

# Schneider National, Inc. Corporate Governance Guidelines

## DESCRIPTION

These Corporate Governance Guidelines (these “Guidelines”) describe certain principles and practices that the Schneider National, Inc. Board of Directors (the “Board”) will follow in carrying out its responsibilities. In these Guidelines, Schneider National, Inc. is referred to as the “Corporation.” These Guidelines supplement the Corporation’s Amended and Restated Bylaws (the “Bylaws”) and the charters of the Board’s committees and, in the event of a conflict, will be controlled by such documents.

## PRINCIPLES

### BOARD COMPOSITION

**Size of the Board.** The size of the Board will be determined in accordance with the Bylaws.

**Mix of Inside and Independent Directors.** The Corporation is a “controlled company” under listing standards set forth by the New York Stock Exchange (“NYSE”), which means that the Corporation is not required to have a board consisting of a majority of independent directors, and its Compensation Committee and Corporate Governance Committee are not required to be composed entirely of independent directors. The Audit Committee members are, however, subject to heightened independence standards pursuant to the listing standards of the NYSE and the rules and regulations issued by the Securities and Exchange Commission (“SEC”).

It is nonetheless the Board’s objective that all of the members of the Audit Committee and the Compensation Committee and a majority of the members of the Board be “independent”, as defined under the listing standards of the NYSE and under rules and regulations issued by the SEC.

On at least an annual basis (and whenever an individual is considered by the Corporate Governance Committee for election as a director), management will collect information from the Corporation’s records and, as appropriate, from the individual directors, to conduct an analysis of each current or prospective director’s eligibility to be classified as independent. This analysis shall address each individual’s eligibility to be classified as independent for purposes of serving on the Board and on each of the Board’s committees. This analysis shall be submitted to the Corporate Governance Committee, which shall make a recommendation regarding each individual’s independence to the full Board, which in turn shall make the final determination of each individual’s independence.

The Board has adopted the following categorical standards, in addition to the standards for independence established under the listing standards of the NYSE and regulations issued by the SEC, which it may amend or supplement from time to time. A director will not be independent if:

- (i) the director is, or has been within the last three years, an employee of the Corporation and its consolidated subsidiaries, or an immediate family member of the director is, or has been within the last three years, an executive officer of the Corporation; or
- (ii) the director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the Corporation, other than director and committee fees and pensions or other forms of deferred compensation for prior service with the Corporation (provided such compensation is not contingent in any way on continued service); or
- (iii) (A) the director is a current partner or employee of a firm that is the Corporation’s internal or external auditor; (B) the director has an immediate family member who is a current partner of such a firm; (C) the director has an immediate family member who is a current employee of such a firm and personally works on the Corporation’s audit, or (D) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the Corporation’s audit within that time; or

- (iv) the director or an immediate family member is, or has been with the last three years, employed as an executive officer of another company where any of the Corporation's present executive officers at the same time serves or served on that company's compensation committee; or
- (v) the director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the Corporation for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues; or
- (vi) the Corporate Governance Committee so decides in light of fees and emoluments that exceed what are customary, charitable contributions by the Corporation to organizations with which the director is affiliated, consulting contracts with the director or other indirect forms of compensation to the director.

To supplement the annual process described above, it shall be the responsibility of each director to inform promptly the General Counsel and Secretary of any development that may affect the director's independence in that director's judgment.

**Selection and Election of Directors.** The Corporate Governance Committee shall identify, review and recommend candidates for the Board. In addition to assuring that the Board has directors who meet the applicable criteria for committee or board membership established by regulatory entities, including the NYSE and the SEC, the Board will take into consideration the factors set forth in Section 3.02 of the Bylaws.

**Director Compensation.** The Corporate Governance Committee will review and establish the compensation for directors and may make recommendations to the Board for its approval. As part of its review, the Committee will receive information on compensation provided to non-employee directors at a peer group or groups of companies. The Committee will also evaluate questions raised as to directors' independence when determining the form and amount of compensation.

## **BOARD RESPONSIBILITIES**

The Board's responsibility in discharging its duties is to consider the effects of its actions on the Corporation's shareholders, employees, suppliers and customers, the communities in which the Corporation has operations and any other factors that the Board considers pertinent. The Board selects the senior management of the Corporation, monitors senior management and the Corporation's performance, and provides advice and counsel to senior management.

**Specific Responsibilities.** The Board's responsibilities include, but are not limited to, the following:

- **Strategy, Business Plan & Budget.** The Board shall review the Corporation's long-term strategy at least annually. It shall also approve a business plan, operating budget, and capital plan annually.
- **Management Performance.** The Compensation Committee will review the performance and determine and approve the compensation of the CEO at least annually. The Compensation Committee will review and approve the compensation provided to the officers of the Corporation.
- **CEO Succession.** The full Board will be responsible for selecting the CEO. The Corporate Governance Committee will review succession plans for the CEO position, including emergency succession plans, and will report on this subject to the Board. The CEO will propose to the Corporate Governance Committee an emergency succession plan to provide for one or more individuals to fulfill the CEO's responsibilities on an interim basis in the event that the CEO retires or is disabled or otherwise incapacitated, which the Corporate Governance Committee will review and, as appropriate, recommend to the full Board for its approval.

- **Board and Committee Performance Evaluations.** Under the auspices of the Corporate Governance Committee, the Board and each committee shall conduct a self-evaluation of its performance at least annually, which will address its composition, responsibilities, structure, processes, and effectiveness.
- **Risk Oversight.** The Board shall have general oversight of the management of the Corporation's risks.

**Communication with Stockholders and Third Parties.** The Board believes that it is, in general, the responsibility of management to speak for the Corporation in communications with outside parties, e.g., investors, the press, and industry associations. Directors should only engage in such communications at the request of management.

Directors are encouraged and expected to attend the Corporation's annual shareholders meeting.

## BOARD MEETINGS

**Schedule and Agendas for Board Meetings.** The Board shall hold, and to the extent possible each director shall attend, regularly scheduled quarterly meetings and such other special meetings as are necessary to attend to the Corporation's business and as are called by or at the request of the Chairman of the Board or the CEO, including a meeting at which the Corporation's strategy is addressed. The schedules of meetings will normally be established well in advance of such meetings.

**Briefing Materials and Presentations.** To the extent possible and appropriate, management should provide directors with an agenda and written briefing materials in advance of the Board meetings, including financial reports in advance of any regularly scheduled Board meeting, which each director should review in preparation therefor.

**Access to Management & Advisors.** Directors shall have full access to any member of management for the purpose of understanding issues facing the Corporation. Directors who contact subordinate levels of management should, if appropriate, inform the Chairman of the Board and the CEO of such interactions. Each committee established by the Board shall have the authority to retain independent advisors; further, by a majority vote, the Board, non-employee directors, or independent directors may also retain independent advisors; the cost of such advisors shall be paid by the Corporation. Directors, especially those on the Audit Committee, shall have complete access to the Corporation's independent auditors and internal auditor.

**Executive Sessions with Non-Management Directors.** Unless the non-management directors determine otherwise, non-management directors will meet by themselves, without management present, at every regularly scheduled Board meeting. Non-management directors may hold other such sessions at the request of any non-management director and shall notify the Chairman if they would like to hold such a session, and the Chairman shall facilitate the scheduling of such session.

## BOARD COMMITTEES

**Committee Membership.** The Corporate Governance Committee will, after consultation with the Chairman of the Board and the CEO (and others as the Committee may see fit), recommend to the Board for its approval committee assignments and chairmanships for each committee, including the creation of new, or the elimination of existing, committees of the Board.

Only independent directors (as determined by the Board of Directors in accordance with these Guidelines) may serve on the Audit Committee and the Compensation Committee. In addition, committee members shall meet applicable requirements set forth by regulatory entities, including the SEC.

## DIRECTOR ORIENTATION AND EDUCATION

**Director Orientation.** The Secretary shall assure that each individual, upon joining the Board, is provided with an orientation regarding the Board and the Corporation's operations. As part of this orientation, each new director shall have an opportunity to meet with members of senior management of the Corporation.

**Ongoing Education.** The Board shall, from time to time, receive presentations by corporate executives and the heads of its businesses regarding their respective areas. In addition, the Corporation shall reimburse directors for reasonable expenses relating to ongoing director education.

## USE OF PUBLIC ACCOUNTING FIRM

Any registered public accounting firm may not provide audit services to the Corporation if the Chief Executive Officer, Controller, Chief Financial Officer, Chief Accounting Officer or any person serving in an equivalent capacity for the Corporation was employed by such accounting firm and participated in any capacity in the audit of the Corporation during the one-year period preceding the date of the initiation of the audit.

## RELATED PERSON TRANSACTION POLICY

The Board has adopted the Related Person Transaction Policy attached as Annex I to these Guidelines.

## CORPORATE GOVERNANCE REVIEW AND DISCLOSURE

The Corporate Governance Committee shall review these Guidelines no less than annually and shall recommend any changes to the Board for its approval. As part of its review, the Corporate Governance Committee will consider whether the principles and practices have been, and are likely to continue to be, effective in enabling the Board to fulfill its responsibilities. The Corporate Governance Committee may also compare current practices to the expectations of shareholders, changes in the law or regulations and the practices of boards of other leading companies. These Guidelines shall be posted on the Corporation's website.

## ANNEX I

### RELATED PERSON TRANSACTION POLICY

1. Definitions. For purposes of this Policy:

*"Related Person"* means:

- a. any person who has served as a director or executive officer since the beginning of the Corporation's last fiscal year;
- b. any person nominated for director since the beginning of the Corporation's last fiscal year who has had or will have a direct or indirect material interest in a Related Person Transaction (as defined below) that is being presented in a proxy statement prepared by the Corporation relating to the election of such person for director;
- c. any person who was at any time during the Corporation's last fiscal year an "Immediate Family Member" of any of the persons listed above. "Immediate Family Member" means spouse, child, stepchild, parent, stepparent, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the director, executive officer or nominee, and any person (other than a tenant or employee) sharing the household of such director, executive officer or nominee; or
- d. any person who is known to the Corporation to be the beneficial owner of more than five percent of any class of the Corporation's voting securities at the time of the Transaction (as defined below), or any Immediate Family Member of such person.

*"Related Person's Firm"* means any firm, corporation or other entity in which a Related Person is an executive officer or general partner or in which all Related Persons together have a 10 percent or more ownership interest.

*"Related Person Transaction"* means a Transaction in which a Related Person is determined to have, had, or will have a direct or indirect material interest.

*"Transaction"* means any single transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) with the Corporation since the beginning of the Corporation's last fiscal year in an amount greater than \$120,000 that involves or will involve a Related Person or a Related Person's Firm. It does not include:

- a. compensation to a director or executive officer which is or will be disclosed in the Corporation's proxy statement;
  - b. compensation to an executive officer (who is not also an Immediate Family Member described above) that is approved by the Compensation Committee and would have been disclosed in the Corporation's proxy statement if the executive officer was a "named executive officer";
  - c. a transaction in which the rates or charges involved are determined by competitive bids, or which involves common, contract carrier or public utility services at rates or charges fixed in conformity with law or governmental authority;
  - d. a transaction that involves services as a bank depository of funds, transfer agent, registrar, indenture trustee, or similar services; or
  - e. a transaction in which the Related Person's interest arises solely from the ownership of the Corporation's stock and all shareholders receive the same benefit on a pro rata basis.
2. Policy Statement. The Board recognizes that Related Person Transactions can present potential conflicts of interest (or the perception thereof) and therefore has adopted this policy.
  3. Process. Each director and executive officer shall annually identify any Transaction that they, their Immediate Family Members or their Related Person Firms are or will be involved in. On an ongoing basis, directors and executive officers shall promptly advise the Corporate Governance Committee of any changes to such Transactions.

Management shall submit all disclosed Transactions and appropriate supplemental information to the Corporate Governance Committee for its review.

The Corporate Governance Committee shall review each disclosed Transaction in order to determine whether a Transaction is a Related Person Transaction. The Corporate Governance Committee shall notify the Audit Committee and shall take such action with respect to the Related Person Transaction as the Governance Committee deems necessary and appropriate under the circumstances, including approval, disapproval, ratification, cancellation, or a recommendation to management. Only disinterested members of the Corporate Governance Committee shall participate in those determinations. In the event it is not practical to convene a meeting of the Corporate Governance Committee, the Chair of the Corporate Governance Committee shall have the right to make such determination and shall promptly report his or her determination in writing to the other members of the Corporate Governance Committee. The factors to be considered in making such determination include, but are not limited to:

- the Related Person involved and his, her or its relationship to the Corporation;
- the Related Person's interest and role in the proposed transaction;
- the proposed terms of the transaction (including aggregate value and value to be derived by the Related Person);
- the benefits to the Corporation of the proposed transaction;
- if applicable, the availability to the Corporation of alternative means or transactions to obtain like benefits;
- an assessment of whether the proposed transaction is on terms that are comparable to the terms that would exist in a similar transaction with an unaffiliated third party (or other information bearing on whether the proposed transaction is fair to the Corporation); and
- an assessment of whether the proposed transaction is consistent with other policies of the Corporation that also govern the proposed transaction.

The Corporate Governance Committee shall report its action with respect to any Related Person Transaction to the Board.