildings and improvements, and other property and equipment appraisals were based on a combination of the income (direct capitalization) and sales comparison approaches, as appropriate.

The excess of the purchase price over the estimated fair values of assets acquired and liabilities assumed was recorded as goodwill within the Truckload segment. The goodwill is attributable to expected synergies and growth opportunities within our dedicated business and is expected to be deductible for tax purposes.

Acquisition-related costs, which consisted of fees incurred for advisory, legal, and accounting services, were $1.9 million and were included in other general expenses in the Company's consolidated statements of comprehensive income for the period ended December 31, 2021.

The following table summarizes the purchase price allocation for MLS, including any adjustments during the measurement period.

Recognized amounts of identifiable assets acquired and liabilities assumed *(in millions)*	**December 31, 2021 Opening Balance Sheet**	**Adjustments**	**Adjusted December 31, 2021 Opening Balance Sheet**
Cash and cash equivalents	$ —	$ 1.8	$ 1.8
Trade accounts receivable—net of allowance	18.6	(6.7)	11.9
Other receivables	0.9	1.5	2.4
Prepaid expenses and other current assets	1.6	—	1.6
Net property and equipment	148.9	(0.8)	148.1
Internal use software and other noncurrent assets	—	11.7	11.7
Goodwill	122.7	(18.4)	104.3
Total assets acquired	292.7	(10.9)	281.8
Trade accounts payable	1.8	1.6	3.4
Accrued salaries, wages, and benefits	1.7	0.9	2.6
Claims accruals—current	7.5	(3.0)	4.5
Other current liabilities	7.2	(3.9)	3.3
Deferred income taxes	—	(1.1)	(1.1)
Other noncurrent liabilities	—	0.3	0.3
Total liabilities assumed	18.2	(5.2)	13.0
Net assets acquired	$ 274.5	$ (5.7)	$ 268.8

The above adjustments made during the measurement period ended December 31, 2022 were primarily related to working capital, property and equipment, leases, claims accruals, deferred taxes, and intangible assets. The fair values of identifiable intangible assets, including customer relationships and trademarks, were based on valuations using income-based approaches and Level 3 inputs. No material statement of comprehensive income effects were identified with these adjustments.

Combined unaudited pro forma operating revenues of the Company and MLS would have been approximately $5,816.0 million for the year ended December 31, 2021 and our earnings for the same period would not have been materially different.

3. REVENUE RECOGNITION

Disaggregated Revenues

The majority of our revenues are related to transportation and have similar characteristics. M&M, MLS, and deBoer revenues since the acquisition dates are included within Transportation revenues, consistent with the remainder of our Truckload segment. The following table summarizes our revenues by type of service, which are explained in greater detail below.

	Year Ended December 31,		
Disaggregated Revenues (*in millions*)	**2023**	**2022**	**2021**
Transportation	$ 5,102.0	$ 6,119.9	$ 5,166.7
Logistics Management	190.1	274.2	219.0
Other	206.8	210.3	223.0
Total operating revenues	$ 5,498.9	$ 6,604.4	$ 5,608.7

Transportation

Transportation revenues are generated from our Truckload and Intermodal segments, as well as from our brokerage business, which is included in the Logistics segment.

In the Transportation portfolio, our service obligation to customers is satisfied over time. We do not believe there is a significant impact on the nature, amount, timing, and uncertainty of revenue or cash flows based on the mode of transportation. The economic factors that impact our transportation revenue are generally consistent across these modes given the relatively short-term nature of each contract. For the majority of our transportation business, the “contract with a customer” is identified

as an individual order under a negotiated agreement. Some consideration is variable in that a final transaction price is uncertain and is susceptible to factors outside of the Company's influence, such as the weather or the accumulation of accessorial charges. Pricing information is supplied by rate schedules that accompany negotiated contracts. 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 in 2023 for freight movements in exchange for non-monetary consideration. The amount of operating revenues recorded for these services was $16.0 million and $6.3 million in 2022 and 2021, respectively.

Transportation orders are short-term in nature generally having terms of significantly less than one year. They do not include significant financing components. A small portion of revenues in our transportation business relate to fixed payments in our Truckload segment. These payments are due regardless of volumes, and in these arrangements, the master agreement rather than the individual order may be considered the "contract". Refer to the Remaining Performance Obligations table below for more information on these fixed payments.

Under ASC 606, we recognize revenue over the period transportation services are provided to the customer, including service performed as of the end of the reporting period for loads currently in transit, in order to recognize the value transferred to a customer over the course of the transportation service.

We determine revenue in transit using the input method, under which revenue is recognized based on time lapsed from the departure date to the arrival date. Measurement of revenue in transit requires the application of significant judgment. We calculate the estimated percentage of an order's transit time that is complete at period end, and we apply that percentage of completion to the order's estimated revenue.

In certain transportation arrangements, an unrelated party contributes a specified service to our customer. For example, we contract with third-party carriers to perform transportation services on behalf of our customers in our brokerage business, and we use third-party rail carriers in our Intermodal segment. In situations that include the contributions of third parties, we act as principal in the arrangement, and accordingly, we recognize gross revenues from these transactions.

Logistics Management

Logistics Management revenues relate to our SCDM operating segment, which is included in our Logistics segment. Within this portfolio, the key service we provide to customers is management of freight shipping and/or storage.

The "contracts" in our Logistics Management portfolio are negotiated agreements, which contain both fixed and variable components. The variability of revenues is driven by volumes and transactions, which are known as of an invoice date. Refer to the Remaining Performance Obligations table below for additional information. SCDM contracts typically have terms that extend beyond one year and do not include financing components.

Under ASC 606, we have elected to use the right to invoice practical expedient, which reflects the fact that a customer obtains the benefit associated with logistics services as they are provided (output method), and therefore, we recognize revenue under these contracts over time.

In our supply chain management business, we subcontract third parties to perform a portion of the services. We are responsible for ensuring the services are performed and are acceptable to the customer; therefore, we are considered the principal in these arrangements.

Other

Other revenues relate to activities that are out of scope for purposes of ASC 606, including our leasing and captive insurance businesses.

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)*	**December 31, 2023**
Expected to be recognized within one year	
Transportation	$ 27.2
Logistics Management	17.3
Expected to be recognized after one year	
Transportation	36.6
Logistics Management	14.7
Total	$ 95.8

This disclosure does not include revenue 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*)	**December 31, 2023**	**December 31, 2022**	**December 31, 2021**
Other current assets—Contract assets	$ 23.7	$ 27.0	$ 33.8
Other current liabilities—Contract liabilities	—	2.6	3.2

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 service.

Practical Expedients

We elected to use the following practical expedients under ASC 606: (1) not to adjust the promised amount of consideration for the effects of a significant financing component when we expect, at contract inception, that the period between our transfer of a promised service to a customer and when the customer pays for that service will be one year or less; (2) to apply ASC 606 to a portfolio of contracts (or performance obligations) with similar characteristics, as we reasonably expect that the effects on the consolidated financial statements of applying this guidance to the portfolio would not differ materially from applying this guidance to the individual contracts (or performance obligations) within that portfolio; and (3) to recognize revenue in the Logistics Management portfolio as the amount of consideration to which we have a right to invoice, that corresponds directly with the value to the customer of the service completed to date.

4. FAIR VALUE

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.

		Fair Value at	
(in millions)	**Level in Fair Value Hierarchy**	**December 31, 2023**	**December 31, 2022**
Equity investment in TuSimple [(1)]	1	$ 0.3	$ 0.6
Marketable securities [(2)]	2	57.2	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 5, *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 5, *Investments*, for additional information.

The fair value of the Company's unsecured debt was $183.2 million and $199.1 million as of December 31, 2023 and 2022, respectively. The carrying value of the Company's debt was $185.0 million and $205.0 million as of December 31, 2023 and 2022, respectively. 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 year. This valuation used Level 2 inputs.

The recorded values of cash, trade accounts receivable, lease receivables, trade accounts payable, and amounts outstanding under revolving credit agreements approximate fair values.

We measure non-financial assets, such as assets held for sale and other long-lived assets, at fair value when there is an indicator of impairment and only when we recognize an impairment loss. The table below sets forth the Company's non-financial assets that were measured at fair value on a non-recurring basis during 2023.

(in millions)	Level in Fair Value Hierarchy	Fair Value at December 31, 2023
Assets held for sale [1]	2	$ 6.4

(1) Our held for sale transportation equipment is evaluated for impairment using market data upon classification as held for sale or as impairment indicators are present. If the carrying value of the assets held for sale exceeds the fair value, an impairment is recorded. All of the assets held for sale at December 31, 2023 were recorded at fair value. Refer to Note 1, *Summary of Significant Accounting Policies,* for further details on impairment charges.

As part of our acquisitions, certain assets acquired and liabilities assumed were recorded at their fair values as of the acquisition date. Refer to Note 2, *Acquisitions,* for further details.

5. INVESTMENTS

Marketable Securities

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

	December 31, 2023			December 31, 2022	
(in millions, except maturities in months)	Maturities	Amortized Cost	Fair Value	Amortized Cost	Fair Value
U.S. treasury and government agencies	8 to 86	$ 24.9	$ 22.9	$ 21.9	$ 19.3
Corporate debt securities	4 to 112	20.0	19.2	16.0	14.9
State and municipal bonds	6 to 178	15.5	15.1	12.4	11.7
Total marketable securities		$ 60.4	$ 57.2	$ 50.3	$ 45.9

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 December 31, 2023 and 2022 were $121.8 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 December 31, 2023. The note was funded during the first quarter of 2023, is subject to interest over its term, and matures in March 2030.

The following table summarizes the activity related to these equity investments during the periods presented.

	Year Ended December 31,		
(in millions)	2023	2022	2021
Investment in equity securities	$ 15.8	$ 24.0	$ —
Upward adjustments [1]	20.0	25.8	13.9
Cumulative upward adjustments	72.0		

(1) Our updated investment values were determined using the backsolve method, a valuation approach that primarily uses an option pricing model to value shares based on the price paid for recently issued shares.

Equity Investments with Readily Determinable Fair Values

Our non-controlling interest in TuSimple is accounted for under ASC 321, *Investments - Equity Securities*. In the years ended December 31, 2023 and 2022, the Company recognized pre-tax net losses of $0.3 million and $12.1 million, respectively, on its investment in TuSimple. See Note 4, *Fair Value*, for additional information on the fair value of our investment in TuSimple.

Equity Method Investment

In the second quarter of 2023, the Company invested $5.0 million consisting primarily of internal use software and cash in exchange for a 50% non-controlling ownership interest in Scope 23 LLC, an entity that provides a platform for shippers to track and manage their greenhouse gas emissions. Our interest is being accounted for under ASC 323, *Investments - Equity Method and Joint Ventures.* For the year ended December 31, 2023, we recorded losses in the amount of $0.1 million related to our investment, and the carrying value of our investment was $4.9 million as of December 31, 2023.

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

6. 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. The following table shows changes to our goodwill balances by segment during the years ended December 31, 2023 and 2022.

(in millions)	Truckload	Logistics	Total
Balance at December 31, 2021	$ 226.3	$ 14.2	$ 240.5
Acquisition (see Note 2)	7.7	—	7.7
Acquisition adjustments (see Note 2)	(20.0)	—	(20.0)
Balance at December 31, 2022	214.0	14.2	228.2
Acquisition (see Note 2)	104.6	—	104.6
Acquisition adjustments (see Note 2)	(1.1)	—	(1.1)
Balance at December 31, 2023	$ 317.5	$ 14.2	$ 331.7

During the year ended December 31, 2023, we recorded goodwill and made measurement period adjustments in conjunction with the acquisition of M&M which was recorded within the Truckload segment. Refer to Note 2, *Acquisitions,* for further details.

At December 31, 2023 and 2022, our Truckload segment had accumulated goodwill impairment charges of $34.6 million.

Goodwill is tested for impairment at least annually using the discounted cash flow, guideline public company, and guideline transaction methods 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, growth rates decrease, 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.

During the fourth quarter of 2023 and 2022, annual impairment tests were performed for our reporting units with goodwill as of October 31, our assessment date. In 2023, as a result of reorganizing the operating segments within Truckload, two goodwill impairment tests were performed within our Truckload segment, one before the operating segment reorganization and one after the operating segment reorganization. Refer to Note 14, *Segment Reporting,* for further details on the segment reorganization. No impairments resulted as part of the 2023 or 2022 annual impairment tests.

During the year ended December 31, 2023, we recorded $40.3 million of customer relationships, $4.1 million of trademarks, and $5.4 million of non-compete agreements related to the acquisition of M&M. The weighted-average amortization period is 15.0 years for customer relationships and trademarks and 5.0 years for non-compete agreements for a total weighted-average amortization period of 13.9 years. Refer to Note 2, *Acquisitions,* for further details.

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.

(in millions)	December 31, 2023 Gross Carrying Amount	December 31, 2023 Accumulated Amortization	December 31, 2023 Net Carrying Amount	December 31, 2022 Gross Carrying Amount	December 31, 2022 Accumulated Amortization	December 31, 2022 Net Carrying Amount
Customer relationships	$ 43.5	$ 1.8	$ 41.7	$ 3.2	$ 0.3	$ 2.9
Trademarks	10.9	1.5	9.4	6.8	0.7	6.1
Non-compete agreements	5.4	0.4	5.0	—	—	—
Total intangible assets	$ 59.8	$ 3.7	$ 56.1	$ 10.0	$ 1.0	$ 9.0

Amortization expense for intangible assets was $2.7 million and $1.0 million for the year ended December 31, 2023 and December 31, 2022, respectively.

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

(in millions)	December 31, 2023
2024	$ 5.0
2025	5.0
2026	5.0
2027	5.0
2028	4.6
2029 and thereafter	31.5
Total	$ 56.1

7. DEBT AND CREDIT FACILITIES

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

(in millions)	December 31, 2023	December 31, 2022
Unsecured senior notes: principal payable at maturities ranging from 2024 through 2028; interest payable in semiannual installments through the same timeframe; weighted-average interest rate of 3.68% and 3.93% for 2023 and 2022, respectively	$ 185.0	$ 205.0
Credit agreement: matures November 2027; variable rate interest payments due monthly based on the Term SOFR; weighted-average interest rate of 6.43% for 2023.	45.0	—
Receivables purchase agreement: matures July 2024; variable rate interest payments due monthly based on the Term SOFR; weighted-average interest rate of 6.28% for 2023.	60.0	—
Total debt and credit facilities	290.0	205.0
Current maturities	(100.0)	(70.0)
Long-term debt and credit facilities	$ 190.0	$ 135.0

Scheduled future debt principal payments are as follows:

(in millions)	December 31, 2023
2024	$ 100.0
2025	95.0
2026	—
2027	45.0
2028	50.0
Total	$ 290.0

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 2022 Credit Facility also provides a sublimit of $100.0 million to be used for the issuance of letters of credit. Standby letters of credit under these agreements amounted to $0.4 million and $0.1 million on December 31, 2023 and 2022, respectively, and were primarily related to the requirements of certain of our real estate leases.

Our Receivables Purchase Agreement (the "2021 Receivables Purchase Agreement") allows us to borrow funds against qualifying trade receivables at rates based on the Term SOFR up to $150.0 million and provides for the issuance of standby letters of credit through July 2024. At December 31, 2023 and 2022, standby letters of credit under this agreement amounted to $81.4 million and $77.1 million and were primarily related to the requirements of certain of our insurance obligations.

On August 30, 2023, Schneider National Leasing, Inc. ("SNL"), a wholly-owned subsidiary of the Company, issued and sold $50.0 million in notes pursuant to the Private Shelf Agreement to certain affiliates of PGIM, Inc. ("Prudential"). The notes represent senior promissory notes of SNL, bear interest of 5.63% per year, are payable semiannually, and will mature on August 30, 2028.

The credit agreements and the guaranty agreements relating to the unsecured senior notes contain various financial and other covenants, including required minimum consolidated net worth, consolidated net debt, limitations on indebtedness, transactions with affiliates, shareholder debt, and restricted payments. The credit agreements and senior notes contain change of control provisions pursuant to which a change of control is defined to mean the Schneider family no longer owns more than 50% of the combined voting power of our capital shares. A change of control event causes an immediate termination of unused commitments under the credit agreements and requires repayment of all outstanding borrowings plus accrued interest and fees. The senior notes require us to provide notice to the note holders offering prepayment of the outstanding principal along with interest accrued to the date of prepayment. The prepayment date is required to be within 20 to 60 days from the date of notice. At December 31, 2023, the Company was in compliance with all financial covenants.

8. 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. If we are reasonably certain to exercise an option to extend a lease, the extension period is included as part of the right-of-use asset and lease liability.

For our real estate leases, we have elected to apply the recognition requirement to leases of twelve months or less; therefore, a lease right-of-use asset and liability will be recognized for all of these leases. For our equipment leases, we have elected to not apply the recognition requirements to leases of twelve months or less. These leases will be expensed on a straight-line basis, and no operating lease right-of-use asset or liability will be recorded.

We have also elected to not separate the different components within the contract for our leases; therefore, all fixed costs associated with the lease are included in the right-of-use asset and lease liability. This often relates to the requirement for us to pay a proportionate share of real estate taxes, insurance, common area maintenance, and other operating costs in addition to a base or fixed rent. Some of our leases have variable payment amounts, and the variable portions of those payments are excluded from the right-of-use asset and lease liability.

At the inception of our contracts, we determine if the contract is or contains a lease. A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. None of our leases contain restrictions or covenants that restrict us from incurring other financial obligations.

Right-of-use lease assets and liabilities are recognized based on the present value of the future lease payments over the term. Our incremental borrowing rates are used as the discount rates for leases and are determined based on U.S. Treasury rates plus an applicable margin. Schneider uses multiple discount rates based on lease terms.

In conjunction with our acquisition of M&M, the Company entered into nine related party leases. The leases are for the use of shop, warehouse, office, and drop yard locations throughout the country. The leases run through 2026 and the related lease payments are not material.

The following table presents our net lease costs for the years ended December 31, 2023, 2022, and 2021.

(in millions)	Financial Statement Classification	Year Ended December 31, 2023	2022	2021
Operating lease cost				
Operating lease cost	Operating supplies and expenses—net	$ 36.7	$ 32.9	$ 31.3
Short-term lease cost [1]	Operating supplies and expenses—net	7.7	6.3	3.0
Finance lease cost				
Amortization of right-of-use assets	Depreciation and amortization	3.9	2.2	0.8
Interest on lease liabilities	Interest expense	0.5	0.2	0.1
Variable lease cost	Operating supplies and expenses—net	2.7	2.9	0.9
Sublease income	Operating supplies and expenses—net	(2.3)	(3.0)	(4.5)
Total net lease cost		$ 49.2	$ 41.5	$ 31.6

(1) Includes short-term lease costs for leases twelve months or less, including those with a duration of one month or less.

As of December 31, 2023 and 2022, remaining lease terms and discount rates under operating and finance leases were as follows:

	December 31, 2023	December 31, 2022
Weighted-average remaining lease term		
Operating leases	3.8 years	3.2 years
Finance leases	3.2 years	3.2 years
Weighted-average discount rate [1]		
Operating leases	5.0 %	3.7 %
Finance leases	5.0 %	4.3 %

(1) Determined based on a portfolio approach.

Additional information related to our leases is as follows:

(in millions)	Year Ended December 31, 2023	2022	2021
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows for operating leases	$ 36.7	$ 33.3	$ 31.4
Operating cash flows for finance leases	0.5	0.2	0.1
Financing cash flows for finance leases	3.9	2.0	0.8
Right-of-use assets obtained in exchange for new lease liabilities			
Operating leases	$ 52.6	$ 23.7	$ 28.7
Finance leases	5.8	6.8	4.1

Operating lease right-of-use assets, current operating lease liabilities, and noncurrent operating lease liabilities are included in internal use software and other noncurrent assets, other current liabilities, and other noncurrent liabilities, respectively, in the consolidated balance sheets. Operating lease right-of-use assets were $82.9 million and $63.5 million as of December 31, 2023 and 2022, respectively. We recorded no impairment losses on our operating lease right-of-use assets for the years ended December 31, 2023 or 2021, and a $0.1 million impairment loss for 2022.

At December 31, 2023, future lease payments under operating and finance leases were as follows:

(in millions)	Operating Leases	Finance Leases
2024	$ 33.8	$ 4.9
2025	25.0	3.9
2026	15.5	2.3
2027	8.6	1.2
2028	6.7	0.7
2029 and thereafter	7.3	—
Total	96.9	13.0
Amount representing interest	(8.9)	(0.9)
Present value of lease payments	88.0	12.1
Current maturities	(30.4)	(4.5)
Long-term lease obligations	$ 57.6	$ 7.6

For certain of our real estate leases, there are options contained within the lease agreement to extend beyond the initial lease term. The Company recognizes options as right-of-use assets and lease liabilities when deemed reasonably certain to be exercised. Future operating lease payments at December 31, 2023 include $1.0 million related to options to extend lease terms that we are reasonably certain to exercise.

As of December 31, 2023, we had leases that were signed but had not yet commenced totaling $0.5 million over their lease terms. These leases will commence in 2024 and have lease terms of three to five years.

The consolidated balance sheets include right-of-use assets acquired under finance leases as components of property and equipment as of December 31, 2023 and 2022. Real and other property under finance leases are being amortized to a zero net book value over the initial lease term.

(in millions)	December 31, 2023	December 31, 2022
Transportation equipment	$ 7.9	$ 3.1
Real property	1.1	1.0
Other property	10.4	8.9
Accumulated amortization	(7.7)	(3.3)
Total	$ 11.7	$ 9.7

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 accounted for as sales-type leases with fully guaranteed residual values. At the inception of the contracts, we determine if the contract is or contains a lease. A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. 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.

In addition, we also collect one-time administrative fees and heavy vehicle use tax on our leases. We have elected to not separate the different components within the contract as the administrative fees were not material for the years ended December 31, 2023, 2022, and 2021. We have also elected to exclude all taxes assessed by a governmental authority from the consideration (e.g., heavy vehicle use tax). All of our leases require fixed payments, therefore we have no variable payment provisions.

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

(in millions)	December 31, 2023	December 31, 2022
Future minimum payments to be received on leases	$ 161.8	$ 198.4
Guaranteed residual lease values	103.9	126.1
Total minimum lease payments to be received	265.7	324.5
Unearned income	(42.2)	(50.2)
Net investment in leases	$ 223.5	$ 274.3

The amounts to be received on lease receivables as of December 31, 2023 were as follows:

(in millions)	December 31, 2023
2024	$ 118.2
2025	86.8
2026	60.2
2027	0.5
Total undiscounted lease cash flows	265.7
Amount representing interest	(42.2)
Present value of lease receivables	223.5
Current lease receivables—net of allowance	(93.3)
Long-term lease receivable	$ 130.2

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 December 31, 2023 was $71.0 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 December 31, 2023, our lease payments past due were $3.4 million.

Leases are generally placed on nonaccrual status (nonaccrual of interest and other fees) when a payment becomes 90 days past due or upon notification of bankruptcy, death, or other instances management concludes collectability is not reasonably assured. The accrual of interest and other fees resumes when all payments are less than 60 days past due.

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.

	Year Ended December 31,		
(in millions)	2023	2022	2021
Revenue	$ 206.1	$ 195.0	$ 206.1
Cost of goods sold	(174.9)	(161.8)	(177.6)
Operating profit	$ 31.2	$ 33.2	$ 28.5
Interest income on lease receivable	$ 36.1	$ 37.0	$ 32.4

9. INCOME TAXES

The components of the provision for income taxes for the years ended December 31, 2023, 2022, and 2021 were as follows:

(in millions)	2023	2022	2021
Current:			
Federal	$ 15.2	$ 28.1	$ 112.5
Foreign	(10.1)	15.8	—
State	6.7	19.3	22.1
	11.8	63.2	134.6
Deferred:			
Federal	47.7	82.8	0.8
State and other	8.1	0.2	1.2
	55.8	83.0	2.0
Total provision for income taxes	$ 67.6	$ 146.2	$ 136.6

For the years ended December 31, 2023 and 2022, the foreign (benefit) provision for income taxes is primarily related to the finalization of the tax impact on the sale of our Canadian facility; for the year ended December 31, 2021, the foreign provision is insignificant in relation to our overall provision.

The provision for income taxes for the years ended December 31, 2023, 2022, and 2021 differed from the amounts computed using the federal statutory rate in effect as follows:

	2023		2022		2021	
(in millions, except percentages)	Dollar Impact	Rate	Dollar Impact	Rate	Dollar Impact	Rate
Income tax at federal statutory rate	$ 64.3	21.0 %	$ 126.8	21.0 %	$ 113.8	21.0 %
State tax—net of federal effect	13.8	4.5	15.4	2.6	18.9	3.5
Change in valuation allowance	(10.7)	(3.5)	10.7	1.8	—	—
Other—net	0.2	0.1	(6.7)	(1.2)	3.9	0.7
Total provision for income taxes	$ 67.6	22.1 %	$ 146.2	24.2 %	$ 136.6	25.2 %

The components of the net deferred tax liability included in deferred income taxes in the consolidated balance sheets as of December 31, 2023 and 2022 were as follows:

(in millions)	2023	2022
Deferred tax assets:		
Compensation and employee benefits	$ 8.1	$ 7.8
Operating lease liabilities	21.4	16.4
State net operating losses and credit carryforwards	10.5	9.4
Foreign capital loss carryforward	—	10.7
Other	14.2	14.9
Total gross deferred tax assets	54.2	59.2
Valuation allowance	(0.9)	(12.8)
Total deferred tax assets—net of valuation allowance	53.3	46.4
Deferred tax liabilities:		
Property and equipment	596.3	548.0
Prepaid expenses	6.8	5.6
Intangible assets	8.1	2.4
Operating lease right-of-use assets	19.6	15.2
Other	18.2	13.4
Total gross deferred tax liabilities	649.0	584.6
Net deferred tax liability	$ 595.7	$ 538.2

Unrecognized Tax Benefits

Our unrecognized tax benefits as of December 31, 2023 would reduce the provision for income taxes if subsequently recognized. Potential interest and penalties related to unrecognized tax benefits are recorded in income tax expense. Accrued interest and penalties for such unrecognized tax benefits as of December 31, 2023 and 2022 were $2.7 million and $3.1 million, respectively. We expect no significant increases or decreases for unrecognized tax benefits during the twelve months immediately following the December 31, 2023 reporting date.

As of December 31, 2023, 2022, and 2021, a reconciliation of the beginning and ending unrecognized tax benefits, which is recorded as other noncurrent liabilities in the consolidated balance sheets, is as follows:

(in millions)	2023	2022	2021
Gross unrecognized tax benefits—beginning of year	$ 6.0	$ 5.2	$ 4.3
Gross increases—tax positions related to current year	—	1.0	0.9
Gross decreases—tax positions taken in prior years	(0.5)	(0.2)	—
Settlements	(1.1)	—	—
Gross unrecognized tax benefits—end of year	$ 4.4	$ 6.0	$ 5.2

Tax Examinations

We file a U.S. federal income tax return, as well as income tax returns in a majority of state tax jurisdictions. We also file returns in foreign jurisdictions. The years 2020, 2021, and 2022 are open for examination by the IRS, and various years are open for examination by state and foreign tax authorities. In October 2023, the statute for 2019 expired. State and foreign jurisdictional statutes of limitations generally range from three to four years.

Carryforwards

As of December 31, 2023, we had $169.8 million of state net operating loss carryforwards which are subject to expiration from 2024 to 2044. We also had state credit carryforwards of $1.2 million, which are subject to expiration from 2027 to 2038, and no capital loss carryforwards. The deferred tax assets related to carryforwards at December 31, 2023 were $9.4 million for state net operating loss carryforwards and $0.4 million for state credit carryforwards. Carryforwards are reviewed for recoverability based on historical taxable income, the expected reversals of existing temporary differences, tax-planning strategies, and projections of future taxable income. At December 31, 2023, we carried a total valuation allowance of $0.9 million, which was against state deferred tax assets.

10. COMMON EQUITY

Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share for the years ended December 31, 2023, 2022, and 2021.

	Year Ended December 31,		
(in millions, except per share data)	**2023**	**2022**	**2021**
Numerator:			
Net income available to common shareholders	$ 238.5	$ 457.8	$ 405.4
Denominator:			
Weighted average common shares outstanding	177.3	177.9	177.6
Dilutive effect of share-based awards and options outstanding	0.8	0.9	0.5
Weighted average diluted common shares outstanding [1]	178.2	178.8	178.1
Basic earnings per common share	$ 1.35	$ 2.57	$ 2.28
Diluted earnings per common share	1.34	2.56	2.28

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

The calculation of diluted earnings per share excluded 0.2 million, 0.3 million, and 0.8 million share-based awards and options that had an anti-dilutive effect for the years ended December 31, 2023, 2022, and 2021, respectively.

Common Shares Outstanding

As of December 31, 2023, 2022, and 2021, we had 83,029,500 shares of Class A common stock outstanding. There were no changes to the number of shares of Class A common stock outstanding for the years ended December 31, 2023, 2022, and 2021.

The following table shows changes to our Class B common shares outstanding for the years ended December 31, 2023, 2022, and 2021.

	Year Ended December 31,		
	2023	**2022**	**2021**
Outstanding at beginning of period	94,993,144	94,626,740	94,311,653
Repurchases of common stock	(2,505,267)	—	—
Share issuances	681,642	306,071	370,226
Exercise of employee stock options	6,000	150,692	42,904
Shares withheld for employee taxes	(244,277)	(90,359)	(98,043)
Outstanding at end of period	92,931,242	94,993,144	94,626,740

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 December 31, 2023, the Company had repurchased $66.2 million of the $150.0 million authorized under the repurchase program.

Capital Stock and Rights

Our common equity consists of 750.0 million authorized shares of Class B common stock, entitled to one vote per share, and 250.0 million authorized shares of Class A common stock, entitled to 10 votes per share. Our Class B common stock has traded on the NYSE under the symbol “SNDR” since our IPO in April 2017. Our Class A common stock is held by the Voting Trust for the benefit of members of the Schneider family. Each share of Class A common stock is convertible into one share of Class B common stock. Our Class B common stock is not convertible into any other shares of our capital stock. There is no public trading market for our Class A common stock.

Our Amended and Restated Articles of Incorporation provide that holders of our Class A and Class B common stock will be treated equally and ratably on a per share basis with respect to dividends, unless disparate treatment is approved in advance by the vote of the holders of a majority of the outstanding shares of our Class A and Class B common stock, each voting as a separate group.

In the event of a dissolution, liquidation, or winding up of the company, the holders of Class A and Class B common stock are entitled to share ratably in all assets and funds remaining after payment of liabilities, subject to prior distribution rights of preferred stock, if any, then outstanding, unless disparate treatment is approved in advance by the vote of the holders of a majority of the outstanding shares of our Class A and Class B common stock, each voting as a separate group.

Additionally, a total of 50.0 million shares of preferred stock is authorized, none of which is currently outstanding. The Company has no present plans to issue any preferred stock.

Dividends Declared

During 2023, 2022, and 2021, the Company declared cash dividends totaling $0.36, $0.32, and $0.28 per share, respectively.

Subsequent Event - Dividends Declared

In January 2024, our Board declared a quarterly cash dividend for the first fiscal quarter of 2024 in the amount of $0.095 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 March 8, 2024 and is expected to be paid on April 9, 2024.

11. EMPLOYEE BENEFIT PLANS

We sponsor defined contribution plans for certain eligible employees. Under these plans, annual contribution levels, as defined in the plan agreements, are based upon years of service. Expense under these plans totaled $13.5 million, $12.1 million, and $11.3 million in 2023, 2022, and 2021, respectively, and is classified in salaries, wages, and benefits in the consolidated statements of comprehensive income.

We also have a savings plan, organized pursuant to Section 401(k) of the Internal Revenue Code, to provide employees with additional income upon retirement. Under the terms of the plan, substantially all employees may contribute a percentage of their annual compensation, as defined, to the plan. We make contributions to the plan, up to a maximum amount per employee, based on a percentage of employee contributions. Our net expense under this plan was $15.4 million, $14.2 million, and $12.9 million in 2023, 2022, and 2021, respectively.

12. 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 prior to 2021 are earned based on attainment of threshold performance of earnings and return on capital targets. Beginning with grants in 2021, in addition to achievement of earnings and return on capital targets, a multiplier is applied to performance share and PSU achievement based on rTSR against peers over the performance period.

We account for our restricted shares, RSUs, performance shares, PSUs, and non-qualified stock options granted as equity awards in accordance with the applicable accounting standards for these types of share-based payments. These standards require that the cost of the awards be recognized in our consolidated financial statements based on the grant date fair value of those awards. This cost is recognized over the period for which an employee is required to provide service in exchange for the award, subject to the attainment of performance metrics established for performance shares and PSUs. Share-based compensation expense is recorded in salaries, wages, and benefits in our consolidated statements of comprehensive income, along with other compensation expenses to employees.

The following table summarizes the components of our employee share-based compensation expense.

	Year Ended December 31,		
(in millions)	**2023**	**2022**	**2021**
Restricted shares and RSUs	$ 9.7	$ 5.7	$ 5.8
Performance shares and PSUs	3.9	8.7	6.1
Non-qualified stock options	2.0	1.4	1.4
Share-based compensation expense	$ 15.6	$ 15.8	$ 13.3
Related tax benefit	$ 3.5	$ 3.8	$ 3.3

As of December 31, 2023, we had $16.4 million of pre-tax unrecognized compensation cost related to outstanding share-based compensation awards expected to be recognized over a weighted average period of 1.9 years.

Restricted Shares and RSUs

Under the Plan, RSUs granted in 2023 vest ratably over a period of three years while the majority of the restricted shares and RSUs granted prior to 2023 vest ratably over a period of four years beginning approximately one year after the date of grant and are subject to continued employment through the vesting date or retirement eligibility. Dividend equivalents, equal to dividends paid on our common shares during the vesting period, are tracked and accumulated for each restricted share and RSU. The dividend equivalents are forfeitable and are distributed to participants in cash consistent with the date the awards vest.

Restricted Shares and RSUs	**Number of Awards**	**Weighted Average Grant Date Fair Value**
Unvested at December 31, 2020	589,587	$ 22.96
Granted	341,508	22.61
Vested	(229,226)	22.82
Forfeited	(22,610)	22.77
Unvested at December 31, 2021	679,259	22.84
Granted [(1)]	322,316	25.85
Vested	(256,779)	23.49
Forfeited	(49,329)	23.91
Unvested at December 31, 2022	695,467	23.92
Granted [(1)]	378,453	28.45
Vested	(272,678)	23.41
Forfeited	(53,685)	26.21
Unvested at December 31, 2023	747,557	$ 26.24

(1) No restricted shares were granted during 2022 or 2023.

The grant date fair value of restricted shares and RSUs is determined using the closing share price of the Company on the date of grant.

Performance Shares and PSUs

Performance shares and PSUs cliff-vest at the end of a performance period of three years with vesting based on attainment of threshold performance of earnings and return on capital targets. These awards are subject to continued employment through the vesting date or retirement eligibility, with payout ranging from 0% - 200% of the target number of shares for both PSUs and performance shares. Awards granted since 2021 include an additional rTSR component that allows for payout ranging from 0% - 250% of the target number of shares. Dividend equivalents equal to dividends paid on our common shares during the vesting period are tracked and accumulated for each award. The dividend equivalents are forfeitable consistent with the date the awards vest and are distributed to participants in cash at the same time as the underlying shares.

Performance Shares and PSUs	Number of Awards	Weighted Average Grant Date Fair Value
Unvested at December 31, 2020	655,022	$ 22.15
Granted	439,620	24.44
Vested	—	—
Forfeited	(313,362)	22.27
Unvested at December 31, 2021	781,280	23.39
Granted [1]	224,455	28.32
Vested	(304,794)	22.04
Forfeited	(97,942)	24.23
Unvested at December 31, 2022	602,999	25.77
Granted [1]	237,886	31.60
Vested	(310,648)	24.43
Forfeited	(129,682)	26.40
Unvested at December 31, 2023	400,555	$ 30.07

(1) No performance shares were granted during 2022 or 2023.

We estimate the grant date fair value of performance shares and PSUs containing a rTSR component using a Monte Carlo simulation which requires assumptions for expected term, volatility, dividend yield, and risk-free interest rate. We use the historical volatility of peers to derive the expected volatility of the stock. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant taking into consideration the expected term of the awards. No expected dividend yield is used as the award agreement assumes dividends distributed during the performance period are reinvested.

Assumptions used in the Monte Carlo simulation for awards granted in 2023, 2022, and 2021 were as follows:

	2023	2022	2021
Weighted-average Monte Carlo value	$ 31.60	$ 28.32	$ 24.44
Monte Carlo assumptions:			
Expected term	2.87 years	2.87 years	2.87 years
Expected volatility	39.3 %	45.3 %	45.8 %
Risk-free interest rate	4.3	1.8	0.2

Non-qualified Stock Options

The options granted under the Plan have an exercise price equal to the fair market value of the underlying stock at the date of grant and vest ratably over a period of four years, with the first 25% of the grant becoming exercisable approximately one year after the date of grant. The options expire ten years from the date of grant.

Non-qualified Stock Options Outstanding	Number of Awards	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value [1] (in thousands)
Outstanding at December 31, 2020	685,900	$ 20.60	7.1	$ 735
Granted	305,668	22.63		
Exercised [2]	(42,904)	17.00		243
Forfeited	—	—		
Outstanding at December 31, 2021	948,664	21.42	7.3	5,208
Granted	311,501	25.58		
Exercised [2]	(150,692)	22.65		467
Forfeited	(70,830)	22.92		
Outstanding at December 31, 2022	1,038,643	22.39	7.6	1,794
Granted [3]	—	—		
Exercised [2]	(6,000)	18.99		64
Forfeited	(61,946)	23.71		
Outstanding at December 31, 2023	970,697	$ 22.33	5.8	$ 3,140
Exercisable as of:				
December 31, 2021	329,711	$ 21.15	5.7	$ 1,898
December 31, 2022	402,945	20.89	6.4	1,098
December 31, 2023	630,171	21.48	4.9	2,531

(1) The aggregate intrinsic value was computed using the closing share price on December 29, 2023 of $25.45, December 30, 2022 of $23.40, and December 31, 2021 of $26.91, as applicable.
(2) Cash received upon exercise of stock options was $0.1 million in 2023, $3.4 million in 2022, and $0.7 million in 2021.
(3) No NQSOs were granted in 2023.

Unvested Non-qualified Stock Options	Number of Awards	Weighted Average Grant Date Fair Value
Unvested at December 31, 2020	506,007	$ 6.89
Granted	305,668	5.86
Vested	(192,722)	7.01
Forfeited	—	—
Unvested at December 31, 2021	618,953	6.34
Granted	311,501	7.32
Vested	(223,926)	6.75
Forfeited	(70,830)	6.55
Unvested at December 31, 2022	635,698	6.65
Granted [1]	—	—
Vested	(233,226)	6.59
Forfeited	(61,946)	6.64
Unvested at December 31, 2023	340,526	$ 6.69

(1) No NQSOs were granted during 2023.

We estimate the grant date fair value of option awards using the Black-Scholes option pricing model which uses assumptions over the expected term of the options. We use volatility analysis of comparable companies to determine the expected volatility of the stock and market data to estimate option exercise and employee termination within the valuation model. The expected term of options granted is based on the average of the contractual term and the weighted average of the vesting term, and it represents the average period of time that options granted are expected to be outstanding. The risk-free rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

Assumptions used in calculating the Black-Scholes value of options granted during 2022 and 2021 were as follows:

	2022	2021
Weighted-average Black-Scholes value	$ 7.32	$ 5.86
Black-Scholes assumptions:		
Expected term	6.25 years	6.25 years
Expected volatility	30.0 %	30.0 %
Expected dividend yield	1.2	1.2
Risk-free interest rate	2.1	0.7

Director Share Awards and Deferred Stock Units

Equity awards are granted to each director annually on the date of our annual shareholder meeting and accounted for as equity based in accordance with applicable accounting standards for these types of share-based payments. Expense related to our director equity based awards was $1.4 million in 2023, $1.4 million in 2022, and $1.3 million in 2021.

We also grant equity retainer awards, or shares in lieu of cash, on a quarterly basis to our non-employee directors. These awards consist of fully vested shares of our Class B common stock or deferred stock units (DSUs). We account for the quarterly director share awards and DSUs as liability based in accordance with the applicable accounting standards for these types of share-based payments and remeasure the DSUs at the end of each reporting period through settlement. Expense related to our director liability based awards was $1.1 million in 2023, $0.9 million in 2022, and $1.2 million in 2021.

13. 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.

At December 31, 2023, our firm commitments to purchase transportation equipment totaled $236.7 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 Company filed a request for appeal of the audit assessment with the state jurisdiction, and during 2023, a ruling was made in favor of the state resulting in an additional $2.9 million in interest and penalties being recorded by the Company. A denial was received from the state during the fourth quarter of 2023 in response to the appeal, and as a result, the Company filed a petition request with the state Appellate Tax Board in January of 2024. Both the initial charge and the additional interest and penalties incurred are recorded within operating supplies and expenses—net on the consolidated statements of comprehensive income.

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. The Company settled with the former owners of WSL for a total of $57.0 million, which is included within other general expenses on the consolidated statements of comprehensive income for the year ended December 31, 2022.

14. SEGMENT REPORTING

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

As of December 31, 2022, our three operating segments within the Truckload reportable segment were: VTL, Bulk, and MLS. As a result of expanding our dedicated business through recent acquisitions, in the fourth quarter of 2023, we reorganized the operating segments within Truckload into Dedicated, which includes MLS and M&M; Van Network; and Bulk. The three operating segments are aggregated because they have similar economic characteristics with our other Truckload operating segments and meet the other aggregation criteria described in ASC 280. Dedicated provides truckload services primarily focused on freight with consistent routes often based on long-term contracts, Van Network which consists of irregular routes, and Bulk which delivers key inputs for manufacturing processes, such as specialty chemicals using specialty trailers.

The Intermodal reportable segment provides rail intermodal and drayage services to our customers. Company-owned containers, chassis, and dray tractors are used to provide these transportation services.

The Company has two operating segments within the Logistics reportable segment, Brokerage and SCDM, which are aggregated because they have similar economic characteristics and meet the other aggregation criteria described in the accounting guidance for segment reporting. In the Logistics segment, we provide additional sources of truck capacity, manage transportation-systems analysis requirements for individual customers, and provide transloading and warehousing services.

We generate other revenues from our leasing and captive insurance businesses which are operated by wholly owned subsidiaries. Through November of 2022 and prior to executing a management buyout agreement to sell that business, the Company had operations in Asia that met the definition of an operating segment. None of these operations meet the quantitative reporting thresholds, and a result, are grouped in “Other” in the tables below. Also included in “Other” are revenues and expenses that are incidental to our operations and not attributable to any of the reportable segments.

The CODM reviews revenues for each segment without the inclusion of fuel surcharge revenue. 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 within Other include revenues from insurance premiums charged to other segments for workers’ compensation, auto, and other types of insurance and were $77.5 million, $73.5 million, and $62.4 million for the years ended December 31, 2023, 2022, and 2021, respectively.

Revenues by Segment	**Year Ended December 31,**		
(in millions)	**2023**	**2022**	**2021**
Truckload	$ 2,155.7	$ 2,236.6	$ 1,934.9
Intermodal	1,050.7	1,287.4	1,143.1
Logistics	1,393.7	1,956.2	1,808.7
Other	333.4	364.0	365.3
Fuel surcharge	684.3	862.5	444.8
Inter-segment eliminations	(118.9)	(102.3)	(88.1)
Operating revenues	$ 5,498.9	$ 6,604.4	$ 5,608.7

Income (Loss) from Operations by Segment	**Year Ended December 31,**		
(in millions)	**2023**	**2022**	**2021**
Truckload	$ 170.7	$ 352.2	$ 284.7
Intermodal	71.0	165.1	155.2
Logistics	45.9	141.2	92.4
Other	8.8	(58.1)	1.4
Income from operations	$ 296.4	$ 600.4	$ 533.7

Depreciation and Amortization by Segment	Year Ended December 31,		
(in millions)	2023	2022	2021
Truckload	$ 278.7	$ 249.3	$ 210.2
Intermodal	53.4	57.2	48.4
Logistics	0.1	0.1	0.2
Other	50.3	43.4	37.4
Depreciation and amortization	$ 382.5	$ 350.0	$ 296.2

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There have been no disagreements with accountants on accounting or financial disclosure matters.

ITEM 9A. 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. The Company's disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the U.S. Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure. 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

In May 2023, we began the implementation of a new ERP system which replaced our core financial systems. The new ERP system was designed to increase the efficiency and accuracy of data by streamlining data sources, simplifying complex processes, and reducing manual processes. As part of the implementation process, we made several modifications to our internal control processes and procedures which did not result in significant changes in our internal control over financial reporting.

There have been no other 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 ended December 31, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting is a process designed under the supervision of the Company's Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external purposes in accordance with GAAP.

Because of its inherent limitation, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control – Integrated Framework (2013 Framework).* Based on this assessment, management believes that as of December 31, 2023, our internal control over financial reporting was effective.

On August 1, 2023, we completed our acquisition of M&M and in accordance with SEC Staff guidance, which allows companies to exclude an acquired business from management's assessment of the effectiveness of internal control over financial reporting in the year of acquisition, we have excluded M&M from our assessment of the effectiveness of internal control over financial reporting as of December 31, 2023.

The total assets of M&M constitute approximately 5.7% of the Company's consolidated total assets as of December 31, 2023, while operating revenues constitute approximately 1.3% of the Company's total revenues on December 31, 2023. See Note 2, *Acquisition*, for additional information.

The effectiveness of internal control over financial reporting as of December 31, 2023, has been audited by Deloitte & Touche LLP, an independent registered public accounting firm that also audited our consolidated financial statements. Deloitte & Touche LLP's attestation report on internal control over financial reporting is included herein.

ITEM 9B. OTHER INFORMATION

Rule 10b5-1 Trading Plans

During the three months ended December 31, 2023, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

Except for the information concerning our executive officers and our Code of Conduct below, the information required by Item 10 is incorporated herein by reference to the information set forth under the captions “Election of Directors,” “Corporate Governance,” and “Delinquent Section 16(a) Reports” in our definitive proxy statement for our 2024 Annual Meeting of Shareholders (the “Proxy Statement”), which will be filed with the SEC no later than 120 days after the close of the fiscal year ended December 31, 2023.

Our Board has adopted a Code of Conduct applicable to all employees, and a Code of Ethics for CEO and Senior Financial Officers that applies to our Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer, and other persons performing similar functions. We have posted a copy of our Code of Conduct and Code of Ethics for CEO and Senior Financial Officers on the “Investors - Governance” section of our website at www.schneider.com. We intend to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding amendments to, or waivers from, the Code of Conduct and Code of Ethics for CEO and Senior Financial Officers by posting such information on the “Investors” section of our website at www.schneider.com. We are not including the information contained on our website as part of, or incorporating it by reference into, this report.

Information About Our Executive Officers

Our executive officers as of February 23, 2024, together with their ages, positions, and business experience are below:

Name	Age	Position
Mark B. Rourke	59	President, Chief Executive Officer and Director
Darrell G. Campbell	45	Executive Vice President, Chief Financial Officer
Shaleen Devgun	51	Executive Vice President, Chief Innovation & Technology Officer
James Filter	53	Executive Vice President, Group President of Transportation & Logistics
Angela Fish	52	Executive Vice President, Human Resources
Thomas G. Jackson	58	Executive Vice President, General Counsel & Corporate Secretary
Robert Reich	57	Executive Vice President, Chief Administrative Officer

Mark B. Rourke has served as our President and Chief Executive Officer, and as a Director, since April 2019. Prior to serving as our Chief Executive Officer, Mr. Rourke served as Executive Vice President and Chief Operating Officer and held various other roles within Schneider including President of our Truckload Services Division and General Manager of Schneider Transportation Management, where he was responsible for the effective delivery to market of sole source, promotional, and brokerage service offerings. Mr. Rourke held a variety of other leadership roles at Schneider with increasing responsibility including Vice President of Customer Service, Director of Transportation Planning for Customer Service, Midwest Area Service Manager for Customer Service, and Director of Driver Training. Mr. Rourke joined our company in 1987, holds a bachelor’s degree in marketing from the University of Akron, Ohio, and has attended programs on corporate governance and strategic leadership at Harvard University. He currently serves on the Board for The Shyft Group, the Trucking Alliance, and the Green Bay Packers.

Darrell G. Campbell has served as our Executive Vice President and Chief Financial Officer since September 2023. Prior to joining Schneider, Mr. Campbell served as Group Vice President of Strategy and Finance for JM Family Enterprises, Inc. since 2022. Previously, he served as the Chief Financial Officer for Carnival Cruise Line from 2021 to 2022 and Corporate Treasurer of Carnival Corporation & plc from 2017 to 2021. Mr. Campbell also spent 14 years at PricewaterhouseCoopers LLP through 2017, including serving as an audit partner. Campbell is a licensed certified public accountant. He holds a bachelor’s degree in accounting and management from the University of the West Indies, as well as master’s degrees in international business from the University of Florida, and in accounting from Florida International University.

Shaleen Devgun has served as Executive Vice President, Chief Innovation and Technology Officer since 2022. Prior to serving as our Chief Innovation and Technology Officer, Mr. Devgun served as our Chief Information Officer from 2015 through 2021, as well as Vice President for Strategy, Planning, and Solution Delivery. Before joining Schneider in 2009, he spent 12 years in management consulting roles with DiamondCluster International and Deloitte, specializing in corporate venturing, formulation and execution of business and technology strategy, program leadership, and operational design. Mr. Devgun holds bachelor’s degrees in economics and math from the University of Pune and a master’s degree in business administration from the University of Detroit Mercy. He also serves as chief advisor to TitletownTech, a venture fund founded by the Green Bay Packers and Microsoft Corporation.

James Filter has served as our Executive Vice President, Group President of Transportation and Logistics since April 2022. Prior to assuming his current role, Mr. Filter served as Senior Vice President and General Manager of Intermodal from 2015 to 2021 when his responsibilities were expanded to include accountabilities as Chief Commercial Officer. Mr. Filter joined our company in 1998 having previously worked at United Parcel Service (UPS) and served in the U.S. Marine Corps. He holds a bachelor's degree from the University of Wisconsin-Green Bay and a master's degree in business administration from Wayne State University. He currently serves on the Board for Family Services of Northeast Wisconsin.

Angela Fish has served as Executive Vice President, Human Resources since March 2022. Prior to being promoted to that role, Ms. Fish served as Senior Vice President of Human Resources since 2019. Ms. Fish joined Schneider in 1996 and during her tenure has held senior leadership roles across the human resources, benefits, and compensation areas. Prior to joining Schneider, Ms. Fish worked at the University of Michigan. She holds a business degree from Northern Michigan University and locally serves on the Board of the Greater Green Bay YMCA.

Thomas G. Jackson has served as Executive Vice President, General Counsel and Corporate Secretary since July 2019. Prior to joining Schneider, Mr. Jackson served as Senior Vice President, Secretary, and General Counsel of Knowles Corporation from 2014 to 2019. Prior to joining Knowles, Mr. Jackson served as Vice President and Assistant General Counsel at Jabil Circuit, Inc. from March 2012 to December 2013. In addition, he served as Vice President, General Counsel, and Secretary at P.H. Glatfelter Company from June 2008 to November 2011, and as its Assistant General Counsel, Assistant Secretary, and Director of Compliance from September 2006 to June 2008. Mr. Jackson holds both a juris doctor and a master of business administration from Villanova University, and a bachelor of science degree in mechanical engineering from Drexel University.

Robert Reich has served as our Executive Vice President and Chief Administrative Office since April 2019. Prior to serving as our Chief Administrative Officer, Mr. Reich served as Senior Vice President, Equipment, Maintenance, and Driver Development from 2014 through 2019, as well as other senior leadership roles at Schneider across the maintenance, human resources, driver development and training, and safety areas. Before joining Schneider, Mr. Reich served as an officer in the U.S. Army and was a member of the 1st Cavalry Division at Fort Hood. He holds a bachelor's degree in electrical engineering from Pennsylvania State University and a master's degree in business administration from the University of Wisconsin-Oshkosh. He also serves as the Chair for the Board of the North American Council for Freight Efficiency.

ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 11 is incorporated herein by reference to the information set forth under the captions "Corporate Governance - Compensation Committee Interlocks and Insider Participation," "Compensation of Directors," "Compensation Discussion and Analysis," "Compensation Committee Report," and "Executive Compensation Tables and Narrative" in the Proxy Statement, which will be filed with the SEC no later than 120 days after the close of the fiscal year ended December 31, 2023.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Equity Compensation Plan Information

The following table summarizes share and exercise price information about our equity compensation plans as of December 31, 2023. All of our equity compensation plans pursuant to which grants are currently being made have been approved by our shareholders.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants, and Rights [1]	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in the First Column)
Equity compensation plans approved by security holders	2,207,864	$ 22.33	3,570,585
Equity compensation plans not approved by security holders	—	—	—
Total	2,207,864	$ 22.33	3,570,585

(1) The calculation of the weighted average exercise price includes only stock options and does not include the outstanding deferred stock units, restricted stock units, and performance-based restricted stock units reflected in the first column.

The remaining information required by Item 12 is incorporated herein by reference to the information set forth under the caption "Information Regarding Beneficial Ownership of Principal Shareholders, the Board, and Management" in the Proxy Statement, which will be filed with the SEC no later than 120 days after the close of the fiscal year ended December 31, 2023.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The information required by Item 13 is incorporated herein by reference to the information set forth under the caption “Corporate Governance” in the Proxy Statement, which will be filed with the SEC no later than 120 days after the close of the fiscal year ended December 31, 2023.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by Item 14 is incorporated herein by reference to the information set forth under the caption “Ratification of Appointment of Independent Registered Public Accounting Firm” in the Proxy Statement, which will be filed with the SEC no later than 120 days after the close of the fiscal year ended December 31, 2023.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(1) Financial Statements

Our consolidated financial statements are included in Part II, Item 8, above.

(2) Financial Statement Schedules

Schedule II - Valuation and Qualifying Accounts *(in millions)*

Allowance for Doubtful Accounts and Revenue Adjustments for the Year Ended	Balance at Beginning of Year	Charged to Expense / Against Revenue	Write-offs—Net of Recoveries	Balance at End of Year
December 31, 2021	$ 3.7	$ 2.3	$ (0.8)	$ 5.2
December 31, 2022	5.2	10.6	(2.1)	13.7
December 31, 2023	13.7	7.9	(6.6)	15.0

All other schedules have been omitted either because they are not applicable or because the required information is included in our consolidated financial statements or the notes thereto.

(3) Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference Herein			
		Form	Exhibit	File No.	Filing Date
3.1	Amended and Restated Articles of Incorporation of Schneider National, Inc., dated as of March 17, 2017	8-K	3.1	001-38054	4/12/2017
3.2	Amended and Restated Bylaws of Schneider National, Inc., dated as of April 26, 2021	8-K	3.1	001-38054	4/28/2021
4.1*	Description of Class B Common Stock				
9.1	Amended and Restated 1995 Schneider National, Inc. Voting Trust Agreement and Voting Agreement	S-1	9.1	333-215244	12/22/2016
9.2	Joinder to Amended and Restated 1995 Schneider National, Inc. Voting Trust Agreement and Voting Agreement	10-K	9.2	001-38054	2/27/2018
10.2	Note Purchase Agreement dated as of June 12, 2013 by and among Schneider National Leasing, Inc., as issuer, Schneider National, Inc., as parent guarantor, and the purchasers party thereto	S-1/A	10.3	333-215244	2/3/2017
10.3	Note Purchase Agreement dated as of November 10, 2014 by and among Schneider National Leasing, Inc., as issuer, Schneider National, Inc., as parent guarantor, and the purchasers party thereto	S-1/A	10.4	333-215244	2/3/2017
10.4	Joinder and Amendment No. 2, dated as of September 5, 2018, to Amended and Restated Purchase Agreement dated as of March 31, 2011, as amended as of December 17, 2013, among Schneider Receivables Corporation, as seller, Schneider National, Inc., as the servicer, Wells Fargo Bank, N.A., as administrative agent, and the purchasers party thereto	8-K	10.1	001-38054	9/6/2018
10.5	Amended and Restated Stock Restriction Agreement	S-1	10.6	333-215244	12/22/2016
10.6	Amended and Restated Schneider Family Board Nomination Process Agreement	10-K	10.6	001-38054	2/17/2023

10.7	Registration Rights Agreement, dated April 11, 2017, by and among Schneider National, Inc., Mary P. DePrey, Therese A. Koller, Paul J. Schneider, Thomas J. Schneider, Kathleen M. Zimmermann, the Donald J. Schneider Childrens Trust #1 f/b/o Mary P. DePrey, the Donald J. Schneider Childrens Trust #2 f/b/o Mary P. DePrey, the Donald J. Schneider Childrens Trust #1 f/b/o Paul J. Schneider, the Donald J. Schneider Childrens Trust #2 f/b/o Paul J. Schneider, the Donald J. Schneider Childrens Trust #1 f/b/o Therese A. Koller, the Donald J. Schneider Childrens Trust #2 f/b/o Therese A. Koller, the Donald J. Schneider Childrens Trust #1 f/b/o Thomas J. Schneider, the Donald J. Schneider Childrens Trust #2 f/b/o Thomas J. Schneider, the Donald J. Schneider Childrens Trust #1 f/b/o Kathleen M. Zimmermann, the Donald J. Schneider Childrens Trust #2 f/b/o Kathleen M. Zimmermann, the Donald J. Schneider 2000 Trust f/b/o Mary P. DePrey, the Donald J. Schneider 2000 Trust f/b/o Therese A. Koller, the Donald J. Schneider 2000 Trust f/b/o Paul J. Schneider, the Donald J. Schneider 2000 Trust f/b/o Thomas J. Schneider, the Donald J. Schneider 2000 Trust f/b/o Kathleen M. Zimmermann, the Paul J. Schneider 2011 Trust, the Mary P. DePrey 2011 Trust, the Therese A. Koller 2011 Trust and the Kathleen M. Zimmermann 2011 Trust	8-K	4.1	001-38054	4/12/2017
10.8+	Schneider National, Inc. 2017 Omnibus Incentive Plan	S-1/A	10.9	333-215244	3/7/2017
10.9+	Schneider National, Inc. Senior Management Incentive Plan	S-1/A	10.10	333-215244	3/7/2017
10.10+	Form of Schneider National, Inc. Nonqualified Stock Option Award Agreement	S-1/A	10.13	333-215244	3/7/2017
10.11+	Form of Schneider National, Inc. Director Restricted Stock Unit Award Agreement (Annual Meeting Awards)	S-1/A	10.14	333-215244	3/7/2017
10.12+	Schneider National, Inc. Omnibus Long-Term Incentive Plan	S-1/A	10.18	333-215244	3/7/2017
10.14+	Schneider National, Inc. Long-Term Incentive Plan	S-1/A	10.22	333-215244	3/7/2017
10.15+	Schneider National, Inc. Long-Term Incentive Award Agreement (Restricted Cash)	S-1/A	10.23	333-215244	3/7/2017
10.16+	Schneider National, Inc. 2005 Supplemental Savings Plan as Amended and Restated July 25, 2022	10-K	10.16	001-38054	2/17/2023
10.17+	First Amendment to Schneider National, Inc. 2005 Supplemental Savings Plan	S-1/A	10.25	333-215244	3/7/2017
10.18+	Form of Schneider National, Inc. Pre-IPO Key Employee Non-Compete and No-Solicitation Agreement	S-1/A	10.26	333-215244	3/7/2017
10.19+	Form of Schneider National, Inc. Post-IPO Non-Compete and No-Solicitation Agreement	S-1/A	10.27	333-215244	3/7/2017
10.20+	Form of Schneider National, Inc. Pre-IPO Key Employee Confidentiality Agreement	S-1/A	10.28	333-215244	3/7/2017
10.21+	Form of Schneider National, Inc. Post-IPO Confidentiality Agreement	S-1/A	10.29	333-215244	3/7/2017
10.22+	Schneider National, Inc. Director Deferred Compensation Program	S-1/A	10.30	333-215244	3/7/2017
10.23+	Schneider National, Inc. Employee Stock Purchase Plan, dated as of February 1, 1985, as amended as of March 17, 2017	S-8	4.3	333-217301	3/17/2017
10.24+	Form of Schneider National, Inc. Nonqualified Stock Option Award Agreement (2018)	10-Q	10.5	001-38054	4/30/2018
10.25+	Form of Schneider National, Inc. Non-Compete and Non-Solicitation Agreement (2018)	10-Q	10.6	001-38054	4/30/2018
10.26+	Form of Schneider National, Inc. Confidentiality Agreement (2018)	10-Q	10.7	001-38054	4/30/2018
10.27+	Form of Schneider National, Inc. Restricted Share Award Agreement (2021)	10-Q	10.1	001-38054	4/29/2021
10.28+	Form of Schneider National, Inc. Restricted Stock Unit Award Agreement (2021)	10-Q	10.2	001-38054	4/29/2021
10.29+	Form of Schneider National, Inc. Performance-Based Restricted Share Award Agreement (2021)	10-Q	10.3	001-38054	4/29/2021

10.30+	Form of Schneider National, Inc. Performance-Based Restricted Stock Unit Award Agreement (2021)	10-Q	10.4	001-38054	4/29/2021
10.31+	Form of Schneider National, Inc. Nonqualified Stock Option Award Agreement (2021)	10-Q	10.5	001-38054	4/29/2021
10.32	Amendment No. 3 to Amended and Restated Receivables Purchase Agreement dated as of March 31, 2011, as amended as of December 17, 2013 and as further amended and restated as of September 5, 2018, among Schneider Receivables Corporation, as seller, Schneider National, Inc., as the servicer, Wells Fargo Bank, N.A., as administrative agent, and the purchasers party thereto	8-K	10.1	001-38054	8/2/2021
10.33+	Form of Schneider National, Inc. Restricted Stock Unit Award Agreement (2022)	10-Q	10.1	001-38054	4/29/2022
10.34+	Form of Schneider National, Inc. Performance-Based Restricted Stock Unit Award Agreement (2022)	10-Q	10.2	001-38054	4/29/2022
10.35+	Form of Schneider National, Inc. Nonqualified Stock Option Award Agreement (2022)	10-Q	10.3	001-38054	4/29/2022
10.36+	Form of Schneider National, Inc. Director Restricted Stock Unit Award Agreement (2022)	10-Q	10.4	001-38054	4/29/2022
10.37+	Schneider National, Inc. Deferred Equity Plan	10-Q	10.1	001-38054	7/28/2022
10.38	Credit Agreement dated as of November 4, 2022, among Schneider National Leasing, Inc., the guarantors party thereto, the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent	8-K	10.1	001-38054	11/7/2022
10.39+	Form of Schneider National, Inc. Restricted Stock Unit Award Agreement (2023)	10-Q	10.1	001-38054	4/27/2023
10.40+	Form of Schneider National, Inc. Performance-Based Restricted Stock Unit Award Agreement (2023)	10-Q	10.2	001-38054	4/27/2023
10.41+	Form of Schneider National, Inc. Director Restricted Stock Unit Award Agreement (2023)	10-Q	10.3	001-38054	4/27/2023
10.42+	Schneider National, Inc. Executive Change of Control Severance Plan	10-Q	10.4	001-38054	4/27/2023
10.43	Amendment No. 4, dated as of June 1, 2023, to Amended and Restated Receivables Purchase Agreement, dated as of March 31, 2011, as amended as of December 17, 2013, as amended and restated as of September 5, 2018, and as further amended on July 30, 2021, among Schneider Receivables Corporation, as seller, Schneider National, Inc., as the servicer, Wells Fargo Bank, N.A., as administrative agent, and the purchasers party thereto	8-K	10.1	001-38054	6/7/2023
10.44+	Schneider National, Inc. Senior Management Incentive Plan, as amended and restated effective July 17, 2023	8-K	10.1	001-38054	7/18/2023
10.45	Private Shelf Agreement dated as of June 17, 2020 among Schneider National Leasing, Inc., PGIM, Inc. and the other parties thereto	8-K	10.1	001-38054	9/1/2023
10.46	Amendment No. 1 to Private Shelf Agreement dated as of July 28, 2020 among Schneider National Leasing, Inc., PGIM, Inc. and the other parties thereto	8-K	10.2	001-38054	9/1/2023
10.47	Amendment No. 2 to Private Shelf Agreement dated as of July 28, 2023 among Schneider National Leasing, Inc., PGIM, Inc. and the other parties thereto	8-K	10.3	001-38054	9/1/2023
10.48	Form of Parent Guaranty Agreement (included in Exhibit 10.45)	8-K	10.1	001-38054	9/1/2023
10.49	Form of Note (included in Exhibit 10.45)	8-K	10.1	001-38054	9/1/2023
19*	Schneider National, Inc. Insider Trading Policy				
21.1*	Subsidiaries of Schneider National, Inc.				
23.1*	Consent of Deloitte & Touche LLP				
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
97*	Schneider National, Inc. Compensation Recovery Policy
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 Annual Report on Form 10-K for the year ended December 31, 2023, formatted in Inline XBRL.

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

ITEM 16. FORM 10-K SUMMARY

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SCHNEIDER NATIONAL, INC.

Date: February 23, 2024

/s/ Mark B. Rourke
Mark B. Rourke
President and Chief Executive Officer
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 23, 2024.

Signature	Title
/s/ James L. Welch James L. Welch	Chairman of the Board of Directors
/s/ Jyoti Chopra Jyoti Chopra	Director
/s/ James R. Giertz James R. Giertz	Director
/s/ Robert W. Grubbs Robert W. Grubbs	Director
/s/ Robert M. Knight, Jr. Robert M. Knight, Jr.	Director
/s/ Therese A. Koller Therese A. Koller	Director
/s/ Mark B. Rourke Mark B. Rourke	Director
/s/ Julie Streich Julie Streich	Director
/s/ John A. Swainson John A. Swainson	Director
/s/ Kathleen Zimmerman Kathleen Zimmerman	Director
/s/ Mark B. Rourke Mark B. Rourke	President and Chief Executive Officer *(Principal Executive Officer)*
/s/ Darrell G. Campbell Darrell G. Campbell	Executive Vice President and Chief Financial Officer *(Principal Financial Officer)*
/s/ Shelly A. Dumas-Magnin Shelly A. Dumas-Magnin	Vice President and Controller *(Principal Accounting Officer)*

Exhibit 4.1

DESCRIPTION OF CLASS B COMMON STOCK OF SCHNEIDER NATIONAL, INC.

The following descriptions are summaries of the material terms of our Amended and Restated Articles of Incorporation, Amended and Restated Bylaws, Amended and Restated 1995 Schneider National, Inc. Voting Trust Agreement and Voting Agreement, Amended and Restated Stock Restriction Agreement and the Amended and Restated Schneider Family Board Nomination Process Agreement. Reference is made to the more detailed provisions of, and the descriptions are qualified in their entirety by reference to, these documents, which are exhibits to this Annual Report on Form 10-K, and applicable law including the Wisconsin Business Corporation Law (WBCL).

General

Our authorized capital stock consists of 250,000,000 shares of Class A common stock, no par value per share, 750,000,000 shares of Class B common stock, no par value per share and 50,000,000 shares of preferred stock, no par value per share.

Our shares of Class B common stock are registered under Section 12 of the Securities Exchange Act of 1934.

Class A Common Stock

Class A common stock outstanding. As of February 20, 2024, there were 83,029,500 shares of Class A common stock outstanding. All outstanding shares of Class A common stock are fully paid and non-assessable. The Schneider National, Inc. Voting Trust (the "Voting Trust") holds all outstanding shares of Class A common stock for the benefit of certain Schneider family trusts.

Voting rights. The holder of Class A common stock is entitled to ten votes per share on all matters to be voted upon by our shareholders. See "Voting Trust Agreement."

Conversion. The Voting Trust is the sole qualified Class A shareholder that is qualified to hold Class A common stock. Our shares of Class A common stock will automatically convert into shares of Class B common stock on a one-for-one basis upon any transfer of Class A common stock, whether or not for value and whether voluntary or involuntary, in exchange for a trust certificate of the Voting Trust representing such share. We shall at all times reserve and keep available out of our authorized but unissued shares of Class B common stock a number of shares of Class B common stock sufficient to effect the conversion of all then outstanding shares of Class A common stock. Our Class A common stock is not and will not be listed for trading on any national stock exchange. Therefore, no trading market is expected to develop in our Class A common stock.

Class B Common Stock

Class B common stock outstanding. As of February 20, 2024, there were 92,955,984 shares of Class B common stock outstanding. All outstanding shares of Class B common stock are fully paid and non-assessable.

Voting rights. The holders of Class B common stock are entitled to one vote per share on all matters to be voted upon by our shareholders. Our Class A shareholders and Class B shareholders will vote together as a single group on all matters (including the election of directors) submitted to a vote of shareholders, subject to voting with respect to distribution rights as explained below, except as otherwise expressly provided for in our Amended and Restated Articles of Incorporation or required by applicable law.

Conversion. Our Class B common stock is not convertible into any other shares of our capital stock.

Other Rights of Class A Common Stock and Class B Common Stock Generally

Except as otherwise provided in our Amended and Restated Articles of Incorporation or as required by applicable law, the rights of the holders of Class A common stock and Class B common stock are identical, except for the voting rights and conversion, as described above.

Distribution rights. Subject to preferences that may be applicable to any outstanding preferred stock and except as otherwise provided in the Amended and Restated Articles of Incorporation, the holders of Class A common stock and Class B common stock are entitled to receive ratably such dividends, if any, as may be declared from time to time by the Board of Directors out of funds legally available therefor. However, a different dividend per share of Class A common stock and Class B common stock may be made if such different dividend is approved in advance by the affirmative vote of the holders of a majority of the outstanding shares of both Class A common stock and Class B common stock, each voting as a separate group.

Rights upon liquidation. In the event of any dissolution, liquidation or winding up of the company, the holders of Class A common stock and Class B common stock are entitled to share ratably in all assets and funds remaining after payment of liabilities, subject to prior distribution rights of preferred stock, if any, then outstanding. However, a different distribution per share of Class A common stock and Class B common stock may be made if such different distribution is approved in advance by the affirmative vote of the holders of a majority of the outstanding shares of both Class A common stock and Class B common stock, each voting as a separate group.

Subdivision or combination. Shares of Class A common stock and Class B common stock may not be subdivided or combined unless the shares of the other class are concurrently therewith proportionately subdivided or combined in the manner that maintains the same proportionate equity ownership between the holders of the outstanding Class A common stock and Class B common stock on the record date of such subdivision or combination. However, the shares of one class may be subdivided or combined in a different or disproportionate manner if such subdivision or combination is approved in advance by the affirmative vote of the holders of a majority of the outstanding shares of both Class A common stock and Class B common stock, each voting as a separate group.

Merger or consolidation. In the case of any distribution or payment in respect of the shares of Class A common stock and Class B common stock upon the consolidation or merger of the company with or into any other entity, such distribution or payment shall be made ratably on a per share basis among the holders of Class A common stock and Class B common stock as a single class. However, shares of one such class may receive different or disproportionate distributions or payments in connection with such merger or consolidation if (i) the

only difference in the per share distribution to the holders of the Class A common stock and Class B common stock is that any securities distributed to a holder of a share of Class A common stock have ten times the voting power of any securities distributed to the holder of Class B common stock or (ii) such merger or consolidation is approved by the affirmative vote of the holders of a majority of the outstanding shares of both Class A common stock and Class B common stock, each voting as a separate group.

Other rights. The holders of our Class A common stock and Class B common stock have no preemptive, subscription or conversion rights. There are no redemption or sinking fund provisions applicable to the Class A common stock and Class B common stock. The rights, preferences and privileges of holders of our Class A common stock and Class B common stock will be subject to those of the holders of any shares of our preferred stock we may issue in the future.

Preferred Stock

Our Board of Directors has the authority to issue shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, dividend rates, conversion, voting rights, terms of redemption, redemption prices, liquidation preferences and the number of shares constituting any series or the designation of such series, without further vote or action by the shareholders.

The issuance of preferred stock may have the effect of delaying, deferring or preventing a change in control of the company without further action by the shareholders and may adversely affect the voting and other rights of the holders of Class B common stock.

Election and Removal of Directors; Vacancies

Our Board of Directors will consist of up to fifteen directors, excluding any directors elected by holders of preferred stock voting separately as a series under our Amended and Restated Articles of Incorporation. The exact number of directors will be fixed from time to time by resolution of the Board of Directors. In accordance with our Amended and Restated Articles of Incorporation, our Amended and Restated Bylaws and the Schneider Family Board Nomination Process Agreement, each of our directors will serve for a one-year term or until his or her successor is elected. At each annual meeting of our shareholders, our shareholders will elect the members of our Board of Directors. There is no limit on the number of terms a director may serve on our Board of Directors.

No Cumulative Voting

The WBCL provides that shareholders are not entitled to the right to cumulate votes in the election of directors unless our Amended and Restated Articles of Incorporation provides otherwise. Our Amended and Restated Articles of Incorporation do not provide for cumulative voting for the election of directors.

Shareholder Action by Written Consent

The WBCL permits shareholder action by written consent if so provided by our Amended and Restated Articles of Incorporation. Our Amended and Restated Articles of Incorporation and Amended and Restated Bylaws

permit shareholder action by written consent for any action that may be taken at a shareholders' meeting if written consents are submitted and signed by shareholders entitled to vote at a meeting with voting power not less than the minimum number of votes entitled to vote on such action were a meeting to vote on such action to be held.

Shareholder Meetings

Our Amended and Restated Bylaws provide that special meetings of shareholders may be called only by our Board of Directors or our chief executive officer. Our Amended and Restated Bylaws also provide that a special meeting of shareholders may be held if written demand(s) are submitted by holders of at least ten percent of all votes entitled to be cast on any issue proposed to be considered at such meeting.

Shareholder Approval of Major Transactions

Our Amended and Restated Bylaws state that we shall not enter into any "Major Transaction" unless the consummation of the proposed Major Transaction is conditioned upon the approval of such Major Transaction by 60% of the voting power of our outstanding shares of stock. Our Amended and Restated Bylaws define a Major Transaction as any one of the following: (i) any transaction to which we are party that results in, or would result in, more than 40% of the voting power of our outstanding shares of stock being held collectively by persons who are not members of the Schneider family, (ii) the sale of all or substantially all of our assets, (iii) our dissolution or liquidation, (iv) changing the location of our headquarters from Green Bay, Wisconsin to a different location, (v) the removal of the name "Schneider" from our legal and/or business name or (vi) changing our official color from orange. Our Amended and Restated Articles of Incorporation provide that we shall not enter into any proposed Major Transaction except in accordance with our Amended and Restated Bylaws.

Amendment of Amended and Restated Articles of Incorporation

The affirmative vote of holders of at least 50% of the voting power of our outstanding shares of stock will generally be required to amend provisions of our Amended and Restated Articles of Incorporation. The affirmative votes of at least 75% of our directors and of at least 80% of the outstanding shares of Class A common stock shall be required to amend certain provisions of our Amended and Restated Articles of Incorporation, including the provision related to a Major Transaction described above.

Amendment of Amended and Restated Bylaws

Our Amended and Restated Bylaws may generally be altered, amended or repealed, and new bylaws may be adopted, with:

- the affirmative vote of a majority of our directors; or
- the affirmative vote of holders of at least a majority of the voting power of our outstanding shares of voting stock.

The affirmative votes of at least 75% of our directors and of at least 80% of the outstanding shares of Class A common stock and Class B common stock shall be required to amend certain provisions of our Amended and Restated Bylaws, including the corporate governance bylaws, such as director nominations, voting for directors, director qualifications, tenure of directors, director vacancies, committees, indemnification, shareholder approval of

Major Transactions and the power to amend certain bylaws related to the corporate governance bylaws. The aforementioned voting requirements are required until the first occurrence of: (i) any of the following Major Transactions: (a) any transaction to which we are party that results in, or would result in, more than 40% of the voting power of our outstanding shares of stock being held collectively by persons who are not members of the Schneider family, (b) the sale of all or substantially all of our assets, (c) our dissolution or liquidation or (ii) the termination of the Voting Trust (as described below).

Voting Trust Agreement

The Voting Trust holds all of the outstanding shares of Class A common stock and is governed by the Amended and Restated 1995 Schneider National, Inc. Voting Trust Agreement and Voting Agreement, which we refer to herein as the Voting Trust Agreement. The Voting Trustees are the members of the corporate governance committee of the Board of Directors who are not Schneider family members. In exchange for shares of Class A common stock transferred to the Voting Trust by Schneider family trusts, the Voting Trustees issued trust certificates evidencing shares of beneficial interest in the Voting Trust equal to the number of shares of Class A common stock transferred to the Voting Trust.

The Voting Trustees do not have any economic rights or investment power with respect to the shares of Class A common stock transferred to the Voting Trust; their rights consist of voting rights. Under the Voting Trust Agreement, the Voting Trust exercises all voting power with respect to shares of Class A common stock. Unless otherwise prescribed by the Voting Trust Agreement, the Voting Trustees must act by majority consent in exercising all voting power with respect to the shares of Class A common stock subject to the Voting Trust. However, if there is a vacancy, the Voting Trustees must act by unanimous consent. On votes with respect to Major Transactions, the Voting Trustees must take direction from the holders of trust certificates, voting in the same proportion as the vote of the holders of trust certificates. As a result, the vote on any Major Transactions will not be controlled by the Voting Trust, but instead will be controlled by certain trusts for the benefit of the Schneider family members holding the trust certificates issued by the Voting Trust.

The Voting Trust also requires the Voting Trustees to vote all shares of capital stock of the company held by the Voting Trust entitled to vote in the election of directors of the company to elect as director: (i) each eligible family member (as defined in the Voting Trust Agreement) who has been nominated in accordance with the Schneider Family Board Nomination Process Agreement (described below); (ii) the Chief Executive Officer; and (iii) each of up to fifteen individuals who are not eligible family members, less the number of individuals elected pursuant to (i) and (ii).

The Voting Trust Agreement will automatically terminate upon:

- any of the following Major Transactions: (i) any transaction to which we are party that results in, or would result in, more than 40% of the voting power of our outstanding shares of stock being held collectively by persons who are not members of the Schneider family, (ii) the sale of all or substantially all of our assets or (iii) our dissolution or liquidation;
- the affirmative vote of holders of trust certificates then holding at least 80% of the shares of beneficial interest in the Voting Trust or the unanimous agreement of the trustees of the Voting Trust to terminate the Voting Trust within 180 days after the issuance of our financial statements for any fiscal year as of the end of which the book value of the company plus any distributions is less than two-thirds of the book

value of the company as of the end of any of the five fiscal years of the company preceding such fiscal year; or

- the time at which the outstanding shares of Class B common stock represent more than 40% of the voting power of the capital stock of the company entitled to vote generally in the election of directors.

Amended and Restated Stock Restriction Agreement

The Amended and Restated Stock Restriction Agreement, which we refer to herein as the SRA, limits the transfer of trust certificates (evidencing shares of beneficial interest in the Voting Trust equal to the number of shares of Class A common stock transferred to the Voting Trust) or any interests therein from the Voting Trust to another party. The SRA provides for two circumstances in which a member of the Schneider family (and holder of a trust certificate) may withdraw shares of Class A common stock from the Voting Trust for sale, and such withdrawn shares shall be converted to shares of Class B common stock effective upon transfer in accordance with the Amended and Restated Articles of Incorporation. The first circumstance is the funding of estate taxes attributable to shares of Class A common stock and the second circumstance is "emergency need" as defined in the SRA. The SRA provides that, prior to the termination of the Voting Trust, any shares of Class A common stock (represented by a trust certificate) that are transferred outside the Schneider family will be distributed from the Voting Trust and converted to shares of Class B common stock effective upon transfer and in accordance with the Amended and Restated Articles of Incorporation. However, if such transfer is to an irrevocable trust providing a surviving spouse with income rights only for the balance of his or her lifetime after which ownership will rest with a descendant of Donald J. Schneider, no conversion to Class B common stock will occur. The SRA will automatically terminate upon the termination of the Voting Trust.

Amended and Restated Schneider Family Board Nomination Process Agreement

As described above, the Voting Trust Agreement requires that the trustees of the Voting Trust vote all shares of capital stock of the company held by the Voting Trust entitled to vote in the election of directors of the company to elect as a director of the company each of the eligible family members, as defined in the Voting Trust Agreement, who has been nominated in accordance with the Amended and Restated Schneider Family Board Nomination Process Agreement, which we refer to herein as the Nomination Agreement. The Nomination Agreement provides that the four Schneider family members specified in the Nomination Agreement shall have the right to nominate, and the company shall include in the slate of nominees recommended to shareholders of the company for election as a director at any annual or special meeting of shareholders at which directors are to be elected, the two family members specified in the Nomination Agreement for each of the annual meetings held in 2023 through 2040. The directorships will rotate among the four Schneider family members according to a schedule that is set forth in the Nomination Agreement. Each Schneider family member nominated in accordance with the Nomination Agreement must satisfy the qualifications for service as a director set forth in the Amended and Restated Bylaws or such qualifications must be waived in accordance with such Amended and Restated Bylaws. The rotation system described above may end earlier than 2040 in the event a Schneider family member is unable or declines to serve all or any portion of his or her term. Each Schneider family member may participate as an observer in all board meetings occurring during the calendar quarter immediately preceding his or her scheduled nomination to the board.

After the rotation system described above is complete or if such rotation system ends before 2040, the four specified Schneider family members may, if all such family members are in agreement, propose an amendment to the Nomination Agreement to the corporate governance committee to cover subsequent periods. The amendment shall be consistent with the terms of the Nomination Agreement (including, but not limited to, satisfaction or waiver of the qualifications for service as a director set forth in Amended and Restated Bylaws and equal opportunity for representation among the family branches constituting the four specified Schneider family members and their issue) and shall be subject to the approval of the corporate governance committee and the Board of Directors, which approval shall not be unreasonably withheld. Such proposal must be made before the later of (a) December 31st of the year in which the rotation system ends or six months after the date on which the last specified Schneider family member's service as a director ends, whichever is later, or (b) December 31, 2040 in the event the rotation system described above is completed. During any subsequent period that is not covered by an amendment to the Nomination Agreement that has been so approved, the trustees of the Voting Trust shall not be required to vote for the election of any Schneider family member as a director of the company.

The Nomination Agreement may be amended from time to time with the consent of at least 75% of the four specified Schneider family members (or, if a specified Schneider family member has died or is not legally competent, but has living issue, at least one of whom is legally competent, then the oldest legal competent issue of such Schneider family member) and at least 75% of the directors constituting the full Board of Directors, and, in the case of the amendment referred to above, the approval of the corporate governance committee.

Other Limitations on Shareholder Actions

Our Amended and Restated Bylaws also impose some procedural requirements on shareholders who wish to:

- make nominations in the election of directors;
- propose that a director be removed;
- propose any repeal or change in our bylaws; or
- propose any other business to be brought before an annual or special meeting of shareholders.

Under these procedural requirements, in order to bring a proposal before a meeting of shareholders, a shareholder must deliver timely notice of a proposal pertaining to a proper subject for presentment at such a meeting, and such notice must be accompanied with the following information:

- a brief description of the business desired to be brought before the meeting of shareholders and the reasons for conducting such business at the meeting;
- with respect to the shareholder proposing such business:
  - the name and address, as they appear on our books and records;
  - the class and number of shares owned (beneficially or of record) or any other type of ownership, including but not limited to, through any derivative instrument or a proxy, contract or other arrangement that gives the shareholder the right to vote any of our shares;
  - information of such shareholder that would be required to be disclosed in a proxy statement or other filings in accordance with applicable SEC regulations;
  - a representation that such shareholder is a holder of record of stock entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to present such proposed business; and

- any interest of the shareholder in such business.

To be timely, a shareholder must generally deliver notice:

- to the Secretary of the company at our principal office; and
- not later than the close of business on the 90th day prior to, and not earlier than the close of business on the 120th day in advance of the anniversary of, the annual meeting of shareholders held in the prior year.

Limitation of Liability of Directors and Officers

Section 180.0828 of the WBCL provides that a director is not liable to a corporation, its shareholders or any person asserting rights on behalf of the corporation or its shareholders for damages, settlements, fees, fines, penalties or other monetary liabilities arising from the breach of, or failure to perform, any duty resulting solely from his or her status as director, unless the person asserting liability proves that the breach or failure to perform constitutes:

- a willful failure to deal fairly with the corporation or its shareholders in connection with a matter in which the director or officer has a material conflict of interest;
- a violation of criminal law, unless the person has reasonable cause to believe his conduct was lawful or had no reasonable cause to believe his conduct was unlawful;
- a transaction from which the person derived an improper personal profit; or
- willful misconduct.

As a result, our shareholders do not have the right, through shareholders' derivative suits on our behalf, to recover monetary damages against a director for breach of fiduciary duty as a director, including breaches resulting from grossly negligent behavior, except in the situations described above. A corporation may limit the immunity provided under Section 180.0828 by its articles of incorporation. We have not provided for such limitation in our Amended and Restated Articles of Incorporation.

Our Amended and Restated Bylaws contain indemnification provisions that are substantially similar to the statutory indemnification provisions.

Forum Selection

Our Amended and Restated Bylaws provide that the Circuit Court for Brown County, Wisconsin or the U.S. District Court for the Eastern District of Wisconsin-Green Bay Division will be the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty, any action asserting a claim against us arising pursuant to the WBCL, our Amended and Restated Articles of Incorporation or our Amended and Restated Bylaws or any action asserting a claim against us that is governed by the internal affairs doctrine. The enforceability of similar choice of forum provisions in other companies' articles of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable.

Anti-Takeover Effects of Certain Provisions of the Voting Trust, Our Amended and Restated Articles of Incorporation and Our Amended and Restated Bylaws

So long as the outstanding shares of our Class A common stock represent a majority of the combined voting power of common stock, the Voting Trust will effectively control all matters submitted to our shareholders for a vote, except for the vote in any Major Transactions, which will be controlled by certain trusts for the benefit of the Schneider family members or holders of the trust certificates issued by the Voting Trust, as well as the overall management and direction of the company, which may have the effect of delaying, deferring or discouraging another person from acquiring control of the company. After such time as the shares of our Class A common stock no longer represent a majority of the combined voting power of our common stock, the provisions of Wisconsin law, our Amended and Restated Articles of Incorporation and our Amended and Restated Bylaws may have the effect of delaying, deferring or discouraging another person from acquiring control of the company.

Some provisions of our Amended and Restated Articles of Incorporation and Amended and Restated Bylaws could make the following more difficult:

- acquisition of control of us by means of a proxy contest or otherwise; or
- removal of our incumbent officers and directors.

In addition, as provided in "Shareholder Approval of Major Transactions" above, we shall not enter into any Major Transaction unless the consummation of the proposed Major Transaction is conditioned upon the approval of such Major Transaction by 60% of the combined voting power of our outstanding shares of stock, with all classes of such stock voting together as a single voting group.

These provisions, as well as our ability to issue preferred stock, are designed to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our Board of Directors. We believe that the benefits of increased protection give us the potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us, and that the benefits of this increased protection outweigh the disadvantages of discouraging those proposals, because negotiation of those proposals could result in an improvement of their terms.

Anti-Takeover Provisions of the Wisconsin Business Corporation Law

Wisconsin Business Combination Statutes. We are subject to Sections 180.1140 to 180.1144 of the WBCL, which prohibit a Wisconsin corporation from engaging in a "business combination" with an interested stockholder for a period of three years following the interested stockholder's stock acquisition date, unless before such date, the board of directors of the corporation approved either the business combination or the purchase of stock made by the interested stockholder on that stock acquisition date.

We may engage in a business combination with an interested stockholder after the expiration of the three-year period with respect to such stockholder only if one or more of the following is satisfied:

- our Board of Directors approved the acquisition of stock before such stockholder's acquisition date;
- the business combination is approved by a majority of the outstanding voting stock not beneficially owned by such stockholder; or
- the consideration to be received by stockholders meets certain fair price requirements of the statute with respect to form and amount.

Section 180.1140 defines a business combination between a "resident domestic corporation" and an "interested stockholder" to include the following:

- a merger or interest exchange with an interested stockholder or a corporation that is, or after the merger or interest exchange would be, an affiliate or associate of an interested stockholder;
- a sale, lease, exchange, mortgage, pledge, transfer or other disposition of assets to or with an interested stockholder or affiliate or associate of an interested stockholder equal to 5% or more of the aggregate market value of the assets or outstanding stock of the resident domestic corporation or 10% of its earning power or income;
- the issuance or transfer of stock or rights to purchase stock with an aggregate market value equal to 5% or more of the outstanding stock of the resident domestic corporation; and
- certain other transactions involving an interested stockholder.

Section 180.1140(8)(a) of the WBCL defines an "interested stockholder" as a person who beneficially owns, directly or indirectly, at least 10% of the voting power of the outstanding voting stock of a resident domestic corporation or who is an affiliate or associate of the resident domestic corporation and beneficially owned at least 10% of the voting power of the then outstanding voting stock within the last three years.

Section 180.1140(9)(a) defines a "resident domestic corporation" as a Wisconsin corporation that, as of the relevant date, satisfies any of the following: (i) its principal offices are located in Wisconsin, (ii) it has significant business operations located in Wisconsin, (iii) more than 10% of the holders of record of its shares are residents of Wisconsin or (iv) more than 10% of its shares are held of record by residents in Wisconsin.
Following the closing of this offering we will be a resident domestic corporation for purposes of these statutory provisions.

Wisconsin Fair Price Statute. Sections 180.1130 to 180.1133 of the WBCL provide that certain mergers, interest exchanges or sales, leases, exchanges or other dispositions of assets in a transaction involving a "significant shareholder" require a supermajority vote of shareholders in addition to any approval otherwise required, unless shareholders receive a fair price for their shares that satisfies a statutory formula. A "significant shareholder" for this purpose is defined as a person or group who beneficially owns, directly or indirectly, 10% or more of the voting stock of the corporation, or is an affiliate of the corporation and beneficially owned, directly or indirectly, 10% or more of the voting stock of the corporation within the last two years. Any business combination to which the statute applies must be approved by 80% of the voting power of the corporation's stock and at least two-thirds of the voting power of the corporation's stock not beneficially owned by the significant shareholder who is a party to the relevant transaction or any of its affiliates or associates, in each case voting together as a single group, unless the following standards have been met:

- the aggregate value of the per share consideration is at least equal to the highest of:
  - the highest per share price paid for any shares of the same class of common stock of the corporation by the significant shareholder either in the transaction in which it became a significant shareholder or within two years before the date of the business combination, whichever is higher;
  - the market value per share of the same class of the corporation's common stock on the date of commencement of any tender offer by the significant shareholder, the date on which the person became a significant shareholder or the date of the first public announcement of the proposed business combination, whichever is higher; or

- the highest preferential amount per share of the same class or series of common stock in a liquidation or dissolution to which holders of the shares would be entitled; and
- either cash, or the form of consideration used by the significant shareholder to acquire the largest number of shares, is offered.

Wisconsin Defensive Action Restrictions. Section 180.1134 of the WBCL provides that, in addition to the vote otherwise required by law or the articles of incorporation of a resident domestic corporation, the approval of the holders of a majority of the shares entitled to vote on the proposal is required before such corporation can take certain actions while a takeover offer is being made or after a takeover offer has been publicly announced and before it is concluded. This statute requires shareholder approval for the corporation to do either of the following: (i) acquire more than 5% of its outstanding voting shares at a price above the market value from any individual or organization that owns more than 3% of the outstanding voting shares and has held such shares for less than two years, unless an equal offer is made to acquire all voting shares and all securities that may be converted into voting shares or (ii) sell or option assets of the resident domestic corporation that amount to 10% or more of the market value of the resident domestic corporation, unless the corporation has at least three independent directors (directors who are not officers or employees) and a majority of the independent directors vote not to have this provision apply to the resident domestic corporation.

We have elected not to be subject to Sections 180.1130 to 180.1134 of the WBCL.

Wisconsin Control Share Voting Restrictions Statute. Pursuant to Section 180.1150 of the WBCL, unless otherwise provided in the articles of incorporation or otherwise specified by the board of directors, the voting power of shares of a resident domestic corporation held by any person, including shares issuable upon conversion of convertible securities or upon exercise of options or warrants, in excess of 20% of the voting power in the election of directors is limited to 10% of the full voting power of those shares. Our Amended and Restated Articles of Incorporation provide this statute will not apply to the shares of common stock held by the Voting Trust.

Wisconsin Constituency or Stakeholder Provision. Pursuant to Section 180.0827 of the WBCL, in discharging his or her duties to us and in determining what he or she believes to be in our best interests, a director or officer may, in addition to considering the effects of any action on shareholders, consider the effects of the action on employees, suppliers, customers, the communities in which we operate and any other factors that the director or officer considers pertinent.

Listing

Our Class B common stock is listed on the NYSE under the symbol "SNDR."

SCHNEIDER

INSIDER TRADING POLICY

1. PURPOSE

Schneider National, Inc. (the "Company") has adopted this Insider Trading Policy (this "Policy") to communicate its expections of Ascociates and establish the standards and processes that apply regarding trading in the Company's securities and, generally, compliance with federal insider trading laws. While the policies and procedures that are included in thie Poilicy are intended to assist and provide guidance with complying with the requirements of the federal securities laws, it remains the obligation of each Associate to ensure their compliance with all laws, rules and regulations, both federal and state, which pertain to trading in the Company's securities.

2. SCOPE

This Policy applies to all Section 16 Individuals (as defined below), Designated Insiders (as defined below) and Associates of the Company (even if they have not been designated a "Designated Insider"), as well as their respective Immediate Family Members (defined below), and any other individuals whom the Compliance Officer (defined below) may designate as being subject to this Policy (collectively referred to in this Policy as "covered persons" and sometimes individually referred to as an in this Policy as an "Insider").

Except as provided below, this Policy applies to any and all transactions in the Company's securities, including purchases, sales and *bona fide* gifts of common stock, options, preferred stock, restricted stock, restricted stock units, and any other type of securities that the Company may issue. This Policy applies to such securities regardless of whether they are held in a brokerage account, a trust account, a retirement account, margin account or any other holding arrangement.

3. SPECIFIC GUIDANCE

A. Generally Prohibited Activities.

The following activities are prohibited for all covered persons, including all Associates of the Company, whether or not they are Section 16 Individuals or Designated Insiders.

1. Trading in Company Securities. All covered persons, whether or not they are an Insider under this Policy, may not buy, sell, or otherwise trade in Company securities while aware of material nonpublic information concerning the Company. In addition, it is the policy of the Company that the Company will not engage in transactions in its own securities while it is aware of material nonpublic information relating to the Company or Company securities.

2. Tipping. Providing material nonpublic information to another person who may trade or advise others to trade on the basis of that information is known as

"tipping" and is illegal. Therefore, no covered person under this Policy may "tip" or provide material nonpublic information concerning the Company to any person other than a director, officer or Associate of the Company, unless required as part of that covered person's regular duties for the Company or such activity has otherwise has been authorized by the Compliance Officer.

3. Giving Trading Advice. No covered person covered under this Policy may give trading advice of any kind about the Company to anyone, whether or not such person is aware of material nonpublic information about the Company, except that covered persons should advise other covered persons not to trade if such trading might violate the law or this Policy.

4. Engaging in Short Sales. No covered person may engage in short sales of Company securities. A short sale is the sale of a security that the seller does not own at the time of the trade. Shorting, or short-selling, is when an investor borrows shares and immediately sells them, hoping he or she can buy shares later at a lower price to replace the shares that were borrowed, return those shares to the lender and retain the profit from the two transactions.

5. Engaging in Derivative Transactions. No covered person may engage in transactions involving puts, calls or other derivative instruments that relate to or involve Company securities. Such transactions are, in effect, bets on short-term movements in the Company's stock price and therefore, create the appearance that the covered person engaged in the transaction based on material nonpublic information.

6. Hedging. No covered person may engage in hedging transactions involving swaps, collars or exchange funds. Such transactions are speculative in nature and therefore create the appearance that the covered person engaged in the transaction based on material nonpublic information.

7. Trading in Securities of Other Companies. No covered person may, while in possession of material nonpublic information about any other public company gained in the course of his or her employment with the Company, (a) trade in securities of the other public company, (b) "tip" or disclose such material nonpublic information concerning the Company to anyone, or (c) give trading advice of any kind to anyone concerning the other public company. Unless expressly approved in writing by the Compliance Officer, Section 16 Individuals or Designated Insiders may not trade in the securities of any public company which is a direct or indirect competitor of the Company.

B. **Additional Restrictions Applicable to Section 16 Individuals and Designated Insiders.**

1. No Section 16 Individual or Designated Insider (each as defined below) may trade in Company securities outside of the Company trading window described in Section 5.B below.

2. No Section 16 Individual or Designated Insider may trade in Company securities unless the trade(s) have been precleared by the Compliance Officer in accordance with the procedures set forth in Section 5.C.1 below.

3. No Section 16 Individual or Designated Insider may hold Company securities in a margin account or pledge (or hypothecate) Company securities as collateral

for a loan. Margin sales or foreclosure sales may occur at a time when the Section 16 Individual or Designated Insider is aware of material nonpublic information or when the Section 16 Individual or Designated Insider is otherwise not permitted to trade in Company securities.

C. **Exceptions.**

The prohibited activities discussed in this Section 3 do not apply to:

1. Exercises of stock options issued by the Company or similar equity awards, including the sale or withholding of shares in satisfaction of any tax withholding obligations, provided that any Company securities acquired pursuant to such exercise may not be sold upon such exercise or purchase while the Insider is in possession of material nonpublic information, subject to a special trading blackout or, with respect to Section 16 Individuals and Designated Insiders, while the Company's trading window is closed; provided however, that exercises of stock options which involve a broker-assisted or other sale of Company securities in conjunction with the exercise are not exempted from this Policy. .

2. Purchases or sales of Company securities that are made by Insiders pursuant to an approved Rule 10(b)(5)-1 plan that is adopted and operated in compliance with the terms of this Policy (see Section 7).

4. DETERMINING WHETHER INFORMATION IS MATERIAL AND NONPUBLIC

A. **Definition of "Material" Information.**

1. There is no bright line test or rigid formula under the federal securities laws for determining whether particular information regarding a publicly traded company is "material". Such a determination depends on the facts and circumstances unique to each situation and cannot be made solely based on the potential financial impact of the information. There are certain types of information that the SEC recommends that traders review carefully for inside status, such as earnings information, offers, new products or discoveries, etc. But enforcement authorities and the courts both reserve the right to decide materiality based on the nature of the information traded upon.

2. In general, information about the Company should be considered to be "material" if:

   i. A reasonable investor would consider the information significant when deciding whether to buy or sell Company securities; or

   ii. The information, if disclosed, could be viewed by a reasonable investor as having significantly altered the total mix of information available in the marketplace about the Company.

   Put simply, if the information <u>could</u> reasonably be expected to affect the price of the Company's stock, it should be considered material.

3. It is important to remember that whether information is material will be viewed by enforcement authorities with the benefit of hindsight. In other words, if the price of the Company's stock changed as a result of the

information having been made public, it will likely be considered material by enforcement authorities.

4. While it is not possible to identify every type of information that could be deemed "material," the following matters ordinarily should be considered material:

   a) Financial results, especially quarterly and year-end earnings or significant changes in financial results or liquidity;

   b) Potential significant mergers and acquisitions or the sale of significant assets or subsidiaries.

   c) New major contracts, orders, suppliers, customers, or finance sources, or the loss of same.

   d) Major announcements of new service offerings or capabilities or significant developments in the Company or its service offerings or capabilities.

   e) Significant changes or developments in the Company's fleet or network, including significant maintenance issues or vehicle recalls.

   f) Stock splits, public or private securities/debt offerings, or changes in dividend policies or amounts.

   g) Significant changes in senior management.

   h) Actual or threatened major litigation, or the resolution of such litigation.

   i) The contents of forthcoming publications that may affect the market price of Company securities.

   j) Significant changes in Company strategy or objectives.

   k) Changes in ownership that may affect control of the Company;

   l) An imminent change in the Company's debt or credit rating by a rating agency.

   m) Significant changes in the Company's cash flow or liquidity position.

   n) Significant new ventures.

   o) Significant regulatory developments or changes affecting the Company or its operations.

   p) Significant cybersecurity incidents.

B. Definition of "Non-public" Information.

Information is "nonpublic" if it has not been disclosed generally to the public or disseminated to investors through a widely circulated news or wire service (such as Business Wire, Dow Jones, Bloomberg, PR Newswire, etc.) or through a public filing

with the Securities and Exchange Commission (the "SEC"). For the purposes of this Policy, information will be not considered public until after the close of trading on the first full trading day following the Company's widespread public release of the information.

C. Consult the Compliance Officer For Guidance.

Any Insider who is unsure whether the information that he or she possesses is material or nonpublic should consult the Compliance Officer for guidance before trading in any Company securities.

5. ADDITIONAL PROVISIONS FOR SECTION 16 INDIVIDUALS AND DESIGNATED INSIDERS

A. Definitions of Section 16 Individuals and Designated Insiders.

1. "Section 16 Individual" –Each member of the Company's Board of Directors ("Board"), those officers of the Company designated by the Board as "Section 16 officers" of the Company, and their Immediate Family Members. Section 16 Individuals are also Designated Insiders.

2. "Immediate Family Member" – The parent, spouse or child (by blood or adoption) of an Insider, persons financially supported by the Insider, or any other individual(s) living in the primary residence of an Insider, regardless of whether such other individual(s) is related or unrelated to the Insider; provided, however, that with regard to persons who are receiving financial support from the Insider or living in the primary residence of an Insider, will be considered an Immediate Family Member only for so long as such individual(s) is receiving financial support or living in the primary residence of the Insider.

3. "Designated Insiders" – The following individuals are Designated Insiders because of their position with the Company and their possible access to material nonpublic information:

    a. Members of the Board of Directors of the Company
    b. The Chief Executive Officer ("CEO") of the Company
    c. The Chief Financial Officer ("CFO") of the Company
    d. The General Counsel of the Company
    e. Any individual who is a Direct Report to the CEO or CFO
    f. Section 16 Individuals
    g. Any other individual designated from time to time by the Company or the Board of Directors as a Designated Insider.

B. The Trading Window

1. Trading Only While Trading Window is Open. Section 16 Individuals and Designated Insiders may buy, sell or trade in Company securities only while the Company's trading window is open. In general, the Company's trading window opens after the close of trading on the first full trading day on the NYSE following the Company's public announcement of quarterly or annual earnings or results with respect to such fiscal quarter or the preceding fiscal year, as applicable, and remains open through the day that is ten calendar days prior to the end of each fiscal quarter. Thus, if the Company's results are released before markets open on a Monday, the first day on which Designated Insiders

and their Immediate Family Members may trade would be upon market open on Tuesday of that same week, If the Company's results are released after markets close on a Monday, the first day on which Designated Insiders and their Immediate Family Members may trade would be on Wednesday of that same week.

2. No Trading While Aware of Material Nonpublic Information. Notwithstanding the provisions of the immediately preceding section, any Section 16 Individual or Designated Insider who is in possession of material nonpublic information regarding the Company may not trade in Company securities during an open trading window until the close of trading on the first full trading day following the Company's widespread public release of such information and then, only after the Section 16 Individual or Designated Insider has received pre-clearance for their trade from the Compliance Officer.

3. Exceptions or Hardship Cases. The Compliance Officer may, on an exceptional basis, authorize a Section 16 Individual or Designated Insider to trade in Company securities outside of the applicable trading windows (but not during special trading blackout periods) due to a financial hardship or other hardship, but only in accordance with the procedures set forth in Section 5.C.2 below.

4. Special Blackout Periods For Anticipated Material Events. The Compliance Officer may, in his or her sole discretion:

   a. extend indefinitely any quarterly blackout period;

   b. declare and implement a special blackout period of any duration determined by the Compliance Officer which is applicable to certain Insiders;

   c. declare a general suspension of trading either following or in anticipation of the occurrence of a potentially material event involving or impacting the Company (e.g., a merger, acquisition or any other significant Company action or unforeseen event).

   In any such case, the Compliance Officer shall notify those Insiders to whom such special blackout period or trading suspension applies.

C. Procedures for Pre-clearance of Trades and Hardship Cases

1. Individual Trades. No Section 16 Individual or Designated Insider may trade in Company securities until:

   a. such Insider has contacted the Compliance Officer and requested pre-clearance to trade in written or electronic form, at least one (1) business day prior to the Insider's proposed trade(s), and informed the Compliance Officer of the amount and nature of the proposed trade(s);

   b. such Insider has certified to the Compliance Officer in written or electronic form, not less than one business day prior to the proposed trade(s), that he or she is not aware of material nonpublic information regarding the Company; and

   c. such Insider has received pre-clearance to trade in written or electronic form from the Compliance Officer.

2. Required Pre-Clearance of Trades. Before any Section 16 Individual or Designated Insider engages in any transaction involving Company securities,

such individual must pre-clear the proposed transaction with the Compliance Officer. Until the Compliance Officer provides pre-clearance for the proposed transaction, such Section 16 Individual or Designated Insider shall not execute any transaction. If the Section 16 Individual or Designated Insider receives pre-clearance, he or she will have a period of time that is established by the Compliance Officer (generally, four business days following the day pre-clearance is received) (the "Pre-clearance Trading Period") to execute his or her cleared transaction. For example, if a Designated Insider receives pre-clearance for an open market sale from the Compliance Officer on a Tuesday and the Compliance Officer establishes a four business day Pre-clearnace Tradning Period, that Designated Insider would have until the end of trading on Monday of the following week to execute the transaction. If for any reason the transaction is not completed within the Pre-clearance Trading Period, the Designated Insider must again request and obtain pre-clearance from the Compliance Officer before the Designated Insider may engage in any trading of Company securities.

3. Duration of Clearance To Trade. Beginning on the day Section 16 Individual or Designated Insider receives preclearance, and until the expiration of the Pre-clearance Trading Period, provided that the facts referred to in Section 5.C.1.b remain correct and unchanged, the Insider may execute the trade(s) which have been pre-cleared by the Compliance Officer. Once the Pre-clearance Trading Period has expired, a new certification pursuant to Section 5.C.1 must be given by the Section 16 Individual or Designated Insider and a new Pre-clearance Trading Period established by the Compliance Offier in order for that individual (or their immediate family member) to trade in Company securities.

4. Hardship Trades. The Compliance Officer may, on a case-by-case basis, authorize trading in Company securities outside of an applicable trading window due to financial hardship or other hardship only after:

   a. the Insider seeking to trade has notified the Compliance Officer in writing of the circumstances of the hardship and the amount and nature of the proposed trade(s), and

   b. the Insider seeking to trade has certified to the Compliance Officer in writing that he or she is not aware of material nonpublic information concerning the Company.

5. Compliance Officer Trades. If the Compliance Officer desires to complete any trades involving Company securities, the Compliance officer must first obtain pre-clearance to trade, in written or electronic from, from the Chief Executive Officer or the Chief Financial Officer of the Company.

6. No Obligation to Approve Trades. The existence of the foregoing approval procedures does not in any way obligate the Compliance Officer (or in the case of any trade by the Compliance Officer, the Chief Executive Officer or the Chief Financial Officer of the Company) to approve any trades requested by Insiders, hardship applicants or the Compliance Officer.

7. Required Preclearance of Trades by Certain Family Members of Section 16 Individuals and Others. Under the securities laws, Company securities which are held in the name of the spouse or minor children of Section 16 Individuals will generally be regarded as beneficially owned by the Section 16 Individual. In addition, Company securities held in the name of other persons who are members of the household of a Section 16 Individual or who are financially supported by a Section 16 Individual (regardless of whether such

other persons are related or unrelated to the Section 16 Individual), will be presumed to beneficially owned by the Section 16 Individual. Therefore, trades in Company securities by any spouse, minor children or other persons who are members of the household, or who are financially supported by, the Section 16 Individual, must be precleared in accordance with the procedure in Section 5.C.1 of this Policy.

8. Procedures for Certain Repurchases of Company Common Stock by the Company. From time to time, the Company may seek to repurchase shares of its own common stock. Except for repurchases of Company common stock that are carried out pursuant to a Rule 10b5-1 trading plan that has been established by the Company, the Company may repurchase shares of its common stock only: (i) while the Company's trading window is open, as described in Section 5.B.1, and the Compliance Officer has not declared any special blackout period, as described in Section 5.B.4 and (ii) if the Compliance Officer, after consulting with the Company's Chief Executive Officer and Chief Financial Officer, determines that the Company is not aware of material nonpublic information relating to the Company or its common stock. In addition, the Company may establish Rule 10b5-1 trading plans only when the conditions described in the preceding sentence are met.

9. Former Section 16 Officers. Upon the retirement, resignation, termination of a Section 16 Individual or any other change in his or her relationship with the Company such that the Section 16 Individual is no longer a Section 16 Individual, the Section 16 Individual must continue to pre-clear any proposed transaction in Company securities with the Compliance Officer for a period of six months following such retirement, resignation or termination.

D. Short-Swing Trading

Section 16 Individuals and Designated Insiders are subject to the Securities and Exchange Commission's short-swing profit regulation, which requires company insiders to return any profits to the Company made from the purchase and sales of company securities if both transactions occur within a six month period (so called "short-swing profits").

6. COMPLIANCE OFFICER

The Company has designated its General Counsel as the individual responsible for ensuring compliance with this Policy (the "Compliance Officer"). The duties of the Compliance Officer include the following:

i. Administering this Policy and monitoring and enforcing compliance with all Policy provisions and procedures.
ii. Responding to all inquiries relating to this Policy.
iii. Reviewing and either approving or denying all proposed trades by Insiders in accordance with the procedures set forth in Section 5.C.1 above.
iv. After discussion with the Company's CEO and CFO, designating and announcing special trading blackout periods during which certain Insiders may not trade in Company securities.
v. Ensure that this Policy and other appropriate materials are made available to Insiders.
vi. Administering, monitoring and enforcing compliance with all federal and state insider trading laws and regulations.
vii. Assisting in the preparation and filing of all required SEC reports relating to insider trading in Company securities.

viii. Revising this Policy as necessary to reflect changes in federal or state insider trading laws and regulations, or as otherwise deemed necessary or appropriate.

The Compliance Officer may delegate all or any of his or her duties under this Policy to one or more individuals whom the Compliance Officer has dsesignated to perform such duties in the event that the Compliance Officer is unable or unavailable to perform such duties.

7. RULE 10B5-1 TRADING PLANS

A. General Information.

Under SEC Rule 10b5-1 of the Securities Exchange Act of 1934 (codified at 17 CFR 240.10b5-1) an individual has an affirmative defense against an allegation of insider trading if he or she demonstrates that the purchase, sale or trade in question took place pursuant to a binding contract, specific instruction or written plan that was put into place before he or she became aware of material nonpublic information; provided that the individual has acted in good faith with respect to such plan. Once the plan is adopted, the person must not exercise any influence over the amount of securities to be traded, the price at which any covered Company securities are to be traded or the date of any future trade. The plan must either specify the amount, pricing and timing of transactions in advance or delegate discretion on these matters to an independent third party. (Such contracts, irrevocable instructions and plans are commonly referred to and, referred to in this Policy, as "Rule 10b5-1 plans".)

Rule 10b5-1 plans have the obvious advantage of protecting against insider trading liability. However, they also require advance commitments regarding the amounts, process and timing of purchases or sales of Company securities and thus, limit flexibility and discretion. In addition, once a 10b5-1 plan has been adopted, it is generally not permissible to amend or modify such plan. Accordingly, while some individuals may find Rule 10b5-1 plans useful, they may not be suitable for all Insiders.

B. Plan Rules and Requirements.

1. Pre-Approval. For a Rule 10b5-1 plan to serve as an adequate defense against an allegation of insider trading, a number of legal requirements must be satisfied. Accordingly, any Section 16 Individual or Designated Insider who desires to establish, terminate, modify, alter or suspend a Rule 10b5-1 plan which directs trading in Company securities must first receive approval from the Compliance Officer. Section 16 Individuals wanting to establish a Rule 10b5-1 plan must also satisfy the notification and certification requirements set forth in Section 5.C.1 above.

2. Material Nonpublic Information and Special Blackouts. Any Section 16 Individual or Designated Insider desiring to establish, modify or terminate a Rule 10b5-1 plan must establish, modify or terminate that plan at a time when he or she is not aware of any material nonpublic information about the Company and not otherwise subject to a special trading blackout.

3. Trading Window. Section 16 Individuals and Designated Insiders may only establish, modify or terminate a Rule 10b5-1 plan during the period when the Company's trading window is open.

4. Termination of Plans. Rule 10b5-1 plans must provide for mandatory and prompt suspension or termination (i) if any sale violates, or in the opinion of Company counsel, is likely to violate applicable law; (ii) to comply with a lock-up agreement in connection with a securities offering; or (iii) if legally or

contractually required (for example due to compliance with Rule 144, Section 16 or any other rules applicable to the Insider).

5. Minimum 90 Day Cooling-Off Period. Pursuant to SEC rules, Rule 10b5-1 plans must include a cooling-off period before trading can commence that, for Designated Insiders and any other person who is an "officer" of the Company within the meaning of the SEC's Rule 16a-1(f), ends on the later of: (i) 90 days after the adoption of the Rule 10b5-1 plan or (ii) two business days following the disclosure of the Company's financial results in an SEC periodic report for the fiscal quarter in which the plan was adopted (but in any event, the required cooling-off period is subject to a maximum of 120 days after adoption of the plan). For persons other than Designated Insiders, the cooling-off period end 30 days following the adoption or modification of the Rule 10b5-1 plan.

6. Trades Outside Plans While In Effect. Following receipt of approval of a Rule 10b5-1 plan, any trades in the Company's securities outside of the approved plan by any Section 16 Individual or Designated Insider remains subject to pre-approval by the Compliance Officer.

7. Plan Design. All Rule 10b5-1 plans must meet the requirements of SEC Rule 10b5-1 including the requirement that the 10b5-1 plan either:

   a. Specify the amount, price (which may include a limit price) and specific dates of purchases or sales covered under the plan; or

   b. Include a formula or similar method for determining amount, price and date; and

   c. Other than terminating the plan as permitted by law, plans must not permit the Insider to exercise subsequent influence over purchases and sales.

   In order to avoid the evidentiary difficulty associated with proving that a covered person did not communicate with his or her broker to direct or influence any trades which are made on the covered person's behalf pursuant under a Rule 10b5-1 plan, Rule 10b5-1 plans that authorize a broker to determine whether, how and when to make trades in the Company's securities are prohibited.

8. Plan Term. Rule 10b5-1 plans must generally provide for a minimum term of one month and a maximum term of two years.

9. Multiple Plans Prohibited. Subject to certain limited exceptions which are specified in SEC Rule 10b5-1, Associates (including Designated Insiders) are prohibited from adopting multiple or overlapping Rule 10b5-1 plans.

10. Limitation on Single-Trade Plans. Subject to certain limited exceptions specified in SEC Rule 10b5-1, covered persons may enter into only one Rule 10b5-1 plan designed to effect an open market purchase or sale of the total amount of securities subject to the Rule 10b-1 Plan as a single transaction in any 12-month period.

11. Hedging Transactions. The inclusion of hedging transactions in any plan are prohibited.

12. Designated Insider and Officer Representation. Designated Insiders and any other person who is an "officer" of the Company within the meaning of the SEC's Rule 16a-1(f), must include a representation in their Rule 10b5-1 plan certifying that: (i) they are not aware of any material nonpublic information; and (ii) they are adopting the plan in good faith and not as part of a plan or scheme to evade the prohibitions in SEC Rule 10b-5.

13. Good Faith Requirement. All persons entering into a Rule 10b5-1 plan must act in good faith with respect to that plan. Although modifications to an existing Rule 10b5-1 plan are not prohibited, a Rule 10b5-1 plan should be adopted with the intention that it will not be modified, suspended or terminated prior to expiration of the 10b5-1 plan.

C. Additional Rule 10b5-1 Plan Administration Guidelines.

The following additional guidelines will apply to all Rule 10b5-1 plans entered into by Section 16 Individuals or Designated Insiders:

1. To eliminate any perception that an Insider is inappropriately communicating with or influencing his or her broker, all Section 16 Individuals and Designated Insiders are strongly encouraged to use the broker approved by the Company to implement plans, rather than their own broker.

2. Insiders will generally be approved to execute one modification, suspension, or termination of a Rule 10b5-1 Plan every sixty (60) calendar days.

3. Should an Insider be granted permission to terminate a Rule 10b5-1 plan, the Insider will be subject to a thirty (30) day cooling off prior to entering into a new Rule 10b-5-1 plan.

4. Under current SEC rules, the adoption, modification or suspension of a Rule 10b5-1 plan by a Section 16 Individual is not required to be publicly disclosed. Nevertheless, the Company may, in its sole discretion, voluntarily disclose the adoption, modification or suspension of any 10b5-1 plan by any covered person as an act of good fatih.

5. The Company and the Company's Designated Insiders (and any other person who is an "officer" of the Company within the meaning of the SEC's Rule 16a-1(f)) must make certain disclosures in SEC filings concerning trades which are executed pursuant to Rule 10b5-1 plans. Officers and directors of the Company must undertake to provide any information requested by the Company regarding Rule 10b5-1 plans for the purpose of providing the required disclosures or any other disclosures that the Company deems to be appropriate under the circumstances.

8. POTENTIAL PENALTIES AND DISCIPLINARY SANCTIONS

A. Civil and Criminal Penalties.

The consequences of insider trading or tipping can be severe. Persons violating insider trading or tipping rules may be required to disgorge any profit made or any loss avoided by the trading, pay the loss suffered by the person who purchased securities from or sold securities to the Insider or tippee, pay significant civil or criminal penalties, and

serve a lengthy jail term. The Company in such circumstances may also be required to pay significant civil or criminal penalties.

B. Company Discipline.

Violation of this Policy or federal or state insider trading laws by any covered person may, in the case of a director, subject the director to dismissal proceedings and, in the case of any other covered person, subject the covered person to disciplinary action by the Company up to and including termination for cause.

C. Reporting of Violations.

Any covered person who violates this Policy or any federal or state law governing insider trading or tipping, or any covered person who knows of any such violation by any other covered person, must report the violation immediately to any of the following: (i) the Compliance Officer; (ii) the Company's General Counsel; (iii) an appropriate executive of the Company; (iv) the Ethics hotline; or (v) any member of the Board of Directors. Upon determining that any such violation has occurred, the Compliance Officer, in consultation with the Company's Chief Executive Officer and Chief Financial Officer and, where appropriate, the Chair of the Audit Committee of the Board of Directors of the Company, will determine whether the Company should release any material nonpublic information, and, when required by applicable law, shall cause the Company to report the violation to the SEC or other appropriate governmental authority. No covered person will be subject to retaliation because of a good faith report of a suspected violation.

9. ACKNOWLEDGMENT

This Policy will be available to all Assocaites and provided to all Section 16 Individuals and Designated Insiders. Upon first receiving a copy of this Policy or any revised versions and at regular intervals as determined by the Company, at the Company's discretion, each Section 16 Individual or Designated Insider may be required to sign an acknowledgement that he or she has received a copy of this Policy and agrees to comply with its terms.

Owner. Legal
Created: 1/1/2017
Last Revised: 2/27/2023
Last Reviewed: 2/27/2023
For internal associate use only. Do not share or distribute externally.

Exhibit 21.1

Subsidiaries of Schneider National, Inc.

1. 4488 International Holding Company Limited, a West Indies limited company (Barbados)
2. deBoer Transportation, Inc., a Wisconsin corporation
3. deBoer, Inc., a Wisconsin corporation
4. Dee Alabama Properties, LLC, an Alabama limited liability company
5. Dee Equipment Leasing, LLC, an Ohio limited liability company
6. Dee Holdings, Inc., an Ohio corporation
7. Dee Investment Properties, LLC, an Indiana limited liability company
8. Dee Kentucky Properties, LLC, a Kentucky limited liability company
9. Dee Logistics, LLC, an Ohio limited liability company
10. Dee Ohio Properties, LLC, an Ohio limited liability company
11. Dee Tennessee Properties, LLC, a Tennessee limited liability company
12. Fleet Operator Master, Inc., a Wisconsin corporation
13. INS Insurance, Inc., a Vermont corporation
14. Lodeso Inc., a Michigan corporation
15. M & M Transport Service, LLC, a Delaware limited liability company
16. Midwest Logistics South, LLC, an Ohio limited liability company
17. Midwest Logistic Systems, Ltd., an Ohio limited company
18. Midwest Truck and Trailer Maintenance, LLC, an Ohio limited liability company
19. MTTM Leasing, LLC, an Ohio limited liability company
20. Packerland Tech Ventures II LLC, a Delaware limited liability company
21. Packerland Tech Ventures LLC, a Delaware limited liability company
22. SCDM Ventures, LLC, a Delaware limited liability company
23. Schneider Dedicated Leasing, Inc., a Delaware corporation
24. Schneider Dedicated Realty, Inc., a Delaware corporation
25. Schneider Dedicated Services, Inc., a Delaware corporation
26. Schneider Enterprise Resources, LLC, a Wisconsin limited liability company
27. Schneider Finance, Inc., a Wisconsin corporation
28. Schneider IEP, Inc., a Wisconsin corporation
29. Schneider International Operations, LLC, a Wisconsin limited liability company

30. Schneider Leasing de Mexico S. de R.L de C.V., a Mexican Sociedad de Responsabilidad Limitada de Capital Variable
31. Schneider Logistics Canada, Ltd., a Canadian corporation (Ontario)
32. Schneider Logistics Transloading and Distribution, Inc., a Wisconsin corporation
33. Schneider Logistics Transportation, Inc., a Delaware corporation
34. Schneider Logistics, Inc., a Wisconsin corporation
35. Schneider National Bulk Carriers, Inc., a Delaware corporation
36. Schneider National Carriers, Inc., a Nevada corporation
37. Schneider National Carriers, Ltd., a Canadian corporation (Ontario)
38. Schneider National de Mexico, S.A. de C.V., a Mexican Sociedad Anónima de Capital Variable
39. Schneider National Foundation, Inc., a Wisconsin corporation
40. Schneider National Leasing, Inc., a Nevada corporation
41. Schneider National, Inc, a Wisconsin corporation
42. Schneider Receivables Corporation, a Delaware corporation
43. Schneider Resources, Inc., a Wisconsin corporation
44. Schneider TECH Ventures LLC, a Wisconsin limited liability company
45. Schneider Transport, Inc., a Wisconsin corporation
46. Scope 23 LLC, a Delaware limited liability company
47. Turnkey Ventures LLC, a Delaware limited liability company
48. Watkins and Shepard Leasing LLC, a Montana limited liability company
49. Watkins and Shepard Trucking, Inc., a Montana corporation

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-217301 and 333-268047 on Form S-8 of our reports dated February 23, 2024, relating to the financial statements of Schneider National, Inc. and the effectiveness of Schneider National, Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2023.

/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin
February 23, 2024

Exhibit 31.1

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 Annual Report on Form 10-K 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 period 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 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: February 23, 2024

/s/ Mark B. Rourke
Mark B. Rourke
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

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, Darrell G. Campbell, certify that:

1. I have reviewed this Annual Report on Form 10-K 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 period 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 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: February 23, 2024

/s/ Darrell G. Campbell

Darrell G. Campbell
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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 Annual Report on Form 10-K of Schneider National, Inc. (the "Company"), for the period ended December 31, 2023, filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark B. Rourke, President and Chief Executive 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: February 23, 2024

/s/ Mark B. Rourke
Mark B. Rourke
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

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 Annual Report on Form 10-K of Schneider National, Inc. (the "Company"), for the period ended December 31, 2023, filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Darrell G. Campbell, 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: February 23, 2024

/s/ Darrell G. Campbell
Darrell G. Campbell
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Schneider National, Inc.
Compensation Recovery Policy
AMENDED & RESTATED, EFFECTIVE OCTOBER 2, 2023

Schneider National, Inc. (the "Company" or "Schneider") has adopted this clawback policy (the "Policy") to enable the Company to recover Incentive-Based Compensation payments that were received as a result of financial results that were later determined to be incorrect. This Policy shall be effective as of October 2, 2023, the effective date of Section 303A.14 of the New York Stock Exchange ("NYSE") listing standards (the "Effective Date").

This Policy shall be interpreted to comply with and incorporate by reference the clawback rules set forth under Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and its implementing regulations and the rules and regulations set forth in Section 303A.14 of the NYSE listing standards (the "Clawback Rules"), and, to the extent this Policy is any manner deemed inconsistent with such rules, this Policy shall be treated as retroactively amended to be compliant with the Clawback Rules.

I. Covered Executive Officers

This Policy will apply to all Incentive-Based Compensation Received (as defined herein) by the Company's Executive Officers on or after the Effective Date. This Policy shall be binding and enforceable against all such Executive Officers and their beneficiaries, heirs, executors, administrators or other legal representatives.

II. Events Triggering Recovery of Compensation

In the event the Company is required to prepare an accounting restatement due to the Company's material noncompliance with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period, the Compensation Committee of the Board of Directors (the "Committee") shall direct the Company to recover from any Executive Officer the amount of Erroneously Awarded Compensation (as defined below) in accordance with this Policy.

III. Amount of Compensation Subject to Recovery

The amount of Incentive-Based Compensation subject to recovery under this Policy ("Erroneously Awarded Compensation") shall be the excess of (1) the Incentive-Based Compensation Received by the Executive Officer over (2) the amount of Incentive-Based Compensation that otherwise would have been Received had it been determined based on the accounting restatement, and shall be computed without regard to any taxes paid.

For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an accounting restatement: (1) the amount shall be based on a reasonable estimate of the effect of the accounting restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was received; and (2) the Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to the NYSE.

IV. Recovery Period

The Incentive-Based Compensation subject to clawback is the Incentive-Based Compensation Received during the three completed fiscal years immediately preceding the date that the Company is required to prepare an accounting restatement as described above, provided that the person served as an Executive Officer at any time during the performance period applicable to the Incentive-Based Compensation in question. The date that the Company is required to prepare an accounting restatement shall be determined pursuant to 229 C.F.R. §240.10D-1(b)(1)(ii).

Notwithstanding the foregoing, no Incentive-Based Compensation shall be subject to clawback under this Policy to the extent it was Received prior to the Effective Date of this Policy.

V. Prompt Recovery

The Company shall recover reasonably promptly any Erroneously Awarded Compensation except to the extent that the conditions of paragraphs (1), (2), or (3) below apply. The Committee shall determine the repayment schedule for each amount of Erroneously Awarded Compensation in a manner that complies with this "reasonably promptly" requirement. Such determination shall be consistent with any applicable legal, regulatory or NYSE guidance. The determination of "reasonably promptly" may vary from case to case and the Committee is authorized to adopt additional rules to further describe what repayment schedules satisfy this requirement.

The Committee may, in its sole discretion, recover Erroneously Awarded Compensation in any manner (or combination thereof) permitted by law, including by (i) requiring repayment or return of prior Incentive-Based Compensation awards made to such Executive Officer, including Incentive-Based Compensation awards that were not affected by the accounting restatement, (ii) cancelling unvested Incentive-Based Compensation awards, (iii) offsetting the amount to be recovered from any compensation owed by the Company to the Executive Officer or (iv) adjusting the future compensation of such Executive Officer. All actions taken by the Company to recover Erroneously Awarded Compensation will be taken in accordance with applicable law and consistent with the provisions of Section 409A of the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder. In addition, the Company may enter into deferred payment plans with an Executive Officer to effectuate recoupment to avoid unreasonable economic hardship.

(1) Erroneously Awarded Compensation need not be recovered if the direct expense paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered and the Board or an appropriate committee of the Board has made a determination that recovery would be impracticable. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on expense of enforcement, the Company shall make a reasonable attempt to recover such Erroneously Awarded Compensation, document such reasonable attempt(s) to recover, and provide that documentation to the NYSE.

(2) Erroneously Awarded Compensation need not be recovered if recovery would violate home country law (non-U.S. law) where that law was adopted prior to November 28, 2022. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on violation of home country law, the Company shall obtain an opinion of home country counsel, acceptable to the NYSE, that recovery would result in such a violation and shall provide such opinion to the NYSE.

(3) Erroneously Awarded Compensation need not be recovered if recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the registrant, to fail to meet the requirements of 26 U.S.C. 401(a)(13) (the anti-alienation rules) or 26 U.S.C. 411(a) (the minimum vesting rules).

VI. Definitions

For purposes of this Policy:

"Executive Officer" means any current or former "executive officer" of the Company, as determined for purposes of Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended.

"Incentive-Based Compensation" means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure. For the avoidance of doubt, Incentive-Based Compensation shall not include any salaries, discretionary bonuses, non-equity incentive plan awards earned upon satisfying a strategic measure or operational measure (e.g., completion of a project), or equity-based awards that are not contingent on achieving any financial reporting measure.

"Financial Reporting Measure" means any measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, any measure that is derived wholly or in part from such measures, stock price and total shareholder return.

"Received" Incentive-Based Compensation is deemed received in the fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of the incentive-based compensation occurs after the end of that period.

VII. Administrative Authority

The Committee shall have full and final authority to make all determinations under this Policy, including without limitation whether the Policy applies, whether to pursue recovery of Incentive-Based Compensation, and, if so, the amount to be recovered from the Executive Officer. The Committee shall have full and final authority, in its sole discretion, to: (a) construe all terms, provisions, conditions, and limitations of this Policy, (b) correct any defect or to supply any omission or to reconcile any inconsistency that may appear in this Policy in such manner and to such extent as the Committee shall deem appropriate, and (c) make all other determinations or take any actions necessary or advisable for the administration of this Policy. All determinations and decisions made by the Committee pursuant to the provisions of this Policy shall be final, conclusive and binding on all persons, including the Company, its subsidiaries, its stockholders and Executive Officers. The determination of the Committee need not be uniform with respect to one or more Executive Officers. The Board of Directors may amend this Policy from time to time in its discretion and will amend this Policy as it deems necessary to comply with Section 10D of the Exchange Act, and to comply with the applicable rules or standards of the Section 303A.14 of the NYSE listing standards.

VIII. No Indemnification

Notwithstanding anything to the contrary in any other policy of the Company or any agreement between the Company and an Executive Officer, no Executive Officer shall be indemnified by the Company against the loss of any Erroneously Awarded Compensation.

IX. Interplay with Other Compensation Recovery Rules

This Policy is in addition to (and not in lieu of) any right of repayment, forfeiture or right of offset against any employees that is required pursuant to any statutory repayment requirement (regardless of whether implemented at any time prior to or following the adoption or amendment of this Policy), including Section 304 of the Sarbanes-Oxley Act of 2002. Any amounts paid to Schneider pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 shall be considered in determining any amounts recovered under this Policy.

X. Enforceability / Additional Terms

If any provision of this Policy or the application of such provision to any Executive Officer shall be adjudicated to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Policy, and the invalid, illegal or unenforceable provisions shall be deemed amended to the minimum extent necessary to render any such provision (or the application of such provision) valid, legal or enforceable.

To the extent the Clawback Rules require recovery of Incentive-Based Compensation in additional circumstances beyond those specified above, nothing in this Policy shall be deemed to limit or restrict the right or obligation of Schneider to recover Incentive-Based Compensation to the fullest extent required by the Clawback Rules.

XI. Agreement to Policy by Executive Officers

The Committee shall take reasonable steps to inform Executive Officers of this Policy and each Executive Officer shall promptly sign and return to the Company following the Effective Date of this Policy (or, such individual becoming an Executive Officer if not an Executive Officer on the Effective Date) the Acknowledgement Form attached hereto as Exhibit A, pursuant to which the Executive Officer agrees to be bound by, and to comply with, the terms and conditions of this Policy.

Each annual incentive plan or agreement documenting an Incentive-Based Compensation award that is granted to a Covered Employee on or after the Effective Date will include a provision that incorporates the terms and conditions of this Policy into such Incentive-Based Compensation award.

Owner: Legal
Created: 7/30/2018
Last Revised: 10/30/2023

Exhibit A

Clawback Policy

Acknowledgement and Agreement Form

By signing below, I acknowledge and agree that I have received, reviewed and had the opportunity to ask questions regarding the Schneider National, Inc. Compensation Recovery Policy (the "Policy").

Furthermore, I acknowledge and agree that I am fully bound by, and subject to, all of the terms and conditions of the Policy, as may be amended, restated, supplemented or otherwise modified from time to time. I acknowledge and agree that my execution of this Acknowledgement and Agreement Form is in consideration of, and is a condition to, my continued employment and my receipt of future awards from Schneider National, Inc. and its subsidiaries and affiliates (collectively, "Schneider"), though nothing in this Acknowledgement and Agreement Form shall obligate Schneider to make any particular award. In the event of any inconsistency between the Policy and the terms of any employment agreement to which I am a party, or to the terms of any compensation plan, program, agreement or arrangement under which any incentive-based compensation covered by the Policy is payable, the terms of this Policy shall govern and shall be deemed incorporated into all such plans, programs, agreements (including any employment agreements) or arrangements, including and without limitation, those granted or awarded prior to the date hereof and those granted or awarded in the future.

In the event any Incentive-Based Compensation (as defined in the Policy) is subject to recoupment or recovery under the terms of the Policy, I will promptly take any action necessary to effectuate the recoupment or recovery of such compensation by Schneider. Finally, I acknowledge and agree that I am not entitled to any indemnification rights with respect to amounts subject to recoupment or recovery by Schneider.

EXECUTIVE OFFICER

_____

Signature

_____

Print Name

_____

Date