INVESTING WITH PURPOSE

ABOUT THIS REPORT

We are proud to present Ryder's 2017-2018 Corporate Sustainability Report, prepared in accordance with the GRI Standards. The Report outlines our sustainability strategy and significant accomplishments between January 1, 2017 and December 31, 2018.

CEO VIDEO

"Ryder's rich history serves as a constant reminder of the responsibility we hold to the future of this company and to the brand we've been entrusted with, as well as to the communities we impact."

CEO MESSAGE

STAKEHOLDER ENGAGEMENT & MATERIALITY

GRI CONTENT INDEX

TRUST
OPERATING RESPONSIBLY

Trust is Ryder's most important asset. As an outsource provider, our customers trust us with critical business operations; the safety of their employees, products, and equipment; and even their reputations. For many of our DTS and SCS accounts where we provide drivers as well as trucks, Ryder employees are out there representing our customers' brands and businesses to their customers and to the general public. To maintain our customer relationships, we must maintain our customers' trust that we will handle their businesses and their brands with integrity.

LEARN MORE

- **Ethics & Integrity**
  Embodying a fair, honest, and ethical culture
- **Security**
  Protecting Ryder and customer assets
- **Environmental Stewardship**
  Driving down our footprint

COLLABORATION & SAFETY
EXCELLENCE IN THE WORKPLACE

At Ryder, we strive to create a work environment that attracts top talent, prioritizes safety, and encourages engagement with the communities in which we live and work. Ryder is committed to the safety, well-being, and development of our people and we take pride in the relationships we have developed with local charitable organizations and communities. In this section, we explore our initiatives on Safety, Human Capital, Diversity & Inclusion, and Community Investment.

LEARN MORE

- **Safety**
  Safety is a core value
- **Our People**
  Hiring extraordinary people and investing in our employees
- **Building Stronger Communities**
  Living a legacy of giving back to our communities

INNOVATION & EXPERTISE
RESPONDING TO CUSTOMER NEEDS

Times change, markets evolve, and a customer's needs today are not the same as they were 20 years ago or what they will be 10 years from now. Over the course of 85 years, Ryder has maintained its leadership status in our industry by constantly innovating new solutions for our customers' constantly-evolving needs. From opening the first network of service locations offering preventive maintenance to implementing the nation's first-ever "just in time" delivery system to pioneering next generation technologies such as alternative fuels and smart warehousing, Ryder is always developing new ways to improve our customers' efficiencies, save time and money, and lessen their environmental impact.

LEARN MORE

- **Customer Focus**
  Providing stellar service and tools for our customers
- **Fleet Energy & Emissions**
  Driving fleet efficiency with advanced vehicle technologies
- **Innovation in an Evolving Marketplace**
  Investing in new capabilities

ABOUT RYDER
THE COMPANY

Ryder System, Inc. (Ryder), headquartered in Miami, Florida, is a publicly traded (NYSE: R) corporation founded in 1933. As a leading outsource provider of fleet management and supply chain solutions, Ryder's mission is to provide our customers with a reliable, safe, and efficient alternative to managing their transportation and logistics functions in-house. By taking on these critical operations, we enable our customers to devote more of their resources to executing on their own core competencies. Ryder operates primarily in three business segments: Fleet Management Solutions (FMS), Dedicated Transportation Services (DTS), and Supply Chain Solutions (SCS).

LEARN MORE

- **Company Information**
  A leading provider of fully-integrated, end-to-end transportation and logistics solutions
- **Governance**
  Maintaining high standards of governance, every day

RYDER CORPORATE HEADQUARTERS
11690 NW 105TH STREET, MIAMI, FLORIDA 33178

About This Report

IT MATTERS TO EVERYONE

RYDER'S 2017-2018
CORPORATE SUSTAINABILITY REPORT

WE ARE PROUD TO PRESENT RYDER'S 2017-2018 CORPORATE SUSTAINABILITY REPORT, PREPARED IN ACCORDANCE WITH THE GRI STANDARDS. THE REPORT OUTLINES OUR SUSTAINABILITY STRATEGY AND SIGNIFICANT ACCOMPLISHMENTS BETWEEN JANUARY 1, 2017 AND DECEMBER 31, 2018.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards Core option, including the updated 2018 Safety Standards. Our most recent sustainability reporting—2014-2015 sustainability supplement update and 2012-2013 corporate sustainability report—can be found here.

All information covered in this report relates to Ryder System, Inc. (Ryder), as defined in Part 1, Item 1 (Business Overview) of our 2018 10-K. To see a full list of GRI disclosures, please see our GRI Content Index. For more information or questions, please contact Alena Brenner, Vice President & Deputy General Counsel, at alena_brenner@ryder.com.

GLOBAL REPORTING INITIATIVE

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option, including the updated 2018 Safety Standards.

CEO MESSAGE

"Helping to create successful communities"

For the last 85 years, Ryder's core values of trust, innovation, collaboration, expertise, and safety have guided how we have done business every day, and how we respond to our customers, employees, and communities. Our commitment to being a responsible corporate citizen extends into every aspect of our business, and a strategy rooted in a commitment to sustainability is critical to Ryder's long-term interests financially, operationally, and ethically.

LEARN MORE

STAKEHOLDER, ENGAGEMENT & MATERIALITY

Engagement & Outcomes

Ryder conducted a materiality assessment in 2018 to understand our most significant environmental, social, and governance (ESG) topics and strategically guide our sustainability management and reporting moving forward.

LEARN MORE

GRI CONTENT INDEX

Economic, Environmental, Social & Governance Performance

Our 2017-2018 Corporate Sustainability Report is in accordance with the Global Reporting Initiative (GRI) Standards Core reporting option. See our Content Index for quick access to our disclosures.

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Ryder Ever better.

FLEET MANAGEMENT | DEDICATED TRANSPORTATION | SUPPLY CHAIN SOLUTIONS

ABOUT THIS REPORT

CEO MESSAGE

RYDER'S 2017-2018
CORPORATE SUSTAINABILITY REPORT

For the last 85 years, Ryder's core values of trust, innovation, collaboration, expertise, and safety have guided how we have done business every day, and how we respond to our customers, employees, and communities. Our commitment to being a responsible corporate citizen extends into every aspect of our business, and a strategy rooted in a commitment to sustainability is critical to Ryder's long-term interests financially, operationally, and ethically.

Robert Sanchez
Chairman and Chief Executive Officer
Ryder System, Inc.

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ABOUT THIS REPORT

STAKEHOLDER ENGAGEMENT & MATERIALITY

IN 2018
RYDER CONDUCTED A MATERIALITY ASSESSMENT TO GUIDE US GOING FORWARD

RYDER REGULARLY ENGAGES WITH OUR SHAREHOLDERS, POLICY MAKERS, EMPLOYEES, SUPPLIERS, LOCAL COMMUNITIES, CUSTOMERS, AND TRADE ASSOCIATION PEERS ON SUSTAINABILITY TOPICS THAT MATTER MOST TO THEM.

Our approach to engagement and responding to stakeholder input varies both by stakeholder and by topic. The table below outlines our general strategies for engaging various stakeholder groups.

STAKEHOLDER GROUP

STAKEHOLDER GROUP	ENGAGEMENT STRATEGIES	FREQUENCY OF ENGAGEMENT	KEY TOPICS
Customers	Customer Advisory Boards, Customer Satisfaction Index and Net Promoter Score surveys, direct engagement	Daily	Driver shortages, digital platforms, environmental initiatives; operational execution, business continuity
Employees	Ryder surveys, internal social media platform	Regularly	Rewards, recognition, development opportunities, feedback mechanisms, employee benefits
Local Communities	Volunteering, participation in calls and meetings with local governments	Multiple times a year	Safety, emergency response, charitable contributions, strategic initiatives
Policy Makers	Engagement with legislators and regulators; participation with the Customs-Trade Partnership Against Terrorism, Partners in Protection, Federal Motor Carrier Safety Administration	Throughout the year	Vehicle emissions standards, border control, driver safety, tax reform, telematics, security
Shareholders	Investor reports, investor conferences, roadshows, investor meetings, facility tours, earnings calls, direct communications, letters, emails, online information and reports, shareholder outreach, and shareholder proposals	Throughout the Year	Strategic risks and initiatives, financial performance and goals, governance structure and policies, Compensation program
Suppliers	Executive meeting sessions, business review meetings, joint quality improvement projects, training, general dialogues and discussions, structured sourcing activities, letters, emails, recurring reports	Regularly; commonly several times per week	Product quality, demand forecasting, delivery performance, ethical business practices, product roadmap and innovation, strategic partnership opportunities, pricing, regular performance reporting
Trade Associations & Peers	Direct engagement with the Truck Renting and Leasing Association, American Trucking Association, and International Warehouse & Logistics Association	Throughout the Year	Driver shortages, driver/community safety initiatives; regulatory or legislative initiatives

MATERIALITY ASSESSMENT

Ryder conducted a materiality assessment in 2018 to strategically guide our sustainability management and reporting strategy moving forward. This process, in accordance with the Global Reporting Initiative (GRI), included the identification, prioritization, and validation of our most significant environmental, social, and governance (ESG) topics in terms of impact on our industry, our business, and our stakeholders. To identify a universe of potentially relevant ESG topics, we reviewed internal documents, industry and peer reporting, and sustainability frameworks. We prioritized these topics based on level of importance to our business and our stakeholders, including our investors, Board of Directors, peers, customers, suppliers, and others. We then synthesized these findings and validated the results with our leadership. Our findings are outlined in the materiality matrix below.

During the validation process, we identified where these topics impact us or our stakeholders across our value chain. The following table outlines the final topics for which this report is based, their definition, and where in our value chain they make the most impact.

TOPIC	DEFINITION	BOUNDARY	LOCATION IN REPORT
Community Investment	Donating time, talent, and contributions to local communities to improve the places we live and work	Internal: Ryder employees and operations External: Communities, Potential employees	Community Investment
Customer Focus	Maintaining positive relationships with customers and demonstrating excellent customer service to ensure continued business growth	Internal: Ryder operations External: Customers	Customer Focus
Diversity & Inclusion	Promoting diversity of backgrounds, perspectives, and experiences throughout our value chain via hiring and procurement practices, and promoting an inclusive workplace	Internal: Ryder employees and operations External: Potential employees, Suppliers	Human Capital, Diversity, & Inclusion
E-Commerce	Providing our customers with capabilities that enable them to capitalize on online commerce and digitization trends	Internal: Ryder operations External: Customers, Suppliers	Innovation in an Evolving Marketplace
Ethics & Integrity	Promoting and adhering to the highest standards of honesty and integrity across business and a culture of ethical behavior	Internal: Ryder operations External: Customers, Governments	Ethics & Compliance
Fleet Energy & Emissions	Reducing the energy use and associated GHG emissions of Ryder's operations, and those of its customers, including through fleet fuel efficiency and alternative fuel technology	Internal: Ryder operations External: Customers, Suppliers, Communities	Fleet Energy & Emissions
Human Capital	Attracting, developing, engaging, and retaining the best talent by providing employees with the tools, training, benefits, and wellness resources necessary to remain engaged and grow their careers	Internal: Ryder employees and operations External: Potential employees, Communities	Human Capital, Diversity, & Inclusion
Operational Energy & Emissions	Reducing energy usage and greenhouse gas emissions generated at facilities and offices; sourcing renewable energy	Internal: Ryder operations External: Environment, Governments	Operational Energy, Emissions, & Waste
Responsible Waste Disposal & Reuse	Reducing and eliminating waste generated by Ryder and its value chain through increased recycling and responsible disposal of waste	Internal: Ryder operations External: Environment	Environmental Stewardship
Safety	Maintaining safety policies and programs, including driver safety procedures, training, and best practices, to ensure employees and customers remain safe and healthy	Internal: Ryder employees External: Customers, Communities	Safety
Security	Maintaining proper security procedures and plans to ensure business continuity for Ryder and our customers in the event of a natural disaster or other emergency; protecting data, intellectual property, and other critical information from destructive forces and unauthorized users	Internal: Ryder employees and operations External: Customers, Governments, Suppliers	Security
Vehicle Sharing	Monitoring and investing in sharing economy trends, technologies, and platforms	Internal: Ryder operations External: Customers	Innovation in an Evolving Marketplace

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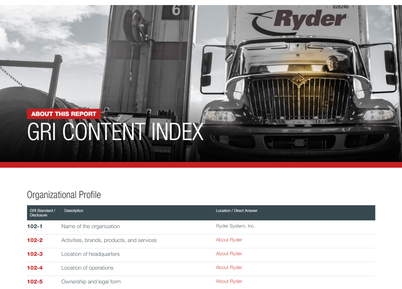

ABOUT THIS REPORT

GRI CONTENT INDEX

Organizational Profile

GRI Standard / Disclosure	Description	Location / Direct Answer
102-1	Name of the organization	Ryder System, Inc.
102-2	Activities, brands, products, and services	About Ryder
102-3	Location of headquarters	About Ryder
102-4	Location of operations	About Ryder
102-5	Ownership and legal form	About Ryder
102-6	Markets served	About Ryder
102-7	Scale of the organization	About Ryder
102-8	Information on employees and other workers	About Ryder
102-9	Supply chain	About Ryder
102-10	Significant changes to the organization and its supply chain	None
102-11	Precautionary Principle or approach	We do not formally follow the Precautionary Principle.
102-12	External initiatives	About Ryder
102-13	Membership of associations	About Ryder

Strategy

GRI Standard / Disclosure	Description	Location / Direct Answer
102-14	Statement from senior decision-maker	CEO Message
102-15	Key impacts, risks, and opportunities	2018 10-K (pg. 13)

Ethics and Integrity

GRI Standard / Disclosure	Description	Location / Direct Answer
102-16	Values, principles, standards, and norms of behavior	Ethics & Integrity
102-17	Mechanisms for advice and concerns about ethics	Ethics & Integrity

Governance

GRI Standard / Disclosure	Description	Location / Direct Answer
102-18	Governance structure	Governance
102-19	Delegating authority	Governance
102-22	Composition of the highest governance body and its committees	Governance
102-23	Chair of the highest governance body	Governance
102-24	Nominating and selecting the highest governance body	Governance

Stakeholder Engagement

GRI Standard / Disclosure	Description	Location / Direct Answer
102-40	List of stakeholder groups	Stakeholder Engagement & Materiality
102-42	Identifying and selecting stakeholders	Stakeholder Engagement & Materiality
102-43	Approach to stakeholder engagement	Stakeholder Engagement & Materiality
102-44	Key topics and concerns raised	Stakeholder Engagement & Materiality
102-45	Entities included in the consolidated financial statements	About This Report
102-46	Defining report content and topic Boundaries	Stakeholder Engagement & Materiality
102-47	List of material topics	Stakeholder Engagement & Materiality
102-48	Restatements of information	None
102-49	Changes in reporting	The topics addressed in our 2017-2018 CSR reflect those identified during our materiality assessment, conducted after our last CSR publication.
102-50	Reporting period	About This Report
102-51	Date of most recent report	About This Report
102-52	Reporting cycle	About This Report
102-53	Contact point for questions regarding the report	About This Report
102-54	Claims of reporting in accordance with the GRI Standards	About This Report
102-55	GRI content index	About This Report
102-56	External assurance	We received limited assurance for our GHG emissions data; see our CDP response for more details.

GRI 200: Economic Standards Series

ETHICS & INTEGRITY

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Ethics & Integrity
103-2	The management approach and its components	Ethics & Integrity
103-3	Evaluation of the management approach	Ethics & Integrity

GRI 300 Environmental Standards Series

ENERGY

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Environmental Stewardship
103-2	The management approach and its components	Environmental Stewardship
103-3	Evaluation of the management approach	Environmental Stewardship
302-1	Energy consumption within the organization	Environmental Stewardship
302-4	Reduction of energy consumption	Environmental Stewardship

EMISSIONS

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Environmental Stewardship
103-2	The management approach and its components	Environmental Stewardship
103-3	Evaluation of the management approach	Environmental Stewardship
305-1	Direct (Scope 1) GHG emissions	Environmental Stewardship
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Stewardship
305-3	Other indirect (Scope 3) GHG emissions	Environmental Stewardship
305-5	Reduction of GHG emissions	Environmental Stewardship
SASB TR-AF-110a.1	Gross global Scope 1 emissions	Environmental Stewardship
SASB TR-AF-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions-reduction targets, and an analysis of performance against those targets	Environmental Stewardship

EFFLUENTS & WASTE

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Environmental Stewardship
103-2	The management approach and its components	Environmental Stewardship
103-3	Evaluation of the management approach	Environmental Stewardship
306-1	Water discharge by quality and destination	Environmental Stewardship
306-2	Waste by type and disposal method	Environmental Stewardship

FLEET ENERGY & EMISSIONS

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Fleet Energy & Emissions
103-2	The management approach and its components	Fleet Energy & Emissions
103-3	Evaluation of the management approach	Fleet Energy & Emissions

INNOVATION IN AN EVOLVING MARKETPLACE

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Innovation in an Evolving Marketplace
103-2	The management approach and its components	Innovation in an Evolving Marketplace
103-3	Evaluation of the management approach	Innovation in an Evolving Marketplace
Indicator	Increased productivity from incorporating new technologies into operations	Innovation in an Evolving Marketplace

GRI 400 Social Standards Series

EMPLOYMENT

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Our People
103-2	The management approach and its components	Our People
103-3	Evaluation of the management approach	Our People
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our People

OCCUPATIONAL HEALTH AND SAFETY

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Safety
103-2	The management approach and its components	Safety
103-3	Evaluation of the management approach	Safety
403-1	Occupational health and safety management system	Safety
403-2	Hazard identification, risk assessment, and incident investigation	Safety
403-3	Occupational health services	Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Safety
403-5	Worker training on occupational health and safety	Safety
403-6	Promotion of worker health	Our People
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety
403-8	Workers covered by an occupational health and safety management system	Safety
SASB TR-AF-540a.1	Description of implementation and outcomes of a Safety Management System	Safety

TRAINING AND EDUCATION

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Our People
103-2	The management approach and its components	Our People
103-3	Evaluation of the management approach	Our People
404-2	Programs for upgrading employee skills and transition assistance programs	Our People

DIVERSITY AND EQUAL OPPORTUNITY

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Our People
103-2	The management approach and its components	Our People
103-3	Evaluation of the management approach	Our People
405-1	Diversity of governance bodies and employees	Our People, About Ryder, 2019 Proxy (p. X)

SECURITY PRACTICES

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Security
103-2	The management approach and its components	Security
103-3	Evaluation of the management approach	Security
410-1	Security personnel trained in human rights policies or procedures	Building Stronger Communities; Truckers Against Trafficking trains all of our drivers to spot and report human trafficking.

LOCAL COMMUNITIES

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Building Stronger Communities
103-2	The management approach and its components	Building Stronger Communities
103-3	Evaluation of the management approach	Building Stronger Communities
413-1	Operations with local community engagement, impacts assessments, and development programs	Building Stronger Communities

CUSTOMER FOCUS

GRI Standard / Disclosure	Description	Location / Direct Answer
103-1	Explanation of the material topic and its Boundary	Customer Focus
103-2	The management approach and its components	Customer Focus
103-3	Evaluation of the management approach	Customer Focus
Indicator	Customer satisfaction improvement	Customer Focus

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About Ryder

THE COMPANY

A LEADING PROVIDER OF FULLY-INTEGRATED, END-TO-END TRANSPORTATION AND LOGISTICS SOLUTIONS

RYDER SYSTEM, INC. (RYDER), HEADQUARTERED IN MIAMI, FLORIDA, IS A PUBLICLY TRADED (NYSE: R) CORPORATION FOUNDED IN 1933.

We are a global leader in commercial fleet management and supply chain solutions. Ryder's mission is to provide innovative solutions that are reliable, safe, and efficient, enabling our customers to deliver on their promises. We seek to deliver compelling solutions that will convince customers to outsource their fleet management and supply chain needs to us. We operate primarily in three business segments: Fleet Management Solutions (FMS), Dedicated Transportation Services (DTS), and Supply Chain Solutions (SCS).

Our FMS business segment provides full service leasing and flexible maintenance leasing options, commercial rental, and contract or transactional maintenance services of trucks, tractors, and trailers to customers principally in the U.S., Canada, and the U.K. DTS provides vehicles and drivers as part of a dedicated transportation solution in the U.S. Finally, SCS provides comprehensive supply chain solutions, including distribution and transportation services in North America and Singapore.

Our total revenue was approximately $8.4B. For more information about our business, products, and financials, see our 2018 10-K.

As of December 31, 2018, Ryder had approximately 39,600 employees across the globe; a breakdown of our U.S. & Canada employee base by location, gender, and employment type can be found below.

REVENUE	COMPARABLE EPS	GLOBAL EMPLOYEES
$8.4M	$5.79	39,600

LOCATIONS

COUNTRIES
UNITED STATES OF AMERICA
CANADA
MEXICO
UNITED KINGDOM

EMPLOYEES – U.S. & CANADA

	MALE	FEMALE	USA	CANADA	TOTAL
Permanent Full-time	27,741	6,463	32,254	1,950	34,204
Permanent Part-time	688	66	736	18	754
Temporary Full-time	58	51	92	17	109
Temporary Part-time	35	15	37	13	50
Total	28,522	6,595	33,119	1,998	35,117
Full-time	27,799	6,514	32,346	1,967	34,313
Part-time	723	81	773	31	804
Total	28,522	6,595	33,119	1,998	35,117

SUPPLY CHAIN

Vehicle and Parts Procurement

Ryder maintains relationships with a number of original equipment manufacturers (OEMs) who provide us with the vehicles and vehicle parts necessary to meet our customers' needs and specifications. For leased units, Ryder's sales team works with the customer to define the appropriate vehicle specification for the customer's application and use. For rental units, Ryder defines its desired vehicle specification internally based on customer demand. Once the vehicle has been built, we maintain service level agreements with manufacturers to ensure that the vehicle is delivered to a Ryder location in a timely manner for in-servicing, or to a body manufacturer if the unit requires the installation of a truck body, such as a flat bed, box, or a refrigeration unit. Given that some of our suppliers build vehicles outside of the United States, the delivery process also entails our involvement in all steps necessary to ensure a seamless international transition, including customs brokerage, import clearance, and coordinating necessary inspections.

For vehicle parts, in addition to sourcing from both OEMs and non-OEMs, Ryder has also partnered with a limited number of distributors. These distributors work in conjunction with OEM and non-OEM parts suppliers to stock and warehouse parts on behalf of Ryder and deliver them to a Ryder facility. We also purchase parts in-house through Ryder Fleet Products, an authorized distributor of over 250 automotive, truck part, and tool manufacturers. This enables us to ensure that we have access to multiple supply sources for parts and avoid maintaining excess inventory in our facilities.

Fuel Procurement

We provide our FMS customers with access to diesel fuel at competitive prices at our maintenance facilities across the United States and Canada. We also provide fuel services such as fuel planning, fuel tax reporting, centralized billing, fuel cards, and fuel monitoring. For each of our geographic markets, we invite several fuel refineries and re-sellers to bid on Ryder's fuel volume. We may engage multiple suppliers for a given area depending on our internal assessment of anticipated volume. To ensure that we have adequate fuel supply to mitigate against natural disasters or other supply disruptions, we also maintain relationships with suppliers outside of a given market that offer us the ability to make on-demand fuel purchases and/or provide delivery of fuel to designated areas where it is most needed.

INITIATIVES & MEMBERSHIPS

Ryder engages directly with organizations that support or influence the transportation industry. Ryder's main memberships include:

AMERICAN TRUCKING ASSOCIATIONS (ATA)

AMERICAN TRANSPORTATION RESEARCH INSTITUTE (ATRI)

INTERNATIONAL WAREHOUSE & LOGISTICS ASSOCIATION (IWLA)

TRUCK RENTING & LEASING ASSOCIATION (TRALA)
Ryder's Chief Executive Officer and Ryder's President, Global Fleet Management Solutions serve on the Board of Directors

U.S. CHAMBER OF COMMERCE
Ryder's EVP, Chief Legal Officer and Corporate Secretary serves on the Board of Directors

By taking an active role in our member organizations, including through our position on various committees and councils within these organizations, we increase our available resources to learn and share best practices. These memberships also provide Ryder with an avenue to not only participate in but help shape the dialogues that greatly impact our industry and our business.

GOVERNANCE

Strategic direction & oversight of management

Ryder's position as an industry leader is built on trust. That trust has been earned over 85 years of demonstrating an unwavering commitment to customer service, sound ethics, strong corporate governance, and personal integrity. We are the current caretakers of a long-standing reputation and legacy, and we will continue to uphold the values that have served our Company and our stakeholders for nearly a century.

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ABOUT RYDER

GOVERNANCE

MAINTAINING HIGH STANDARDS OF GOVERNANCE, EVERY DAY

RYDER'S BOARD OF DIRECTORS IS RESPONSIBLE FOR OVERSEEING RYDER'S STRATEGIC DIRECTION

Our Board, comprised of 11 independent directors and our Chief Executive Officer, Robert E. Sanchez, guides our culture, strategic vision, risk management, and compliance. Our four Board committees—Audit, Compensation, Governance, and Finance—consist entirely of independent directors. Our Committee charters can be found here.

The Board works closely with Ryder's executive leadership team to make our strategy a reality. Each year, the Board meets with the executive leadership team and other members of senior management for an all-day strategy meeting where the Board and management discuss the business environment, competitive factors, and our strategic initiatives. Throughout the year, management provides regular updates to the Board on Ryder's performance towards our initiatives and long-term goals, including those related to sustainability. To learn more about our Board structure, election of directors, and executive leadership, see the Governance section of our website, as well as our 2018 Proxy Statement.

RISK MANAGEMENT

Ryder's Corporate Risk Steering Committee (CRSC)—comprised of the Chief Compliance Officer (CCO), Vice President of Internal Audit, and other members of management—is responsible for the Ryder Enterprise Risk Management (ERM) process. This process is designed to identify, assess, mitigate, monitor, and communicate about those risks that have the greatest potential to impact our business and our shareholders.

Risks are identified on an ongoing basis through various mechanisms, including employee surveys and interviews, discussion between the Board and management, and outside consultation. Risk owners analyze and quantify risk based on a risk scale that includes potential impact, likelihood, and speed of onset. Risk owners also document the controls in place to mitigate and even eliminate the impact of the risk on Ryder and our customers. The CRSC meets quarterly to identify, evaluate, monitor and calibrate risks at Ryder. Risks are brought to relevant Board committees for monitoring throughout the year depending on the nature of the risk, and enterprise-level risks as well as ERM Program process updates are reported to the Board annually. For more information about our ERM program, see pages 25-26 in our 2018 Proxy Statement.

MANAGEMENT OF CORPORATE SUSTAINABILITY

Our Corporate Governance and Nominating Committee provides leadership and oversight of Ryder's environmental, social, and governance (ESG) practices. As outlined in sections 16-19 of its Charter, the Committee reviews and assesses the Company's governance and reputational risks; updates crisis preparedness plans annually; informs the full Board with respect to material issues relating to public policy, public affairs, and corporate responsibility; and at least annually reviews the Company's strategies relating to ESG issues, including environmental concerns, governmental affairs, safety, health and security, and diversity reporting.

Ryder leverages cross-functional leadership to manage ESG areas. Details regarding the management of our material ESG topics can be found in respective sections of this report.

Our Chief Legal Officer is responsible for oversight over environmental, health and safety, and government affairs, and reports to the Corporate Governance and Nominating Committee on each of these topics at least annually. Reports include a review of the external landscape, updates on Ryder's performance and programs, and recommendations for future initiatives. The Corporate Governance and Nominating Committee (Governance Committee) provides feedback and oversight regarding these topics. After each Governance Committee meeting, the Chair of the Governance Committee provides a report on these topics to the full Board.

ADDITIONAL RESOURCES

- Governance Documents
- Leadership Team
- Investor Relations

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Trust

OPERATING RESPONSIBLY

RYDER HAS BUILT A REPUTATION
AS A TRUSTED, ETHICAL, AND RESPONSIBLE ENTERPRISE

TRUST IS RYDER'S MOST IMPORTANT ASSET.

As an outsource provider, our customers trust us with critical business operations; the safety of their employees, products, and equipment; and even their reputations. For many of our DTS and SCS accounts where we provide drivers as well as trucks, Ryder employees are out there representing our customers' brands and businesses to their customers and to the general public. To maintain our customer relationships, we must maintain our customers' trust that we will handle their businesses and their brands with integrity.

21%
REDUCTION IN CO2E SINCE 2009

32%
REDUCTION IN WATER USAGE SINCE 2009

20%
REDUCTION IN GAS USAGE SINCE 2009

ETHICS & INTEGRITY

Why it matters

You can't build trust if you don't conduct business ethically and with integrity. Our Principles of Business Conduct are built around the pillars of Character, Judgement, Relationships, and Results. From our leadership team down, Ryder promotes and upholds fair, honest, and ethical conduct on the part of every employee.

LEARN MORE

POBC TRAINING COVERED NEARLY
100%
EMPLOYEES

SECURITY

Why it matters

In today's world, businesses face numerous security-related risks, from natural disasters to data breaches to wrongful use of company assets. Our customers trust Ryder to mitigate these risks to the greatest extent possible by providing reliable, safe, and efficient fleet management and supply chain solutions while ensuring business continuity.

LEARN MORE

8,000
EMPLOYEES RECEIVED SECURITY TRAINING

ENVIRONMENTAL STEWARDSHIP

Why it matters

Customers want to know that the businesses they buy from act responsibly with respect to the environment. Ryder works to reduce the costs and environmental impacts associated with transportation and logistics. That means reducing energy consumption and emissions where possible and implementing waste, water, and equipment management plans at all of our 800 maintenance hubs as well as our extensive network of fueling stations and warehouses.

LEARN MORE

98%
OF WASTE PRODUCTS ARE EITHER RECYCLED, OR REFINED AND REUSED

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TRUST

ETHICS & INTEGRITY

EMBODYING A FAIR, HONEST, AND ETHICAL CULTURE

CORPORATE CULTURE

Ryder demonstrates a culture of integrity in all aspects of our business. Our employees adhere to strict Principles of Business Conduct (POBC) that set us apart as a trusted, ethical, and responsible enterprise. Built around our leadership competencies of Character, Judgement, Relationships, and Results, these Principles help ensure that our employees conduct our business fairly, honestly, and ethically.

At Ryder, we are committed to human rights and to laws that prohibit child labor and human trafficking. We have developed a Supplier Code of Conduct to complement our Principles of Business Conduct and clarify our expectations in this area. All of our suppliers, vendors, and other entities who do business with us are expected to implement policies and procedures to ensure that they do not engage in or support forced labor or unlawful child labor, and that they comply with all laws and regulations that protect human rights and enforce ethical labor practices.

MANAGING ETHICS

Ryder's Compliance & Ethics Department, headed by our Chief Compliance Officer (CCO), oversees the framework by which Ryder manages the legal, regulatory, compliance, and ethical challenges of our business. The CCO reports to the Chief Legal Officer and regularly reports to the Company's Leadership Team, Audit Committee, and Board of Directors on various compliance and ethics initiatives, including our anti-bribery and anti-corruption programs, Helpline statistics, Enterprise Risk Management, and any compliance-related issues or trends that could impact the company.

POLICY MANAGEMENT SYSTEM

Ryder's Policy Management System houses our robust set of corporate policies in one location for employees to easily locate and review at any time. Embedded in the system for each policy is a designated policy owner, an indication of when the policy was last updated, and when it would next be reviewed. Our Policy Management System also enables us to easily communicate mandatory policies to employees and track attestations of review.

Ryder's Policy Management System is available via mobile app to ensure accessibility for our field employees and those with limited laptop access, such as drivers and technicians. Currently, the Ryder Policy Management System is available to all U.S. and Canada employees, and we plan to roll out the system to our global employees in 2019.

GLOBAL EMPLOYEES

39,600

PRINCIPLES OF BUSINESS CONDUCT & EMPLOYEE TRAINING

Ryder's comprehensive Principles of Business Conduct apply to our officers, employees, and Board members and cover all areas of professional conduct. Topics include but are not limited to: mechanisms to report known or suspected wrongdoing; bribery and corruption; compliance with law; safety, health, and the environment; conflicts of interest; gifts and entertainment; social media use; and contributing to a respectful workplace. Available in multiple languages, the POBC forms the playbook that keeps Ryder on the right track so that we can maintain our reputation for ethical conduct.

The ethical standards laid out in the POBC are foundational to employee development at Ryder. During—and often before—the new hire onboarding process, we introduce and train all new employees on the POBC and how to report conflicts of interest. We provide online ethics and compliance training to all salaried employees three times per year, and once a year for all hourly employees. Our POBC training covered nearly 100% of employees in 2017 and 2018. In addition, as part of our Speak Up campaign, we provide regular updates to employees regarding real scenarios that were reported to the company and communicate how these issues were resolved.

To ensure that we maintain a culture of ethics, we also provide targeted in-person training and webinars that include numerous topics, such as Tone at the Top, reporting on concerns, and ethical leadership.

REPORTING ON CONCERNS

In the event that any of our employees have a compliance or ethics concern, Ryder maintains multiple channels and departments for communicating concerns, as outlined on pages five and six in the POBC, including a Helpline. The Helpline is hosted by a third-party and managed by the Compliance & Ethics department. Reports can be anonymous and the Helpline is available 24/7, in multiple languages to all global employees. The Helpline third-party provider processes and synthesizes complaints, then sends them to Ryder via a case management system. The Compliance & Ethics department reviews all concerns and assigns an investigator based on the nature of the allegations. Various internal departments may be involved in investigating concerns, such as safety and security, internal audit, human resources, legal, and compliance and ethics. Ryder maintains an established protocol for training investigators and setting guidelines on how to conduct an investigation.

We take every single concern seriously and investigate 100% of reported concerns.

HIGHLIGHT STORY: HELPLINE POSTER DISTRIBUTED TO ALL LOCATIONS AS PART OF OUR SPEAK UP CAMPAIGN.

As part of our Speak Up campaign, Ryder distributed Helpline posters to all locations, advertising the resources available to our employees to empower them to speak up if they have a concern.

ADDITIONAL RESOURCES

- Ryder Principles of Business Conduct

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TRUST

SECURITY

PROTECTING RYDER AND CUSTOMER ASSETS

IN TODAY'S WORLD, BUSINESSES FACE NUMEROUS RISKS THAT COULD NEGATIVELY IMPACT THEIR OPERATIONS, INCLUDING CRIMINAL ACTIVITY, NATURAL DISASTERS, DATA BREACHES, OR THE WRONGFUL USE OF COMPANY ASSETS.

At Ryder, we strive to mitigate these risks for our customers by ensuring our vehicles are used for lawful purposes and providing safe and secure supply chain solutions. We can only execute this mission if we maintain systems and procedures that protect our people and our assets, and ensure business continuity for our business and our customers. By maintaining a robust security management system, Ryder is better able to serve and protect our customers, and ensure the integrity of the Ryder brand.

OUR APPROACH

We leverage a cross-functional and layered approach to manage operational risks. Individuals from Physical Security, Cybersecurity, Business Continuity, Legal, Compliance, and Corporate Communications collaborate to monitor and carry out Ryder's crisis management planning for our critical processes. Ryder's Group Director of Corporate Security is responsible for our physical security strategy. The Group Director of Global Security ultimately reports to our EVP, Chief Legal Officer and Corporate Secretary.

Ryder's VP & Chief Information Security Officer (CISO) oversees our data security program. Our data security team partners closely with Risk, Audit, Compliance, and Legal in creating and updating relevant policies, informing and training employees and leadership, and monitoring all data security-related risks. The VP & CISO reports to the Chief Information Officer, who collaborates regularly with other members of Ryder's executive leadership team, and provides reports to the Audit Committee of the Board regularly.

CROSS-FUNCTIONAL AND HIERARCHICAL APPROACH

To ensure our security processes are operating effectively, our Internal Audit group tests our operating controls regularly for proper development and implementation of applications, as well as for the integrity of program, data files, and computer operations. In addition, Ryder's information security systems are continually audited by third parties, including our customers. We also conduct an annual benchmark of Ryder's security program maturity against the latest global, regional, and industry security standards. Benchmarking results are discussed with the Audit Committee of the Board, and further initiatives are implemented based on their feedback.

CRISIS MANAGEMENT & EMERGENCY PLANNING

Our business continuity strategy involves identifying our greatest risks based on likelihood and severity of impact, and implementing procedures to proactively mitigate the potential impact. We reinforce emergency procedures and evacuation plans at every Ryder facility across the globe to protect our employees and confirm they are prepared for any type of potential disruption, including natural disasters, epidemics, terrorist attacks, and/or data breaches. Each Ryder field location maintains a Business Continuity Plan (BCP) based on location, number of employees, and the type of operational processes used at the location. BCPs outline the specific security risks, procedures, resource needs, insurance plans, and network connectivity risks pertinent to the location. Our Field Operations team discusses and promotes these BCPs when leading regular meetings on disaster response.

NATURAL DISASTERS

With operations across North America and the U.K., our fleet, facilities, and customers are exposed to a variety of natural disasters, including hurricanes, tornadoes, earthquakes, floods, and blizzards. In addition to communicating emergency and evacuation procedures prior to an event, Ryder leverages technology to analyze where we are most likely to be impacted, and how to communicate with individual facilities before, during, and after an event. We leverage weather software to determine the geographic landscape most likely to be impacted by a storm or disaster. We use this information to strategically and proactively communicate with high-risk facilities on what needs to be done to keep our employees, customers, and communities safe. For example, during hurricane season in Florida, we regularly engage with Miami-Dade Fire Rescue to share best practices and proactively identify how Ryder can support disaster response efforts in the affected areas.

HIGHLIGHT STORY: HURRICANE RESPONSE

In 2017, when the Atlantic and Gulf coasts were hit by three massive hurricanes—Harvey, Irma, and Maria—Ryder was prepared to step in and help. Working with federal, state, and local disaster response, our maintenance and service infrastructure provided much-needed support to impacted areas. In addition, our employees donated time and resources to help those in need, and Ryder provided trucks to deliver needed goods to hard-hit areas. Partnering with the United Way and American Red Cross, Ryder supported thousands of people in need during and after these crises.

To learn more about how we help prevent disruptions for our customers, see Customer Focus.

ASSET SECURITY

Ryder works with our sector peers, governments, and industry associations to continuously identify solutions that reduce the risk of illegal use of transportation vehicles across our industry. We engage with our industry peers each year through the Truck Renting and Leasing Association (TRALA) in order to discuss and formulate best practices on preventing these types of activities. We work with law enforcement agencies, including the Federal Bureau of Investigation (FBI), the Department of Homeland Security (DHS), and the Transportation Security Administration (TSA) to discuss specific threats to our industry and how to make it safer.

HIGHLIGHT STORY: PROTECTING OUR COMMUNITIES WITH THE TRUCK RENTING AND LEASING ASSOCIATION

In the United States, 25 percent of terrorist attack scenarios investigated by the U.S. Department of Homeland Security employ trucks or vans as weapons. For this reason, our work with TRALA is more important than ever before.

As an industry, it is paramount that we work together to protect rental assets from errant misuse or illegal activities and to safeguard our neighbors and communities from senseless acts of terrorism. Ryder works closely with the Truck Renting and Leasing Association (TRALA) to develop and promote policies that would keep our communities safer. TRALA represents nearly 500 trucking companies throughout North America, which employ more than 57,000 people and represent almost 30 percent of all trucks and tractors on our roads. Through TRALA, Ryder and our peers work continuously with local, regional, and federal law enforcement agencies—including the Department of Homeland Security (DHS), Transportation Security Administration (TSA), and Federal Bureau of Investigation (FBI)—to ensure best practices are employed for the safe use of our assets.

Ryder will continue to adopt the latest safety and security protocols and train our employees on the best practices in asset security. And we are committed to proactively engaging with peers, organizations like TRALA, law enforcement, and federal agencies to keep our assets out of the hands of would-be criminals and terrorists.

SUPPLY CHAIN SECURITY

The security of Ryder's supply chain and those that it operates for its customers is critical to our success. The exploitation of global supply chains by illegitimate actors such as drug smugglers and human traffickers is not only a threat to the general public, but can also cause significant disruptions to legitimate trade and production. To ensure that these supply chains remain secure, Ryder maintains an extensive supply chain security program across our operations that involve international movement of goods. To achieve secure supply chains, the program leverages state of the art technologies, documented security policies and procedures, and numerous supply chain security best practices. Our supply chain operations are certified in the U.S. Customs-Trade Partnership Against Terrorism (C-TPAT), Canada's Partners in Protection (PIP) Program, and Singapore's Secure Trade Program (STP).

In 2014, Ryder's Global Supply Chain Security Program was assessed by the U.S. Department of Homeland Security and attained SafetyAct Certification. Ryder was the first company in its industry to achieve SafetyAct certification of its supply chain security program.

Ryder regularly meets with officials from U.S. Customs and Border Protection to discuss supply chain threats and strategies for mitigating these risks. In 2016, Ryder participated in the Commercial Customs Operations Advisory Committee (COAC's) Trusted Trader Subcommittee to update and revise the C-TPAT minimum security requirements. By participating in conversations related to security in global supply chains and certifying our program, Ryder is staying in the forefront of this area, enabling our customers to not have to worry about a security issue.

DATA SECURITY

It is important that the data held by Ryder's information systems—such as key financial and operations data, employee information, and customer data—remain confidential and secure. As the data use and privacy risk landscape continues to evolve, regulations, policies, and best practices are rapidly changing across the world. We regularly monitor these trends and update our data privacy and information security initiatives, with a focus on threat identification and prevention, and employee education.

Ryder maintains an extensive set of policies covering security, privacy, and compliance risks, made available electronically to all employees via the Ryder Policy Management System. We refresh these policies annually to ensure they are relevant, targeted to the correct audiences, and include critical components. Our Policy Management System also enables us to easily track and verify that the required employees have read and signed off on relevant policies.

EMPLOYEE TRAINING

Employee education and security awareness are core components of our information security strategy. In 2016, our VP & CISO worked with our Ethics & Compliance group to roll out a computer-based information security training to approximately 8,000 salaried employees and administrators. We plan to roll out tailored security trainings to the entire company in 2019, as well as engage employees informally through lunch and learns, company memos, internal articles, and intranet resources to provide employees with additional knowledge and awareness of data security trends and best practices.

EMPLOYEES TRAINED
8,000

WORKING WITH VENDORS

Ryder's IT Team conducts assessments of the security systems of any vendor with access to confidential information from Ryder. Our contractual agreements with such vendors include heightened information security protocols and requirements for handling personally identifiable or other confidential information.

COLLABORATION

Our security team participates in a number of external peer groups, including the FBI partnership group InfraGard. Additionally, our VP & CISO is a member of the CISO Coalition's Governing body, and is on the CISO Corporate Membership Leadership Council of the Cybersecurity Collaborative. We also increasingly collaborate with our customers to ensure that we are aligned on and are addressing their information security-related needs and concerns.

OUR PERFORMANCE

Ryder is recognized as a leader in supply chain security management by both our customers and government partners. Ryder's various supply chain security certifications are randomly audited by U.S. Customs and Border Protection (CBP) to ensure that our written plans are being implemented at over 170 of our global sites. Over the last 5 years CBP has conducted 11 site validations at Ryder locations throughout the world. Of the 800 security items validated, Ryder has achieved an "in compliance" rating on all 800. In addition, CBP has identified and documented 29 industry best practices at Ryder's facilities.

ADDITIONAL RESOURCES

- Truck Renting and Leasing Association
- Privacy Policy

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TRUST

ENVIRONMENTAL STEWARDSHIP

DRIVING
DOWN OUR FOOTPRINT

IT TAKES RESOURCES TO RUN A BUSINESS.

From our 800 maintenance hubs to our extensive network of fueling stations and warehouses, Ryder's transportation and logistics operations require fuel, electricity, water, and equipment. How those resources are utilized is what makes all the difference in the world.

At Ryder, we believe it is our duty to ensure that the resources necessary to run our operations and those of our customers are utilized responsibly and with minimal impact to the environment. This includes reducing greenhouse gas (GHG) emissions by utilizing and promoting cleaner burning fuels; working closely with OEMs to incorporate the latest and most effective green solutions into trucks and tractors; and ensuring that our vehicles and our customers' fleets are well-maintained and operating efficiently. In our warehouses we operate under LEAN principles to maximize efficiency and minimize waste.

Our customers rely on Ryder for effective fleet management and supply chain solutions. They can take advantage of Ryder's 85 years of expertise as well as our position as a leader in our industry to benefit from efficiencies and scalability that they would be unable to achieve on their own, including a level of responsible resource management they can use to profile green solutions to their customers and stakeholders.

FLEET	LOCATIONS	EACH YEAR
272,100	800+	3M
VEHICLES	MAINTENANCE LOCATIONS	GALLONS OF USED OIL

OUR APPROACH

Ryder's Environmental Services Team provides support for various core programs and initiatives, including but not limited to resource conservation and regulatory compliance for areas such as fuel storage and distribution, spill prevention and response, waste management, and energy and water sustainability. The Environmental Services team and Corporate Risk Managers also evaluate priorities and determine material risk thresholds annually to ensure appropriate risk controls and response procedures are in place, including those risks related to climate change impacts. In 2017, Ryder Environmental Services and Ryder Real Estate teams joined forces to provide comprehensive central support services with a strong focus on improving cost efficiencies and sustainable development.

The Corporate Governance and Nominating Committee of the Board of Directors is responsible for overseeing public policy, public affairs, and corporate responsibility. This includes responsibility for Ryder's environmental programs, which address regulatory and business issues and risks related to climate change impacts and strategy. The Vice President of Environmental, Real Estate, and Fuel Services maintains day-to-day operational responsibility for Environmental Programs including climate change strategy, and reports to the Executive Vice President, Chief Legal Officer and Corporate Secretary. An Environmental Report is provided annually to the Corporate Governance Committee. We report progress on our environmental programs and key initiatives annually to the Corporate Governance and Nominating Committee of the Board of Directors, which maintains oversight of Ryder's environmental strategy. The Chair of the Corporate Governance and Nominating Committee also provides a report on these matters to the full Board.

CORE PROGRAMS AND INITIATIVES

Ryder's long-standing environmental management policies govern our sustainability strategy and reflect our commitment to environmental stewardship. These guiding principles are documented in Ryder's Environmental Policy and Control Manual, which is available to all employees through the Ryder Policy Portal. Our Environmental Management System (EMS), aligned to ISO 14001 standards, enables us to manage our environmental impacts internally and then modify them as needed based on customer-specific program requests. We have achieved ISO 14001 conformance at select customer sites in the U.S., Canada, Mexico, and the U.K. based on customer requests.

Our business is subject to various environmental laws promulgated by federal, state, local, and foreign governmental agencies. We face the risk that new laws, rules, or regulations may be adopted or interpretative changes to existing regulations could be issued at any time. Any new initiatives could further increase our costs or operating complexity and our ability to manage our environmental compliance or implement new initiatives.

Ryder Environmental Services supports our employees and businesses across the company by helping them implement initiatives and ensure we comply with relevant regulations. Our Environmental Team conducts regular facility compliance audits and assists our operations in conforming to the Ryder EMS. Energy use and utility data—including electricity, natural gas, water and solid waste—are continuously tracked through Ryder's internal software. Each month, more than 4,500 utility bills are recorded within our environmental data tracking tool, and Environmental Services conducts regular and comprehensive audits of utility bills to identify reduction opportunities including locations with high costs or usage. Management processes are in place to ensure proper follow-up to reduce usage and costs through repairs and/or behavioral changes. In addition to auditing facilities, the Environmental Team continuously reviews environmental risks, aggregates data for annual sustainability reports, conducts trainings, and reviews environmental controls.

ENERGY & EMISSIONS

The majority of Ryder's energy and emissions footprint is generated in our downstream value chain, most notably from the fuel combustion and lifecycle GHG emissions associated with Ryder-leased vehicles operated by our customers. Ryder pursues energy savings through efficient, sustainable transportation solutions resulting in emission reductions, such as improved fuel economy, energy tracking with internal software, employee engagement campaigns through regular communication with the field, and implementation and improvement of internal equipment standards.

We follow and make available to our customers fuel saving recommendations provided by the U.S. EPA SmartWay program, and offer our customers industry-leading vehicle performance, optimized fuel efficiency and the ability to reduce carbon emissions. By utilizing our Dedicated Transportation Solutions and Supply Chain Solutions services, our customers benefit from maximizing freight tonnage delivered per shipment and per mile, putting fewer vehicles on the road and minimizing fleet emissions and related fuel costs. Additionally, our Fleet Management Solutions customers typically upgrade and replace equipment at the end of the lease term to ensure they are always equipped with the latest, most fuel efficient and environmentally friendly vehicles. To learn more about how we help our customers reduce the carbon footprint of their fleets, see Fleet Energy & Emissions.

HIGHLIGHT STORY: U.S. EPA SMARTWAY® PARTNERSHIP

In addition to managing the environmental footprint of our internal operations, Ryder Environmental Services measures fuel and energy efficiency metrics associated with fleet operations on behalf of our customers. Through our partnership with the U.S. Environmental Protection Agency's (EPA) SmartWay® program, we measure, benchmark, and continuously improve our performance on environmental metrics associated with supply chain logistics and freight transportation. The SmartWay program enables us to promote energy efficiency and reduce GHG emissions for our customers by providing annual updates and implementing SmartWay Verified Technologies. In 2013, 2014, and 2017, Ryder was recognized by the U.S. Environmental Protection Agency with a SmartWay Excellence Award, for demonstrating top environmental performance in reducing transportation-related GHG emissions.

ENERGY CONSUMPTION

As an industry leader, we have a unique opportunity and ability to continually reduce the environmental impacts of our operations and those of the tens of thousands of customers we serve. Whether it's deploying alternative fuel vehicles, optimizing distribution networks, or operating energy-efficient warehouses, Ryder helps customers reduce emissions and drive long-term value for their businesses. In particular, Ryder is focused on environmental issues related to fuel consumption, vehicle emissions, facility energy use, and automotive waste management.

The following table summarizes our historical energy consumption throughout our operations. Figures for the 2018 fiscal year have not yet been finalized as of publication of the report. We will supplement the table with 2018 information as soon as data are finalized.

SOURCE	UNITS	2014	2015	2016	2017
Diesel consumption	GJ	9,635,066	9,640,398	10,500,586	10,097,272
Electricity consumption	GJ	1,040,129	989,545	886,588	844,285
Heating fuel consumption	GJ	695,193	630,062	592,925	607,252
Energy consumption (non-renewable sources)	GJ	11,370,388	11,260,005	11,980,100	11,548,809
Energy consumption (renewable sources/biodiesel)	GJ	not reported	not reported	not reported	493,403
Total energy consumption	GJ	11,370,388	11,260,005	11,980,100	12,042,212

While stationary emissions are a much smaller part of our overall carbon footprint, we strive to minimize the energy use and GHG emissions associated with our shops, warehouses, and administrative buildings. Ryder has already achieved or exceeded its absolute target to reduce stationary emissions (Scope 1 and 2) at FMS shops by 20 percent by 2020 (against our 2009 baseline). Ryder's Environmental and Real Estate Services Team conducts periodic site reviews and encourages shop managers to adopt routine building and equipment maintenance programs to save on energy demands. One of our major improvements over the last several years was switching to LED lights at many of our locations. LED lights last five times longer than fluorescent lights and use at least 75 percent less energy than incandescent lighting. To date, we have completed over 340 lighting upgrades to improve facility energy efficiency. Additionally, we encourage employees to identify, implement, and take ownership of initiatives that further reduce facility energy use through lighting management and improved equipment maintenance procedures. Business Unit Directors are incentivized to measure, track, and attain targets for energy use reductions and associated GHG emissions reductions from conservation programs, awareness campaigns, and other activities.

Field employees have access to the energy tracking and reporting tool that provides visibility into daily operations. Scope 1 and 2 stationary greenhouse gases are also tracked through this tool, which provides transparency to local operations. GHG trends are reported internally to Ryder Management. Through these and other initiatives, Ryder's customers, shareholders and employees all benefit from GHG emissions reduction associated with decreased energy use.

Ryder has been tracking Scope 3 emissions since 2008, but due to the lack of a comprehensive guideline, we did not publish Scope 3 emissions data in previous reports. In 2011, following publication of the first comprehensive Scope 3 GHG standard for identifying, computing, and reporting enterprise-wide value chain standards, Ryder began modeling and reporting Scope 3 emissions. The protocol identifies fourteen Scope 3 GHG sources, and in 2011, Ryder reported on two sources (business travel and employee commuting). Each year, Ryder has expanded the scope and number of sources. In 2012, Ryder expanded Scope 3 emissions reporting to include fuel emissions from customer leased vehicles. A total of six of the fourteen sources were reported, including two new downstream sources (use of sold products and downstream-leased assets), and two new upstream sources (fuel and energy-related activities, and upstream transportation and distribution). As of 2017, Ryder reports a total of nine of the fourteen sources, including purchased goods and services, capital goods, and waste generated in operations. This is in addition to expanding sources of our Scope 1 and 2 emissions. We also perform limited third-party annual verification of our emissions reporting process. To learn more about our emissions tracking and reporting, see our 2018 CDP Climate Change response.

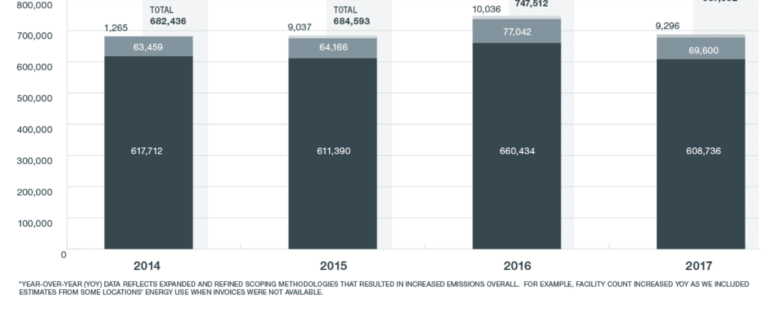
We are continually evaluating and adjusting our internal management processes to improve emission reduction strategies on a larger strategic scale. For example, we recently incorporated new "energy saving" review criteria for new construction projects or major upgrades at owned sites. Our primary focus is to identify best practices for electricity and natural gas reductions.

We will continue to perform third-party verifications of our emissions accounting standards annually and integrate findings into new management standards.

The following charts outline our year-over-year GHG emissions performance, excluding figures for the 2018 fiscal year, which were not finalized as of the date of this report. We will supplement the charts below once such figures are available.

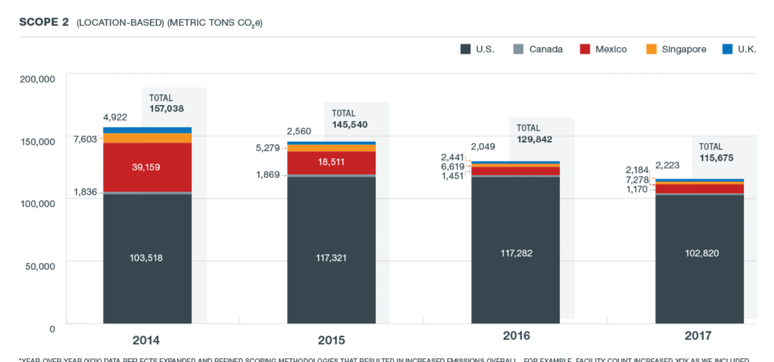
EMISSIONS

SCOPE 1 (METRIC TONS CO_2e)



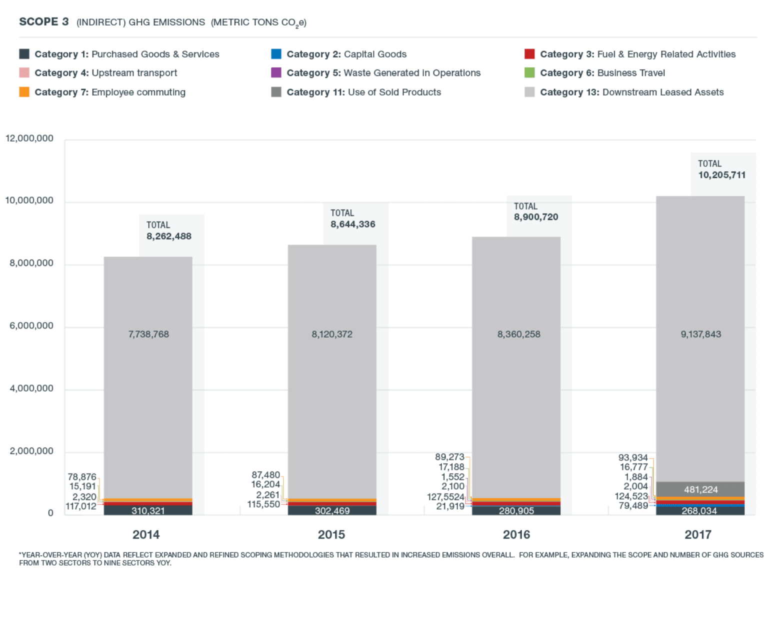
*YEAR-OVER-YEAR (YOY) DATA REFLECTS EXPANDED AND REFINED SCOPING METHODOLOGIES THAT RESULTED IN INCREASED EMISSIONS OVERALL. FOR EXAMPLE, FACILITY COUNT INCREASED YOY AS WE INCLUDED ESTIMATES FROM SOME LOCATIONS' ENERGY USE WHEN INVOICES WERE NOT AVAILABLE.

SCOPE 2 (LOCATION-BASED) (METRIC TONS CO_2e)



*YEAR-OVER-YEAR (YOY) DATA REFLECTS EXPANDED AND REFINED SCOPING METHODOLOGIES THAT RESULTED IN INCREASED EMISSIONS OVERALL. FOR EXAMPLE, FACILITY COUNT INCREASED YOY AS WE INCLUDED ESTIMATES FROM SOME LOCATIONS' ENERGY USE WHEN INVOICES WERE NOT AVAILABLE.

SCOPE 3 (INDIRECT) GHG EMISSIONS (METRIC TONS CO_2e)



*YEAR-OVER-YEAR (YOY) DATA REFLECT EXPANDED AND REFINED SCOPING METHODOLOGIES THAT RESULTED IN INCREASED EMISSIONS OVERALL. FOR EXAMPLE, EXPANDING THE SCOPE AND NUMBER OF GHG SOURCES FROM TWO SECTORS TO NINE SECTORS YOY.

WATER SUSTAINABILITY

Ryder recognizes the importance of water sustainability to ensure that high quality water remains available for future generations; however, water use is not material to our operations. Operations use water primarily for vehicle washing, restrooms, and employee wash areas. We measure, track, and report water use internally in order to identify conservation opportunities and to repair leaks as quickly as possible.

	2009 (BASELINE)	2015	2016	2017
Water Use (mgal)	290,570	199,291	200,085	196,631

* Approximately 1% of water use is irrigation/landscaping, while the remainder is discharged to publicly owned treatment works (POTW) sewage facilities

Wastewater recovered from Ryder's vehicle washing activities is either collected from wash bays and then discharged to municipal sewer or captured by mobile vacuum systems and carried offsite for pre-treatment through a multi-stage processing system. Once heavy solids are removed, treated water is discharged to publicly owned treatment works systems.

VEHICLE WASH WATER

YEAR	WASH WATER COLLECTED (GAL)	TREATMENT METHODS	DISPOSAL DESTINATION
2018	4,000,000	Filtration, Pretreatment, Discharge to Permitted POTW	POTW
2017	3,600,000	Filtration, Pretreatment, Discharge to Permitted POTW	POTW

WASTE & RECYCLING

Ryder has a long-standing commitment to waste reduction, both internally and for our customers. We work with Ryder-preferred and qualified vendors that prioritize diverting as much waste as possible away from landfills; who focus on waste recycling, reuse, and disposal; and who have significant experience with waste management, especially automotive waste. This allows us to maximize energy and cost efficiencies both internally and for our customers, collectively having a positive impact on the environment.

Automotive waste generated from our fueling and maintenance locations is our most significant waste stream, as our core business involves operating and maintaining a large vehicle fleet. In 1998, Ryder implemented a comprehensive automotive waste recycling program, which includes lubricants, used oil, solvents, used oil filters, tires, batteries, and oily water. Today, 98% of these waste products are either recycled, or refined and reused. We work closely with our primary waste disposal vendors to continually minimize waste while increasing recycling efforts company-wide.

- **Example – Used oil recycling:** Ryder's vast network of fleet maintenance shops generate quality used oil, which is reused and/or recycled by our vendors. The refined oil yields finished base oils and light distillates.
- **Example – Oil filter recycling:** We routinely replace automotive oil filters during our preventive maintenance processes. Used oil filters are collected by Ryder's preferred recycling vendors and are sent to recycling facilities that divert the material through a two-stage separation and shredding process, yielding shredded steel that can be reused, pulverized filter media that is recycled, and used oil that will be re-refined. The result is that virtually all material is either refined or used as an alternative energy source (e.g., as industrial fuel at cement kilns or energy plants that generate electricity).

RYDER RECYCLES

2.8M GALLONS OF USED OIL	887,985 GALLONS OF OILY WATER	12,106 DRUMS OF USED OIL FILTERS*
47,516 GALLONS OF SOLVENT	2.1M OIL FILTERS*	

* Ryder crushes oil filters prior to recycling. Assumes 175 crushed used oil filters per 55 gal drum; 16.5 lbs per 55 gal; and 7.4 lbs/gal of used oil per drum.

Virtually all of Ryder's automotive waste (hazardous and non-hazardous) is recovered and managed using preferred approved vendors who utilize re-use and/or recycle technologies versus landfill disposal. (ALL WASTES).

AUTOMOTIVE WASTE

TYPE OF WASTE	UNIT	2016	2017	2018
Hazardous Waste*	gallons	48,332	42,069	47,516
Non-hazardous Liquid Waste	gallons	3,667,584	3,679,861	3,701,892
Scrap Batteries	number	115,204	128,912	127,591
Scrap Tires	number	77,469	83,092	87,536

* Parts washing solvents only. Volumes not reported are contaminated fuel, anti-freeze and automotive liquids.

RYDER MIXED SOLID WASTE AND RECYCLING PROCESS

Ryder works closely with our primary solid waste disposal suppliers to increase waste minimization, waste diversion, and recycling efforts company-wide. Through a company mandate, we require all Ryder locations to implement recycling services, divert waste from landfills, and explore waste-to-energy technologies. Our Supply Chain Solutions business creates significant amounts of cardboard, and we continuously analyze cardboard recycling processes to identify improvement opportunities. Ryder operates compactors and augers to increase recycling efficiencies, and our teams work closely with our customers to implement best management practices.

NON-AUTOMOTIVE WASTE

TYPE OF WASTE	UNIT	2016	2017	2018
Solid Waste*	tons	20,069	23,504	25,409
Recycled Waste**	tons	5,203	6,625	25,409
Electronic Waste total/recycled	tons	29	22	22
Universal Waste total/recycled***	lbs	1,315	2,027	3,279

* Estimated based on 80% of locations only.
** Cardboard, paper, plastics, cans.
*** Light bulbs, small batteries (non-hazmat).

ADDITIONAL RESOURCES:

- CDP reports (on the Sustainability Page)

Collaboration & Safety

EXCELLENCE IN THE WORKPLACE

COLLABORATION & SAFETY
DRIVING A TALENTED, CARING, AND SAFE CULTURE

AT RYDER, WE STRIVE TO CREATE A WORK ENVIRONMENT THAT ATTRACTS TOP TALENT, PRIORITIZES SAFETY, AND ENCOURAGES ENGAGEMENT WITH THE COMMUNITIES IN WHICH WE LIVE AND WORK.

Ryder is committed to the safety, well-being, and development of our people and we take pride in the relationships we have developed with local charitable organizations and communities. In this section, we explore our initiatives on Safety, Our People, and Building Stronger Communities.

REDUCED OUR COLLISION COUNT BY
29%
IN 2018 YOY

OVERALL DIVERSITY REPRESENTATION
52%
IN 2018

OVER
10%
OF OUR WORKFORCE IS VETERANS

OVER
$5.2M
CONTRIBUTED TO CHARITIES IN 2017 & 2018

SAFETY

Why it matters

First and foremost, a strict adherence to safety is what allows our employees to go home to their families every day. There is no more important outcome. Preventing injuries and collisions safeguards our employees' quality of life. It is also an integral part of our business operations, as it allows us to provide our customers with high-quality services consistently and efficiently. Ryder's safety record is a leading factor in gaining and keeping the trust of our customers.

LEARN MORE

OUR PEOPLE

Why it matters

Employees choose Ryder because we make it a priority to recruit, train, and retain the best people in the industry. That means embracing diversity, rewarding employee contributions, and providing employees with opportunities for growth.

Our customers choose Ryder because even as our industry faces worker shortages among drivers and technicians, they can rely on us to maintain a capable, efficient, and safe workforce.

LEARN MORE

BUILDING STRONGER COMMUNITIES

Why it matters

Ryder's employees and customers can be found in towns and cities across the U.S., Mexico, Canada, and the U.K. We will continue to support initiatives and organizations that are committed to improving safety and strengthening the communities where the greater Ryder family works and lives.

LEARN MORE

Archive of Previous Reports

Report Downloads

RYDER CORPORATE HEADQUARTERS
11690 NW 105TH STREET, MIAMI, FLORIDA 33178

COLLABORATION & SAFETY

SAFETY

RYDER IS COMMITTED TO SAFETY

SAFETY IS A CORE VALUE AND AN INTEGRAL PART OF OUR BUSINESS OPERATIONS

Preventing injuries and collisions improves employee quality of life, eliminates service disruptions for our customers, increases efficiency, and strengthens our brand reputation. Our steadfast commitment to the safety, health, and well-being of our employees, customers, and communities has made us a trusted industry leader. Whether on the road, in the shop, or at a customer facility, our employees put safety first and foremost in everything they do.

OUR APPROACH

Safety is a core element of our day-to-day operations, and the responsibility and accountability for employee, customer, and community safety are shared at every level of the company. Every employee is empowered and encouraged to contribute to the strengthening of our safety standards through continuous improvement initiatives. Overall safety strategy is supported by a talented and dedicated safety organization. The safety organization is divided into three divisions: Safety Standards & Technology, Field Safety Solutions, and DOT Compliance, and all three are responsible for promoting and enforcing Ryder's safety culture.

SAFETY STANDARDS & TECHNOLOGY GROUP

- Led by the Senior Director of Safety Standards & Technology.
- Manages safety policies, technologies, and training, in addition to having responsibility for all safety metrics, online safety systems, and incident management.

FIELD SAFETY SOLUTIONS GROUP

- Led by two Field Safety Directors in Integrated Logistics and a Senior Director of Field Safety within Fleet Management Solutions.
- Oversees all field safety processes, risk assessments, management training, and safety site investigations and day-to-day safety support.

DOT COMPLIANCE GROUP

- Led by the Senior Director Department of Transportation (DOT) Compliance.
- Oversees driver performance management and all regulatory compliance activities, supporting compliance management and compliance case management. During monthly conference calls with key division points of contact, our Senior Director, DOT Compliance trains managers and promotes compliance activity accountability.

The Senior Vice President responsible for the Safety Organization presents a Report on Safety to the Corporate Governance and Nominating Committee of the Board of Directors, which includes year-over-year performance, current initiatives, and our safety outlook for the future. Key highlights are reported to the full Board. To stress a culture of safety each day, every meeting at Ryder begins with a "safety message."

Ryder Fleet Risk Services, which sits within our Fleet Management Solutions segment, works with customers, field operations, sales, claims, insurance operations, and Ryder Fleet Protection Solutions to provide safety training and education to our customers through in-person training, webinars, or written materials.

SAFETY MANAGEMENT PLAN & RYDER SAFETYNET

Ryder's internal Safety Management Plan (SMP) ensures implementation of the safety measures necessary to ensure compliance with the Federal Motor Carrier Safety Administration's Compliance, Safety, and Accountability program. The SMP outlines our safety strategies, key performance indicators, and regulatory compliance management (including U.S. Department of Transportation).

Working in tandem with our SMP, our web-based enterprise risk platform, Ryder SafetyNET, delivers proactive, site-specific safety programs and tracks facility-specific safety data, audit results, safety inspections, and unsafe findings or issues. At the beginning of each year, our safety organization works with each facility to implement site-specific safety tasks based on past safety observations, identified at-risk behaviors, and results of safety inspections. Additionally, Ryder SafetyNET enables us to create Action Plans to address site-specific unsafe conditions should they arise. This easy-to-use platform has transformed our overall Safety Management Plan and enabled Ryder to better target our deployment of safety initiatives and training.

Ryder utilizes our current safety management systems, such as SafetyNET and our internal Ryder Policy website, to promote employee participation in the identification of hazards, the assessment of risk, and the investigation of incidents. Our employees actively contribute to occupational health and safety through facility inspections, employee observations, and safety committees. All Ryder operations promote the use of Safety Committees – a group of Ryder employees, generally volunteers, who have a common goal of ensuring that the location is meeting all safety and/or compliance requirements as defined by SafetyNET. Safety Committees share information relative to recent incidents and root causes, define safety action items and facility improvements, and assign specific tasks and inspections to employees.

EDUCATING EMPLOYEES

Safety and Compliance Training is of vital importance in our industry, and Ryder has developed an extensive training curriculum with various delivery methods to ensure that our workforce is well educated on safety and compliance topics. We proactively deliver safety programs tailored to every location via Ryder SafetyNet. Our safety policies require that all managers, supervisors, and employees incorporate safe processes in all aspects of our business. We house our numerous safety policies regarding FMCSA compliance, driver safety, and driver expectations (e.g., personal accountability for stopping unsafe behavior, fatigue management, and prohibition of cell phone use while driving) within an internal Ryder Policy website. These topics are covered during New Employee Safety Orientation, which may be offered in-person or online, depending on cohort size and location. Management also tracks and reviews monthly safety scorecards for progress toward key safety objectives on SafetyNet.

Ryder supervisors receive Fundamentals of Safety Management training to ensure a thorough understanding of their safety and compliance roles and responsibilities. All drivers receive quarterly training through our highly-interactive Ryder Pro-TREAD comprehensive lesson platform, which covers an extensive list of safety and compliance topics.

EMPLOY A NETWORK

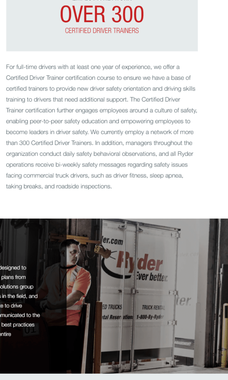
OVER 300

CERTIFIED DRIVER TRAINERS

For full-time drivers with at least one year of experience, we offer a Certified Driver Trainer certification course to ensure we have a base of certified trainers to provide new driver safety orientation and driving skills training to drivers that need additional support. The Certified Driver Trainer certification further engages employees around a culture of safety, enabling peer-to-peer safety education and empowering employees to become leaders in driver safety. We currently employ a network of more than 300 Certified Driver Trainers. In addition, managers throughout the organization conduct daily safety behavioral observations, and all Ryder operations receive bi-weekly safety messages regarding safety issues facing commercial truck drivers, such as driver fitness, sleep apnea, taking breaks, and roadside inspections.

FOCUS PROGRAM

Our FOCUS Lean Location Safety Evaluation is a continuous improvement process designed to identify location-level safety issues, develop solutions, and standardize improvement plans from lessons learned to prevent injuries and collisions. During a FOCUS event, our Field Solutions group identifies the root causes of collisions and workplace injuries, observes these causes in the field, and develops solutions to address them. These solutions are then implemented at the site to drive improvement in the operational safety performance at the location. Findings are communicated to the location's employee base through a safety meeting, while major lessons learned and best practices are shared on our safety scorecard calls and incorporated as applicable across the entire organization.



INCIDENT MANAGEMENT

Ryder's Incident Management System—housed in Ryder SafetyNET—is used to report injuries and near misses throughout all Ryder business segments. To ensure the timeliness of injury treatment and reporting, Ryder has collaborated with Medcor Injury Triage, a telephonic injury assessment service that provides our injured employees and their supervisors with immediate access to medical professionals, 24 hours a day, seven days a week. When an employee reports an injury, and it is determined that it is not life-threatening or does not require immediate medical treatment, a trained and qualified injury triage nurse, via phone, will speak privately with the injured employee and their supervisor. Following specially-designed protocols, the nurse will determine the seriousness and nature of the injury and the best way to address it. If the injured employee can safely return to work, the nurse will provide first aid, or "self-care," instructions to the employee. These instructions can also be provided electronically, and the supervisor will partner with the employee to ensure they fully understand the direction provided by the triage nurse. If self-care is not an option, the nurse will refer the employee to a local occupational medical facility, to which the employee's supervisor will ensure immediate access.

TRUCK SAFETY & LYTX DRIVECAM

As important as it is to train our employees in proper safety procedures, it is equally important that we ensure that our employees are provided with safe equipment with which to do their jobs. Since 2014, we have equipped our new fleet purchases for DTS and SCS with an advanced safety package, which includes collision mitigation technology, active brake assistance, adaptive cruise control, lane departure warning, roll stability, and LED headlights.

Ryder has also installed video event recording technology in all SCS and Dedicated vehicles. After a thorough vetting process, Ryder switched to a single platform in 2016 and is using the Lytx DriveCam technology, which includes an internal- and external-facing camera secured on a truck's dashboards. The camera is triggered by events, such as hard stops, bumps, hard turns, and speeding events, recording eight seconds of video prior to and four seconds after each event. Lytx is notified and reviews the video for issues such as driver cell phone use or other unsafe behaviors, and sends the video to the driver's manager. The manager reviews the video with the driver during a coaching event, if applicable, to prevent repeat behavior. This video evidence has not only helped proactively identify unsafe driving behaviors to prevent collisions and injuries, but has also helped exonerate our drivers in certain circumstances.

This DriveCam technology is installed on all dedicated mobile maintenance vehicles in the FMS business and will be rolled out to service vehicles in 2019 and 2020.

Our goal is to reduce risk through behaviors we can control—specifically, we hope to prevent repeat safety events within sixty days by at least 60 percent. Since incorporating this technology, we have:

PREVENTED
55%
OF REPEAT UNSAFE EVENTS WITHIN THE NEXT 60 DAYS

REDUCED
29%
COLLISION COUNT
Reduced our collision count by 5% in 2017 and 29% in 2018 year-over-year

DECREASED INCURRED COSTS
43%
SINCE 2016

We also recognize the effects driver health can have on safety. We require our drivers to pass a pre-employment drug screen, have a pre-employment physical exam, and participate in DOT recurrent physical evaluations to ensure they are fit to drive safely.

To prevent the risk of driver fatigue, drivers in Ryder's DTS and SCS divisions who have been identified as high risk for obstructive sleep apnea during their recurrent DOT medical evaluation may participate in Ryder's Sleep Apnea Program. Participation requires the completion of a sleep study which can diagnose and confirm the extent of the driver's obstructive sleep apnea, and determine the appropriate treatment. Under Ryder's program, the sleep study and all equipment to treat sleep apnea are provided to the driver at no cost, as long as they continue to utilize the equipment properly, meeting the necessary usage protocols tracked by a contracted third-party healthcare vendor.

The FMCSA reports an average industry Recordable Crash rate of 1.5 crashes per million miles (CMM). Ryder has a stretch goal targeting zero collisions; currently, Ryder's crash frequency is less than half the average industry rate.

ADDITIONAL RESOURCES:

- Fleet Safety page
- Safety & Compliance page
- Driver Safety Manual
- Ryder Fleet Products Online Driver Safety Training page
- FMCSA website

Archive of Previous Reports

Report Downloads

COLLABORATION & SAFETY

OUR PEOPLE

HIRING EXTRAORDINARY PEOPLE AND INVESTING IN OUR EMPLOYEES

RYDER'S CUSTOMERS TRUST US WITH CRITICAL BUSINESS FUNCTIONS.

They trust us to ensure that their products are delivered on time, their fleets are safe and well-maintained, and their logistics operations run safely and efficiently. That requires a workforce that is dedicated to professionalism, operational excellence, and customer service. As our industry faces talent shortages for drivers and warehouse employees, as well as high demand for technicians, our customers also rely on us to hire, train, and retain top talent. That's why we are committed to providing our employees with a safe, challenging, and rewarding work environment.

We strive to create a high-performance culture for our team that comprises the industry's brightest logistics engineers, most experienced technicians, warehouse workers, and safest drivers. To achieve this, we believe it is critical to embrace diverse perspectives and experiences, and ensure that employees get the benefits, training, and supportive environment they need to grow and excel in their fields. Our employees' diversity of perspectives fuels the innovative solutions and operational excellence that have been the bedrock of Ryder's success for 85 years.

AMERICA'S BEST EMPLOYERS

4

YEARS IN A ROW

For the past four years, Ryder has been recognized among America's Best Employers by Forbes. In 2018, Ryder was recognized by Forbes as one of the "Best Employers for Women". The Company has also been named for the past five years as one of Recruit Military's Most Valuable Employers for Military, formerly presented by CivilianJobs.com. The award is given to select employers for their recruiting, training, and retention plans that best serve military service members and veterans.

OUR APPROACH

Our talent initiatives—led by our Chief Human Resources Officer (CHRO)—drive a high-performing and diverse work environment. We aim to recruit, develop, and engage an inclusive culture that:

- Respects our employees and customers;
- Puts thought and care into how we serve our employees and communities;
- Delivers personalized services that inspire employees to reach their full potential;
- Welcomes new perspectives and ideas; and
- Encourages collaboration and innovative thinking.

RECRUITING · DEVELOPMENT · ENGAGEMENT

Ryder has developed and implemented equal employment opportunity and affirmative action policies and programs, which are designed to ensure that all qualified applicants and employees are treated without regard to such factors as race, color, religion, sex, sexual orientation, gender identity, national origin, disability, veteran status, or any other reason prohibited by law. Our suppliers, vendors and subcontractors are informed of our adherence to such policies through our EEO Notice to Suppliers and our Supplier Terms and Conditions, both which are available on our website.

Our Human Resources and recruiting teams work closely to identify talent needs and strategies, as well as to manage diversity initiatives. Annually, the CHRO presents employee diversity statistics and initiatives to Ryder's Corporate Governance and Nominating Committee of the Board of Directors.

DRIVING A HIGH-PERFORMANCE CULTURE

We are committed to hiring extraordinary people and engaging them through challenging and rewarding opportunities. The consistent recognition by some of the most prestigious business publications reflects not only our portfolio of premier transportation and logistics solutions, but serves as a testament to our thousands of dedicated employees around the world who embody Ryder's customer-centric values. Our operation is only as good as the field and support staff that keeps it running. Throughout our company, our people are committed to moving business forward as efficiently as possible. Ryder is committed to making sure our employees receive the diverse experience, compensation, independence, and advancement opportunities they need to grow.

We invest in our employees by offering comprehensive health, welfare and retirement programs, along with wellness programs and well-being initiatives. These programs include medical, prescription, dental, and vision benefits; life and disability insurance; a 401(k) retirement savings plan, including company match; behavioral health, and Employee Assistance Program services; and community outreach programs, such as United Way and Big Brothers Big Sisters of Miami. For more information, see our Careers Page.

Ryder works with our major health care partners to provide employees with the tools and resources needed to easily learn about their health plan services. These include mobile apps, benefit videos, and comprehensive web portals, which offer information on health plan basics, provider search tools, and how to use the network to minimize the cost of care. We offer a suite of health promotion services, including seasonal flu shots, mobile mammograms, smoking cessation, health fairs, personalized health coaching, and chronic care management, among others. Our digital health platform features a suite of online and mobile solutions that help employees manage their health and wellbeing.

Moving forward, we will continue to adjust our offerings as needed and listen to the feedback of our employees to identify new opportunities to attract, retain, and develop our talent.

TRAINING AND DEVELOPMENT

The best are always driven to be better. Ryder employs the top talent in our industry. To retain that talent, it is necessary to offer them challenging and rewarding opportunities to build their skills, stay abreast of the latest industry trends and best practices, and grow in their careers. Ryder's employee development program starts at onboarding, on day one, impacts every Ryder employee throughout the company by focusing on three key areas: supporting our people, supporting our business, and supporting our culture.

LEADERSHIP DEVELOPMENT

Ryder offers several leadership development programs to help to enhance the careers of our best talent. These include several management trainee programs that provide early-career individuals an opportunity to build a great career.

Ryder also has programs to support current and up-and-coming leaders across the business. Leadership development offerings include courses on Coaching and Leadership Essentials, Targeted Competency Workshops, Executive Coaching, and New Sales Leader Training.

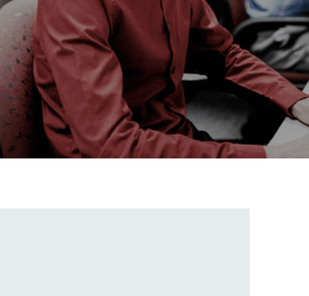
In 2017, Ryder launched an Executive Leadership Program (ELP) focused on areas critical to the development and success of talent across the enterprise, the ELP includes a three-day event at Ryder's headquarters, where participants gain exposure to executive leaders, as well as virtual sessions and assessments covering leadership topics. Additionally, we track high potential development candidates at the director level and above, and include targets for percentage of candidates ready for succession and percentage of candidates enrolled in a developmental activity. Company performance toward these targets are included on the CEO's annual scorecard as a measure of succession planning. In 2018, we expanded existing leadership development programs to include focused career content for emerging female leaders.

EMPLOYEE ENGAGEMENT

Our employees determine Ryder's success, and we know that their overall well-being and level of engagement directly contribute to their ability to bring their best selves to work. We ensure the health, well-being, and engagement of our employees by listening to their feedback, providing learning and competitive opportunities, and providing the wellness resources they need to thrive.

One of the best ways to continuously improve our culture is to listen to employee feedback. By engaging our workforce and promoting an agile culture, we are better positioned to meet our strategic goals. Ryder utilizes multiple channels to measure and increase employee engagement, including:

- Providing employees with new technologies and tools that improve the employee experience;
- Enhancing our online learning management system to drive more self-development; and
- Leveraging pulse surveys to quickly assess engagement and drive actions in real time.



HIGHLIGHT STORY: DRIVER OF THE YEAR AWARD

Truck driving is at the core of Ryder's DNA. It's where we started, and it's still at the center of everything we do. Ryder employs 9,500 drivers, and we hold them to the most rigorous standards of safety, professionalism, and customer commitment. The drivers who most embody these qualities achieve one of Ryder's highest honors – they are named a Ryder Driver of the Year. The Driver of the Year recognition program is one of Ryder's oldest and most prestigious. Nominees are evaluated by a committee that includes customers, executives, safety experts, and fellow professional drivers. The winners, many of whom have logged several million miles on the road without an accident or incident, are chosen for demonstrating exemplary safety performance, customer service, and citizenship throughout their careers and home life. In 2018, Bill Phipps from SCS and Carlos Aceituno from DTS were named Ryder's 45th annual Drivers of the Year and inducted into the Ryder Hall of Fame.

WINNER

2018

DRIVER OF THE YEAR AWARDS

BILL PHIPPS FROM SUPPLY CHAIN SOLUTIONS AND CARLOS ACEITUNO FROM DEDICATED TRANSPORTATION SOLUTIONS

HIGHLIGHT STORY: RYDER TOP TECH

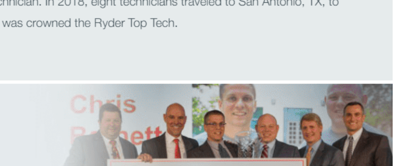
Vehicle technology changes rapidly in our industry, and Ryder's technicians must stay on the forefront of that technology. In order to keep our trucks and our customers' trucks operating safely and reliably, and to maintain our status of having the industry's best uptimes, Ryder maintains a culture of continuous training and improvement among our technicians. To encourage our techs to strive to be the best, each year we host the Ryder Top Tech competition. Technicians across the company are invited to compete in multiple rounds of written and practical tests to evaluate their maintenance knowledge. The top scorers go on location to compete against each other in a series of difficult maintenance challenges to determine who is Ryder's top technician. In 2018, eight technicians traveled to San Antonio, TX, to face off. In the end, Christopher Barnett of our Hebron, KY, location was crowned the Ryder Top Tech.

WINNER

2018

NORTH AMERICA

CHRIS BARNETT OF KENTUCKY WINNER OF RYDER TOP TECH 2018



BUILDING AN INCLUSIVE CULTURE

At Ryder, our vision is to create a work environment that is supportive, collaborative, and values individual contributors. We understand the value diversity brings to our Company. The diverse backgrounds and perspectives of our workforce help us to better understand and respond to our customers' needs, leading to increased profitability and long-term value.

Diversity in the workplace also contributes to our ability to attract and retain top talent in an industry that has not historically been very diverse. In 2018, long-haul drivers were on average 49 years old, 93 percent male, and mainly white. Most have driven more than 20 years with many expected to retire in the next decade. Historically, our industry did not do enough to attract and appeal to minorities. For instance, vehicle cabs are often designed for male drivers, creating potential safety risks for their female counterparts. Our focus on Military and Veteran Recruiting and Women in Trucking have been important ways in which we strive to increase our access to the best talent in the industry.

Our Diversity & Inclusion (D&I) Council, comprised of 11 cross-functional leaders, guides Ryder in achieving three key goals: remaining an employer that attracts diverse talent, developing the diverse talent we already have, and driving innovation and growth through diversity of thought. The D&I Council's role is to:

- Partner with the Office of Diversity and Inclusion to recommend and develop D&I initiatives in support of the company's vision
- Model diverse and inclusive behaviors and champion the same in the organization
- Assess and continuously improve execution of D&I initiatives
- Drive accountability for progress and results
- Capture the voice of diverse employees

Our mandatory course "The Inclusion Journey: Delivering on the Potential of a Diverse Workforce," provides employees the skills to work effectively with people of different backgrounds, ethnicities, and values. All supervisors and managers also participate in a follow-up workshop "Continuing the Journey," which provides insights into managing a diverse workforce. We continue to prioritize strategies that encourage our people to feel valued, respected, included, and encouraged.

DIVERSITY INITIATIVES AT RYDER

National Black MBA Association, Inc. · Prospanica · INROADS · SBA U.S. Small Business Administration

To further promote diversity in our workforce, Ryder participates in annual career expositions and conferences with the National Black MBA Association and Prospanica (Association of Hispanic Professionals). We also partner with INROADS to place diverse college students into internships with Ryder. We support the diversity of our suppliers via Ryder's Small Business and Supplier Diversity Program, which provides more opportunities for companies certified by the Small Business Administration to work with Ryder. This program also enables Ryder to grow our relationships with local communities, meet all customer expectations, and strengthen and expand our supplier base.

One way we measure the inclusivity of our culture is through the Corporate Equality Index (CEI) rating, conducted by the Human Rights Campaign. CEI scores are calculated based on a company's policies, resources, and education to support LGBTQ workers. Ryder received a CEI score of 85—out of a possible 100—from the Human Rights Campaign in 2018.

DIVERSITY PERFORMANCE

	2016	2017	2018
Overall Diversity Representation*	47%	50%	52%
Diverse Hires	54%	59%	63%
Millennial Representation of Ryder's Workforce	30%	34%	36%

*Defined as gender and ethnic diversity

As a leading provider of transportation and logistics services, it is important for us to ensure that the makeup of our workforce is in line with industry standards. Ryder conducts internal benchmarking to compare segments of our workforce with relevant data from the U.S. Bureau of Labor Statistics (BLS). Among select industry job functions in the United States, Ryder consistently meets or exceeds the BLS representation for diversity and women in the workforce.

SUPPORTING WOMEN

Ryder is focused on supporting women in transportation to address the historic gap in female representation in our industry. According to Women in Trucking, less than 8 percent of the driver population is female and women comprise only 21 percent of transportation, storage, and distribution managers.

Our Women's Leadership Forum (WLF), created in 2011, supports the development of women leaders through networking events, career development programs, and collaborative activities. In the past two years, we've enhanced the capabilities of our WLF programs to reach more women in remote locations, including in the field, via virtual outreach technologies. We've also increased our focus on career development and leadership presence, helping our women leaders:

- Exude confidence with every interaction
- Demonstrate courage to speak up, and share ideas and convictions
- Deliver clear and confident messages

In 2017 and 2018, we hosted over a dozen WLF events focused on career development across the U.S., reaching more than 250 women leaders. We also hosted our first international WLF events in Mexico and plan to continue expanding these programs through Mexico and the U.K. in 2019.

At the same time, we are working to make trucking safer for women. Since 2015, we have provided customers with a female-friendly vehicle package for lease, including 15 unique specifications that make the truck more ergonomically friendly to female drivers. Our aim is to attract more women to the industry while making vehicles safer and easier to operate for a broader range of drivers.

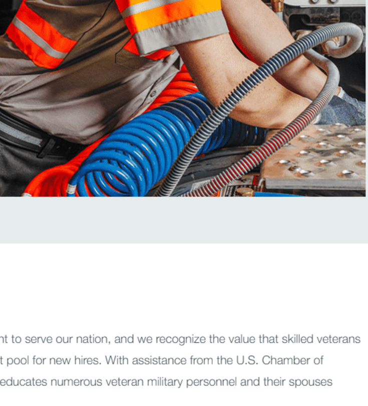
Ryder sits on the Board of The Women in Trucking Association, a non-profit organization that works to encourage the employment of women in the trucking industry, promote their accomplishments, and minimize obstacles they may face. Through this partnership, we have identified better strategies for attracting, retaining, and promoting more women, which as also helped us address the driver shortage. We also partner with the Commonwealth Institute and the Society of Women Engineers to further expand our capabilities in support of women.

2018 FORBES BEST EMPLOYER FOR

WOMEN

EMPHASIZING THE SUCCESS OF OUR EFFORTS

Forbes | 2018 THE BEST EMPLOYERS for WOMEN POWERED BY STATISTA



MILITARY & VETERAN RECRUITING

We are grateful to the men and women who make the extraordinary commitment to serve our nation, and we recognize the value that skilled veterans bring to our team. This is why we have long looked to the military as a key talent pool for new hires. With assistance from the U.S. Chamber of Commerce's Hiring Our Heroes and FASTPORT programs, Ryder mentors and educates numerous veteran military personnel and their spouses about employment in trucking and working at Ryder.

VETERAN HIRES AS A PERCENTAGE OF TOTAL HIRES	VETERAN DIESEL TECHNICIAN TRAINING PROGRAM GRADUATES	WOMEN VETERAN HIRES	TOTAL VETERAN HIRES
10.5%	91	324	7,752

Hiring our heroes provides opportunities to engage with the military at hiring events across the United States, enabling us the recruit the best and brightest of our nation's service members. Ryder became a corporate sponsor of Hiring Our Heroes' Fellowship Program in 2014, offering a 12-week unpaid internship that provides Fellows—senior non-commissioned and junior to mid-grade officers—with experience in the civilian workforce while they transition out of the military. The program provides the opportunity to sharpen their skills for future employment, and gives Ryder extended exposure to each candidate. Through these partnerships, we have hired 7,752 veterans since 2011 (as of December 31, 2018), increasing the percentage of veterans in our workforce to over 10 percent. We also renewed our commitment to participating on the Veterans Employment Advisory Council for 2019, an initiative that focuses on enhancing collaboration between public and private sectors to improve career opportunities for veterans.

Ryder provides a military hiring landing page that serves to help veterans match their skills with open positions at Ryder. We also pair current Ryder employees who are military veterans with new veteran employees via our Veteran Buddy Program, helping to ease the transition from military to civilian life. Our Women Veterans Task Force, established in 2016, focuses on attracting female veterans into the transportation industry and to Ryder.

The Ryder Diesel Technician Training Program offers new veterans training to become diesel technicians at military installations throughout the U.S. Participating service members begin their training four months before transitioning out of the military, enabling them to begin their career at Ryder before completing their term of service. Currently, we offer Diesel Technician training approximately every 16 weeks at two U.S. bases, and plan to expand the training to six additional bases in 2019. To date, 91 transitioning service members have taken jobs at Ryder through the Diesel Technician Training Program.

Ryder was awarded the Hiring our Heroes – Lee Anderson Veteran & Military Spouse Employment Award in November 2017 for overall excellence in hiring and retaining veterans and their spouses.

ADDITIONAL RESOURCES:

- Ryder Careers page
- Diversity Awards page
- Working Here page
- Military Recruitment page
- Facebook
- LinkedIn
- Twitter

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COLLABORATION & SAFETY

BUILDING STRONGER COMMUNITIES

LIVING A LEGACY OF GIVING BACK TO OUR COMMUNITIES

WE BELIEVE THAT WE HAVE A RESPONSIBILITY TO GIVE BACK TO THE COMMUNITIES WHERE WE WORK AND LIVE.

Ryder has a long legacy of giving dating back to our founder and first CEO, Jim Ryder. Through strategic giving partnerships with charitable organizations that we've developed over many decades, we are able to magnify our impact many times over. Our giving partnerships with more than 100 charitable organizations reflect the leadership and engagement of our employees in their communities. Ryder encourages employee volunteerism with both our funded charities and with organizations of their choice.

OUR APPROACH

Jim Ryder, who founded the company in 1933, was a leader in developing the giving infrastructure of the Miami community, including helping to bring Goodwill Industries to the city in the late 1950s. As the company grew, so did its commitment to communities across the nation and beyond. Since then, each CEO, along with our employees, has maintained Ryder's commitment to giving back.

RYDER FOUNDATION BOARD

- CHIEF EXECUTIVE OFFICER
- CHIEF MARKETING OFFICER
- CHIEF FINANCIAL OFFICER
- CHIEF LEGAL OFFICER

In 1984, the company established the Ryder Charitable Foundation to provide an effective way to support charitable organizations and guide our giving strategy. The Foundation's Executive Director supervises its operations. Ryder's Foundation Board—made up of Ryder's Chief Executive Officer, Chief Marketing Officer, Chief Financial Officer, and Chief Legal Officer—oversees the Foundation, including approving its annual budget. Each year, the Foundation board reports annual charitable giving to the Corporate Governance and Nominating Committee of Ryder's Board of Directors. A report is provided to the full Board as well.

CORE VALUES IN ACTION

The company's core values—safety, expertise, innovation, and community collaboration—guide our giving strategy. We believe that the same values that are driving our business success also create and sustain thriving communities.

- SAFETY
- EXPERTISE
- INNOVATION
- COLLABORATION

Through partnerships with organizations whose missions align with our core values, we are able to positively impact people and institutions across the country and the world. Within our giving categories, our priorities are:

- Emergency and disaster relief
- Public health and safety
- Education, including vocational technical training
- Support for military veterans and their families
- Social services for children and families in need
- Innovation and research related to our industry

- EMERGENCY AND DISASTER RELIEF
- PUBLIC HEALTH AND SAFETY
- EDUCATION
- SUPPORT FOR MILITARY VETERANS
- SOCIAL SERVICES
- INNOVATIVE PROGRAMS AND RESEARCH

For more information, visit our Charitable Foundation & Corporate Giving page.

SAFETY

Reflecting the company's concern about the devastating impact of disasters on communities across the country and abroad, disaster relief has long topped the list of Ryder's giving priorities. We provide extensive funding and contributions of expertise and transportation services—including deployed trucks and warehouse space—to disaster relief efforts. In addition to a significant financial contribution each year to keep communities safe during and after natural disasters, we also provide in-kind support. Ryder has been a strong partner of the American Red Cross since 1991, and has played a major role in relief efforts and in rebuilding the communities we live and work in after hurricanes and other major disasters.

As a Disaster Responder member of the American Red Cross Annual Disaster Giving Program, Ryder provides financial support, transportation services, vehicles, and volunteers to the organization each year. We support and take part in a coordinated national effort to prepare for disasters and move supplies to affected people and communities. Ryder regularly engages with the Red Cross after a disaster to identify how to best support recovery efforts. Through our robust network and logistics expertise, our teams are able to provide essential services, such as delivery of water and other goods to hard-stricken areas. The Ryder Charitable Foundation works with each business location to develop a customized response to the needs of the community. For example, after Hurricane Florence in September 2018, we deployed 29 trucks to North and South Carolina to support relief efforts.

With more than 9,500 drivers, Ryder, through a giving partnership with Truckers Against Trafficking, helps lead a national industry effort to locate victims of human trafficking and save lives. Recognizing that our drivers were uniquely positioned to spot human trafficking on the nation's roadways, Ryder partnered with the organization by funding important programs designed to protect victims and preparing Ryder drivers to save lives. Truckers Against Trafficking trains all of our drivers to spot and report human trafficking. In total, the organization has trained more than 622,000 drivers and identified more than 1,000 trafficking victims.

HIGHLIGHT STORY: MIAMI'S JACKSON MEMORIAL HOSPITAL

In 1991, the Ryder Charitable Foundation donated $2.5 million to Miami's Jackson Memorial Hospital for the construction of a Level I trauma center, the only Level I center in Miami-Dade County and one of only two in Florida. The following year, Ryder Trauma Center opened mere weeks before Hurricane Andrew devastated south Miami-Dade County. The Center's 20,000 pound Blackhawk helicopter was instrumental in the airlifting of victims from disaster sites. Ryder has continued to be the naming benefactor for what has become a world-renowned medical facility that has saved thousands of lives. In 2001, the U.S. Army selected Ryder Trauma Center as its only national Army Trauma Training Center to enhance the clinical skills and experience of its Forward Surgical Teams before deploying for combat. Ryder Trauma Center is also designated to treat the President of the United States and other dignitaries if the need arises.

COLLABORATION

Ryder supports the efforts of the YMCA of South Florida to foster youth development, healthy living, and social responsibility. Specifically, their initiatives to promote water safety are critical in Florida, which leads the nation in accidental drownings. With our corporate headquarters in Miami, Florida, our partnership supports the communities in which many of our employees and their families live.

Ryder also partners with United Way across our locations, supported by our employees' time and resources. This partnership enables our employees to work with and support organizations most meaningful to them that impact the health, education, and financial stability of underserved children and families in their communities.

EXPERTISE

Ryder supports various educational programs that provide opportunities to students in fields relevant to Ryder's operations. We sponsor five scholarships annually to women entering the supply chain logistics field via the United Negro College Fund, which supports minorities in attending and graduating from college.

We also support the ASE Education Foundation, which inspires and prepares young people to pursue careers in the automotive service industry. Their work certifies entry-level automotive technology education programs against automotive service industry standards, helping develop a talent pool for Ryder and the industry. Some of Ryder's employees lead these trainings and mentor students, and we have an Executive Sponsor who sits on the ASE Board.

INNOVATION

Ryder partners with the University of Miami's Capstone Project to provide opportunities for undergraduate students in engineering to solve real-world corporate problems. Students come to Ryder to develop solutions to technical problems, which they present to our Executive leadership. This opportunity gives them experience and exposure to real-world situations, enhancing their hands-on education.

As part of Ryder's commitment to diversity in our industry, we partner with Women in Trucking, an organization dedicated to developing and promoting innovations in the trucking industry in order to more effectively attract women drivers. Ryder is a founding Board member, and has worked closely with them to improve truck ergonomics that make truck driving safer and more accessible for women. To learn more about our involvement with Women in Trucking, see Human Capital, Diversity, & Inclusion.

RYDER EMPLOYEES ARE DRIVEN TO SERVE

Employee volunteer initiatives are a key part of our giving, and we believe that employees who give their time and resources to positively impact their communities deserve our support.

Some of the Ryder team efforts include:

- Volunteering as "Bigs" for Big Brothers Big Sisters and initiating Ryder's School to Work program for students who visit Ryder headquarters for activities each month during the school year
- Creating sensory books for children with disabilities as part of our United Way campaign
- Teaching students financial literacy each year through a partnership with Junior Achievement
- Installing life-saving smoke detectors as part of the American Red Cross Sound the Alarm campaign
- Building homes for Habitat for Humanity
- Collecting toys, funds, and holiday food for families and children with disabilities; Ryder employees also use a company truck to deliver to families who cannot pick up the items.
- Running breast cancer awareness events in conjunction with the Susan G. Komen Foundation, including facilitating the use of mobile mammogram units for a day at Ryder hubs in Miami and Atlanta, creating an employee-led team for the organization's More Than Pink Walk, and wrapping a truck in pink and donating the use of the truck for the walk.

MEASURING OUR IMPACT

We contributed more than $2.6 million annually in both 2017 and 2018, to our charitable partners through corporate contributions and the Ryder Charitable Foundation. However, our impact extends well beyond our charitable contributions. So much of our impact on our communities comes from personal contributions of individual donations and volunteer time made by our employees in their own communities.

$5.2M
DONATED TO CHARITABLE PARTNERS

ADDITIONAL RESOURCES:

- Charitable Foundation & Corporate Giving

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Innovation & Expertise

RESPONDING TO CUSTOMER NEEDS

IMPROVING LOGISTICS SOLUTIONS EVERY DAY

TIMES CHANGE, MARKETS EVOLVE, AND A CUSTOMER'S NEEDS TODAY ARE NOT THE SAME AS THEY WERE 20 YEARS AGO OR WHAT THEY WILL BE 10 YEARS FROM NOW.

Over the course of 85 years, Ryder has maintained its leadership status in our industry by constantly innovating new solutions for our customers' constantly-evolving needs. From opening the first network of service locations offering preventive maintenance to implementing the nation's first-ever "just in time" delivery system to pioneering next generation technologies such as alternative fuels and smart warehousing, Ryder is always developing new ways to improve our customers' efficiencies, save time and money, and lessen their environmental impact.

IN 2017, W.B. MASON LEASED ITS FIRST ELECTRIC, RANGE-EXTENDED VEHICLE FROM RYDER

EMISSIONS REDUCED BY

75%

CUSTOMER FOCUS

Why it matters

Our mission is to make it possible for our customers to deliver on their promises to their customers. By partnering with our customers, learning their business, and understanding the needs and expectations of their customers, we are better positioned to develop solutions that will make them more effective and efficient.

LEARN MORE

FLEET ENERGY & EMISSIONS

Why it matters

More and more, consumers are demanding responsible and sustainable practices from the businesses they patronize. At the same time, these very same companies are grappling with ever-changing regulations and rising fuel costs. Ryder is uniquely positioned to anticipate these changes and offer solutions that will reduce operating costs and complexity for our customers while also reducing their carbon emissions.

LEARN MORE

INNOVATION IN AN EVOLVING MARKETPLACE

Why it matters

Delivering high quality, innovative solutions for our customers underscores every action we take at Ryder. As macro trends continue to reshape the logistics industry, it is our responsibility to help our customers adapt to this rapidly evolving marketplace. Ryder has 85 years of experience in seeing the marketplace evolve. By staying on the forefront of emerging technologies, we can serve as our customers' beta testers, evaluating technological advancements for their effectiveness, efficiency, and ability to meet our customers' needs.

LEARN MORE

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RYDER CORPORATE HEADQUARTERS
11690 NW 105TH STREET, MIAMI, FLORIDA 33178

INNOVATION & EXPERTISE

CUSTOMER FOCUS

PROVIDING STELLAR SERVICE AND TOOLS FOR OUR CUSTOMERS

EVERY SOLUTION RYDER OFFERS WAS FIRST CONCEIVED TO ADDRESS A SPECIFIC CUSTOMER NEED, AND THEN FURTHER DEVELOPED TO BE ADAPTABLE AND APPLICABLE TO A WIDER AUDIENCE.

Serving our customer and enabling them to deliver on their promises to their customers is the prism through which every potential action is viewed. How can we make a customer's transportation or supply chain network more efficient, more effective, and safer? Our rich history uniquely positions us to anticipate market evolutions, evaluate emerging technologies, and innovate new, high-quality solutions that enable our customers to focus on what they do best and while entrusting their logistics and transportation to us.

OUR APPROACH

Presidents of our business segments—Fleet Management Solutions (FMS), Supply Chain Solutions (SCS), and Dedicated Transportation Solutions (DTS)—oversee customer satisfaction, engagement, and relationships within their respective segments. Each business segment maintains separate written standards and procedures for managing customer relationships down to the individual customer level, based on key performance indicators (KPIs) outlined in service contracts. Ryder's full-company customer satisfaction data and customer-specific KPIs are reviewed in detail quarterly at a business segment level. Presidents of each division provide an update to leadership on their respective segment that includes customer feedback and new initiatives. Customer Focus metrics are included in the annual goals set for our CEO by our independent directors.

To learn more about how Ryder helps customers in following and responding to market trends, see Innovation in an Evolving Marketplace.

HIGHLIGHT STORY: SOLVING LOGISTICS ISSUES FOR CUSTOMERS

Companies are increasingly outsourcing fleet, transportation, and supply chain functions to third-party logistics (3PL) partners to save time, money, and resources. A combination of driver shortages, escalating freight rates, capacity constraints, border crossing challenges, and an increasing focus on customer service are driving outsourcing. Ryder is uniquely positioned to provide end-to-end logistics solutions for our customers because we offer a diverse array of catered services and leverage emerging technologies. By seamlessly providing all the resources needed to deliver products on-time—from drivers, trucks, fleet maintenance, fueling stations, and more—we enable our customers to focus on their core business and leave the rest to us.

CUSTOMER ENGAGEMENT & SATISFACTION

Across all business segments, we survey our customers to calculate a Customer Satisfaction Index (CSI) as well as a Net Promoter Score (NPS) which measures customer likelihood to recommend Ryder's services to others. The components of these scores guide our Customer Focus decision-making processes each year. Ryder takes customer feedback seriously and works to improve our satisfaction metrics by increasing the frequency of engagement, asking for critical feedback, and responding with transparency so we can direct customers to the appropriate people to address an issue. Our sales and operations personnel meet with Ryder customers quarterly to conduct a business review, as well as annually to monitor performance. We analyze customer feedback in an effort to deliver continuous improvement. The results enable us to direct our efforts to areas where there is an opportunity to improve our level of service. We believe it is equally important to learn from our challenges and from our successes—efficiently and effectively addressing customer experiences to improve our service delivery and increase retention, and ultimately, profitability.

Our FMS segment operates a Ryder Assist Now call center for customers to discuss any challenges they may face when working with Ryder. The call center, which is open 24 hours a day, provides customers a one-stop shop for any question they may have, such as vehicle maintenance or invoicing support. FMS leads the industry in vehicle uptime, a measurement of our vehicle usability, which takes into account breakdowns, response time, and timeliness of repairs. Vehicle uptime runs above 95 percent, which includes vehicles regularly rotating out of service for routine maintenance.

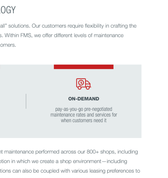
CALL CENTER
OPEN 24HRS
A DAY

In both our DTS and SCS segments, Ryder employees working directly for our customers receive real-time insights and data from active engagement. DTS carefully tracks our delivery times against customer expectations, with our current on-time delivery success rate at over 99 percent. In SCS, we track different sets of metrics based on each individual customer's needs. These may include labor efficiencies, inventory turn, on-time deliveries, timeliness, organization, or other LEAN practices.

Our CSI score has trended up year over year across business segments, which we attribute to increased attention to individual customer needs. We hope to continue expanding on these efforts over the coming years.

HIGHLIGHT STORY: A 'TAILORED' SOLUTION

Ryder takes pride in providing curated solutions to meet the needs of each of our customers. Ryder has partnered with Tailored Brands, the retail holding company for various men's apparel stores, including Men's Wearhouse and Joe. A. Bank, since the early nineties, working closely to ensure our solutions meet the needs of that business model. Their challenge has been in delivering high-quality items in a short turnaround period. With our FMS and DTS solutions, we are enabling Tailored Brands to deliver their products in 14-21 days. We specialized our fleet with a rail system for delivering the suits on hangers and developed a unique box shape and lift gate suitable to Tailor Brands' product. Additionally, we provide maintenance and fueling services for their fleet so the company can focus on product quality rather than distribution and logistics. Together, we are continuing to explore technologies and services that will enhance their business.



FLEXIBLE MAINTENANCE & ADVANCED VEHICLE TECHNOLOGY

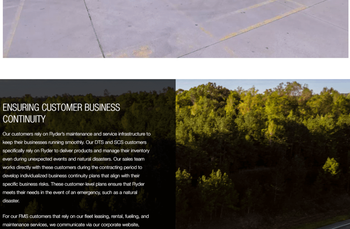
Ryder serves far too many businesses in too many industries to depend on "one size fits all" solutions. Our customers require flexibility in crafting the services we provide to fit their needs, particularly when it comes to maintenance solutions. Within FMS, we offer different levels of maintenance via ChoiceLease for our leasing customers and SelectCare for our maintenance only customers.

FULL SERVICE
complete maintenance coverage

PREVENTIVE
regularly scheduled preventive maintenance

ON-DEMAND
pay as-you-go pre-negotiated maintenance rates and services for when customers need it

These flexible service options enable our customers to choose where and when they want maintenance performed across our 800+ shops, including a mobile option for us to come to them to provide service. We also provide an On-Site option in which we create a shop environment—including personnel, parts, and holistic maintenance—at the customer's location. These service options can also be coupled with various leasing preferences to customers, including a lease that maximizes tax benefits for the customer. Additionally, Ryder is investing in electric vehicles and technologies that save customers money, reduce their environmental footprint, and improve safety. For more information on our efforts to provide advanced vehicles technologies to our customers, see Fleet Energy & Emissions and Innovation in an Evolving Marketplace.

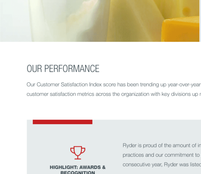


ENSURING CUSTOMER BUSINESS CONTINUITY

Our customers rely on Ryder's maintenance and service infrastructure to keep their businesses running smoothly. Our DTS and SCS customers specifically rely on Ryder to deliver products and manage their inventory even during unexpected events and natural disasters. Our sales team works directly with these customers during the contracting period to develop individualized business continuity plans that align with their specific business risks. These customer-level plans ensure that Ryder meets their needs in the event of an emergency, such as a natural disaster.

For our FMS customers that rely on our fleet leasing, rental, fueling, and maintenance services, we communicate via our corporate website, emails, and apps such as RyderCycle when service is disrupted during natural disasters or other emergencies. Our Corporate Communications and FMS Operations teams work together to update and communicate Ryder's hours of operations and what facilities are open to provide fuel and maintenance. Depending on the nature of the crisis, our sales team may reach out to specific customers, as needed, to determine what other actions may be necessary to ensure business continuity.

We also maintain a comprehensive fuel supply network through Ryder's Energy Distribution Company (REDCO), which responds quickly to both natural and man-made disruptions in fuel supply. For example, Ryder helps customers prepare for hurricanes and other approaching storms by implementing contingency plans in storm-prone areas that include the provision of fuel management. Critical customer freight is moved early, and inventory loads repositioned in advance to avoid potential storm impacts.



CAYUGA MARKETING

Cayuga Marketing leverages our 24/7 Dedicated Transportation Solutions to deliver more than 657 million pounds of raw milk annually, reducing their hauling costs by 20 percent and greatly reducing their driver turnover.

OUR PERFORMANCE

Our Customer Satisfaction Index score has been trending up year-over-year across business segments. We have experienced strong increases in customer satisfaction metrics across the organization with key divisions up more than +20% over the last 3 years.

HIGHLIGHT: AWARDS & RECOGNITION

Ryder is proud of the amount of independent, external recognition we've received for our business practices and our commitment to our customers, employees, and stakeholders. For the sixth consecutive year, Ryder was listed on Fortune World's Most Admired Companies.

Read more about our Customer Awards and Industry & Media Awards on our website.

ADDITIONAL RESOURCES

- Customer Tools page
- Ryder Fleet Products

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INNOVATION & EXPERTISE

FLEET ENERGY & EMISSIONS

DRIVING FLEET EFFICIENCY
WITH ADVANCED VEHICLE TECHNOLOGIES

ADVANCED VEHICLE TECHNOLOGY AND THE ADOPTION OF NEXT GENERATION VEHICLES IS A STRATEGIC FOCUS FOR RYDER.

As vehicle and fuel efficiency regulations evolve and fuel costs increase, and as customers demand more sustainable vehicles, the viability and demand for next generation vehicles, including hybrid and electric vehicles (EVs), will continue to increase. Our ability to anticipate and respond to these changes can lead to lower operating costs for us and our customers, as well as reduced carbon emissions. Electric vehicles present a significant opportunity to increase vehicle fuel efficiency and decrease maintenance costs, while having a positive impact on the environment.

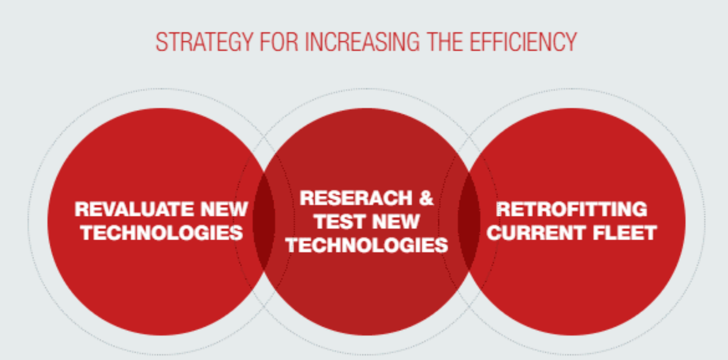
For more information on our strategic and innovative activities, products, and services, see Innovation in an Evolving Marketplace.

OUR APPROACH

As consumers are seeking out greener and more eco-friendly products, our customers are focused on quantifying and reducing the direct and indirect impacts associated with their carbon emissions. Ryder is uniquely positioned as a logistics and fleet management expert with 85 years of experience to help our customers maximize the efficiency of their transportation networks and access new and more efficient vehicle technologies. As the only fully integrated, end-to-end transportation and logistics provider, we add value for our customers by optimizing every step of their products' journey. Whether it's the type of fleet our customer utilizes, with solutions that include advanced vehicle technologies and fuel alternatives, or how that fleet is utilized, with solutions to maximize capacity utilization and reduce miles driven, Ryder has the tools, experience, and expertise improve efficiency for our customers and reduce their carbon footprint.

Our scale and partnerships enable early adoption of next generation vehicles while mitigating potential challenges associated with these new technologies, such as fueling infrastructure and maintenance availability, by providing fueling and maintenance options in places where such services are needed. Providing these solutions not only supports our customers' evolving needs, it also contributes to a sustainable economy and healthy environment.

STRATEGY FOR INCREASING THE EFFICIENCY



FLEET OPTIMIZATION

Each year, the cost of moving freight increases due to unpredictable fuel prices, driver shortages, increasing regulations, and a variety of other factors. As these issues compound, a company's ability to reliably move their products becomes more difficult and costly. At Ryder, we understand the complexities of logistics and we are constantly adapting to this changing marketplace. Our solutions are built on a LEAN culture—if it doesn't add value, it is eliminated. In our warehouses and on the road, these LEAN principles drive our operations, resulting in monetary and environmental savings.

We work with our customers to understand their transportation networks and needs. From shipment volume volatility and distance traveled to number of pick-ups and backhaul opportunities, we help our customers identify the solutions that work best for them. By optimizing routes and maximizing freight loads, we strive to deliver the most product with the fewest miles traveled. Through advanced network and load modeling Ryder can achieve up to 23% reduction of customer scope 1 emissions (Ryder scope 3) by utilizing our optimized customer network.

HIGHLIGHT STORY: RYDER GREEN CALCULATOR

Ryder created the Ryder Green Calculator to help our customers measure, analyze, and report the greenhouse gas (GHG) emissions associated with their transportation footprint. The tool provides a simple, plug-and-play method for customers to input their freight loads and weights and obtain respective carbon emissions. By reporting on a monthly basis, customers can analyze their emissions over time and identify how different modes of travel—such as by highway, rail, ocean, or air—impact their footprint.

ADVANCED VEHICLE TECHNOLOGY

Increasing the efficiency of our fleet includes regularly evaluating new technologies as well as retrofitting our current fleet so that we may continue offering our customers new and improved options. We have a dedicated team of internal resources to research and test these technologies. Our Senior Director, Advanced Vehicle Technologies and Energy Products oversees the implementation of new technologies and their supporting infrastructure, reporting to our Executive Vice President and Chief Marketing Officer (CMO). The Board receives an update on disruptive trends—including next generation vehicles—as part of the annual strategic review meeting. During this meeting, the Board discusses key accomplishments in this area, including new strategic EV partnerships, training on EV maintenance, charging infrastructure, and new sales. In addition, advanced technology metrics and goals are included in the annual goals set for our CEO.

To advance alternative fuels and new vehicle technologies, Ryder educates our employees and customers through email, webinars, and social media communications, in addition to in-person meetings and operations/site evaluations. We work with many customers to quantify transportation-related carbon emissions and to develop carbon reduction strategies that work for their businesses. Additionally, Ryder works with innovative Original Equipment Manufacturers (OEMs) to bring efficient and emerging vehicle technologies to market.

Ryder regularly evaluates new technologies and retrofitting opportunities based on changing customer preferences and market demands. By researching and testing technology before bringing it to our customers, we ensure that it's right for our industry. We also identify vehicle fleet efficiencies through our participation in the U.S. Environmental Protection Agency's (EPA) SmartWay program, and prioritize carrier partners who also participate in the program. By validating new technology ourselves, we use our expertise to ensure that products are evaluated through the lens of a fleet operator and not a truck manufacturer. To learn more about how we engage with our customers, see Customer Focus.

Over the past two years, Ryder has partnered with various innovative OEMs, including Chanje, Workhorse, and Nikola, to offer their advanced vehicle technologies and grow our service portfolio. We provide service, exclusive warranty, and sales channels for these companies to our customer base. By partnering with these new vehicle OEMs, Ryder enables them to scale across North America almost instantly by leveraging Ryder's network of 800 service facilities, 6,000 technicians, and significant customer relationships.

chanje | WORKHORSE | NIKOLA MOTOR COMPANY

CHANJE

Through our partnership with Chanje, Ryder offers the only nationwide lease and rental fleet of electric vehicles. The new V8070 panel van is the first medium-duty electric truck option in the industry to reduce exhaust and noise pollution while minimizing fuel costs for local and last-mile shipping. As of year-end 2018, we provide these offerings across the United States, especially in California, where significant vehicle and charging infrastructure and incentives currently exist. Additionally, we have a select group of technicians who are certified to service this innovative platform, and we maintain all current diagnostic and repair tools to ensure our customers have access to the services necessary to maintain their fleets.

HIGHLIGHT STORY: FEDEX & CHANJE

In November 2018, Ryder announced the largest commercial electric vehicle purchase in the United States. On behalf of FedEx Corp., Ryder ordered 1,000 medium-duty electric panel vans from Chanje Energy Inc. The purpose-built electric vehicles will support FedEx U.S. commercial and residential pick-up and delivery services throughout California. Through a combination of Ryder ChoiceLease and SelectCare truck leasing and preventive maintenance agreement, FedEx will have access to Ryder's network of 800 facilities and world-class technicians across North America, providing critical access to fleet maintenance on a large scale, and supporting FedEx's emission reduction efforts. This agreement enables broader adoption of commercial EV technology throughout North America.

FEDEX WILL HAVE ACCESS TO RYDER'S NETWORK OF 800 FACILITIES AND WORLD-CLASS TECHNICIANS ACROSS NORTH AMERICA

WORKHORSE

Through our partnership with Workhorse, Ryder provides all electric and range-extended electric vehicles—the E-100 battery-electric, E-GEN® range-extended electric vehicle, the N-Gen® all electric panel van, and W-15 electric pick-up truck. These vehicles can include gasoline generators that activate and replace the battery pack when additional power is needed, such as during bad weather or during busy times of the year. These generators safeguard the vehicle and provide extra range when needed.

HIGHLIGHT STORY: W.B. MASON & WORKHORSE

W.B. Mason, an office products dealer, began serving Brockton, Massachusetts in 1898. Over the last century, the company has grown to become the largest, privately owned office products dealer in the U.S.—with much of that growth coming since partnering with Ryder in 1981. Ryder has since helped W.B. Mason grow from just two trucks to a fleet of 700 trucks traveling more than 13 million miles annually, serving the Eastern and Midwest United States, as well as California. With W.B. Mason's growth, Ryder has been challenged with expanding their fleet while maintaining industry-high customer satisfaction and ensuring efficient delivery. Through full service leasing, we support the acquisition, management, maintenance, and disposal of W.B. Mason's fleet. As W.B. Mason continued to grow, the company sought an innovative solution to support its national delivery operations while reducing its environmental impact. Through our relationship with electric vehicle OEMs, Ryder was able to begin leasing a fleet of Workhorse E-GEN® electric, range-extended step vans to W.B. Mason in 2018. Partnering directly with W.B. Mason, Workhorse, and Morgan Olson, the company that builds W.B. Mason's vans, Ryder configured a customized truck specification that met the unique delivery requirements of a W.B. Mason vehicle. The E-GEN® step van reduces W.B. Mason's vehicle emissions by 75 percent and is six times more efficient than a conventional step van.

THE E-GEN® STEP VAN REDUCES W.B. MASON'S VEHICLE EMISSIONS BY 75 PERCENT

NIKOLA

As part of our commitment to stay ahead of the curve on advanced vehicle technology, Ryder takes seriously the opportunity to vet new vehicles and early stage development products that could directly benefit our customers. Ryder's partnership with Nikola Motor Company is another example of this. As Nikola's exclusive nationwide distribution and maintenance provider, we can ensure that our customers who may one day use this new truck technology will have the service and maintenance they need at our 800 shop, mobile, and on-site maintenance locations across North America.

CHARGING STATIONS & EV INFRASTRUCTURE

Ryder is working with utility companies to ensure electrical fleets have access to the electric charging stations needed to support their distribution footprints. Beginning in California, we are seeking to partner with customers and utilities on siting of transmission lines and placement of charging stations. Additionally, we are taking a consultative approach with customers to identify and access grants available for the purchase of electric vehicles and related infrastructure.

NATURAL GAS FLEET

Ryder maintains the second largest natural gas (NG) fleet in the U.S., with purchases of more than 1,000 vehicles. These vehicles are best utilized for long-haul—highway—driving, and are 15-19 percent more fuel efficient for our rental and commercial full service lease customers to operate than diesel-powered units. Ryder has obtained federal and state grants for NG equipment since 2010, and uses that funding to help offset incremental costs associated with NG vehicle technologies for our customers. To support these vehicles, Ryder has partnered with its fuel suppliers to provide new natural gas refueling stations and works closely with its customers to identify and utilize existing natural gas refueling infrastructure.

Today, Ryder's natural gas fleet has replaced more than 22.55 million gallons of diesel fuel with domestically produced, low-carbon natural gas. Based on estimates using Argonne Labs data points, which is consistent with California's Carl Moyer program guidelines, the use of these natural gas vehicles has also reduced emissions by more than 50,688 MT CO_2e. Ryder has assisted more than 70 customers convert to NG vehicles and developed a "Go to Market" outreach strategy that targets key national accounts and customers.

PURCHASED	REPLACED	ASSISTED
1,000+	22.6M	70+
NATURAL GAS VEHICLES IN THE U.S.	GALLONS OF DIESEL FUEL WITH NATURAL GAS	CUSTOMERS CONVERT TO NATURAL GAS VEHICLES

OUR PERFORMANCE & FUTURE

Ryder's unique expertise in advanced vehicle technology, alternative fuel options, and the maintenance know-how to keep these next-gen fleets running, allows us to provide our customers with the tools they need to operate effectively in a changing world. Equipping customers with diverse vehicle choices helps support a variety of needs, such as lowering their carbon footprint, reducing vehicle maintenance costs, or presenting a sustainability message to their customers and stakeholders. Additionally, equipping our customers with diverse fuel solutions helps mitigate business continuity risks associated with utilizing a single fuel, such as rising costs or service disruptions.

Ryder's investments in advanced vehicle technologies benefits us, our customers, and the communities we serve, including through improving fuel economy, enhancing safety, and reducing environmental impacts and long-term operating costs. That is why Ryder continues to invest in developing a diverse fleet utilizing a wide range of advanced technologies and fuel alternatives.

At the end of 2018, Ryder had 892 Alternative Fuel Vehicles active in our fleet, including our first 29 electric vehicles.

892	29	1,000	200M
ACTIVE ALTERNATIVE FUEL VEHICLES	ELECTRIC VEHICLES IN OUR FLEET	ELECTRIC VEHICLE ORDERS EXPECTED IN 2019	MILES DRIVEN WITH NATURAL GAS VEHICLES

RYDER CORPORATE HEADQUARTERS
11690 NW 105TH STREET, MIAMI, FLORIDA 33178

INNOVATION & EXPERTISE

INNOVATION IN AN EVOLVING MARKETPLACE

INVESTING IN NEW CAPABILITIES

OVER THE COURSE OF 85 YEARS WE'VE SEEN OUR INDUSTRY EVOLVE A GREAT DEAL.

We have the benefit of experience to foresee what changes on the horizon will have the greatest and longest-lasting impact on our customers. We can also evaluate which technologies are not yet sufficiently developed to warrant adoption by our customers. This is a key and compelling value we bring to our customers. As disruptive trends continue to reshape the logistics industry, it is our responsibility to help our customers adapt to this rapidly evolving marketplace. And through our guidance, our customers are able to save time, money, and resources.

OUR APPROACH

Ryder leverages cross functional leadership to monitor and respond to trends impacting our business, industry, and by extension, our customers. As part of our annual strategic planning process, our Board reviews emerging and disruptive trends in our industry. Over the past two years, Ryder has integrated the following four disruptive trends into our strategic planning:

E-COMMERCE
Addresses increasing trends in online commerce and digitalization to fit our customers' needs.

NEXT GENERATION VEHICLES
Developing partnerships and opportunities in advanced vehicle technologies that provide our customers' efficiency while decreasing their environmental footprint.

ASSET SHARING
Increasing opportunities and platforms for freight and truck sharing.

DATA ANALYTICS
Utilizing data and connectivity strategically to improve our systems and processes and increase efficiency.

Ryder's goal is to create and strengthen customer relationships by leveraging and developing technology that addresses these disruptions.

E-COMMERCE

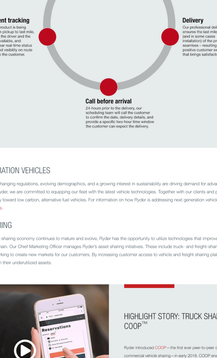
With increased online purchasing and expedited delivery expectations facing our customers, Ryder is focused on providing the right solutions to improve our customers' efficiency. This is a commonly-marked continuous by goes, with retail web sales increasing 15 percent in 2017 (or more than $450 billion in 2016, growth year-to-date is higher than the previous three years. By 2040, it is estimated that e-commerce sales will account for approximately half of all retail sales. Consistent double-digit market growth in e-commerce is driving longtime retailers to increase their online presence and attracting a number of start-ups to market. The growth in e-commerce most directly impacts our work with our Supply Chain Solutions (SCS) customers, who rely on Ryder to manage their distribution network with omni-channel fulfillment strategies. Our expansive footprint, logistical expertise, and fleet optimization value added services provide holistic solutions to this growing market. Our Leadership Team concerns Ryder's initiatives to address growing e-commerce trends and their impact on Ryder's service offerings. In addition, we partner with third parties to increase sales and maximize the value provided to our customers.

HIGHLIGHT STORY: RYDER LAST MILE

With the acquisition of a big and busy last mile provider, MXD Group in April 2018, we developed Ryder Last Mile, which enables Ryder to seamlessly ensure timely deliveries and last mile solutions for retailers and shippers of big and bulky products. Our last mile solutions include contacting the customer, tracking the shipment, calling before delivery, last mile delivery, and a follow-up survey for customers to share their experience with us. With our network of service hubs and technological capabilities, we can ship to more than 95 percent of the U.S. and Canada within two days, offering a 2-hour delivery window to the end customer. Our RyderDrive technology provides shippers and consumers 100 percent, real-time, end-to-end shipment scheduling, visibility, and tracking.

Ryder Last Mile provides diverse bars of service to our customers, from convenient delivery windows to unboxing, installation, and inspection. Our Deluxe service offerings include "furniture medics," saving consumers up to three the cost of a damaged or returned item. Ryder Last Mile enables bespoke delivery of big and bulky items—providing customers and end-consumers with greater options, better quality, and the transparency and logistical expertise to ensure delivery of online purchases.

RYDER LAST MILE EXECUTION

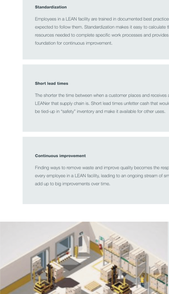


NEXT GENERATION VEHICLES

Rising fuel costs, changing regulations, evolving demographics, and a growing interest in sustainability are driving demand for advanced vehicle technologies. As Ryder, we are committed to equipping our fleet with the latest vehicle technologies. Together with our clients and partners, we are leading the industry toward low carbon, alternative fuel vehicles. For information on how Ryder is addressing next generation vehicles, see Fleet Energy & Emissions.

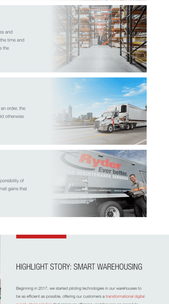
ASSET SHARING

As the world of the sharing economy continues to mature and evolve, Ryder has the opportunity to utilize technologies that improve efficiencies across our value chain. Our Chief Marketing Officer manages Ryder's asset sharing initiatives. These include truck- and freight sharing opportunities, where Ryder is working to create new markets for our customers. By increasing customer access to vehicle and freight sharing platforms, customers can realize value on their underutilized assets.



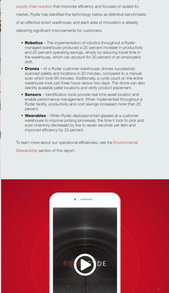
HIGHLIGHT STORY: TRUCK SHARING WITH COOP™

Ryder introduced COOP—the first ever peer-to-peer digital platform for commercial vehicle sharing—in early 2016. COOP enables customers to monetize on their underutilized truck capacity within their fleet by renting vehicles to business peers. Since COOP officially launched in March 2016, we have 450 accounts and over 5,000 rental days completed on the platform.



HIGHLIGHT STORY: RYDERSHARE™

RyderShare is an end-to-end, digital platform that allows everyone across a company's supply chain to benefit from real-time visibility and collaboration into orders, inventory and shipments. This cloud-based platform enables customers to reliably rate and act on the delivery of their products which includes the ability to share transportation assets and broker freight as needed. With actionable visibility, tracking, alerts, and analytics, our customers can save time, money and resources.



DATA ANALYTICS

Technological advances have improved the ability to collect, analyze, and interpret data. At Ryder, we are adopting these technologies to enhance our services, create new solutions, and increase our organizational efficiencies. By equipping our drivers, technicians, and fleet with innovative tools, we are increasingly using data analytics to better understand our business and our customers' businesses so we can serve them better. Vehicle telematics systems provide a foundation for better understanding our fleet—from reviewing speed and idling time to compliance with the electronic logging device (ELD) mandate. DriverCam technology, advanced safety features, and Ryder Safety.NET—our Incident Management System—strengthen our proactive safety management, enabling the identification of collision and injury root causes and implementation of tailored trainings and coaching. Moving forward, we will continue to leverage data and connectivity in our transportation and logistics solutions, such as route and load optimization, vehicle maintenance planning, and reducing our customers' environmental impacts.

LEAN OPERATIONS

LEAN methodologies that deliver efficiency and productivity are core to Ryder's supply-chain outsourcing offerings. These practices improve quality and productivity by taking cost and waste out of all aspects of supply chain management and operation, from procurement of raw materials to shipment of finished goods. By strategically avoiding the types of wastes—both physical and in-process—we meet our customers' expectations faster and more efficiently. The five key principles of a LEAN organization are:

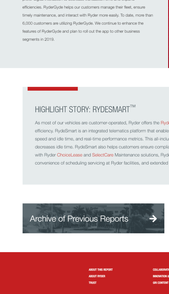
People involvement
From the C-suite to the loading dock, all employees work together as a team to eliminate wastes, reduce cost, and provide greater value for customers.

Built-in quality
Supply chain processes must be performed correctly to facilitate the smooth flow of goods from point to point so orders can be filled correctly, completely, and on time. This leads to higher levels of customer satisfaction and lower transportation costs.

Standardization
Employees in a LEAN facility are trained in documented best practices and expected to follow them. Standardization makes it easy to calculate the time and resources needed to complete specific work processes and provides the foundation for continuous improvement.

Short lead times
The shorter the time between when a customer places and receives an order, the LEANer that supply chain is. Short lead times unlether cash that would otherwise be tied up in "safety" inventory and make it available for other uses.

Continuous improvement
Finding ways to remove waste and improve quality becomes the responsibility of every employee in a LEAN facility, leading to an ongoing stream of small gains that add up to big improvements over time.



HIGHLIGHT STORY: SMART WAREHOUSING

Beginning in 2017, we started piloting technologies in our warehouses to be as efficient as possible, offering our customers a transformational digital supply chain solution that improves efficiency and focuses on speed-to-market. Ryder has identified the technology below as definitive benchmarks of an effective smart warehouse, and each area of innovation is already delivering significant improvements for customers:

- **Robotics** – The implementation of robotics throughout a Ryder warehouse increased productivity by 20 percent, reduced productivity and 20 percent operating savings, simply by reducing travel time in the warehouse, which can account for 30 percent of an employee's day.
- **Drones** – At a Ryder customer warehouse, drones successfully scanned pallets and locations in 20 minutes, compared to a manual scan which took 60 minutes. Additionally, a cycle count for the entire warehouse took just three hours versus two days. The drone can also identify and scan pallets that are out of place or damaged.
- **Sensors** – Identification tools provide real-time asset location and enable performance management. When implemented throughout a Ryder facility, productivity and cost savings increased more than 25 percent.
- **Wearables** – When Ryder deployed smart glasses at a customer warehouse to improve picking processes, the time it took to pick and scan inventory decreased by five to seven seconds per item and improved efficiency by 20 percent.

To learn more about our operational efficiencies, see the Environmental Stewardship section of this report.

HIGHLIGHT STORY: RYDERSYDE™

In June 2018, Ryder launched the first fleet management mobile application in the industry, RyderSyde, for our Fleet Management Solutions (FMS) customers. Using the app, customers can schedule maintenance in under a minute, clone the app (from Ryder and third parties), access rental and used vehicle sales, enable fuel tax reporting, and track mileage. We developed the app in response to increased feedback that customers prefer digital interaction to decrease transaction time and expand efficiencies. RyderSyde helps our customers manage their fleet, ensure timely maintenance, and interact with Ryder more easily. To date, more than 5,000 customers are utilizing RyderSyde. We continue to enhance the features of RyderSyde and plan to roll out the app to other business segments in 2019.

HIGHLIGHT STORY: RYDESMART™

As most of our vehicles are customer-operated, Ryder offers the RyderSmart fleet tracking system to help our customers track their fleet efficiency. RyderSmart is an integrated telematics platform that enables customers to monitor key vehicle attributes, such as location, speed and idle time, and real-time performance metrics. This all inclusive solution increases productivity, reduces fuel expenses, and decreases idle time. RyderSmart also helps customers ensure compliance with federal regulations, including the ELD mandate. In tandem with Ryder ChoiceLease and SelectCare Maintenance solutions, RyderSmart enables expanded analytics and reporting capabilities, convenience of scheduling servicing at Ryder facilities, and extended equipment and service warranties.