

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

FORM 10-Q

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

For The Quarterly Period Ended March 31, 2022  
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 - 001-37827

**Triton International Limited**

(Exact name of registrant as specified in the charter)

Bermuda  
(State or other jurisdiction of incorporation or organization)

**98-1276572**  
(I.R.S. Employer Identification Number)

**Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda**  
(Address of principal executive office)

**(441) 294-8033**  
(Registrant's telephone number including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common shares, \$0.01 par value per share	TRTN	New York Stock Exchange
8.50% Series A Cumulative Redeemable Perpetual Preference Shares	TRTN PRA	New York Stock Exchange
8.00% Series B Cumulative Redeemable Perpetual Preference Shares	TRTN PRB	New York Stock Exchange
7.375% Series C Cumulative Redeemable Perpetual Preference Shares	TRTN PRC	New York Stock Exchange
6.875% Series D Cumulative Redeemable Perpetual Preference Shares	TRTN PRD	New York Stock Exchange
5.75% Series E Cumulative Redeemable Perpetual Preference Shares	TRTN PRE	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirement 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 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, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

Indicate by check mark whether the registrant is a shell company (as defined in rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 29, 2022, there were 64,213,200 common shares at \$0.01 par value per share of the registrant outstanding.

**Triton International Limited**

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#### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This quarterly report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, that involve substantial risks and uncertainties. In addition, we, or our executive officers on our behalf, may from time to time make forward-looking statements in reports and other documents we file with the Securities and Exchange Commission, or SEC, or in connection with oral statements made to the press, potential investors or others. All statements, other than statements of historical facts, including statements regarding our strategy, future operations, future financial position, future revenues, future costs, prospects, plans and objectives of management are forward-looking statements. The words "expect," "estimate," "anticipate," "predict," "believe," "think," "plan," "will," "should," "intend," "seek," "potential" and similar expressions and variations are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

All forward-looking statements address matters that involve risks and uncertainties, many of which are beyond Triton's control. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in such statements and, therefore, you should not place undue reliance on any such statements. These factors include, without limitation, economic, business, competitive, market and regulatory conditions and the following:

- the impact of COVID-19 on our business and financial results;
- decreases in the demand for leased containers;
- decreases in market leasing rates for containers;
- difficulties in re-leasing containers after their initial fixed-term leases;
- our customers' decisions to buy rather than lease containers;
- our dependence on a limited number of customers and suppliers;
- customer defaults;
- decreases in the selling prices of used containers;
- extensive competition in the container leasing industry;
- risks stemming from the international nature of our businesses, including global economic trends and geopolitical risks;
- decreases in demand for international trade;
- disruption to our operations resulting from the political and economic policies of the United States and other countries, particularly China, including but not limited to, the impact of trade wars, duties and tariffs;
- disruption to our operations from failures of, or attacks on, our information technology systems;
- disruption to our operations as a result of natural disasters;
- compliance with laws and regulations related to economic and trade sanctions, security, anti-terrorism, environmental protection and anti-corruption;
- the availability and cost of capital;
- restrictions imposed by the terms of our debt agreements;
- changes in tax laws in Bermuda, the United States and other countries; and
- other risks and uncertainties, including those listed under the caption "Risk Factors" in our Annual Report on Form 10-K, filed with the SEC on February 15, 2022 (the "Form 10-K"), in this Report on Form 10-Q and in any other Form 10-Q filed or to be filed by us, as well as in the other documents we file with the SEC from time to time, and such risks and uncertainties are specifically incorporated herein by reference.

Forward-looking statements speak only as of the date the statements are made. Except as required under the federal securities laws and rules and regulations of the SEC, we undertake no obligation to update or revise forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information. We caution you not to unduly rely on the forward-looking statements when evaluating the information presented in this report.

ITEM 1. FINANCIAL STATEMENTS

**TRITON INTERNATIONAL LIMITED**  
**Consolidated Balance Sheets**  
(In thousands, except share data)  
(Unaudited)

	March 31, 2022	December 31, 2021
<b>ASSETS:</b>		
Leasing equipment, net of accumulated depreciation of \$4,048,194 and \$3,919,181	\$ 9,945,967	\$ 10,201,113
Net investment in finance leases	1,696,543	1,558,290
Equipment held for sale	79,061	48,746
<b>Revenue earning assets</b>	11,721,571	11,808,149
Cash and cash equivalents	71,969	106,168
Restricted cash	121,431	124,370
Accounts receivable, net of allowances of \$1,144 and \$1,178	293,442	294,792
Goodwill	236,665	236,665
Lease intangibles, net of accumulated amortization of \$284,111 and \$281,340	14,346	17,117
Other assets	38,989	50,346
Fair value of derivative instruments	36,401	6,231
<b>Total assets</b>	\$ 12,534,814	\$ 12,643,838
<b>LIABILITIES AND SHAREHOLDERS' EQUITY:</b>		
Equipment purchases payable	\$ 56,804	\$ 429,568
Fair value of derivative instruments	2,906	48,277
Deferred revenue	90,417	92,198
Accounts payable and other accrued expenses	69,490	70,557
Net deferred income tax liability	387,211	376,009
Debt, net of unamortized costs of \$65,069 and \$63,794	8,727,432	8,562,517
<b>Total liabilities</b>	9,334,260	9,579,126
<b>Shareholders' equity:</b>		
Preferred shares, \$0.01 par value, at liquidation preference	730,000	730,000
Common shares, \$0.01 par value, 270,000,000 shares authorized, 81,367,045 and 81,295,366 shares issued, respectively	814	813
Undesignated shares, \$0.01 par value, 800,000 shares authorized, no shares issued and outstanding	—	—
Treasury shares, at cost, 16,686,873 and 15,429,499 shares, respectively	(602,526)	(522,360)
Additional paid-in capital	901,150	904,224
Accumulated earnings	2,139,777	2,000,854
Accumulated other comprehensive income (loss)	31,339	(48,819)
<b>Total shareholders' equity</b>	3,200,554	3,064,712
<b>Total liabilities and shareholders' equity</b>	\$ 12,534,814	\$ 12,643,838

The accompanying Notes to the Unaudited Consolidated Financial Statements are an integral part of these statements.



**TRITON INTERNATIONAL LIMITED**  
**Consolidated Statements of Operations**  
(In thousands, except per share data)  
(Unaudited)

	Three Months Ended March 31,	
	2022	2021
Leasing revenues:		
Operating leases	\$ 388,945	\$ 339,794
Finance leases	28,143	6,949
<b>Total leasing revenues</b>	<b>417,088</b>	<b>346,743</b>
Equipment trading revenues	34,120	25,945
Equipment trading expenses	(29,979)	(17,804)
<b>Trading margin</b>	<b>4,141</b>	<b>8,141</b>
Net gain on sale of leasing equipment	28,969	21,967
<b>Operating expenses:</b>		
Depreciation and amortization	160,716	143,307
Direct operating expenses	6,220	9,370
Administrative expenses	21,300	20,921
Provision (reversal) for doubtful accounts	(27)	(2,464)
Total operating expenses	188,209	171,134
Operating income (loss)	261,989	205,717
<b>Other expenses:</b>		
Interest and debt expense	54,510	54,623
Unrealized (gain) loss on derivative instruments, net	(439)	—
Debt termination expense	36	—
Other (income) expense, net	(308)	(481)
<b>Total other expenses</b>	<b>53,799</b>	<b>54,142</b>
Income (loss) before income taxes	208,190	151,575
Income tax expense (benefit)	13,932	11,737
<b>Net income (loss)</b>	<b>\$ 194,258</b>	<b>\$ 139,838</b>
Less: dividend on preferred shares	13,028	10,513
<b>Net income (loss) attributable to common shareholders</b>	<b>\$ 181,230</b>	<b>\$ 129,325</b>
Net income per common share—Basic	\$ 2.79	\$ 1.93
Net income per common share—Diluted	\$ 2.78	\$ 1.92
Cash dividends paid per common share	\$ 0.65	\$ 0.57
Weighted average number of common shares outstanding—Basic	64,887	66,935
Dilutive restricted shares	267	282
Weighted average number of common shares outstanding—Diluted	65,154	67,217

The accompanying Notes to the Unaudited Consolidated Financial Statements are an integral part of these statements.

**TRITON INTERNATIONAL LIMITED**  
**Consolidated Statements of Comprehensive Income**  
(In thousands)  
(Unaudited)

	Three Months Ended March 31,	
	2022	2021
<b>Net income (loss)</b>	\$ 194,258	\$ 139,838
<b>Other comprehensive income (loss), net of tax:</b>		
Change in derivative instruments designated as cash flow hedges	74,017	62,850
Reclassification of (gain) loss on derivative instruments designated as cash flow hedges	6,307	7,102
Foreign currency translation adjustment	(166)	21
Other comprehensive income (loss), net of tax	80,158	69,973
<b>Comprehensive income</b>	274,416	209,811
Less:		
Dividend on preferred shares	13,028	10,513
<b>Comprehensive income attributable to common shareholders</b>	\$ 261,388	\$ 199,298
Tax (benefit) provision on change in derivative instruments designated as cash flow hedges	\$ 5,546	\$ 2,558
Tax (benefit) provision on reclassification of (gain) loss on derivative instruments designated as cash flow hedges	\$ 463	\$ 468

The accompanying Notes to the Unaudited Consolidated Financial Statements are an integral part of these statements.

**TRITON INTERNATIONAL LIMITED**  
**Consolidated Statements of Shareholders' Equity**  
(In thousands, except share amounts)  
(Unaudited)

	Preferred Shares		Common Shares		Treasury Shares		Add'l Paid in Capital	Accumulated Earnings	Accumulated Other Comprehensive Income	Total Equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance as of December 31, 2021	29,200,000	\$ 730,000	81,295,366	\$ 813	15,429,499	\$ (522,360)	\$ 904,224	\$ 2,000,854	\$ (48,819)	\$ 3,064,712
Share-based compensation	—	—	164,932	2	—	—	2,554	—	—	2,556
Treasury shares acquired	—	—	—	—	1,257,374	(80,166)	—	—	—	(80,166)
Share repurchase to settle shareholder tax obligations	—	—	(93,253)	(1)	—	—	(5,628)	—	—	(5,629)
Net income (loss)	—	—	—	—	—	—	—	194,258	—	194,258
Other comprehensive income (loss)	—	—	—	—	—	—	—	—	80,158	80,158
Common shares dividend declared	—	—	—	—	—	—	—	(42,307)	—	(42,307)
Preferred shares dividend declared	—	—	—	—	—	—	—	(13,028)	—	(13,028)
Balance as of March 31, 2022	29,200,000	\$ 730,000	81,267,045	\$ 814	16,686,873	\$ (602,526)	\$ 901,150	\$ 2,139,777	\$ 31,339	\$ 3,200,554

	Preferred Shares		Common Shares		Treasury Shares		Add'l Paid in Capital	Accumulated Earnings	Accumulated Other Comprehensive Income	Total Equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance as of December 31, 2020	22,200,000	\$ 555,000	81,151,723	\$ 812	13,901,326	\$ (436,822)	\$ 905,323	\$ 1,674,670	\$ (133,035)	\$ 2,565,948
Share-based compensation	—	—	207,077	2	—	—	1,713	—	—	1,715
Share repurchase to settle shareholder tax obligations	—	—	(85,466)	(1)	—	—	(4,145)	—	—	(4,146)
Net income (loss)	—	—	—	—	—	—	—	139,838	—	139,838
Other comprehensive income (loss)	—	—	—	—	—	—	—	—	69,973	69,973
Common shares dividend declared	—	—	—	—	—	—	—	(38,497)	—	(38,497)
Preferred shares dividend declared	—	—	—	—	—	—	—	(10,513)	—	(10,513)
Balance as of March 31, 2021	22,200,000	\$ 555,000	81,273,334	\$ 813	13,901,326	\$ (436,822)	\$ 902,891	\$ 1,765,498	\$ (63,062)	\$ 2,724,318

The accompanying Notes to the Unaudited Consolidated Financial Statements are an integral part of these statements.

**TRITON INTERNATIONAL LIMITED**  
**Consolidated Statements of Cash Flows**  
(In thousands)  
(Unaudited)

	Three Months Ended March 31,	
	2022	2021
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ 194,258	\$ 139,838
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	160,716	143,307
Amortization of deferred debt cost and other debt related amortization	3,526	1,142
Lease related amortization	3,013	4,857
Share-based compensation expense	2,556	1,715
Net (gain) loss on sale of leasing equipment	(28,969)	(21,967)
Unrealized (gain) loss on derivative instruments	(439)	—
Debt termination expense	36	—
Deferred income taxes	5,193	11,615
Changes in operating assets and liabilities:		
Accounts receivable	(23,835)	(20,300)
Deferred revenue	35,237	9,472
Accounts payable and other accrued expenses	4,143	1,886
Net equipment sold (purchased) for resale activity	(7,749)	1,579
Cash received (paid) for settlement of interest rate swaps	12,178	5,558
Cash collections on finance lease receivables, net of income earned	28,745	12,866
Other assets	10,061	9,420
<b>Net cash provided by (used in) operating activities</b>	<b>398,670</b>	<b>300,988</b>
<b>Cash flows from investing activities:</b>		
Purchases of leasing equipment and investments in finance leases	(511,027)	(579,211)
Proceeds from sale of equipment, net of selling costs	57,274	53,512
Other	(135)	15
<b>Net cash provided by (used in) investing activities</b>	<b>(453,888)</b>	<b>(525,684)</b>
<b>Cash flows from financing activities:</b>		
Purchases of treasury shares	(81,720)	—
Debt issuance costs	(5,507)	(13,803)
Borrowings under debt facilities	932,600	1,504,850
Payments under debt facilities and finance lease obligations	(766,686)	(979,199)
Dividends paid on preferred shares	(13,028)	(10,513)
Dividends paid on common shares	(41,950)	(38,153)
Other	(5,629)	(4,146)
<b>Net cash provided by (used in) financing activities</b>	<b>18,080</b>	<b>459,036</b>
<b>Net increase (decrease) in cash, cash equivalents and restricted cash</b>	<b>\$ (37,138)</b>	<b>\$ 234,340</b>
Cash, cash equivalents and restricted cash, beginning of period	230,538	151,996
<b>Cash, cash equivalents and restricted cash, end of period</b>	<b>\$ 193,400</b>	<b>\$ 386,336</b>
<b>Supplemental disclosures:</b>		
Interest paid	\$ 39,127	\$ 42,133
Income taxes paid (refunded)	\$ 137	\$ 155
<b>Supplemental non-cash investing activities:</b>		
Equipment purchases payable	\$ 56,804	\$ 342,357

The accompanying Notes to the Unaudited Consolidated Financial Statements are an integral part of these statements.

**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1—Description of the Business, Basis of Presentation and Accounting Policy Updates**

**Description of the Business**

Triton International Limited ("Triton" or the "Company"), through its subsidiaries, leases intermodal transportation equipment, primarily maritime containers, and provides maritime container management services through a worldwide network of service subsidiaries, third-party depots and other facilities. The majority of the Company's business is derived from leasing its containers to shipping line customers through a variety of long-term and short-term contractual lease arrangements. The Company also sells containers from its equipment leasing fleet as well as containers specifically acquired for resale from third parties. The Company's registered office is located in Bermuda.

**Basis of Presentation**

The unaudited consolidated financial statements and accompanying notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, these financial statements do not include all information and footnotes required by GAAP for complete financial statements.

The interim consolidated balance sheet as of March 31, 2022; the consolidated statements of operations, the consolidated statements of comprehensive income, and the consolidated statements of shareholders' equity for the three months ended March 31, 2022 and 2021, and the consolidated statements of cash flows for the three months ended March 31, 2022 and 2021 are unaudited. The consolidated balance sheet as of December 31, 2021, included herein, was derived from the audited financial statements as of that date, but does not include all disclosures required by GAAP. The unaudited interim financial statements have been prepared on a basis consistent with the Company's annual financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments necessary to state fairly the Company's financial position, results of operations, comprehensive income, shareholders' equity, and cash flows for the periods presented. The financial data and the other financial information disclosed in the notes to the financial statements related to these periods are also unaudited. The consolidated results of operations for the three months ended March 31, 2022 are not necessarily indicative of the results to be expected for the fiscal year ending December 31, 2022 or for any other future annual or interim period.

These financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto as of and for the year ended December 31, 2021 included in the Company's Annual Report on Form 10-K which was filed with the SEC on February 15, 2022. The unaudited consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. Certain changes in presentation have been made to conform the prior period presentation to current period reporting.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and disclosure of contingent assets and liabilities in the financial statements. Such estimates include, but are not limited to, the Company's estimates in connection with leasing equipment, including residual values and depreciable lives, values of assets held for sale and other long lived assets, provision for income tax, allowance for doubtful accounts, share-based compensation, goodwill and intangible assets. Actual results could differ from those estimates.

**Concentration of Credit Risk**

The Company's equipment leases and trade receivables subject it to potential credit risk. The Company extends credit to its customers based upon an evaluation of each customer's financial condition and credit history. Evaluations of the financial condition and associated credit risk of customers are performed on an ongoing basis. The Company's three largest customers accounted for 19%, 19%, and 10%, respectively, of the Company's lease billings during the three months ended March 31, 2022.

**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**Fair Value Measurements**

For information on the fair value of equipment held for sale, debt, and the fair value of derivative instruments, please refer to **Note 2** - "Equipment Held for Sale", **Note 7** - "Debt" and **Note 8** - "Derivative Instruments", respectively.

**New Accounting Pronouncements**

***Recently Adopted Accounting Standards Updates***

***Lessors - Certain Leases with Variable Lease Payments***

In July 2021, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") 2021-05, Lease (Topic 842): Lessors - Certain Leases with Variable Lease Payments. This guidance amends the lease classification accounting for lessors for certain leases with variable lease payments. The Company's adoption of this standard on January 1, 2022 had no impact on its consolidated financial statements.

**Note 2—Equipment Held for Sale**

The Company's equipment held for sale is recorded at the lower of fair value less cost to sell, or carrying value at the time identified for sale. Fair value is measured using Level 2 inputs and is based predominantly on recent sales prices. An impairment charge is recorded when the carrying value of the asset exceeds its fair value less cost to sell. The following table summarizes the Company's net impairment charges recorded in Net gain on sale of leasing equipment on the consolidated statements of operations (in thousands):

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Impairment (loss) reversal on equipment held for sale	\$ (73)	\$ 5
Gain (loss) on sale of equipment, net of selling costs	29,042	21,962
Net gain on sale of leasing equipment	<u>\$ 28,969</u>	<u>\$ 21,967</u>

**Note 3—Intangible Assets**

Intangible assets consist of lease intangibles for leases acquired with lease rates above market in a business combination. The following table summarizes the amortization of intangible assets as of March 31, 2022 (in thousands):

<b>Years ending December 31,</b>	<b>Total Intangible Assets</b>
2022	\$ 7,726
2023	4,657
2024	1,963
Total	<u>\$ 14,346</u>

Amortization expense related to intangible assets was \$2.8 million and \$4.6 million and for the three months ended March 31, 2022 and 2021, respectively.

**Note 4—Share-Based Compensation**

The Company recognizes share-based compensation expense for share-based payment transactions based on the grant date fair value. The expense is recognized over the employee's requisite service period, which is generally the vesting period of the equity award. The Company recognized share-based compensation expense in administrative expenses of \$2.6 million and \$1.7 million for the three months ended March 31, 2022 and 2021, respectively. Share-based compensation expense includes charges for performance-based shares and units that are deemed probable to vest.

As of March 31, 2022, the total unrecognized compensation expense related to non-vested restricted share awards and units was \$17.6 million, which is expected to be recognized on a straight-line basis through January 2025.

**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

During the three months ended March 31, 2022, the Company issued 212,062 restricted shares, and canceled 89,710 vested shares to settle payroll taxes on behalf of employees. Additional shares may be issued based upon the satisfaction of certain performance criteria. Additionally, the Company issued 9,527 shares to employees that vested immediately and canceled 3,543 vested shares to settle payroll taxes.

**Note 5—Other Equity Matters**

**Share Repurchase Program**

The Company's Board of Directors authorized repurchases of shares up to a specified dollar amount as part of its repurchase program. Purchases under the repurchase program may be made in the open market or privately negotiated transactions, and may include transactions pursuant to a repurchase plan administered in accordance with Rules 10b5-1 and 10b-18 under the Securities Exchange Act of 1934, as amended. Purchases may be made from time to time at the Company's discretion and the timing and amount of any share repurchases will be determined based on share price, market conditions, legal requirements, and other factors. The repurchase program does not obligate the Company to acquire any particular amount of common shares, and the Company may suspend or discontinue the repurchase program at any time.

During the three months ended March 31, 2022, the Company repurchased a total of 1,257,374 common shares at an average price per-share of \$63.74 for a total of \$80.2 million.

**Preferred Shares**

The following table summarizes the Company's preferred share issuances (each, a "Series"):

<b>Preferred Share Offering</b>	<b>Issuance</b>	<b>Liquidation Preference (in thousands)</b>	<b># of Shares<sup>(1)</sup></b>
Series A 8.50% Cumulative Redeemable Perpetual Preference Shares ("Series A")	March 2019	\$ 86,250	3,450,000
Series B 8.00% Cumulative Redeemable Perpetual Preference Shares ("Series B")	June 2019	143,750	5,750,000
Series C 7.375% Cumulative Redeemable Perpetual Preference Shares ("Series C")	November 2019	175,000	7,000,000
Series D 6.875% Cumulative Redeemable Perpetual Preference Shares ("Series D")	January 2020	150,000	6,000,000
Series E 5.75% Cumulative Redeemable Perpetual Preference Shares ("Series E")	August 2021	175,000	7,000,000
		<u>\$ 730,000</u>	<u>29,200,000</u>

(1) Represents number of shares authorized, issued, and outstanding.

Each Series of preferred shares may be redeemed at the Company's option, at any time after approximately five years from original issuance, in whole or in part at a redemption price, plus an amount equal to all accumulated and unpaid dividends, whether or not declared. The Company may also redeem each Series of preferred shares prior to the lapse of the five year period upon the occurrence of certain events as described in each instrument, such as transactions that either transfer ownership of substantially all assets to a single entity or establish a majority voting interest by a single entity, and cause a downgrade or withdrawal of rating by the rating agency within 60 days of the event. If the Company does not elect to redeem each Series upon the occurrence of the preceding events, holders of preferred shares may have the right to convert their preferred shares into common shares. Specifically for Series E only, the Company may redeem the Series E Preference Shares if an applicable rating agency changes the methodology or criteria that were employed in assigning equity credit to securities similar to the Series E Preference Shares when originally issued, which either (a) shortens the period of time during which equity credit pertaining to the Series E Preference Shares would have been in effect had the methodology not been changed or (b) reduces the amount of equity credit as compared with the amount of equity credit that the rating agency had assigned to the Series E Preference Shares when originally issued.

Holders of preferred shares generally have no voting rights. If the Company fails to pay dividends for six or more quarterly periods (whether or not consecutive), holders will be entitled to elect two additional directors to the Board of Directors and the size of the Board of Directors will be increased to accommodate such election. Such right to elect two directors will continue until such time as there are no accumulated and unpaid dividends in arrears.

**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

*Dividends*

Dividends on shares of each Series are cumulative from the date of original issue and will be payable quarterly in arrears on the 15th day of March, June, September and December of each year, when, as and if declared by the Company's Board of Directors. Dividends will be payable equal to the stated rate per annum of the \$25.00 liquidation preference per share. The Series rank senior to the Company's common shares with respect to dividend rights and rights upon the Company's liquidation, dissolution or winding up, whether voluntary or involuntary.

The Company paid the following quarterly dividends during the three months ended March 31, 2022 and 2021 on its issued and outstanding Series (in millions except for the per-share amounts):

Series	Three Months Ended March 31,			
	2022		2021	
	Per Share Payment	Aggregate Payment	Per Share Payment	Aggregate Payment
A <sup>(1)</sup>	\$0.53	\$1.8	\$0.53	\$1.8
B	\$0.50	\$2.9	\$0.50	\$2.9
C <sup>(1)</sup>	\$0.46	\$3.2	\$0.46	\$3.2
D <sup>(1)</sup>	\$0.43	\$2.6	\$0.43	\$2.6
E <sup>(1)</sup>	\$0.36	\$2.5	\$—	\$—
Total		<u>\$13.0</u>		<u>\$10.5</u>

(1) Per share payments rounded to the nearest whole cent.

As of March 31, 2022, the Company had cumulative unpaid preferred dividends of \$2.2 million.

*Common Share Dividends*

The Company paid the following quarterly dividends during the three months ended March 31, 2022 and 2021 on its issued common shares (in millions except for the per-share amounts):

Three Months Ended March 31,			
2022		2021	
Per Share Payment	Aggregate Payment	Per Share Payment	Aggregate Payment
\$0.65	\$42.0	\$0.57	\$38.2

*Accumulated Other Comprehensive Income*

The following table summarizes the components of accumulated other comprehensive income (loss), net of tax, for the three months ended March 31, 2022 and 2021 (in thousands):

	Cash Flow Hedges	Foreign Currency Translation	Accumulated Other Comprehensive (Loss) Income
Balance as of December 31, 2021	\$ (44,205)	\$ (4,614)	\$ (48,819)
Change in derivative instruments designated as cash flow hedges <sup>(1)</sup>	74,017	—	74,017
Reclassification of (gain) loss on derivative instruments designated as cash flow hedges <sup>(1)</sup>	6,307	—	6,307
Foreign currency translation adjustment	—	(166)	(166)
Balance as of March 31, 2022	\$ 36,119	\$ (4,780)	\$ 31,339



**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

	Cash Flow Hedges	Foreign Currency Translation	Accumulated Other Comprehensive (Loss) Income
<b>Balance as of December 31, 2020</b>	\$ (128,526)	\$ (4,509)	\$ (133,035)
Change in derivative instruments designated as cash flow hedges <sup>(1)</sup>	62,850	—	62,850
Reclassification of (gain) loss on derivative instruments designated as cash flow hedges <sup>(1)</sup>	7,102	—	7,102
Foreign currency translation adjustment	—	21	21
<b>Balance as of March 31, 2021</b>	\$ (58,574)	\$ (4,488)	\$ (63,062)

(1) Refer to Note 8 - "Derivative Instruments" for reclassification impact on the Consolidated Statements of Operations

**Note 6—Leases**

*Lessee*

The Company's leases are primarily for multiple office facilities which are contracted under various cancelable and non-cancelable operating leases, most of which provide extension or early termination options. The Company's lease agreements do not contain any residual value guarantees or material restrictive covenants.

As of March 31, 2022, the weighted average implicit rate was 3.52% and the weighted average remaining lease term was 1.9 years.

The following table summarizes the impact of the Company's leases in its financial statements (in thousands):

Balance Sheet	Financial statement caption	March 31, 2022	December 31, 2021
Right-of-use asset - operating	Other assets	\$ 4,372	\$ 5,099
Lease liability - operating	Accounts payable and other accrued expenses	\$ 4,974	\$ 5,790
Income Statement	Financial statement caption	Three Months Ended March 31, 2022	2021
Operating lease cost <sup>(1)</sup>	Administrative expenses	\$ 824	\$ 722

(1) Includes short-term leases that are immaterial.

Cash paid for amounts of lease liabilities included in operating cash flows was \$0.9 million and \$0.7 million for the three months ended March 31, 2022 and March 31, 2021, respectively.

**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**Lessor**

*Operating Leases*

As of March 31, 2022, the Company has deferred revenue balances related to operating leases with uneven payment terms. These amounts will be amortized to revenue as follows (in thousands):

**Years ending December 31,**

2022	\$	4,934
2023		9,440
2024		11,946
2025		11,610
2026		11,005
2027 and thereafter		41,482
<b>Total</b>	<b>\$</b>	<b>90,417</b>

*Finance Leases*

The following table summarizes the components of the net investment in finance leases (in thousands):

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Future minimum lease payment receivable <sup>(1)</sup>	\$ 2,292,614	\$ 2,122,165
Estimated residual receivable <sup>(2)</sup>	221,413	205,994
Gross finance lease receivables <sup>(3)</sup>	2,514,027	2,328,159
Unearned income <sup>(4)</sup>	(817,484)	(769,869)
<b>Net investment in finance leases<sup>(5)</sup></b>	<b>\$ 1,696,543</b>	<b>\$ 1,558,290</b>

(1) There were no executory costs included in gross finance lease receivables as of March 31, 2022 and December 31, 2021.

(2) The Company's finance leases generally include a purchase option at nominal amounts that is reasonably certain to be exercised, and therefore, the Company has immaterial residual value risk for assets.

(3) The gross finance lease receivable is reduced as billed to customers and reclassified to accounts receivable until paid by customers.

(4) There were no unamortized initial direct costs as of March 31, 2022 and December 31, 2021.

(5) One major customer represented 91% of the Company's finance lease portfolio for both March 31, 2022 and December 31, 2021. No other customer represented more than 10% of the Company's finance lease portfolio in each of those periods.

The Company's finance lease portfolio lessees are primarily comprised of the largest international shipping lines. In its estimate of expected credit losses, the Company evaluates the overall credit quality of its finance lease portfolio. The Company considers an account past due when a payment has not been received in accordance with the terms of the related lease agreement and maintains allowances, if necessary, for doubtful accounts. These allowances are based on, but not limited to, historical experience which includes stronger and weaker economic cycles, each lessee's payment history, management's current assessment of each lessee's financial condition, consideration of current economic conditions and reasonable market forecasts. As of March 31, 2022, the Company does not have an allowance on its gross finance lease receivables and does not have any material past due balances.

**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**Note 7—Debt**

The table below summarizes the Company's key terms and carrying value of debt (in thousands):

	March 31, 2022				December 31, 2021	
	Outstanding Borrowings	Contractual Weighted Avg Interest Rate <sup>(1)</sup>	Maturity Range <sup>(1)</sup>		Outstanding Borrowings	
			From	To		
Secured Debt Financings						
Asset-backed securitization term notes	\$ 3,710,133	2.06%	August 2023	February 2031	\$ 3,801,777	
Asset-backed securitization warehouse	202,000	2.30%	November 2027	November 2027	225,000	
Finance lease obligations	—	4.93%	February 2022	February 2022	15,042	
Total secured debt financings	3,912,133				4,041,819	
Unsecured Debt Financings						
Senior notes	2,900,000	2.11%	August 2023	March 2032	2,300,000	
Term loan facilities	1,152,000	1.84%	May 2026	May 2026	1,176,000	
Revolving credit facilities	834,000	1.82%	October 2026	October 2026	1,112,000	
Total unsecured debt financings	4,886,000				4,588,000	
Unamortized debt costs	(65,069)				(63,794)	
Unamortized debt premiums & discounts	(5,632)				(3,508)	
Debt, net of unamortized costs	\$ 8,727,432				\$ 8,562,517	

(1) Data as of March 31, 2022.

The fair value of total debt outstanding was \$8,333.3 million and \$8,572.9 million as of March 31, 2022 and December 31, 2021, respectively, and was measured using Level 2 inputs.

As of March 31, 2022, the maximum borrowing levels for the Asset-backed Securitization ("ABS") warehouse and the revolving credit facilities are \$1,125.0 million and \$2,000.0 million, respectively. These facilities are governed by either borrowing bases or an unencumbered asset test that limits borrowing capacity. As of March 31, 2022, the availability under these credit facilities without adding additional assets to the borrowing base was approximately \$1,095.3 million.

The Company is subject to certain financial covenants under its debt agreements. As of March 31, 2022 and December 31, 2021, the Company was in compliance with all financial covenants in accordance with the terms of its debt agreements.

The Company hedges the risks associated with fluctuations in interest rates on a portion of its floating-rate debt by entering into interest rate swap agreements that convert a portion of its floating-rate debt to a fixed rate basis, thus reducing the impact of interest rate changes on future interest expense. The following table summarizes the Company's outstanding fixed-rate and floating-rate debt as of March 31, 2022 (in thousands):

	Balance Outstanding	Contractual Weighted Avg Interest Rate	Maturity Range		Weighted Avg Remaining Term
			From	To	
Excluding impact of derivative instruments:					
Fixed-rate debt	\$6,021,715	2.08%	Aug 2023	Mar 2032	5.1 years
Floating-rate debt	\$2,776,418	1.93%	Aug 2023	Nov 2027	3.6 years
Including impact of derivative instruments:					
Fixed-rate debt	\$6,021,715	2.08%			
Hedged floating-rate debt	\$1,617,355	3.46%			
Total fixed and hedged debt	\$7,639,070	2.37%			
Unhedged floating-rate debt	\$1,159,063	1.93%			
Total	\$8,798,133	2.31%			

**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

On January 19, 2022, the Company completed a \$600.0 million 3.25% senior notes offering with a maturity date of March 15, 2032.

On February 1, 2022, the Company exercised an early buyout option and paid \$14.9 million of its remaining finance lease obligations.

***Asset-Backed Securitization Term Notes***

Under the Company's ABS facilities, indirect wholly-owned subsidiaries of the Company issue ABS notes. These subsidiaries are intended to be bankruptcy remote so that such assets are not available to creditors of the Company or its affiliates until and unless the related secured borrowings have been fully discharged. These transactions do not meet accounting requirements for sales treatment and are recorded as secured borrowings.

The Company's borrowings under the ABS facilities amortize in monthly installments, typically in level payments over five or more years. These facilities provide for an advance rate against the net book values of designated eligible equipment. The net book values for purposes of calculating eligible equipment is determined according to the related debt agreement and may be different than those calculated per U.S. GAAP. The Company is required to maintain restricted cash balances on deposit in designated bank accounts equal to three to nine months of interest expense depending on the terms of each facility.

***Asset-Backed Securitization Warehouse***

Under the Company's ABS warehouse facility, an indirect wholly-owned subsidiary of the Company issues ABS notes. This subsidiary is intended to be bankruptcy remote so that such assets are not available to creditors of the Company or its affiliates until and unless the related secured borrowings have been fully discharged. These transactions do not meet accounting requirements for sales treatment and are recorded as secured borrowings.

The Company's ABS warehouse facility has a borrowing capacity of \$1,125.0 million that is available on a revolving basis until November 13, 2023, paying interest at the London Interbank Offered Rate ("LIBOR") plus 1.85% after which any borrowings will convert to term notes with a maturity date of November 15, 2027, paying interest at LIBOR plus 2.85%.

During the revolving period, the borrowing capacity under this facility is determined by applying an advance rate against the net book values of designated eligible equipment. The net book values for purposes of calculating eligible equipment are determined according to the related debt agreement and may be different than those calculated per U.S. GAAP. The Company is required to maintain restricted cash balances on deposit in designated bank accounts equal to three months of interest expense.

***Senior Notes***

The Company's senior notes are unsecured and have maturities ranging from 1 - 10 years and interest payments due semi-annually. The senior notes are pre-payable (in whole or in part) at the Company's option at any time prior to the maturity date, subject to certain provisions in the senior note agreements, including the payment of a make-whole premium in respect to such prepayment.

***Term Loan Facility***

The Company's term loan facility has a maturity date of May 27, 2026, which amortizes in quarterly installments. This facility is subject to covenants customary for unsecured financings of this type, primarily financial covenants that require us to maintain a maximum ratio of unencumbered assets to certain financial indebtedness.

***Revolving Credit Facility***

The revolving credit facility has a maturity date of October 14, 2026, and has a maximum borrowing capacity of \$2,000.0 million. This facility is subject to covenants customary for unsecured financings of this type, primarily financial covenants that require us to maintain a maximum ratio of unencumbered assets to certain financial indebtedness.

**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**Note 8—Derivative Instruments**

**Interest Rate Swaps / Caps**

The Company enters into derivative agreements to manage interest rate risk exposure. Interest rate swap agreements are utilized to limit the Company's exposure to interest rate risk by converting a portion of its floating-rate debt to a fixed rate basis, thus reducing the impact of interest rate changes on future interest expense. Interest rate swaps involve the receipt of floating-rate amounts in exchange for fixed-rate interest payments over the lives of the agreements without an exchange of the underlying principal amounts. The Company also utilizes interest rate cap agreements to manage the Company's exposure to rising interest rates by placing a ceiling on the rate that will be paid under certain floating-rate debt agreements.

The counterparties to these agreements are highly rated financial institutions. In the unlikely event that the counterparties fail to meet the terms of these agreements, the Company's exposure is limited to the interest rate differential on the notional amount at each monthly settlement period over the life of the agreements. The Company does not anticipate any non-performance by the counterparties.

Certain assets of the Company's subsidiaries are pledged as collateral for various ABS facilities and the amounts payable under certain derivative agreements. Additionally, the Company may be required to post cash collateral on certain derivative agreements if the fair value of these contracts represents a liability. Any amounts of cash collateral posted are included in Other assets on the consolidated balance sheet and are presented in operating activities of the consolidated statements of cash flows. As of March 31, 2022, the Company posted cash collateral of \$9.4 million related to interest rate swap contracts.

During the first quarter of 2022, the company terminated the following interest rate swaps:

Derivative Instrument	Date Terminated	Notional Amount	Funds Received (Paid)
Interest rate swap	January 11, 2022	\$150.0 million	\$6.0 million
Interest rate swap	January 11, 2022	\$150.0 million	\$6.1 million

As of March 31, 2022, the Company had interest rate swap and cap agreements in place to fix or limit the floating interest rates on a portion of the borrowings under its debt facilities summarized below:

Derivatives	Notional Amount	Weighted Average Fixed Leg (Pay) Interest Rate	Cap Rate	Weighted Average Remaining Term
Interest Rate Swap <sup>(1)</sup>	\$1,617.4 Million	2.04%	n/a	4.0 years
Interest Rate Cap	\$400.0 Million	n/a	5.5%	1.7 years

(1) Excludes certain interest rate swaps with an effective date in a future period ("forward starting swaps"). Including these instruments will increase total notional amount by \$350.0 million and increase the weighted average remaining term to 5.0 years.

Within the next twelve months, we expect to reclassify \$0.2 million of net unrealized gains related to interest rate swap and cap agreements from accumulated other comprehensive income (loss) into earnings.

The following table summarizes the impact of derivative instruments on the consolidated statements of operations and the consolidated statements of comprehensive income on a pretax basis (in thousands):

Financial statement caption	Three Months Ended March 31,	
	2022	2021
<b>Non-Designated Derivative Instruments</b>		
Unrealized (gains) losses	Unrealized (gain) loss on derivative instruments, net	\$ (439) \$ —
<b>Designated Derivative Instruments</b>		
Realized (gains) losses	Interest and debt (income) expense	\$ 6,770 \$ 7,570
Unrealized (gains) losses	Comprehensive (income) loss	\$ (79,563) \$ (65,408)

**Fair Value of Derivative Instruments**

The Company has elected to use the income approach to value its interest rate swap and cap agreements, using Level 2 market expectations at the measurement date and standard valuation techniques to convert future values to a single discounted present value. The Level 2 inputs for the interest rate swap and cap valuations are inputs other than quoted prices that are

**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

observable for the asset or liability (specifically LIBOR and swap rates and credit risk at commonly quoted intervals). In response to the expected phase out of LIBOR, the Company continues to work with its counterparties to identify an alternative reference rate. Substantially all of the Company's debt agreements already include transition language, and the Company also adopted various practical expedients which will facilitate the transition.

The Company presents the fair value of derivative financial instruments on a gross basis as a separate line item on the consolidated balance sheet. As of March 31, 2022 and December 31, 2021, the Company has no material non-designated instruments.

**Note 9—Segment and Geographic Information**

**Segment Information**

The Company operates its business in one industry, intermodal transportation equipment, and has two operating segments which also represent its reporting segments:

- Equipment leasing - the Company owns, leases and ultimately disposes of containers and chassis from its lease fleet.
- Equipment trading - the Company purchases containers from shipping line customers, and other sellers of containers, and resells these containers to container retailers and users of containers for storage or one-way shipment. Included in the equipment trading segment revenues are leasing revenues from equipment purchased for resale that is currently on lease until the containers are dropped off.

These operating segments were determined based on the chief operating decision maker's review and resource allocation of the products and services offered.

The following tables summarizes our segment information and the consolidated totals reported (in thousands):

	Three Months Ended March 31,					
	2022			2021		
	Equipment Leasing	Equipment Trading	Totals	Equipment Leasing	Equipment Trading	Totals
Total leasing revenues	\$ 413,691	\$ 3,397	\$ 417,088	\$ 343,805	\$ 2,938	\$ 346,743
Trading margin	—	4,141	4,141	—	8,141	8,141
Net gain on sale of leasing equipment	28,969	—	28,969	21,967	—	21,967
Depreciation and amortization expense	160,532	184	160,716	143,137	170	143,307
Interest and debt expense	54,251	259	54,510	54,221	402	54,623
Segment income (loss) before income taxes <sup>(1)</sup>	201,141	6,646	207,787	142,189	9,386	151,575
Purchases of leasing equipment and investments in finance leases <sup>(2)</sup>	\$ 511,027	\$ —	\$ 511,027	\$ 579,211	\$ —	\$ 579,211

(1) Segment income before income taxes excludes unrealized gains or losses on derivative instruments and debt termination expense. For the three months ended March 31, 2022, the Company recorded an unrealized gain of \$0.4 million and an immaterial amount of debt termination expense. For the three months ended March 31, 2021, the Company did not record any unrealized gain or debt termination expense.

(2) Represents cash disbursements for purchases of leasing equipment and investments in finance lease as reflected in the consolidated statements of cash flows for the periods indicated, but excludes cash flows associated with the purchase of equipment held for resale.

	March 31, 2022			December 31, 2021		
	Equipment Leasing	Equipment Trading	Totals	Equipment Leasing	Equipment Trading	Totals
Equipment held for sale	\$ 26,014	\$ 53,047	\$ 79,061	\$ 16,936	\$ 31,810	\$ 48,746
Goodwill	220,864	15,801	236,665	220,864	15,801	236,665
Total assets	\$ 12,416,317	\$ 118,497	\$ 12,534,814	\$ 12,543,270	\$ 100,568	\$ 12,643,838

There are no intercompany revenues or expenses between segments. Certain administrative expenses have been allocated between segments based on an estimate of services provided to each segment. A portion of the Company's equipment purchased for resale in the equipment trading segment may be leased for a period of time and is reflected as leasing equipment as opposed to equipment held for sale and the cash flows associated with these transactions are reflected as purchases of leasing equipment and proceeds from the sale of equipment in investing activities in the Company's consolidated statements of cash flows.

**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

***Geographic Segment Information***

The Company generates the majority of its leasing revenues from international containers which are deployed by its customers in a wide variety of global trade routes. The majority of the Company's leasing related revenue is denominated in U.S. dollars.

The following table summarizes the geographic allocation of total leasing revenues for the three months ended March 31, 2022 and 2021 based on customers' primary domicile (in thousands):

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Total leasing revenues:		
Asia	\$ 149,986	\$ 123,894
Europe	220,106	186,373
Americas	34,209	24,713
Bermuda	630	575
Other International	12,157	11,188
Total	<u>\$ 417,088</u>	<u>\$ 346,743</u>

Since the majority of the Company's containers are used internationally, where no one container is domiciled in one particular place for a prolonged period of time, all of the Company's long-lived assets are considered to be international.

The following table summarizes the geographic allocation of equipment trading revenues for the three months ended March 31, 2022 and 2021 based on the location of the sale (in thousands):

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Total equipment trading revenues:		
Asia	\$ 13,908	\$ 7,459
Europe	8,962	7,122
Americas	10,187	8,541
Bermuda	—	—
Other International	1,063	2,823
Total	<u>\$ 34,120</u>	<u>\$ 25,945</u>

**Note 10—Commitments and Contingencies**

***Container Equipment Purchase Commitments***

At March 31, 2022, the Company had commitments to purchase equipment in the amount of \$259.5 million to be paid in 2022.

***Contingencies***

The Company is party to various pending or threatened legal or regulatory proceedings arising in the ordinary course of its business. Based upon information presently available, the Company does not expect any liabilities arising from these matters to have a material effect on the consolidated financial position, results of operations or cash flows of the Company.

**TRITON INTERNATIONAL LIMITED**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**Note 11—Income Taxes**

The Company's effective tax rates were 6.7% and 7.7% for the three months ended March 31, 2022 and 2021, respectively. The Company has computed the provision for income taxes based on the estimated annual effective tax rate and the application of discrete items, if any, in the applicable period. The decrease in the effective tax rates for the three months ended March 31, 2022 compared to the same period in 2021 was primarily due to an increased portion of the Company's income generated in lower tax jurisdictions.

**Note 12—Related Party Transactions**

The Company holds a 50% interest in TriStar Container Services (Asia) Private Limited ("TriStar"), which is primarily engaged in the selling and leasing of container equipment in the domestic and short sea markets in India. The Company's equity investment in TriStar is included in Other assets on the consolidated balance sheet. The Company received payments on finance leases with TriStar of \$0.5 million for both the three months ended March 31, 2022 and March 31, 2021. The Company has a direct finance lease balance with TriStar of \$8.5 million and \$8.9 million as of March 31, 2022 and December 31, 2021, respectively.

**Note 13—Subsequent Events**

On April 26, 2022, the Company's Board of Directors approved and declared a quarterly cash dividend of \$0.65 per share on its issued and outstanding common shares, payable on June 23, 2022 to holders of record at the close of business on June 9, 2022.

On April 26, 2022, the Company's Board of Directors also approved and declared a cash dividend on its issued and outstanding preferred shares, payable on June 15, 2022 to holders of record at the close of business on June 8, 2022 as follows:

Preferred Share Offering	Dividend Rate	Dividend Per Share
Series A	8.500%	\$0.5312500
Series B	8.000%	\$0.5000000
Series C	7.375%	\$0.4609375
Series D	6.875%	\$0.4296875
Series E	5.750%	\$0.3593750

On April 26, 2022, the Company's Board of Directors increased the share repurchase authorization to \$200.0 million. The revised authorization may be used by the Company to repurchase common or preferred shares.

On April 27, 2022, the Company amended its existing ABS warehouse facility with \$1,125.0 million borrowing capacity which extended the revolving period to April 27, 2025 and changed the interest rate to the secured overnight financing rate ("SOFR") plus 1.60%. After the revolving period, borrowings will convert to term notes with a maturity date of April 27, 2029, paying interest at SOFR plus 2.60%.



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

*The statements in this discussion regarding industry outlook, our expectations regarding our future performance, liquidity and capital resources and other non-historical statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described under "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" as discussed in our Annual Report on Form 10-K filed for the fiscal year ended December 31, 2021 with the SEC on February 15, 2022 (the "Form 10-K"), in this Report on Form 10-Q and in any other Form 10-Q filed or to be filed by us, and in other documents we file with the SEC from time to time. Our actual results may differ materially from those contained in or implied by any forward-looking statements.*

### Our Company

Triton International Limited ("Triton", "we", "our" or the "Company") is the world's largest lessor of intermodal containers. Intermodal containers are large, standardized steel boxes used to transport freight by ship, rail or truck. Because of the handling efficiencies they provide, intermodal containers are the primary means by which many goods and materials are shipped internationally. We also lease chassis, which are used for the transportation of containers.

We operate our business in one industry, intermodal transportation equipment, and have two business segments, which also represent our reporting segments:

- Equipment leasing - we own, lease and ultimately dispose of containers and chassis from our lease fleet.
- Equipment trading - we purchase containers from shipping line customers, and other sellers of containers, and resell these containers to container retailers and users of containers for storage or one-way shipment.

### Operations

Our consolidated operations include the acquisition, leasing, re-leasing and subsequent sale of multiple types of intermodal containers and chassis. As of March 31, 2022, our total fleet consisted of 4.3 million containers and chassis, representing 7.3 million twenty-foot equivalent units ("TEU") or 8.0 million cost equivalent units ("CEU"). We have an extensive global presence, offering leasing services through 20 offices and 3 independent agencies located in 16 countries and 380 third-party owned and operated depot facilities in 46 countries as of March 31, 2022. Our primary customers include the world's largest container shipping lines. For the three months ended March 31, 2022, our twenty largest customers accounted for 85% of our lease billings, our five largest customers accounted for 61% of our lease billings, and our three largest customers accounted for 19%, 19%, and 10% of our lease billings.

The most important driver of profitability in our business is the extent to which leasing revenues, which are driven by our owned equipment fleet size, utilization and average lease rates, exceed our ownership and operating costs. Our profitability is also driven by the gains or losses we realize on the sale of used containers and the margins generated from trading new and used containers.

We lease five types of equipment: (1) dry containers, which are used for general cargo such as manufactured component parts, consumer staples, electronics and apparel, (2) refrigerated containers, which are used for perishable items such as fresh and frozen foods, (3) special containers, which are used for heavy and over-sized cargo such as marble slabs, building products and machinery, (4) tank containers, which are used to transport bulk liquid products such as chemicals, and (5) chassis, which are used for the transportation of containers on the road. Our in-house equipment sales group manages the sale process for our used containers and chassis from our equipment leasing fleet and sells used and new containers and chassis acquired from third parties.

The following tables summarize our equipment fleet as of March 31, 2022, December 31, 2021 and March 31, 2021 indicated in units, TEU and CEU. CEU and TEU are standard industry measures of fleet size and are used to measure the quantity of containers that make up our revenue earning assets:

	Equipment Fleet in Units			Equipment Fleet in TEU		
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	December 31, 2021	March 31, 2021
Dry	3,850,167	3,843,719	3,417,293	6,546,249	6,531,816	5,711,032
Refrigerated	234,274	235,338	232,550	455,261	457,172	450,087
Special	92,184	92,411	94,266	168,687	169,004	171,781
Tank	11,734	11,692	11,339	11,734	11,692	11,339
Chassis	23,711	24,139	24,078	44,272	44,554	43,858
Equipment leasing fleet	4,212,070	4,207,299	3,779,526	7,226,203	7,214,238	6,388,097
Equipment trading fleet	56,161	53,204	60,242	90,090	83,692	93,514
Total	4,268,231	4,260,503	3,839,768	7,316,293	7,297,930	6,481,611

	Equipment Fleet in CEU <sup>(1)</sup>		
	March 31, 2022	December 31, 2021	March 31, 2021
Operating leases	7,250,246	7,291,769	6,892,129
Finance leases	666,690	623,136	297,168
Equipment trading fleet	85,686	81,136	92,570
Total	8,002,622	7,996,041	7,281,867

(1) In the equipment fleet tables above, we have included total fleet count information based on CEU. CEU is a ratio used to convert the actual number of containers in our fleet to a figure based on an estimate for the historical average relative purchase prices of our various equipment types to that of a 20-foot dry container. For example, the CEU ratio for a 40-foot high cube dry container is 1.70, and a 40-foot high cube refrigerated container is 7.50. These factors may differ slightly from CEU ratios used by others in the industry.

The following table summarizes the percentage of our equipment fleet in terms of units and CEU as of March 31, 2022:

Equipment Type	Percentage of total fleet in units	Percentage of total fleet in CEU
Dry	90.2 %	71.4 %
Refrigerated	5.4	21.7
Special	2.2	3.0
Tank	0.3	1.2
Chassis	0.6	1.6
Equipment leasing fleet	98.7	98.9
Equipment trading fleet	1.3	1.1
Total	100.0 %	100.0 %

We generally lease our equipment on a per diem basis to our customers under three types of leases:

- Long-term leases typically have initial contractual terms ranging from five to eight or more years and provide us with stable cash flow and low transaction costs by requiring customers to maintain specific units on-hire for the duration of the lease term. Some of our containers, primarily used containers, are placed on lifecycle leases which keep the containers on-hire until the end of their useful life.
- Finance leases are typically structured as full payout leases and provide for a predictable recurring revenue stream with the lowest cost to the customer as customers are generally required to retain the equipment for the duration of its useful life.
- Service leases command a premium per diem rate in exchange for providing customers with greater operational flexibility by allowing non-scheduled pick-up and drop-off of units during the lease term.

We also have expired long-term leases whose fixed terms have ended but for which the related units remain on-hire and for which we continue to receive rental payments pursuant to the terms of the initial contract. Some leases have contractual terms that have features reflective of both long-term and service leases and we classify such leases as either long-term or service leases, depending upon which features we believe are predominant.

The following table summarizes our lease portfolio by lease type, based on CEU on-hire as of March 31, 2022, December 31, 2021 and March 31, 2021:

<b>Lease Portfolio by CEU</b>	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Long-term leases	72.4 %	72.4 %	74.7 %
Finance leases	8.6 %	8.0 %	4.2 %
Subtotal	81.0 %	80.4 %	78.9 %
Service leases	5.0 %	5.0 %	6.4 %
Expired long-term leases, non-sale age (units on hire)	6.9 %	8.4 %	9.0 %
Expired long-term leases, sale-age (units on hire)	7.1 %	6.2 %	5.7 %
Total	100.0 %	100.0 %	100.0 %
Weighted average remaining contractual term in months for long-term and finance leases	61	61	51

Due to our aggressive fleet investment in 2021 and the high cost of these new containers, we placed the vast majority of this equipment on long-term operating and finance leases with an average initial duration of 13 years. To better reflect the impact of these dynamics on our lease portfolio, we have included the following equipment lease portfolio table based on net book value of units on-hire, as of March 31, 2022, December 31, 2021 and March 31, 2021:

<b>Lease Portfolio by Net Book Value</b>	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Long-term leases	73.0 %	73.6 %	80.8 %
Finance leases	15.0 %	13.8 %	3.0 %
Subtotal	88.0 %	87.4 %	83.8 %
Service leases	3.7 %	3.5 %	5.4 %
Expired long-term leases, non-sale age (units on hire)	4.9 %	6.2 %	7.8 %
Expired long-term leases, sale-age (units on hire)	3.4 %	2.9 %	3.0 %
Total	100.0 %	100.0 %	100.0 %
Weighted average remaining contractual term in months for long-term and finance leases	79	78	58

## Operating Performance

Our operating and financial performance in the first quarter of 2022 was strong and our profitability increased sharply compared to the first quarter of 2021. In the first quarter, we continued to benefit from constructive market conditions along with the significant operating and financial momentum provided from our aggressive investing and refinancing activity in 2021.

**Fleet size.** As of March 31, 2022, the net book value of our revenue earning assets was \$11.7 billion, an increase of 23.0% compared to March 31, 2021 and a decrease of 0.7% compared to December 31, 2021. The increase from last year was primarily due to our \$3.6 billion of fleet investment in 2021 to support our customers' sizable demand for new containers as a result of a surge in global containerized trade volumes and operational disruptions creating a shortage of containers. The dollar value of our investments was also driven by very high new container prices. In 2022, our investment in new equipment has been more limited following the rapid growth in the container fleet last year. As of April 29, 2022, we have placed orders for \$428.1 million of new containers for delivery in 2022.

**Utilization.** Our average utilization was 99.6% for the quarter ended March 31, 2022, an increase of 0.5% compared to the first quarter of 2021 and flat compared to the fourth quarter of 2021. Our utilization increased steadily during 2021 as we benefited from a very high volume of container pick-ups driven by the aggressive investment in new containers, combined with limited drop-off activity. Our ending utilization as of March 31, 2022 was 99.5% and currently remains at this level.

The following tables summarize our equipment fleet utilization for the periods indicated below. Utilization is computed by dividing our total units on lease (in CEU) by the total units in our fleet (in CEU), excluding new units not yet leased and off-hire units designated for sale:

	Quarter Ended				
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
<b>Average Utilization</b>	99.6 %	99.6 %	99.6 %	99.4 %	99.1 %
<b>Ending Utilization</b>	99.5 %	99.6 %	99.6 %	99.5 %	99.3 %

**Average lease rates.** Average lease rates for our dry container product line increased by 9.0% in the first quarter of 2022 compared to the first quarter of 2021. The increase in our average dry container lease rates was primarily driven by the addition of new containers with lease rates well above the average rates in our lease portfolio. New container prices and market lease rates were very high throughout 2021 due to the surge in container demand and limited availability of containers. Container prices have decreased from their peak level of nearly \$3,900 for a new 20' dry container reached in the third quarter last year, but remain historically high with factories currently quoting just below \$3,000. Similarly, market leasing rates are down from their peak level in 2021, but also remain historically high and well above our portfolio average.

Average lease rates for our refrigerated container product line decreased by 3.7% in the first quarter of 2022 compared to the first quarter of 2021. In 2021, we completed a large lease extension transaction for refrigerated containers that lowered the lease rates on expired leases in return for a lease extension covering the remaining useful life of the equipment. We have also been experiencing larger differences in lease rates for older refrigerated containers compared to rates on new equipment, and we expect our average lease rates for refrigerated containers will continue to gradually trend down.

The average lease rates for special containers decreased by 0.9% in the first quarter of 2022 compared to the first quarter of 2021 primarily due to a lease extension transaction for a large number of special containers completed in 2021.

**Interest and Debt Expense.** Our average debt balance increased by \$2.1 billion, compared to the first quarter of 2021, as we increased borrowings to support the significant growth in our revenue earning assets. Despite an increase in our average debt balance, our interest expense was essentially flat compared to the first quarter of 2021 reflecting a 0.80% decrease in our effective interest rate to 2.50%. This decrease was driven by our extensive refinancing activity over the last two years as we took advantage of the low interest rate environment and the upgrade of our corporate credit ratings to investment grade. The recent rise in interest rates may lead to an increase in our effective interest rate; however, we remain mostly insulated, as 87% of our debt portfolio is comprised of either fixed rate debt or hedged floating-rate debt as of March 31, 2022.

**Equipment disposals.** Disposal gains continue to be extraordinarily high reflecting historically high used container sale prices. During 2021, the strong demand for containers, record high prices for new containers, and limited availability of used containers for sale drove used container sales prices to record levels. In the first quarter of 2022, selling prices decreased slightly from their peak levels in 2021, although they remained historically high due to continued high new container prices, lingering logistical bottlenecks, low container drop-off volumes and limited availability of used containers. We expect used container sales prices will likely normalize further over the course of 2022, and consequently our disposal gains are also likely to decrease from the first quarter levels.

#### Liquidity and Capital Resources

Our principal sources of liquidity are cash flows provided by operating activities, proceeds from the sale of our leasing equipment, borrowings under our credit facilities and proceeds from other financing activities. Our principal uses of cash include capital expenditures, debt service, dividends, and share repurchases.

For the trailing twelve months ended March 31, 2022, cash provided by operating activities, together with the proceeds from the sale of our leasing equipment, was \$1,723.7 million. In addition, as of March 31, 2022, we had \$72.0 million of unrestricted cash and cash equivalents and \$2,089.0 million of borrowing capacity remaining under our existing credit facilities.

As of March 31, 2022, our cash commitments in the next twelve months include \$463.0 million of scheduled principal payments on our existing debt facilities and \$316.3 million of committed but unpaid capital expenditures, primarily for the purchase of equipment.

We believe that cash provided by operating activities, existing cash, proceeds from the sale of our leasing equipment, and availability under our credit facilities will be sufficient to meet our obligations over the next twelve months and beyond.

#### **Capital Activity**

During the three months ended March 31, 2022 the Company paid dividends of \$13.0 million and \$42.0 million on preferred shares and common shares, respectively.

During the three months ended March 31, 2022, the Company repurchased a total of 1.3 million common shares at an average price per share of \$63.74 for a total cost of \$80.2 million under its share repurchase program.

For additional information, please refer to Note 5 - “Other Equity Matters” in the Notes to the Unaudited Consolidated Financial Statements.

#### **Debt Activity**

During the first quarter, the Company completed a \$600.0 million 3.25% senior notes offering with a maturity date of March 15, 2032. In addition, the Company exercised an early buyout option and paid \$14.9 million of its remaining finance lease obligation.

#### **Credit Ratings**

Our investment-grade corporate and long-term debt credit ratings enable us to lower our cost of funds and broaden our access to attractively priced capital. While a ratings downgrade would not result in a default under any of our debt agreements, it could adversely affect our ability to issue debt and obtain new financings, or renew existing financings, and it would increase the cost of our financings. The Company's long-term debt and corporate ratings of BBB- from both S&P Global Ratings and Fitch Ratings have not changed since December 31, 2021.

#### **Debt Agreements**

At March 31, 2022 our outstanding indebtedness was comprised of the following (amounts in millions):

	<b>March 31, 2022</b>	
	<b>Outstanding Borrowings</b>	<b>Maximum Borrowing Level</b>
<b>Secured Debt Financings</b>		
Asset-backed securitization term notes	\$ 3,710.1	\$ 3,710.1
Asset-backed securitization warehouse	202.0	1,125.0
Total secured debt financings	3,912.1	4,835.1
<b>Unsecured Debt Financings</b>		
Senior notes	2,900.0	2,900.0
Term loan facilities	1,152.0	1,152.0
Revolving credit facilities	834.0	2,000.0
Total unsecured debt financings	4,886.0	6,052.0
Unamortized debt costs	(65.1)	—
Unamortized debt premiums & discounts	(5.6)	—
Debt, net of unamortized costs	\$ 8,727.4	\$ 10,887.1

The maximum borrowing levels depicted in the table above may not reflect the actual availability under all of the credit facilities. Certain of these facilities are governed by either borrowing bases or an unencumbered asset test that limits borrowing capacity. As of March 31, 2022, the availability under these credit facilities without adding additional assets was \$1,095.3 million.

As of March 31, 2022, we had a combined \$7,639.1 million of total debt on facilities with fixed interest rates or floating interest rates that have been synthetically fixed through interest rate swap contracts. This accounts for 87% of total debt.

Pursuant to the terms of certain debt agreements, we are required to maintain certain amounts in restricted cash accounts. As of March 31, 2022, we had restricted cash of \$121.4 million.

For additional information on our debt, please refer to Note 7 - "Debt" in the Notes to the Unaudited Consolidated Financial Statements.

#### ***Debt Covenants***

We are subject to certain financial covenants related to leverage and interest coverage as defined in our debt agreements. Failure to comply with these covenants could result in a default under the related credit agreements and the acceleration of our outstanding debt if we were unable to obtain a waiver from the creditors. As of March 31, 2022, we were in compliance with all such covenants.

#### **Cash Flow**

The following table sets forth certain cash flow information for the three months ended March 31, 2022 and 2021 (in thousands):

	Three Months Ended March 31,	
	2022	2021
Net cash provided by (used in) operating activities	\$ 398,670	\$ 300,988
Net cash provided by (used in) investing activities	\$ (453,888)	\$ (525,684)
Net cash provided by (used in) financing activities	\$ 18,080	\$ 459,036

#### ***Operating Activities***

Net cash provided by operating activities increased by \$97.7 million to \$398.7 million in the three months ended March 31, 2022 compared to \$301.0 million in the same period in 2021, primarily due to increased profitability. In addition, there was an increase in cash collections related to leases with uneven payment terms and an increase in cash collections on finance leases due to an increase in our finance lease portfolio.

#### ***Investing Activities***

Net cash used in investing activities was \$453.9 million in the three months ended March 31, 2022 compared to \$525.7 million in the same period in 2021. The change was primarily due to a \$68.2 million decrease in equipment purchases.

#### ***Financing Activities***

Net cash provided by financing activities was \$18.1 million in the three months ended March 31, 2022, compared to \$459.0 million in the same period in 2021. The change was primarily due to a \$359.7 million decrease in net borrowings. In addition, we paid \$81.7 million for share repurchases in the first quarter of 2022.

## Results of Operations

The following table summarizes our comparative results of operations for the three months ended March 31, 2022 and 2021 (in thousands).

	Three Months Ended March 31,		
	2022	2021	Variance
Leasing revenues:			
Operating leases	\$ 388,945	\$ 339,794	\$ 49,151
Finance leases	28,143	6,949	21,194
<b>Total leasing revenues</b>	<b>417,088</b>	<b>346,743</b>	<b>70,345</b>
Equipment trading revenues	34,120	25,945	8,175
Equipment trading expenses	(29,979)	(17,804)	(12,175)
<b>Trading margin</b>	<b>4,141</b>	<b>8,141</b>	<b>(4,000)</b>
Net gain on sale of leasing equipment	28,969	21,967	7,002
<b>Operating expenses:</b>			
Depreciation and amortization	160,716	143,307	17,409
Direct operating expenses	6,220	9,370	(3,150)
Administrative expenses	21,300	20,921	379
Provision (reversal) for doubtful accounts	(27)	(2,464)	2,437
<b>Total operating expenses</b>	<b>188,209</b>	<b>171,134</b>	<b>17,075</b>
Operating income (loss)	261,989	205,717	56,272
<b>Other expenses:</b>			
Interest and debt expense	54,510	54,623	(113)
Unrealized (gain) loss on derivative instruments, net	(439)	—	(439)
Debt termination expense	36	—	36
Other (income) expense, net	(308)	(481)	173
<b>Total other expenses</b>	<b>53,799</b>	<b>54,142</b>	<b>(343)</b>
Income (loss) before income taxes	208,190	151,575	56,615
Income tax expense (benefit)	13,932	11,737	2,195
<b>Net income (loss)</b>	<b>\$ 194,258</b>	<b>\$ 139,838</b>	<b>\$ 54,420</b>
Less: dividend on preferred shares	13,028	10,513	2,515
<b>Net income (loss) attributable to common shareholders</b>	<b>\$ 181,230</b>	<b>\$ 129,325</b>	<b>\$ 51,905</b>

## Comparison of the three months ended March 31, 2022 and 2021

**Leasing revenues.** Per diem revenue represents revenue earned under operating lease contracts. Fee and ancillary lease revenue represents fees billed for the pick-up and drop-off of containers in certain geographic locations and billings of certain reimbursable operating costs such as repair and handling expenses. Finance lease revenue represents interest income earned under finance lease contracts. The following table summarizes our leasing revenues for the periods indicated below (in thousands):

	Three Months Ended March 31,		
	2022	2021	Variance
Leasing revenues:			
Operating leases			
Per diem revenues	\$ 377,514	\$ 331,252	\$ 46,262
Fee and ancillary revenues	11,431	8,542	2,889
Total operating lease revenues	388,945	339,794	49,151
Finance leases	28,143	6,949	21,194
Total leasing revenues	\$ 417,088	\$ 346,743	\$ 70,345

Total leasing revenues were \$417.1 million for the three months ended March 31, 2022, compared to \$346.7 million in the same period in 2021, an increase of \$70.4 million.

Per diem revenues were \$377.5 million for the three months ended March 31, 2022 compared to \$331.3 million in the same period in 2021, an increase of \$46.2 million. The primary reasons for this increase are as follows:

- \$26.1 million increase due to an increase in the average number of containers on-hire of approximately 0.5 million CEU; and
- \$18.3 million increase primarily due to an increase in average per diem rates for our dry containers partially offset by a decrease in average per diem rates for our refrigerated and special containers.

Fee and ancillary lease revenues were \$11.4 million for the three months ended March 31, 2022 compared to \$8.5 million in the same period in 2021, an increase of \$2.9 million, primarily due to an increase in fee revenues related to the repositioning of containers.

Finance lease revenues were \$28.1 million for the three months ended March 31, 2022 compared to \$6.9 million in the same period in 2021, an increase of \$21.2 million. This increase is primarily due to the addition of \$1.5 billion of net finance lease receivable since April 2021 partially offset by the runoff of the existing portfolio.

**Trading margin.** Trading margin was \$4.1 million for the three months ended March 31, 2022 compared to \$8.1 million in the same period in 2021, a decrease of \$4.0 million. The decrease was primarily due to a decrease in container sales volumes.

**Net gain (loss) on sale of leasing equipment.** Gain on sale of equipment was \$29.0 million for the three months ended March 31, 2022 compared to \$22.0 million in the same period in 2021, an increase of \$7.0 million. The increase was primarily due to a 36.1% increase in the average sale price of our used dry containers, partially offset by a 29.4% decrease in sales volumes due to our limited inventory of containers available for sale.

**Depreciation and amortization.** Depreciation and amortization was \$160.7 million for the three months ended March 31, 2022 compared to \$143.3 million in the same period in 2021, an increase of \$17.4 million. The primary reasons for the increase are as follows:

- \$26.5 million increase due to the increased size of our container fleet; partially offset by
- \$7.7 million decrease due to an increase in the number of containers that have become fully depreciated.

**Direct operating expenses.** Direct operating expenses primarily consist of our costs to repair equipment returned off lease, store equipment when it is not on lease and reposition equipment from locations with weak leasing demand. Direct operating expenses were \$6.2 million for the three months ended March 31, 2022 compared to \$9.4 million in the same period in 2021, a decrease of \$3.2 million. The primary reasons for the decrease are as follows:

- \$2.0 million decrease in repair, handling and repositioning expense primarily due to timing of drop-off activity; and
- \$0.9 million decrease in storage expense resulting from a decrease in the number of idle units.



**Administrative expenses.** Administrative expenses were \$21.3 million for the three months ended March 31, 2022 compared to \$20.9 million in the same period in 2021, an increase of \$0.4 million.

**Provision (reversal) for doubtful accounts.** Reversal for doubtful accounts was immaterial for the three months ended March 31, 2022, compared to \$2.5 million in the same period in 2021. We reversed reserves in the first quarter of 2021 which were originally recorded in 2020 against a mid-sized customer receivable.

**Interest and debt expense.** Interest and debt expense was \$54.5 million for the three months ended March 31, 2022, compared to \$54.6 million in the same period in 2021, a decrease of \$0.1 million. The primary reasons for the decrease are as follows:

- \$17.4 million decrease due to a decrease in the average effective interest rate to 2.50% from 3.30%; partially offset by
- \$17.3 million increase due to an increase in the average debt balance of \$2.1 billion.

**Income taxes.** Income tax expense was \$13.9 million for the three months ended March 31, 2022 compared to \$11.7 million in the same period in 2021, an increase of \$2.2 million. The increase in income tax expense was primarily the result of an increase in pre-tax income partially offset by a decrease in the portion of income generated in higher tax jurisdictions in the three months ended March 31, 2022.

## Contractual Obligations

We are party to various operating and finance leases and are obligated to make payments related to our borrowings. We are also obligated under various commercial commitments, including payment obligations to our equipment manufacturers. Our equipment manufacturer obligations are in the form of conventional accounts payable, and are satisfied by cash flows from operations and financing activities.

The following table summarizes our contractual commitments and obligations as of March 31, 2022 and the effect such obligations are expected to have on our liquidity and cash flows in future periods:

Contractual Obligations:	Contractual Obligations by Period						
	Total	Remaining 2022	2023	2024	2025	2026	2027 and thereafter
	(dollars in millions)						
Principal debt obligations	\$ 8,798.1	\$ 346.9	\$ 1,230.1	\$ 1,251.7	\$ 428.2	\$ 2,558.3	\$ 2,982.9
Interest on debt obligations <sup>(1)</sup>	1,077.3	159.9	196.8	169.3	149.0	119.4	282.9
Operating leases (mainly facilities)	5.7	2.7	2.3	0.6	0.1	—	—
Purchase obligations:							
Equipment purchases payable	56.8	56.8	—	—	—	—	—
Equipment purchase commitments	259.5	259.5	—	—	—	—	—
Total contractual obligations	<u>\$ 10,197.4</u>	<u>\$ 825.8</u>	<u>\$ 1,429.2</u>	<u>\$ 1,421.6</u>	<u>\$ 577.3</u>	<u>\$ 2,677.7</u>	<u>\$ 3,265.8</u>

(1) Amounts include actual interest for fixed debt, estimated interest for floating-rate debt and interest rate swaps which are in a payable position based on March 31, 2022 rates.

## Critical Accounting Estimates

Our consolidated financial statements have been prepared in conformity with U.S. GAAP, which requires us to make estimates and assumptions that affect the amounts and disclosures reported in the consolidated financial statements and accompanying notes. We base our estimates and judgments on historical experience and on various other assumptions that we believe are reasonable under the circumstances. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates under different assumptions or conditions. For a discussion of our critical accounting estimates, see Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our 2021 Annual Report on Form 10-K. There have been no significant changes to our critical accounting estimates since our 2021 Annual Report on Form 10-K.

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss to future earnings, values or cash flows that may result from changes in the price of a financial instrument. The fair value of a financial instrument, derivative or non-derivative, might change as a result of changes in interest rates, exchange rates, commodity prices, equity prices and other market changes. We have operations internationally and we are exposed to market risks in the ordinary course of our business. These risks include interest rate and foreign currency exchange rate risks.

#### *Interest Rate Risk*

We enter into derivative agreements to fix the interest rates on a portion of our floating-rate debt. We assess and manage the external and internal risk associated with these derivative instruments in accordance with our overall operating goals. External risk is defined as those risks outside of our direct control, including counterparty credit risk, liquidity risk, systemic risk and legal risk. Internal risk relates to those operational risks within the management oversight structure and include actions taken in contravention of our policies.

The primary external risk of our derivative agreements is counterparty credit exposure, which is defined as the ability of a counterparty to perform its financial obligations under the agreement. All of our derivative agreements are with highly-rated financial institutions. Credit exposures are measured based on counterparty credit risks and the market value of outstanding derivative instruments.

As of March 31, 2022, we had derivative agreements in place to fix interest rates on a portion of our borrowings under debt facilities with floating interest rates as summarized below:

Derivatives	Notional Amount	Weighted Average Fixed Leg (Pay) Interest Rate	Cap Rate	Weighted Average Remaining Term
Interest Rate Swap <sup>(1)</sup>	\$1,617.4 Million	2.04%	n/a	4.0 years
Interest Rate Cap	\$400.0 Million	n/a	5.5%	1.7 years

(1) The impact of forward starting swaps with total notional amount of \$350.0 million will increase the weighted average remaining term to 5.0 years.

Our derivative agreements are designated as cash flow hedges for accounting purposes. Any unrealized gains or losses related to the changes in fair value are recognized in accumulated other comprehensive income and reclassified to interest and debt expense as they are realized. As of March 31, 2022, we have certain interest rate cap agreements that are non-designated derivatives and changes in fair value are recognized as unrealized (gain) loss on derivative instruments, net, on the statements of operations.

Approximately 87% of our debt is either fixed or hedged using derivative instruments which helps mitigate the impact of changes in short-term interest rates. A 100 basis point increase in the interest rates on our unhedged debt (primarily LIBOR) would result in an increase of approximately \$11.5 million in interest expense over the next 12 months.

#### *Foreign currency exchange rate risk*

Although we have significant foreign-based operations, the majority of our revenues and our operating expenses are denominated in U.S. dollars. However, we pay our non-U.S. employees in local currencies and certain operating expenses are denominated in foreign currencies. Net foreign currency exchange gains and losses were immaterial for the three months ended March 31, 2022 and 2021.

#### ITEM 4. CONTROLS AND PROCEDURES.

Our senior management has evaluated the effectiveness and design of our disclosure controls and procedures (as defined under Rules 13a-15(e) and 15d-15(e)), as of March 31, 2022. Based upon their evaluation of these disclosure controls and procedures, our Chief Executive Officer and our Senior Vice President and Chief Financial Officer concluded, as of March 31, 2022, that our disclosure controls and procedures were effective.

##### *Changes in Internal Control over Financial Reporting*

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the three months ended March 31, 2022, which have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II—OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS.

From time to time, we are a party to litigation matters arising in connection with the normal course of our business. While we cannot predict the outcome of these matters, in the opinion of our management, based on information presently available to us, we believe that we have adequate legal defenses, reserves or insurance coverage and any liability arising from these matters will not have a material adverse effect on our business. Nevertheless, unexpected adverse future events, such as an unforeseen development in our existing proceedings, a significant increase in the number of new cases or changes in our current insurance arrangements could result in liabilities that have a material adverse impact on our business.

### ITEM 1A. RISK FACTORS.

#### The war in Ukraine may negatively impact international trade and our business.

The ongoing war in Ukraine has resulted in economic and trade disruptions, as well as a significant humanitarian crisis. The conflict has led to significant stress on the global economy, as well as economic sanctions and trade controls being placed on Russia, port restrictions on Russian ships and decisions to suspend service to Russia and alter certain routes by several major ocean carriers. We do not have any employees or Company facilities in Russia, and our direct exposure to customers whose businesses are focused on trading with Russia is not material, representing approximately \$30 million in net book value of leased containers. However, given the nature of our business and global operations, political, economic and other conditions in major regions, including geopolitical risks such as the current war in Ukraine, may adversely affect us. Further sanctions, embargoes, regional instability, shipping bans, escalation of hostilities and the effects of the conflict on the global economy, including increased on-shoring and near-shoring and reduced global trade, cannot be predicted. These factors may negatively impact our business and results of operations.

For a detailed discussion of our other risk factors, refer to our Form 10-K.

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

#### Share Repurchase Program

In October 2021, our Board of Directors increased our share repurchase authorization to \$200 million. The following table provides certain information with respect to the Company's purchases of its common shares during the three months ended March 31, 2022:

Period	Issuer Purchases of Common Shares <sup>(1)</sup>		
	Total number of shares purchased <sup>(2)</sup>	Average price paid per share	Approximate dollar value of shares that may yet be purchased under the plan (in thousands)
January 1, 2022 through January 31, 2022	455,000	\$ 61.73	\$ 118,847
February 1, 2022 through February 28, 2022	393,535	\$ 63.71	\$ 93,769
March 1, 2022 through March 31, 2022	408,839	\$ 66.00	\$ 66,775
Total	1,257,374	\$ 63.74	\$ 66,775

(1) On April 26, 2022, the Company's Board of Directors increased the share repurchase authorization to \$200.0 million. The revised authorization may be used by the Company to repurchase common or preferred shares.

(2) This column represents the total number of shares purchased and the total number of shares purchased as part of publicly announced plans.

**ITEM 6. EXHIBITS.**

Exhibit Number	Exhibit Description
<a href="#"><u>10.1*</u></a>	Form of Restricted Share Award Agreement under the Triton International Limited Amended and Restated 2016 Equity Incentive Plan
<a href="#"><u>10.2*</u></a>	Form of Restricted Share Unit Award Agreement under the Triton International Limited Amended and Restated 2016 Equity Incentive Plan
<a href="#"><u>10.3</u></a>	Triton International Limited Executive Severance Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed February 14, 2022)
<a href="#"><u>10.4</u></a>	Letter Agreement between Brian M. Sondey and Triton International Limited, dated February 11, 2022 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed February 14, 2022)
<a href="#"><u>22.1</u></a>	List of Subsidiary Guarantors and Issuers of Guaranteed Securities (incorporated by reference to Exhibit 22.1 to the Company's Current Report on Form 8-K filed January 19, 2022)
<a href="#"><u>31.1*</u></a>	Certification of the Chief Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended
<a href="#"><u>31.2*</u></a>	Certification of the Chief Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended
<a href="#"><u>32.1**</u></a>	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350
<a href="#"><u>32.2**</u></a>	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350
101.INS	XBRL Instance Document - the instance document does not appear on the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	XBRL Instance Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Inline XBRL Data (formatted as Inline XBRL and contained in Exhibit 101)

\* Filed herewith.

\*\* Furnished herewith.

+ Indicates a management contract or compensatory plan or arrangement.

**SIGNATURE**

Pursuant to the requirements 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.

**TRITON INTERNATIONAL LIMITED**

May 3, 2022

By:

/s/ JOHN BURNS

John Burns

*Chief Financial Officer*

TRITON INTERNATIONAL LIMITED  
AMENDED AND RESTATED 2016 EQUITY INCENTIVE PLAN

NOTICE OF RESTRICTED SHARE GRANT

You ("Grantee") have been granted the following number of common restricted shares (the "Restricted Shares") of Triton International Limited (the "Company"), par value \$0.01 per share ("Shares"), pursuant to the Triton International Limited Amended and Restated 2016 Equity Incentive Plan (the "Plan"). The Restricted Shares are subject to all of the terms and conditions as set forth in the Plan, this Notice of Restricted Share Grant (the "Notice") and the Restricted Share Award Agreement (the "Award Agreement"), including any additional terms and conditions for Grantee's country of residence set forth in the Appendix attached hereto (the "Appendix"):

Name of Grantee: [ ]

Overall Target Shares: [ ]

Number of Time Vesting Shares Only [ ], plus Minimum Performance Shares [ ]: [ ]

Additional Shares if Target Performance Vesting Met: [ ]

Further Additional Shares if Maximum Performance Vesting Met: [ ]

Effective Date of Grant: [ ]

Vesting Date: [ ], subject to earlier vesting or forfeiture pursuant to the terms of the Plan and the attached Award Agreement, including as a result of a Termination of Service, and subject to meeting performance criteria for those Restricted Shares that are also subject to meeting the performance criteria set forth on the exhibit attached hereto.

Capitalized terms that are not defined herein shall have the meanings ascribed to them in the Plan.

By your signature and the signature of the Company's representative below (or by electronically accepting this award pursuant to the procedures established by the Company's stock plan administrator), you and the Company agree that these Restricted Shares are granted under and governed by the terms and conditions of this Notice, the Plan and the Award Agreement, both of which are attached to and made a part of this document.

GRANTEE:

\_\_\_\_\_

TRITON INTERNATIONAL LIMITED:

By:  
Title:





Triton International Limited  
Amended and Restated 2016 Equity Incentive Plan  
Exhibit to Notice of Restricted Share Grant with Effective  
Date of [ ]

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Performance Period: [ ] to [ ]

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Performance-based compensation criteria for Restricted Share grants

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The number of performance-based Restricted Shares that will vest will be based on the attainment of the performance criteria set forth for Relative Total Shareholder Return and Adjusted Return on Equity for the Performance Period. Performance criteria will be weighted equally between the results attained for Relative Total Shareholder Return and Adjusted Return on Equity.

1. 50% - Relative Total Shareholder Return.

Total Shareholder Return (“TSR”) is a rate of return reflecting stock price appreciation, plus reinvested dividends and distributions in additional shares of stock, taking into account stock splits or other similar events (as applicable), from the beginning of the Performance Period through the end of the Performance Period.

The following peer companies will be used for calculating the Relative TSR component:

[Peer group companies and weightings to be included.]

The payout for the Relative TSR component will range from 50% to [150] [200]% of target based on the ranking of the Company’s TSR relative to the TSR of the applicable peer group established hereunder (the “Peer Group”) over the applicable Performance Period.

For this purpose, stock prices at the beginning and end of the Performance Period will be determined using the volume weighted average trading price for the 90-day period ending on each such date, as applicable.

The table below summarizes the Relative TSR component payout level as a percent of target based on the Company’s TSR rank.

Performance Level*	TSR Rank Attained	% of Target Payout
Threshold	25 <sup>th</sup> percentile or below	50
Target	50 <sup>th</sup> percentile	100
Maximum	75 <sup>th</sup> percentile or above	[150] [200]

\*Results that fall between performance levels will be interpolated on a straight-line basis.



In the event of a tie between the Company and a member of the Peer Group in TSR ranking for a Performance Period (including TSR rankings within 1/10th of one percent), the Company will be ranked above the applicable member of the Peer Group for the applicable Performance Period.

2. 50% - Adjusted Return on Equity.

Adjusted Return on Equity ("ROE") will be calculated as the average for each of the quarters in the Performance Period of (a) the Company's reported annualized adjusted net income applicable to the Company's common shareholders, divided by (b) the average of the Company's beginning and ending common shareholders' equity as reported under GAAP.

The table below summarizes the ROE component payout level as a percent of target based on the Company's ROE attained for the Performance Period.

Performance Level*	ROE Attained	% of Target Payout
Threshold	[ ]% or less	50
Target	[ ]%	100
Maximum	[ ]% or more	[150] [200]

\*Results that fall between performance levels will be interpolated on a straight-line basis.

Payout levels for the TSR and ROE components will be averaged to determine the final payout under the performance-based Restricted Shares.

The Committee (as defined in the Plan) shall make all determinations necessary or appropriate to determine the number of performance-based Restricted Shares that may vest. In particular, the Committee may, in its sole discretion, make adjustments to the results or ROE target levels as it deems appropriate to take into account significant capital allocation actions during the Performance Period. Any adjustments or determinations by the Committee with respect to the performance-based Restricted Shares will be binding on Grantee and all interested parties.

In the event the number of performance-based Restricted Shares under this exhibit is not a whole number, then the final number of performance-based Restricted Shares shall be rounded down to the nearest whole number.



TRITON INTERNATIONAL LIMITED  
RESTRICTED SHARE AWARD AGREEMENT

SECTION 1. GRANT OF RESTRICTED SHARES.

(a) **RESTRICTED SHARES.** On the terms and conditions set forth in the Triton International Limited Amended and Restated 2016 Equity Incentive Plan (the "Plan"), the Notice of Restricted Share Grant (the "Notice") and this Restricted Share Award Agreement (the "Award Agreement"), including any additional terms and conditions for Grantee's country of residence set forth in the Appendix attached hereto (the "Appendix"), the Company grants to Grantee on the Effective Date of Grant the number of Shares set forth in the Notice (the "Restricted Shares"). For purposes of this Award Agreement, to the extent Grantee is not employed by the Company, the "Employer" means the member of the Group that employs Grantee.

(b) **PLAN AND DEFINED TERMS.** The Restricted Shares are granted pursuant to the Plan, a copy of which Grantee acknowledges having received. All terms, provisions, and conditions applicable to the Restricted Shares set forth in the Plan and not set forth herein are hereby incorporated by reference herein. To the extent any provision hereof is inconsistent with a provision of the Plan, the provisions of the Plan will govern. All capitalized terms that are used in this Award Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Plan.

SECTION 2. RIGHT TO RESTRICTED SHARES AND DIVIDENDS OR RETURN OF CAPITAL.

- (a) Grantee shall not be entitled to the Restricted Shares until such Restricted Shares vest and the Committee, in its sole discretion, determines the number Restricted Shares (if any) that have vested. The Notice contains the vesting schedule (the "Vesting Schedule").
- (b) All dividends/return of capital distributions on the Restricted Shares shall accrue on the books of the Company for the benefit of Grantee, but shall only become payable if and to the extent the Restricted Shares vest, regardless of whether or not vesting is contingent upon continued employment, the achievement of performance goals, or both. Within ninety (90) days of vesting of the Restricted Shares all accrued dividends/return of capital distributions shall be paid to Grantee.
- (c) The Company shall issue the Restricted Shares in book entry form, registered in the name of Grantee, with legends, or notations, as applicable, referring to the terms, conditions and restrictions applicable to the Award. Upon the lapse of restrictions relating to any Restricted Shares, the Company shall, remove the notations on any such Restricted Shares issued in book-entry form equal to the number of Restricted Shares with respect to which such restrictions have lapsed.
- (d) For purposes of this Award Agreement, if Grantee is employed in the United States, the "date of Termination of Service" means the effective date of Grantee's Termination of Service. If Grantee is employed outside of the United States, the "date of Termination of Service" means the earliest of (i) the date on which notice of Termination of Service is provided to Grantee, (ii) the last day of Grantee's active service with the Employer or (iii) the last day on which Grantee is an employee of the Employer, as determined in each case, without including any required advanced notice period and irrespective of the status of the termination under local labor or employment laws.



- (e) As a condition of the Restricted Share grant, Grantee agrees to repatriate all payments attributable to the Restricted Shares in accordance with local foreign exchange rules and regulations in Grantee's country of residence (and country of employment, if different). In addition, Grantee agrees to take any and all actions, and consents to any and all actions taken by the Employer, the Company and any member of the Group as may be required to allow the Employer, the Company and any member of the Group to comply with local laws, rules and regulations in Grantee's country of residence (and country of employment, if different). Finally, Grantee agrees to take any and all actions that may be required to comply with Grantee's personal legal and tax obligations under local laws, rules and regulations in Grantee's country of residence (and country of employment, if different).

### SECTION 3. TERMINATION OF SERVICES AND CHANGE OF CONTROL.

(a) TERMINATION OF SERVICE.

(i) If the Termination of Service is by (x) the Company for Cause (as defined in the Plan), (y) a Nonemployee Director or Consultant for any reason, or (z) an Employee without Good Reason (as defined in the Plan), all unvested Restricted Shares shall be forfeited upon the date of Termination of Service.

(ii) If the Termination of Service is a result of an Employee's death or being Disabled, all unvested Restricted Shares shall vest as of the date of the Employee's death, or date of Termination of Service if the Employee is Disabled, and shall be payable no later than sixty (60) days following death or such Termination of Service, except that for unvested Restricted Shares that are also subject to performance vesting conditions, those unvested Restricted Shares shall continue to vest in accordance with the Vesting Schedule and payment (if any) will be based on the attainment of performance criteria as of the end of the Performance Period.

(iii) If the Termination of Service is by (x) the Company without Cause or (y) Grantee with Good Reason, all unvested Restricted Shares which were not granted during the calendar year in which such Termination of Service occurs shall vest and be payable no later than sixty (60) days following such Termination of Service, except that for unvested Restricted Shares that are also subject to performance vesting conditions, those unvested Restricted Shares shall continue to vest in accordance with the Vesting Schedule and payment (if any) will be based on the attainment of performance criteria as of the end of the Performance Period. Any Restricted Shares granted during the calendar year of Termination of Service shall be forfeited on the date of Termination of Service.

(b) CHANGE OF CONTROL. Notwithstanding the Vesting Schedule and anything set forth in the Plan to the contrary, if a Change of Control (as defined in the Plan) occurs, and within twenty-four (24) months following the occurrence of such Change in Control, Grantee experiences a Termination of Service by the Company other than for Cause or by Grantee for Good Reason, all unvested Restricted Shares shall automatically vest in full upon the date of Termination of Service and shall be payable no later than sixty (60) days following such Termination of Service.

SECTION 4. NATURE OF GRANT. In accepting the Restricted Share grant, Grantee acknowledges, understands and agrees that:





(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of Restricted Shares is exceptional, voluntary and occasional and does not create any contractual or other right to receive future Restricted Shares, or benefits in lieu of Restricted Shares, even if Restricted Shares have been granted in the past;

(c) all decisions with respect to future grants of Restricted Shares or other grants, if any, will be at the sole discretion of the Company;

(d) Grantee is voluntarily participating in the Plan;

(e) the Restricted Shares, and the income from and value of same, are not intended to replace any pension rights or compensation;

(f) the Restricted Shares, and the income from and value of same, are not intended to replace any pension rights or compensation and are not part of normal or expected compensation for purposes of, including calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits or similar payments;

(g) unless otherwise agreed with the Company in writing, the Restricted Shares, and the income from and value of same, are not granted as consideration for, or in connection with, the service Grantee may provide as a director of a subsidiary of the Company;

(h) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

(i) no claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Shares resulting from Grantee's Termination of Service (for any reason, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any);

(j) for purposes of the Restricted Shares, Grantee's employment relationship will be considered terminated as of the date Grantee is no longer actively providing services to the Company, the Employer or any member of the Group (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any), and such date will not be extended by any notice period (e.g., the period of employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any); the Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for purposes of the Restricted Share grant (including whether Grantee may still be considered to be providing services while on a leave of absence);

(k) unless otherwise provided in the Plan or by the Company in its discretion, the Restricted Shares and the benefits evidenced by this Award Agreement do not create any entitlement to have the Restricted Shares or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares;



(l) neither the Company nor the Employer shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar that may affect the value of this Award or of any amounts due to Grantee pursuant to the settlement of the Restricted Shares or the subsequent sale of any Shares acquired upon settlement; and

(m) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Grantee's participation in the Plan or Grantee's acquisition or sale of the Shares. Grantee should consult with his or her personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

**SECTION 5. RESTRICTIVE COVENANTS.** In consideration for receiving the Restricted Share Grant, except to the extent this provision is expressly unenforceable or unlawful under applicable law, the Grantee agrees to the following restrictive covenants ("Restrictive Covenants"):

(a) **NON-COMPETITION.** During the period the Grantee is an employee of the Company or any Related Company and during the twelve (12) months thereafter (the "Restricted Period"), the Grantee shall not, without the express approval of the Company, directly or indirectly, own, manage, operate, invest in, whether as a proprietor, partner, shareholder, member, lender, director, officer, employee, agent, representative or other participant, or otherwise engage or participate in any business or enterprise engaged in the leasing, financing, managing or sale of intermodal marine cargo containers or intermodal chassis, in the Territory ("Competitive Business") (but a Competitive Business does not include shipping lines, terminals, or the wider container shipping industry) without regard to (A) whether the Competitive Business has its office or other business facilities within or without the Territory, (B) whether any of the activities of the Grantee referred to above occur or are performed within or without the Territory or (C) whether the Grantee resides, or reports to an office, within or without the Territory; provided, however, that (x) the Grantee may, anywhere in the Territory, directly or indirectly, in one or a series of transactions, own, invest or acquire an interest in up to five percent (5%) of the capital share of a corporation whose capital share is traded publicly, or that (y) such Grantee may accept employment with a successor company to the Company.

The Grantee shall not be deemed to be engaged in a Competitive Business if he or she is employed at a company that is not engaged in a Competitive Business but which has a sister company that is engaged in a Competitive Business if the Grantee has no involvement, direct or indirect, in the sister company whatsoever; and

(b) **NON-SOLICITATION.** For the duration of the Restricted Period, the Grantee shall not (A) directly or indirectly, in one or a series of transactions, recruit, solicit or otherwise induce or influence any proprietor, partner, shareholder, member, lender, director, officer, employee, sales agent, lessor, customer, supplier, agent, representative or any other Person which has a business relationship with the Company or a Related Company or had a business relationship with the Company or a Related Company within the twenty-four (24) month period preceding the date of the incident in question (other than a customer or supplier who has a business relationship with the Grantee's new employer (if any)), to discontinue, reduce or modify such employment, agency or business relationship with the Company or a Related Company, or (B) employ or seek to employ or cause any Competitive Business to employ or seek to employ any Person who is then (or was at any time within twelve (12) months prior to the date such Grantee or the Competitive Business employs or seeks to employ such Person) employed or retained by the Company or a Related Company; and

(c) **CONFIDENTIAL INFORMATION.** During and after his or her employment with the Company or a Related Company, the Grantee will not, directly or indirectly in one or a series of transactions disclose to any Person or use or otherwise exploit for the Grantee's own benefit or for the



benefit of anyone other than the Company or its subsidiaries any Confidential Information (as defined below) whether prepared by the Grantee or not, provided, however, that any Confidential Information may be disclosed to officers, representatives, employees and agents of the Company or its Related Companies who need to know such Confidential Information in order to perform the services or conduct the operations required or expected of them in the Business. The Grantee shall not remove any documents or materials containing Confidential Information from the premises of the Company or its Related Companies or make copies (including electronic copies) of such documents or materials, except for use in the Company's business and in accordance with the Company's policies regarding security of confidential information. During the term of employment, the Grantee shall use the Grantee's commercially reasonable efforts to cause all Persons to whom Confidential Information shall be disclosed by the Grantee hereunder to observe the terms and conditions set forth herein as though each such Person or entity was bound hereby. After the term of employment, the Grantee shall not disclose Confidential Information other than to his or her advisors, representatives and agents who execute a confidentiality agreement whereby they will agree to observe the confidentiality terms and conditions set forth herein. The Grantee shall have no obligation hereunder to keep confidential any Confidential Information if and to the extent disclosure of any thereof is specifically required by law; provided, however, that in the event disclosure is required by applicable law, the Grantee shall provide the Company with prompt notice of such requirement to the extent allowed by law, prior to making any disclosure, so that the Company may seek an appropriate protective order. At the request of the Company, the Grantee agrees to deliver to the Company all Confidential Information which the Grantee may possess or control. The Grantee agrees that all Confidential Information of the Company and Related Companies (whether now or hereafter existing) conceived, discovered or made by him or her during his or her employment with the Company or its Related Companies exclusively belongs to the Company and its direct and indirect subsidiaries (and not to the Grantee). The Grantee will promptly disclose such Confidential Information to the Company and its Related Companies and perform all actions reasonably requested by the Company and its Related Companies to establish and confirm such exclusive ownership.

As used herein, the term "Confidential Information" means any confidential information including, without limitation, any study, data, calculations, software storage media or other compilation of information, patent, patent application, copyright, trademark, trade name, service mark, service name, trade secrets, supplier lists and contacts, customer lists and contacts, the fact of and terms of (including without limitation, pricing terms) supplier, customer or consultant contracts, pricing policies, business techniques, operational methods, marketing plans or strategies, product development techniques or plans, business acquisition plans or any portion or phase of any scientific or technical information, discoveries, designs, computer programs (including source of object codes), processes, procedures, formulas, improvements or other proprietary or intellectual property of the Company or its subsidiaries, whether or not in written or tangible form, and whether or not registered, and including all files, records, manuals, books, catalogues, memoranda, notes, summaries, plans, reports, records, documents and other evidence thereof. The term "Confidential Information" does not include, and there shall be no obligation hereunder with respect to, information that becomes generally available to the public other than as a result of a disclosure by such Grantee that is prohibited hereunder; and

(d) **NON-DISPARAGEMENT.** During and after his or her employment with the Company or a Related Company, Grantee shall not make any false, defamatory or disparaging statements about the Company or its Related Companies or the officers, employees or directors of the Company or its Related Companies. Nothing in this paragraph, however, shall prevent Grantee from providing truthful testimony or information in any proceeding or in response to any request from any governmental agency, or judicial, arbitral or self-regulatory forum, or as otherwise



required by applicable law.

If the Grantee breaches any of the Restrictive Covenants without the Company's written consent, all unvested Restricted Shares shall be immediately forfeited. Further, in addition to any other remedies allowed by law or contract, the Grantee acknowledges that the amount of damages that would derive from the breach of any of the Restrictive Covenants is not readily ascertainable and agrees that in the event of breach of any of the Restrictive Covenants, the Company will also have the right to seek injunctive and/or other equitable relief in any court of competent jurisdiction to enforce the Restrictive Covenants.

#### Definitions Applicable to this Section 5:

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, governmental entity or any other entity.

"Related Company" means all direct and indirect subsidiaries of the Company.

"Territory" means the United States of America and each jurisdiction or other country in which (i) the Business was conducted by or engaged in by the Company or its subsidiaries or in which the Company sought to conduct the Business on or prior to the date hereof or (ii) the Business is conducted by or engaged in by the Company or its subsidiaries or in which the Company seeks to conduct the Business at any time during the Grantee's employment by the Company or its subsidiaries.

#### SECTION 6. MISCELLANEOUS PROVISIONS.

(a) **TAX WITHHOLDING.** The Company or the Employer may make such provisions as are necessary or appropriate for the withholding of any or all federal, state, local or foreign income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax related-items ("Tax Related-Items") on the Shares and dividends and return of capital distributions, in accordance with Article 19 of the Plan, as applicable. Regardless of any action by the Company or the Employer, Grantee acknowledges that the ultimate liability for all Tax Related-Items associated with the Restricted Shares is and remains Grantee's responsibility and may exceed the amount actually withheld, and the Company and the Employer (i) make no representations or undertakings regarding the treatment of any Tax Related-Items in connection with any aspect of the Restricted Shares, including the grant of the Restricted Shares, the vesting of the Restricted Shares, the subsequent sale of the Shares acquired and the receipt of any dividends and return of capital distributions; and (ii) do not commit to structure the terms of the grant or any aspect of Restricted Shares to reduce or eliminate Grantee's liability for Tax Related-Items. Further, if Grantee is subject to tax in more than one jurisdiction, Grantee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax Related-Items in more than one jurisdiction.

In the event the withholding requirements are not satisfied through the withholding of Shares or Grantee's regular salary and/or wages or other amounts payable to Grantee, no Shares will be issued to Grantee unless and until satisfactory arrangements (as determined by the Company) have been made by Grantee with respect to the payment of any Tax-Related Items which the Company determines, in its sole discretion, must be withheld or collected with respect to the Restricted Shares. If Grantee is subject to taxation in more than one jurisdiction, Grantee acknowledges that the Company and/or the Employer may





be required to withhold or account for Tax-Related Items in more than one jurisdiction. By accepting this Restricted Share grant, Grantee expressly consents to the withholding of Shares and/or the withholding of amounts from Grantee's regular salary and/or wages, or other amounts payable to Grantee, as provided for hereunder. All other Tax-Related Items related to the Restricted Shares and any Shares acquired pursuant to the vesting of the grant are Grantee's sole responsibility.

(b) **RIGHTS AS A SHAREHOLDER.** Except for certain rights during the period of restriction as set forth in the Plan, neither Grantee nor Grantee's representative shall have any rights as a Shareholder with respect to any Shares subject to the Restricted Shares until the Restricted Shares have vested and Shares have been issued in Grantee's name in book entry form, as the case may be.

(c) **DATA PRIVACY.** The collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Award Agreement and any other Restricted Share award materials will be in accordance with the Employer's data protection notice (the "Employer Data Protection Notice"), where applicable. Such personal data may be collected, used and transferred by and among, as applicable, the Company, the Employer, any member of the Group and any third parties assisting (presently or in the future) with the implementation, administration and management of the Plan, for the exclusive purpose of implementing, administering and managing Grantee's participation in the Plan. Where required under applicable law, personal data also may be disclosed to certain securities or other regulatory authorities where the Shares are listed or traded or regulatory filings are made, or to certain tax authorities for compliance with the Company's, the Employer's and/or Grantee's tax obligations.

(d) **APPENDIX.** If applicable, the Restricted Shares are subject to any additional terms and conditions for the country set forth in the Appendix to this Award Agreement. If Grantee relocates to another country, the terms and conditions for that country (if any) will apply to Grantee to the extent the Company determines, in its sole discretion, that applying such terms and conditions are necessary or advisable to comply with local law, rules and regulations or to facilitate the operation and administration of this Award Agreement and the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate Grantee's transfer). The Appendix constitutes part of this Award Agreement.

(e) **LANGUAGE.** By accepting this Award Agreement, Grantee acknowledges that he or she is proficient in the English language, or has consulted with an advisor who is proficient in the English language, so as to enable Grantee to understand the provisions of this Award Agreement and the Plan. If Grantee has received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

(f) **ELECTRONIC DELIVERY AND PARTICIPATION.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

(g) **IMPOSITION OF OTHER REQUIREMENTS.** The Company reserves the right to impose other requirements on the Restricted Shares, any payment made pursuant to the Restricted Shares, and Grantee's participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local law, rules and regulations or to facilitate the operation and administration of the Restricted Shares and the Plan. Such requirements may include requiring Grantee to sign any agreements or undertakings that may be



necessary to accomplish the foregoing.

(h) **INSIDER TRADING RESTRICTIONS/MARKET ABUSE LAWS.** Grantee acknowledges that, depending on his or her country of residence, the broker's country of establishment, or where the Shares are listed, Grantee may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions, which may affect Grantee's ability to, directly or indirectly, accept, acquire, sell, or attempt to sell or otherwise dispose of Shares, or rights linked to the value of Shares, during such times as Grantee is considered to have "inside information" regarding the Company (as defined by the laws and/or regulations in the applicable jurisdictions or Grantee's country of residence). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders Grantee places before possessing the inside information. Furthermore, Grantee may be prohibited from (i) disclosing inside information to any third party, including fellow employees (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them to otherwise buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Grantee is responsible for ensuring compliance with any applicable restrictions and should consult his or her personal legal advisor on this matter.

(i) **EXCHANGE CONTROLS; FOREIGN ASSET/ACCOUNT REPORTING.** Grantee acknowledges that Grantee's country of residence may have certain exchange controls, foreign asset and/or account reporting requirements that may affect Grantee's ability to acquire or hold Shares under the Plan or cash received from participating in the Plan (including from any dividends received or sale proceeds arising from the sale of Shares) in a brokerage or bank account outside Grantee's country of residence. Grantee may be required to report such accounts, assets or transactions to the tax or other authorities in Grantee's country of residence. Grantee also may be required to repatriate sale proceeds or other cash received as a result of Grantee's participation in the Plan to Grantee's country of residence through a designated bank or broker and/or within a certain time after receipt. Grantee acknowledges that it is Grantee's responsibility to be compliant with such regulations, and Grantee should consult with Grantee's personal legal advisor for any details.

(j) **NOTICE.** Any notice required by the terms of this Award Agreement shall be given in writing and shall be deemed effective upon personal delivery or upon deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. Notice shall be addressed to the Company at its principal executive office and to Grantee at the address that he or she most recently provided in writing to the Company.

(k) **CHOICE OF LAW; VENUE.** This Award Agreement and the Notice shall be governed by, and construed in accordance with, the laws of the state of New York, USA, without regard to the conflict of law provisions. For purposes of litigating any dispute that arises under this grant or the Award Agreement, the parties hereby submit to and consent to the jurisdiction of the State of New York, USA, and agree that such litigation shall be conducted in the courts of New York, NY, or the federal courts of the United States for the Southern District of New York.

(l) **COUNTERPARTS.** This Award Agreement may be executed in two or more counterparts (which may be electronic), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(m) **MODIFICATION OR AMENDMENT.** This Award Agreement may only be modified or amended by written agreement executed by the parties hereto (which may be electronic); provided, however, that the adjustments permitted pursuant to Section 4.3 of the Plan may be made without such written agreement.



(n) **SEVERABILITY.** In the event any provision of this Award Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of this Award Agreement, and this Award Agreement shall be construed and enforced as if such illegal or invalid provision had not been included.

(o) **AWARD SUBJECT TO COMPANY CLAWBACK POLICY.** The Restricted Shares shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted (or that may be adopted) by the Board, as may be amended from time to time, or required by law during the term of Grantee's employment or other service that is applicable to Grantee.

(p) **NO RIGHT TO CONTINUED EMPLOYMENT.** Nothing in the Plan or in this Award Agreement shall confer upon Grantee any right to continue in the employ of the Company, a parent or any subsidiary or shall interfere with or restrict in any way the right of the Company, parent or any subsidiary, which is hereby expressly reserved, to remove, terminate or discharge Grantee at any time for any reason whatsoever, with or without Cause and with or without advance notice.

(q) **SECTION 409A COMPLIANCE.** This Section 5(q) may not apply if Grantee is not a U.S. taxpayer. The Restricted Shares are intended to be exempt from Code Section 409A and this Award Agreement shall be interpreted, administered and operated accordingly. To the extent that any provision in this Award Agreement is ambiguous as to its compliance with Code Sections 409A or 457A, the provision shall be interpreted in a manner so that no payment due to Grantee shall be deemed subject to an "additional tax" within the meaning of Code Section 409A(a)(1)(B). The Company does not guarantee the tax treatment of any payments under this Award Agreement, including under the Code, federal, state, local or foreign tax laws and regulations.

(r) **COMPLIANCE WITH LAW.** Notwithstanding any other provision of the Plan or this Award Agreement, unless there is an exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any Shares issuable upon settlement of the Restricted Shares prior to the completion of any registration or qualification of the Shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. Grantee understands that the Company is under no obligation to register or qualify the Shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Grantee agrees that the Company shall have unilateral authority to amend the Award Agreement without Grantee's consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares.

(s) **RATIFICATION OF ACTIONS.** By accepting this Restricted Share grant, Grantee and each person claiming under or through Grantee shall be conclusively deemed to have indicated Grantee's acceptance and ratification of, and consent to, any action taken under the Plan, this Award Agreement and the Notice, the Board, or the Committee.



## APPENDIX

### COUNTRY-SPECIFIC TERMS AND CONDITIONS FOR GRANTEES OUTSIDE THE UNITED STATES

Capitalized terms used but not defined in this Appendix have the meanings set forth in the Plan, the Notice of Restricted Share Grant and the Award Agreement.

#### Terms and Conditions

This Appendix includes additional terms and conditions that govern the Restricted Shares granted under the Plan if Grantee resides and/or works in one of the countries listed below. If Grantee is a citizen or resident (or is considered as such for local law purposes) of a country other than the country in which Grantee is currently residing and/or working, or if Grantee relocates to another country after the grant of the Restricted Shares, the Company shall, in its sole discretion, determine to what extent the special terms and conditions contained herein are applicable.

#### Notifications

This Appendix may also include information regarding exchange controls and certain other issues of which Grantee should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of February 2021. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Grantee not rely on the information in this Appendix as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time the Restricted Shares vest or Grantee sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to Grantee's particular situation, and the Company is not in a position to assure Grantee of a particular result. Accordingly, Grantee is advised to seek appropriate professional advice as to how the relevant laws in Grantee's country of residence may apply to his or her situation.

Finally, if Grantee is a citizen or resident (or is considered as such for local law purposes) of a country other than the country in which Grantee is currently residing and/or working, or if Grantee relocates to another country after the Restricted Shares are granted, the notifications contained herein may no longer be applicable to Grantee.

#### **European Union ("EU") / European Economic Area ("EEA")**

##### Data Privacy Notice for Grantees in the EU / EEA

(a) General. The Company is located at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda, and grants Restricted Shares under the Plan to certain Grantees, at its sole discretion. In conjunction with the Company's grant of the Restricted Shares under the Plan and its ongoing administration of such award, the Company is providing the following information about its data collection, processing and transfer practices, which Grantee should carefully review.

(b) Purposes and Legal Bases of Processing. The Company processes Data (as *defined below*) for the purpose of administering and managing Grantee's participation in the Plan and facilitating compliance with applicable tax, exchange control, securities and labor laws. The legal basis for the collection, use and other processing of Data by the Company and the third-party service





providers described below is the necessity of such collection, use and processing for the Company to perform *its contractual obligations under this Award Agreement and for the Company's legitimate business interests of implementing and managing the Plan and generally administering employee equity awards.*

(c) Data Collection and Usage. The Company and the Employer may collect, *process and use the following types of personal information about Grantee: Grantee's name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, details of all stock options or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("Data").*

(d) Stock Plan Administration Service Providers. The Company may transfer Data to third parties which assist the Company with the implementation, administration and management of the Plan. Grantee may be asked to agree on separate terms and data processing practices with the *service provider, with such agreement being a condition to Grantee's ability to participate in the Plan.*

(e) International Data Transfers. *Certain of the Company's operations, including its internal stock plan administration, and its service providers are based in the United States, which means that it will be necessary for Data to be transferred to, and processed in, the United States. The legal basis for the transfer of Data to the Company and its third-party service providers is the necessity of such transfer for the Company to perform its contractual obligations under this Award Agreement and for the Company's legitimate business interests of implementing and managing the Plan and generally administering employee equity awards.*

(f) Data Retention. The Company will hold and use the Data only as long as is necessary to *implement, administer and manage Grantee's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, exchange control, securities and labor laws. This means Data may be retained after Grantee's employment is terminated.*

(g) Data Subject Rights. Grantee may have a number of rights under data privacy *laws in Grantee's jurisdiction. Depending on where Grantee is based, such rights may include the right to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in Grantee's jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, Grantee can contact his or her local human resources representative.*

(h) Contractual Requirement. *Where necessary, Grantee's provision of Data and its processing as described above is a contractual requirement for Grantee to participate in the Plan. Grantee's participation in the Plan and Grantee's acceptance of the Restricted Shares is purely voluntary. Grantee can refuse to provide Data, as a result of which Grantee will not be able to participate in the Plan, but Grantee's career and salary will not be affected in any way.*

#### Belgium

No country-specific provisions.

#### Germany

No country-specific provisions.



## Hong Kong

Sale of Shares. In the event the Restricted Shares vest within six months of the Date of Grant, Grantee agrees not to sell any Shares acquired upon vesting prior to the six-month anniversary of the Date of Grant.

Securities Law Notice. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. Grantee should exercise caution in relation to the offer. If Grantee is in doubt about any of the contents of this Award Agreement or the Plan, the Participant should obtain independent professional advice. Neither the grant nor vesting of the Restricted Shares constitutes a public offering of securities under Hong Kong law and is available only to employees of the Company and its subsidiaries. The Notice, Award Agreement, the Plan and other incidental materials (i) have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under applicable securities legislation in Hong Kong and (ii) are intended only for the personal use of each eligible employee of the Company and its subsidiaries and may not be distributed to any other person.

## Japan

Foreign Asset / Account Reporting Information. Grantee will be required to report details of any assets held outside Japan as of December 31st to the extent such assets have a total net fair market value exceeding ¥50,000,000. This report is due by March 15th each year. Grantee should consult with his or her personal tax advisor as to whether the reporting obligation applies to him or her and whether the requirement extends to any outstanding Restricted Share awards or Shares acquired under the Plan.

## Netherlands

Waiver of Termination Rights. By accepting the Restricted Shares, Grantee hereby waives any and all rights to compensation or damages as a result of the termination of employment with the Company and the Employer for any reason whatsoever, insofar as those rights result or may result from (a) the loss or diminution in value of such rights or entitlements under the Plan, or (b) your ceasing to have rights under, or ceasing to be entitled to any awards under the Plan as a result of such termination.

## Singapore

Restriction on Sale and Transferability. Grantee hereby agrees that the Restricted Shares will not be offered for sale in Singapore prior to the six-month anniversary of the Date of Grant, unless such sale or offer is made pursuant to one or more exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the Securities and Futures Act (Chap. 289, 2006 Ed.) (“SFA”) or pursuant to, and in accordance with the conditions of, any other applicable provision(s) of the SFA.

Securities Law Information. The Restricted Share grant is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the SFA, on which basis it is exempt from the prospectus and registration requirements under the SFA, and is not made with a view to the Restricted Shares being subsequently offered for sale to any other party. The Plan has not and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore.

Director Notification Requirement. The directors (including alternate, substitute, associate and shadow directors) of a Singapore Subsidiary are subject to certain notification requirements under the Singapore Companies Act. The directors must notify the Singapore Subsidiary in writing of an interest (e.g., Restricted Shares, etc.) in the Company or any related company within two (2) business days of (i) its



acquisition or disposal, (ii) any change in a previously disclosed interest (e.g., when the Shares are sold), or (iii) becoming a director.

#### South Korea

No country-specific provisions.

#### Taiwan

Securities Law Information. The Restricted Shares to be issued pursuant to the Plan are available only for employees. The grant of Restricted Shares is not a public offer of securities by a Taiwanese company.

#### United Kingdom

Tax Withholding. The following provisions supplement Section 5(a) of this Award Agreement:

Without limitation to Section 5(a) of this Award Agreement, Grantee agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company, the Employer or by Her Majesty's Revenue and Customs' ("HMRC") (or any other tax authority or any other relevant authority). Grantee also agrees to indemnify and keep indemnified the Company and the Employer against any Tax-Related Items that they are required to pay or withhold on or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on Grantee's behalf.

Notwithstanding the foregoing, if Grantee is an executive officer or director (within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In such case, if the amount of any income tax due is not collected from or paid by Grantee within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute an additional benefit to Grantee on which additional income tax and National Insurance Contributions ("NICs") may be payable. Grantee will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company and/or the Employer for the value of any employee NICs due on this additional benefit, which the Company and/or the Employer may recover at any time thereafter by any of the means referred to in Section 5(a) of this Award Agreement.

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TRITON INTERNATIONAL LIMITED  
AMENDED AND RESTATED 2016 EQUITY INCENTIVE PLAN

NOTICE OF RESTRICTED SHARE UNIT GRANT

You ("Grantee") have been granted by Triton International Limited (the "Company") the following number of Restricted Share Units (the "RSUs") pursuant to the Triton International Limited Amended and Restated 2016 Equity Incentive Plan (the "Plan"). The RSUs are subject to all of the terms and conditions as set forth in the Plan, this Notice of Restricted Share Unit Grant (the "Notice") and the Restricted Share Unit Award Agreement (the "Award Agreement"), including any additional terms and conditions for Grantee's country of residence set forth in the Appendix attached hereto (the "Appendix"). Each RSU is equivalent to one common share of the Company, par value \$0.01 per share (a "Share"), for purposes of determining the number of Shares subject to the RSU grant.

Name of Grantee: [ ]

Overall Target Number of RSUs: [ ]

Number of Time Vesting RSUs Only [ ], plus Minimum Performance RSUs [ ]: [ ]

Additional RSUs if Target Performance Vesting Met: [ ]

Further Additional RSUs if Maximum Performance Vesting Met: [ ]

Effective Date of Grant: [ ]

Vesting Date: [ ], subject to earlier vesting or forfeiture pursuant to the terms of the Plan and the attached Award Agreement, including as a result of a Termination of Service, and subject to meeting performance criteria for those RSUs that are also subject to meeting the performance criteria set forth on the exhibit attached hereto.

Capitalized terms that are not defined herein shall have the meanings ascribed to them in the Plan.

By your signature and the signature of the Company's representative below (or by electronically accepting this award pursuant to the procedures established by the Company's stock plan administrator), you and the Company agree that these RSUs are granted under and governed by the terms and conditions of this Notice, the Plan and the Award Agreement, both of which are attached to and made a part of this document.

GRANTEE:  
\_\_\_\_\_

TRITON INTERNATIONAL LIMITED:  
By:  
Title:



Triton International Limited  
Amended and Restated 2016 Equity Incentive Plan

Exhibit to Notice of Restricted Share Unit Grant with Effective  
Date of [ ]

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Performance Period: [ ] to [ ]

Performance-based compensation criteria for RSU grants

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The number of performance-based RSUs that will vest will be based on the attainment of the performance criteria set forth for Relative Total Shareholder Return and Adjusted Return on Equity for the Performance Period. Performance criteria will be weighted equally between the results attained for Relative Total Shareholder Return and Adjusted Return on Equity.

1. 50% - Relative Total Shareholder Return.

Total Shareholder Return (“TSR”) is a rate of return reflecting stock price appreciation, plus reinvested dividends and distributions in additional shares of stock, taking into account stock splits or other similar events (as applicable), from the beginning of the Performance Period through the end of the Performance Period.

The following peer companies will be used for calculating the Relative TSR component:

[Peer group companies and weightings to be included.]

The payout for the Relative TSR component will range from 50% to [150] [200]% of target based on the ranking of the Company’s TSR relative to the TSR of the applicable peer group established hereunder (the “Peer Group”) over the applicable Performance Period.

For this purpose, stock prices at the beginning and end of the Performance Period will be determined using the volume weighted average trading price for the 90-day period ending on each such date, as applicable.

The table below summarizes the Relative TSR component payout level as a percent of target based on the Company’s TSR rank.

Performance Level*	TSR Rank Attained	% of Target Payout
Threshold	25 <sup>th</sup> percentile or below	50
Target	50 <sup>th</sup> percentile	100
Maximum	75 <sup>th</sup> percentile or above	[150] [200]

\*Results that fall between performance levels will be interpolated on a straight-line basis.

In the event of a tie between the Company and a member of the Peer Group in TSR ranking for a Performance Period (including TSR rankings within 1/10th of one percent), the Company will be ranked above the applicable member of the Peer Group for the applicable Performance Period.



2. 50% - Adjusted Return on Equity (ROE).

Adjusted Return on Equity ("ROE") will be calculated as the average for each of the quarters in the Performance Period of (a) the Company's reported annualized adjusted net income applicable to the Company's common shareholders, divided by (b) the average of the Company's beginning and ending common shareholders' equity as reported under GAAP.

The table below summarizes the ROE component payout level as a percent of target based on the Company's ROE attained for the Performance Period.

Performance Level*	ROE Attained	% of Target Payout
Threshold	[ ]% or less	50
Target	[ ]%	100
Maximum	[ ]% or more	[150] [200]

\*Results that fall between performance levels will be interpolated on a straight-line basis.

Payout levels for the TSR and ROE components will be averaged to determine the final payout under the performance-based RSUs.

The Committee (as defined in the Plan) shall make all determinations necessary or appropriate to determine the number of performance-based RSUs that may vest. In particular, the Committee may, in its sole discretion, make adjustments to the results or ROE target levels as it deems appropriate to take into account significant capital allocation actions during the Performance Period. Any adjustments or determinations by the Committee with respect to the performance-based RSUs will be binding on Grantee and all interested parties.

In the event the number of performance-based RSUs under this exhibit is not a whole number, then the final number of performance-based RSUs shall be rounded down to the nearest whole number.



TRITON INTERNATIONAL LIMITED  
RESTRICTED SHARE UNIT AWARD AGREEMENT

SECTION 1. GRANT OF RESTRICTED SHARE UNITS.

(a) **RESTRICTED SHARE UNITS.** On the terms and conditions set forth in the Triton International Limited Amended and Restated 2016 Equity Incentive Plan (the “Plan”), the Notice of Restricted Share Unit Grant (the “Notice”) and this Restricted Share Unit Award Agreement (the “Award Agreement”), including any additional terms and conditions for Grantee's country of residence set forth in the Appendix attached hereto (the “Appendix”), the Company grants to Grantee on the Effective Date of Grant the number of Restricted Share Units (the “RSUs”) set forth in the Notice. For purposes of this Award Agreement, to the extent Grantee is not employed by the Company, the “Employer” means the member of the Group that employs Grantee.

(b) **PLAN AND DEFINED TERMS.** The RSUs are granted pursuant to the Plan, a copy of which Grantee acknowledges having received. All terms, provisions, and conditions applicable to the RSUs set forth in the Plan and not set forth herein are hereby incorporated by reference herein. To the extent any provision hereof is inconsistent with a provision of the Plan, the provisions of the Plan will govern. All capitalized terms that are used in this Award Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Plan.

SECTION 2. RIGHT TO RESTRICTED SHARE UNITS AND DIVIDEND EQUIVALENT RIGHTS OR RETURN OF CAPITAL.

- (a) Grantee shall not be entitled to the Shares underlying the RSUs until such RSUs vest and the Committee, in its sole discretion, determines the number RSUs (if any) that have vested. The Notice contains the vesting schedule (the “Vesting Schedule”).
- (b) All Dividend Equivalent Rights or return of capital distributions on Shares underlying the RSUs shall accrue on the books of the Company for the benefit of Grantee, but shall only become payable if and to the extent the RSUs vest, regardless of whether or not vesting is contingent upon continued employment, the achievement of performance goals, or both.
- (c) Subject to the terms and conditions of the Plan, the Notice and this Award Agreement, each vested RSU, plus related vested Dividend Equivalent Rights and return of capital distributions, shall be paid to Grantee as soon as practical after the applicable Vesting Date, but in no event later than sixty (60) days following the Vesting Date; provided, however, that Grantee will not be permitted, directly or indirectly, to designate the taxable year of the distribution.
- (d) For purposes of this Award Agreement, if Grantee is employed in the United States, the “date of Termination of Service” means the effective date of Grantee's Termination of Service. If Grantee is employed outside of the United States, the “date of Termination of Service” means the earliest of (i) the date on which notice of Termination of Service is provided to Grantee, (ii) the last day of Grantee's active service with the Employer or (iii) the last day on which Grantee is an employee of the Employer, as determined in each case, without including any required advanced notice period and irrespective of the status of the termination under local labor or employment laws.





- (e) As a condition of the RSU grant, Grantee agrees to repatriate all payments attributable to the RSUs in accordance with local foreign exchange rules and regulations in Grantee's country of residence (and country of employment, if different). In addition, Grantee agrees to take any and all actions, and consents to any and all actions taken by the Employer, the Company and any member of the Group as may be required to allow the Employer, the Company and any member of the Group to comply with local laws, rules and regulations in Grantee's country of residence (and country of employment, if different). Finally, Grantee agrees to take any and all actions that may be required to comply with Grantee's personal legal and tax obligations under local laws, rules and regulations in Grantee's country of residence (and country of employment, if different).

### SECTION 3. TERMINATION OF SERVICES AND CHANGE OF CONTROL.

(a) TERMINATION OF SERVICE.

(i) If the Termination of Service is by (x) the Company for Cause (as defined in the Plan), (y) a Nonemployee Director or Consultant for any reason, or (z) an Employee without Good Reason (as defined in the Plan), all unvested RSUs shall be forfeited upon the date of Termination of Service.

(ii) If the Termination of Service is a result of an Employee's death or being Disabled, all unvested RSUs shall vest as of the date of the Employee's death, or date of Termination of Service if the Employee is Disabled, and shall be payable no later than sixty (60) days following death or such Termination of Service, except that for unvested RSUs that are also subject to performance vesting conditions, those unvested RSUs shall continue to vest in accordance with the Vesting Schedule and payment (if any) will be based on the attainment of performance criteria as of the end of the Performance Period.

(iii) If the Termination of Service is by (x) the Company without Cause or (y) Grantee with Good Reason, all unvested RSUs which were not granted during the calendar year in which such Termination of Service occurs shall vest and be payable no later than sixty (60) days following such Termination of Service, except that for unvested RSUs that are also subject to performance vesting conditions, those unvested RSUs shall continue to vest in accordance with the Vesting Schedule and payment (if any) will be based on the attainment of performance criteria as of the end of the Performance Period. Any RSUs granted during the calendar year of Termination of Service shall be forfeited on the date of Termination of Service.

(b) CHANGE OF CONTROL. Notwithstanding the Vesting Schedule and anything set forth in the Plan to the contrary, if a Change of Control (as defined in the Plan) occurs, and within twenty-four (24) months following the occurrence of such Change in Control, Grantee experiences a Termination of Service by the Company other than for Cause or by Grantee for Good Reason, all unvested RSUs shall automatically vest in full upon the date of Termination of Service and shall be payable no later than sixty (60) days following such Termination of Service.

SECTION 4. NATURE OF GRANT. In accepting the RSU grant, Grantee acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;



(b) the grant of RSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future RSUs, or benefits in lieu of RSUs, even if RSUs have been granted in the past;

(c) all decisions with respect to future grants of RSUs or other grants, if any, will be at the sole discretion of the Company;

(d) Grantee is voluntarily participating in the Plan;

(e) the RSUs and the Shares subject to the RSUs, and the income from and value of same, are not intended to replace any pension rights or compensation;

(f) the RSUs and the Shares subject to the RSUs, and the income from and value of same, are not intended to replace any pension rights or compensation and are not part of normal or expected compensation for purposes of, including calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits or similar payments;

(g) unless otherwise agreed with the Company in writing, the RSUs and the Shares subject to the RSUs, and the income from and value of same, are not granted as consideration for, or in connection with, the service Grantee may provide as a director of a subsidiary of the Company;

(h) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

(i) no claim or entitlement to compensation or damages shall arise from forfeiture of the RSUs resulting from Grantee's Termination of Service (for any reason, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any);

(j) for purposes of the RSUs, Grantee's employment relationship will be considered terminated as of the date Grantee is no longer actively providing services to the Company, the Employer or any member of the Group (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any), and such date will not be extended by any notice period (e.g., the period of employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any); the Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for purposes of the RSU grant (including whether Grantee may still be considered to be providing services while on a leave of absence);

(k) unless otherwise provided in the Plan or by the Company in its discretion, the RSUs and the benefits evidenced by this Award Agreement do not create any entitlement to have the RSUs or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares;

(l) neither the Company nor the Employer shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar that may affect the value of this Award or of any amounts due to Grantee pursuant to the settlement of the RSU or the subsequent sale of



any Shares acquired upon settlement; and

(m) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Grantee's participation in the Plan or Grantee's acquisition or sale of the Shares. Grantee should consult with his or her personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

**SECTION 5. RESTRICTIVE COVENANTS.** In consideration for receiving the RSU Grant, except to the extent this provision is expressly unenforceable or unlawful under applicable law, the Grantee agrees to the following restrictive covenants ("Restrictive Covenants"):

(a) **NON-COMPETITION.** During the period the Grantee is an employee of the Company or any Related Company and during the twelve (12) months thereafter (the "Restricted Period"), the Grantee shall not, without the express approval of the Company, directly or indirectly, own, manage, operate, invest in, whether as a proprietor, partner, shareholder, member, lender, director, officer, employee, agent, representative or other participant, or otherwise engage or participate in any business or enterprise engaged in the leasing, financing, managing or sale of intermodal marine cargo containers or intermodal chassis, in the Territory ("Competitive Business") (but a Competitive Business does not include shipping lines, terminals, or the wider container shipping industry) without regard to (A) whether the Competitive Business has its office or other business facilities within or without the Territory, (B) whether any of the activities of the Grantee referred to above occur or are performed within or without the Territory or (C) whether the Grantee resides, or reports to an office, within or without the Territory; provided, however, that (x) the Grantee may, anywhere in the Territory, directly or indirectly, in one or a series of transactions, own, invest or acquire an interest in up to five percent (5%) of the capital share of a corporation whose capital share is traded publicly, or that (y) such Grantee may accept employment with a successor company to the Company.

The Grantee shall not be deemed to be engaged in a Competitive Business if he or she is employed at a company that is not engaged in a Competitive Business but which has a sister company that is engaged in a Competitive Business if the Grantee has no involvement, direct or indirect, in the sister company whatsoever; and

(b) **NON-SOLICITATION.** For the duration of the Restricted Period, the Grantee shall not (A) directly or indirectly, in one or a series of transactions, recruit, solicit or otherwise induce or influence any proprietor, partner, shareholder, member, lender, director, officer, employee, sales agent, lessor, customer, supplier, agent, representative or any other Person which has a business relationship with the Company or a Related Company or had a business relationship with the Company or a Related Company within the twenty-four (24) month period preceding the date of the incident in question (other than a customer or supplier who has a business relationship with the Grantee's new employer (if any)), to discontinue, reduce or modify such employment, agency or business relationship with the Company or a Related Company, or (B) employ or seek to employ or cause any Competitive Business to employ or seek to employ any Person who is then (or was at any time within twelve (12) months prior to the date such Grantee or the Competitive Business employs or seeks to employ such Person) employed or retained by the Company or a Related Company; and

(c) **CONFIDENTIAL INFORMATION.** During and after his or her employment with the Company or a Related Company, the Grantee will not, directly or indirectly in one or a series of transactions disclose to any Person or use or otherwise exploit for the Grantee's own benefit or for the benefit of anyone other than the Company or its subsidiaries any Confidential Information (as defined below) whether prepared by the Grantee or not, provided, however, that any Confidential Information may be disclosed to officers, representatives, employees and agents of the Company or its Related



Companies who need to know such Confidential Information in order to perform the services or conduct the operations required or expected of them in the Business. The Grantee shall not remove any documents or materials containing Confidential Information from the premises of the Company or its Related Companies or make copies (including electronic copies) of such documents or materials, except for use in the Company's business and in accordance with the Company's policies regarding security of confidential information. During the term of employment, the Grantee shall use the Grantee's commercially reasonable efforts to cause all Persons to whom Confidential Information shall be disclosed by the Grantee hereunder to observe the terms and conditions set forth herein as though each such Person or entity was bound hereby. After the term of employment, the Grantee shall not disclose Confidential Information other than to his or her advisors, representatives and agents who execute a confidentiality agreement whereby they will agree to observe the confidentiality terms and conditions set forth herein. The Grantee shall have no obligation hereunder to keep confidential any Confidential Information if and to the extent disclosure of any thereof is specifically required by law; provided, however, that in the event disclosure is required by applicable law, the Grantee shall provide the Company with prompt notice of such requirement to the extent allowed by law, prior to making any disclosure, so that the Company may seek an appropriate protective order. At the request of the Company, the Grantee agrees to deliver to the Company all Confidential Information which the Grantee may possess or control. The Grantee agrees that all Confidential Information of the Company and Related Companies (whether now or hereafter existing) conceived, discovered or made by him or her during his or her employment with the Company or its Related Companies exclusively belongs to the Company and its direct and indirect subsidiaries (and not to the Grantee). The Grantee will promptly disclose such Confidential Information to the Company and its Related Companies and perform all actions reasonably requested by the Company and its Related Companies to establish and confirm such exclusive ownership.

As used herein, the term "Confidential Information" means any confidential information including, without limitation, any study, data, calculations, software storage media or other compilation of information, patent, patent application, copyright, trademark, trade name, service mark, service name, trade secrets, supplier lists and contacts, customer lists and contacts, the fact of and terms of (including without limitation, pricing terms) supplier, customer or consultant contracts, pricing policies, business techniques, operational methods, marketing plans or strategies, product development techniques or plans, business acquisition plans or any portion or phase of any scientific or technical information, discoveries, designs, computer programs (including source of object codes), processes, procedures, formulas, improvements or other proprietary or intellectual property of the Company or its subsidiaries, whether or not in written or tangible form, and whether or not registered, and including all files, records, manuals, books, catalogues, memoranda, notes, summaries, plans, reports, records, documents and other evidence thereof. The term "Confidential Information" does not include, and there shall be no obligation hereunder with respect to, information that becomes generally available to the public other than as a result of a disclosure by such Grantee that is prohibited hereunder; and

(d) **NON-DISPARAGEMENT.** During and after his or her employment with the Company or a Related Company, Grantee shall not make any false, defamatory or disparaging statements about the Company or its Related Companies or the officers, employees or directors of the Company or its Related Companies. Nothing in this paragraph, however, shall prevent Grantee from providing truthful testimony or information in any proceeding or in response to any request from any governmental agency, or judicial, arbitral or self-regulatory forum, or as otherwise required by applicable law.





If the Grantee breaches any of the Restrictive Covenants without the Company's written consent, all unvested RSUs shall be immediately forfeited. Further, in addition to any other remedies allowed by law or contract, the Grantee acknowledges that the amount of damages that would derive from the breach of any of the Restrictive Covenants is not readily ascertainable and agrees that in the event of breach of any of the Restrictive Covenants, the Company will also have the right to seek injunctive and/or other equitable relief in any court of competent jurisdiction to enforce the Restrictive Covenants.

#### Definitions Applicable to this Section 5:

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, governmental entity or any other entity.

"Related Company" means all direct and indirect subsidiaries of the Company.

"Territory" means the United States of America and each jurisdiction or other country in which (i) the Business was conducted by or engaged in by the Company or its subsidiaries or in which the Company sought to conduct the Business on or prior to the date hereof or (ii) the Business is conducted by or engaged in by the Company or its subsidiaries or in which the Company seeks to conduct the Business at any time during the Grantee's employment by the Company or its subsidiaries.

#### SECTION 6. MISCELLANEOUS PROVISIONS.

(a) **TAX WITHHOLDING.** The Company or the Employer may make such provisions as are necessary or appropriate for the withholding of any or all federal, state, local or foreign income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax related-items ("Tax Related-Items") on the Shares and Dividend Equivalent Rights and return of capital distributions, in accordance with Article 19 of the Plan, as applicable. Regardless of any action by the Company or the Employer, Grantee acknowledges that the ultimate liability for all Tax Related-Items associated with the RSUs is and remains Grantee's responsibility and may exceed the amount actually withheld, and the Company and the Employer (i) make no representations or undertakings regarding the treatment of any Tax Related-Items in connection with any aspect of the RSUs, including the grant of the RSUs, the vesting of the RSUs, the subsequent sale of Shares acquired pursuant to the RSUs and the receipt of any Dividend Equivalent Rights and return of capital distributions; and (ii) do not commit to structure the terms of the grant or any aspect of RSUs to reduce or eliminate Grantee's liability for Tax Related-Items. Further, if Grantee is subject to tax in more than one jurisdiction, Grantee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax Related-Items in more than one jurisdiction.

In the event the withholding requirements are not satisfied through the withholding of Shares or Grantee's regular salary and/or wages or other amounts payable to Grantee, no Shares will be issued to Grantee unless and until satisfactory arrangements (as determined by the Company) have been made by Grantee with respect to the payment of any Tax-Related Items which the Company determines, in its sole discretion, must be withheld or collected with respect to the RSUs. If Grantee is subject to taxation in more than one jurisdiction, Grantee acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. By accepting the this RSU grant, Grantee expressly consents to the withholding of Shares and/or the withholding of



amounts from Grantee's regular salary and/or wages, or other amounts payable to Grantee, as provided for hereunder. All other Tax-Related Items related to the RSUs and any Shares acquired pursuant to the vesting of the RSUs are Grantee's sole responsibility.

(b) **RIGHTS AS A SHAREHOLDER.** Neither Grantee nor Grantee's representative shall have any rights as a Shareholder with respect to any Shares subject to the RSUs until the RSUs have vested and Shares have been issued in Grantee's name in book entry form, as the case may be. Until the issuance of such Shares, Grantee shall not be entitled to vote the Shares represented by the RSUs, shall not be entitled to receive dividends or distributions attributable to such Shares, and shall not have any other rights as a shareholder.

(c) **DATA PRIVACY.** The collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Award Agreement and any other RSU award materials will be in accordance with the Employer's data protection notice (the "Employer Data Protection Notice"), where applicable. Such personal data may be collected, used and transferred by and among, as applicable, the Company, the Employer, any member of the Group and any third parties assisting (presently or in the future) with the implementation, administration and management of the Plan, for the exclusive purpose of implementing, administering and managing Grantee's participation in the Plan. Where required under applicable law, personal data also may be disclosed to certain securities or other regulatory authorities where the Shares are listed or traded or regulatory filings are made, or to certain tax authorities for compliance with the Company's, the Employer's and/or Grantee's tax obligations.

(d) **APPENDIX.** If applicable, the RSUs are subject to any additional terms and conditions for the country set forth in the Appendix to this Award Agreement. If Grantee relocates to another country, the terms and conditions for that country (if any) will apply to Grantee to the extent the Company determines, in its sole discretion, that applying such terms and conditions are necessary or advisable to comply with local law, rules and regulations or to facilitate the operation and administration of this Award Agreement and the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate Grantee's transfer). The Appendix constitutes part of this Award Agreement.

(e) **LANGUAGE.** By accepting this Award Agreement, Grantee acknowledges that he or she is proficient in the English language, or has consulted with an advisor who is proficient in the English language, so as to enable Grantee to understand the provisions of this Award Agreement and the Plan. If Grantee has received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

(f) **ELECTRONIC DELIVERY AND PARTICIPATION.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

(g) **IMPOSITION OF OTHER REQUIREMENTS.** The Company reserves the right to impose other requirements on the RSUs, any payment made pursuant to the RSUs, and Grantee's participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local law, rules and regulations or to facilitate the operation and administration of the RSUs and the Plan. Such requirements may include requiring Grantee to sign any agreements or undertakings that may be necessary to accomplish the foregoing.



(h) **INSIDER TRADING RESTRICTIONS/MARKET ABUSE LAWS.** Grantee acknowledges that, depending on his or her country of residence, the broker's country of establishment, or where the Shares are listed, Grantee may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions, which may affect Grantee's ability to, directly or indirectly, accept, acquire, sell, or attempt to sell or otherwise dispose of Shares, rights to Shares (e.g., RSUs), or rights linked to the value of Shares, during such times as Grantee is considered to have "inside information" regarding the Company (as defined by the laws and/or regulations in the applicable jurisdictions or Grantee's country of residence). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders Grantee places before possessing the inside information. Furthermore, Grantee may be prohibited from (i) disclosing inside information to any third party, including fellow employees (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them to otherwise buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Grantee is responsible for ensuring compliance with any applicable restrictions and should consult his or her personal legal advisor on this matter.

(i) **EXCHANGE CONTROLS; FOREIGN ASSET/ACCOUNT REPORTING.** Grantee acknowledges that Grantee's country of residence may have certain exchange controls, foreign asset and/or account reporting requirements that may affect Grantee's ability to acquire or hold Shares under the Plan or cash received from participating in the Plan (including from any dividends received or sale proceeds arising from the sale of Shares) in a brokerage or bank account outside Grantee's country of residence. Grantee may be required to report such accounts, assets or transactions to the tax or other authorities in Grantee's country of residence. Grantee also may be required to repatriate sale proceeds or other cash received as a result of Grantee's participation in the Plan to Grantee's country of residence through a designated bank or broker and/or within a certain time after receipt. Grantee acknowledges that it is Grantee's responsibility to be compliant with such regulations, and Grantee should consult with Grantee's personal legal advisor for any details.

(j) **NOTICE.** Any notice required by the terms of this Award Agreement shall be given in writing and shall be deemed effective upon personal delivery or upon deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. Notice shall be addressed to the Company at its principal executive office and to Grantee at the address that he or she most recently provided in writing to the Company.

(k) **CHOICE OF LAW; VENUE.** This Award Agreement and the Notice shall be governed by, and construed in accordance with, the laws of the state of New York, USA, without regard to the conflict of law provisions. For purposes of litigating any dispute that arises under this grant or the Award Agreement, the parties hereby submit to and consent to the jurisdiction of the State of New York, USA, and agree that such litigation shall be conducted in the courts of New York, NY, or the federal courts for the United States for the Southern District of New York, where this grant is made and/or to be performed.

(l) **COUNTERPARTS.** This Award Agreement may be executed in two or more counterparts (which may be electronic), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(m) **MODIFICATION OR AMENDMENT.** This Award Agreement may only be modified or amended by written agreement executed by the parties hereto (which may be electronic); provided, however, that the adjustments permitted pursuant to Section 4.3 of the Plan may be made without such written agreement.



(n) SEVERABILITY. In the event any provision of this Award Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of this Award Agreement, and this Award Agreement shall be construed and enforced as if such illegal or invalid provision had not been included.

(o) AWARD SUBJECT TO COMPANY CLAWBACK POLICY. The RSUs shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted (or that may be adopted) by the Board, as may be amended from time to time, or required by law during the term of Grantee's employment or other service that is applicable to Grantee.

(p) NO RIGHT TO CONTINUED EMPLOYMENT. Nothing in the Plan or in this Award Agreement shall confer upon Grantee any right to continue in the employ of the Company, a parent or any subsidiary or shall interfere with or restrict in any way the right of the Company, parent or any subsidiary, which is hereby expressly reserved, to remove, terminate or discharge Grantee at any time for any reason whatsoever, with or without Cause and with or without advance notice.

(q) SECTION 409A COMPLIANCE. This Section 5(q) may not apply if Grantee is not a U.S. taxpayer. The RSUs are intended to comply with Code Section 409A or an exemption thereunder, as determined by the Committee in its sole discretion, including the six month delay for payments of deferred compensation to "key employees" upon separation from service pursuant to Code Section 409A(a)(2)(B)(i), if applicable, and this Award Agreement shall be interpreted, administered and operated accordingly. To the extent that any provision in this Award Agreement is ambiguous as to its compliance with Code Sections 409A or 457A, the provision shall be interpreted in a manner so that no payment due to Grantee shall be deemed subject to an "additional tax" within the meaning of Code Section 409A(a)(1)(B). For purposes of Code Section 409A, each payment made under this Award Agreement shall be treated as a separate payment. In no event may Grantee, directly or indirectly, designate the calendar year of any payment under this Award Agreement. The Company does not guarantee the tax treatment of any payments under this Award Agreement, including under the Code, federal, state, local or foreign tax laws and regulations.

(r) COMPLIANCE WITH LAW. Notwithstanding any other provision of the Plan or this Award Agreement, unless there is an exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any Shares issuable upon settlement of the RSU prior to the completion of any registration or qualification of the Shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. Grantee understands that the Company is under no obligation to register or qualify the Shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Grantee agrees that the Company shall have unilateral authority to amend the Award Agreement without Grantee's consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares.

(s) RATIFICATION OF ACTIONS. By accepting this RSU grant, Grantee and each person claiming under or through Grantee shall be conclusively deemed to have indicated Grantee's acceptance and ratification of, and consent to, any action taken under the Plan or this Award Agreement and the Notice, the Board, or the Committee.





## APPENDIX

### COUNTRY-SPECIFIC TERMS AND CONDITIONS FOR GRANTEES OUTSIDE THE UNITED STATES

Capitalized terms used but not defined in this Appendix have the meanings set forth in the Plan, the Notice of Restricted Share Unit Grant and the Award Agreement.

#### Terms and Conditions

This Appendix includes additional terms and conditions that govern the RSUs granted under the Plan if Grantee resides and/or works in one of the countries listed below. If Grantee is a citizen or resident (or is considered as such for local law purposes) of a country other than the country in which Grantee is currently residing and/or working, or if Grantee relocates to another country after the grant of the RSUs, the Company shall, in its sole discretion, determine to what extent the special terms and conditions contained herein are applicable.

#### Notifications

This Appendix may also include information regarding exchange controls and certain other issues of which Grantee should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of February 2021. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Grantee not rely on the information in this Appendix as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time the RSU vest or Grantee sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to Grantee's particular situation, and the Company is not in a position to assure Grantee of a particular result. Accordingly, Grantee is advised to seek appropriate professional advice as to how the relevant laws in Grantee's country of residence may apply to his or her situation.

Finally, if Grantee is a citizen or resident (or is considered as such for local law purposes) of a country other than the country in which Grantee is currently residing and/or working, or if Grantee relocates to another country after the RSUs are granted, the notifications contained herein may no longer be applicable to Grantee.

#### **European Union ("EU") / European Economic Area ("EEA")**

##### Data Privacy Notice for Grantees in the EU / EEA

(a) General. The Company is located at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda, and grants RSUs under the Plan to certain Grantees, at its sole discretion. In conjunction with the Company's grant of the RSUs under the Plan and its ongoing administration of such award, the Company is providing the following information about its data collection, processing and transfer practices, which Grantee should carefully review.

(b) Purposes and Legal Bases of Processing. The Company processes Data (as defined below) for the purpose of administering and managing Grantee's participation in the Plan and facilitating compliance with applicable tax, exchange control, securities and labor laws. The legal basis for the collection, use and other processing of Data by the Company and the third-party service



providers described below is the necessity of such collection, use and processing for the Company to perform its contractual obligations under this Award Agreement *and for the Company's legitimate business interests of implementing and managing the Plan and generally administering employee equity awards.*

(c) Data Collection and Usage. The Company and the Employer may collect, process and use the following types of personal information about Grantee: Grantee's *name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, details of all stock options or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("Data").*

(d) Stock Plan Administration Service Providers. The Company may transfer Data to third parties which assist the Company with the implementation, administration and management of the Plan. Grantee may be asked to agree on separate terms and data processing practices with the service provider, with such agreement being a condition to Grantee's ability to participate in the Plan.

(e) International Data Transfers. *Certain of the Company's operations, including its internal stock plan administration, and its service providers are based in the United States, which means that it will be necessary for Data to be transferred to, and processed in, the United States. The legal basis for the transfer of Data to the Company and its third-party service providers is the necessity of such transfer for the Company to perform its contractual obligations under this Award Agreement and for the Company's legitimate business interests of implementing and managing the Plan and generally administering employee equity awards.*

(f) Data Retention. The Company will hold and use the Data only as long as is necessary to implement, administer and manage Grantee's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, exchange control, securities and labor laws. This means Data may be retained after Grantee's *employment* is terminated.

(g) Data Subject Rights. Grantee may have a number of rights under data privacy laws in Grantee's jurisdiction. Depending on where Grantee is based, such rights may include the right to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in Grantee's jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, Grantee can contact his or her local human resources representative.

(h) Contractual Requirement. Where necessary, Grantee's provision of Data and its processing as described above is a contractual requirement for Grantee to participate in the Plan. Grantee's participation in the Plan and Grantee's acceptance of the Restricted Stock Unit is purely voluntary. Grantee can refuse to provide Data, as a result of which Grantee will not be able to participate in the Plan, but Grantee's career and salary will not be affected in any way.

#### Belgium

No country-specific provisions.

#### Germany

No country-specific provisions.



#### Netherlands

Waiver of Termination Rights. By accepting the RSUs, Grantee hereby waives any and all rights to compensation or damages as a result of the termination of employment with the Company and the Employer for any reason whatsoever, insofar as those rights result or may result from (a) the loss or diminution in value of such rights or entitlements under the Plan, or (b) your ceasing to have rights under, or ceasing to be entitled to any awards under the Plan as a result of such termination.

#### South Korea

No country-specific provisions.

#### Taiwan

Securities Law Information. This RSU and the Shares to be issued pursuant to the Plan are available only for employees. The RSU is not a public offer of securities by a Taiwanese company.

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# CERTIFICATION

I, Brian M. Sondey, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Triton International Limited;
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 Rule 13a-15(f) and 15(d)-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 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: May 3, 2022

/s/ BRIAN M. SONDEY

Brian M. Sondey  
*Chairman and Chief Executive Officer*



**CERTIFICATION**

I, John Burns, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Triton International Limited;
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 Rule 13a-15(f) and 15(d)-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 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: May 3, 2022

/s/ JOHN BURNS

John Burns  
*Chief Financial Officer*

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Triton International Limited (the "Company") on Form 10-Q for the period ended March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brian M. Sondey, Chairman 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:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; 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: May 3, 2022

/s/ BRIAN M. SONDEY

Brian M. Sondey  
*Chairman and Chief Executive Officer*

**CERTIFICATION BY CHIEF FINANCIAL OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Triton International Limited (the “Company”) on Form 10-Q for the period ended March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, John Burns, 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:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; 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: May 3, 2022

/s/ JOHN BURNS

John Burns  
*Chief Financial Officer*