



## 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 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.



<b>REVENUE</b> <b>\$8.4M</b>	<b>COMPARABLE EPS</b> <b>\$5.79</b>	<b>GLOBAL EMPLOYEES</b> <b>39,600</b>
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### 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
<b>Total</b>	<b>28,522</b>	<b>6,595</b>	<b>33,119</b>	<b>1,998</b>	<b>35,117</b>
Full-time	27,799	6,514	32,346	1,967	34,313
Part-time	723	81	773	31	804
<b>Total</b>	<b>28,522</b>	<b>6,595</b>	<b>33,119</b>	<b>1,998</b>	<b>35,117</b>

### 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:

<b>AMERICAN TRUCKING ASSOCIATIONS (ATA)</b>	<b>AMERICAN TRANSPORTATION RESEARCH INSTITUTE (ATRI)</b>	<b>INTERNATIONAL WAREHOUSE &amp; LOGISTICS ASSOCIATION (IWLA)</b>	<b>TRUCK RENTING &amp; LEASING ASSOCIATION (TRALA)</b>  Ryder's Chief Executive Officer and Ryder's President, Global Fleet Management Solutions serve on the Board of Directors	<b>U.S. CHAMBER OF COMMERCE</b>  Ryder's EVP, Chief Legal Officer and Corporate Secretary serves on the Board of Directors
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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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# 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](#)

