



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.

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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](#).



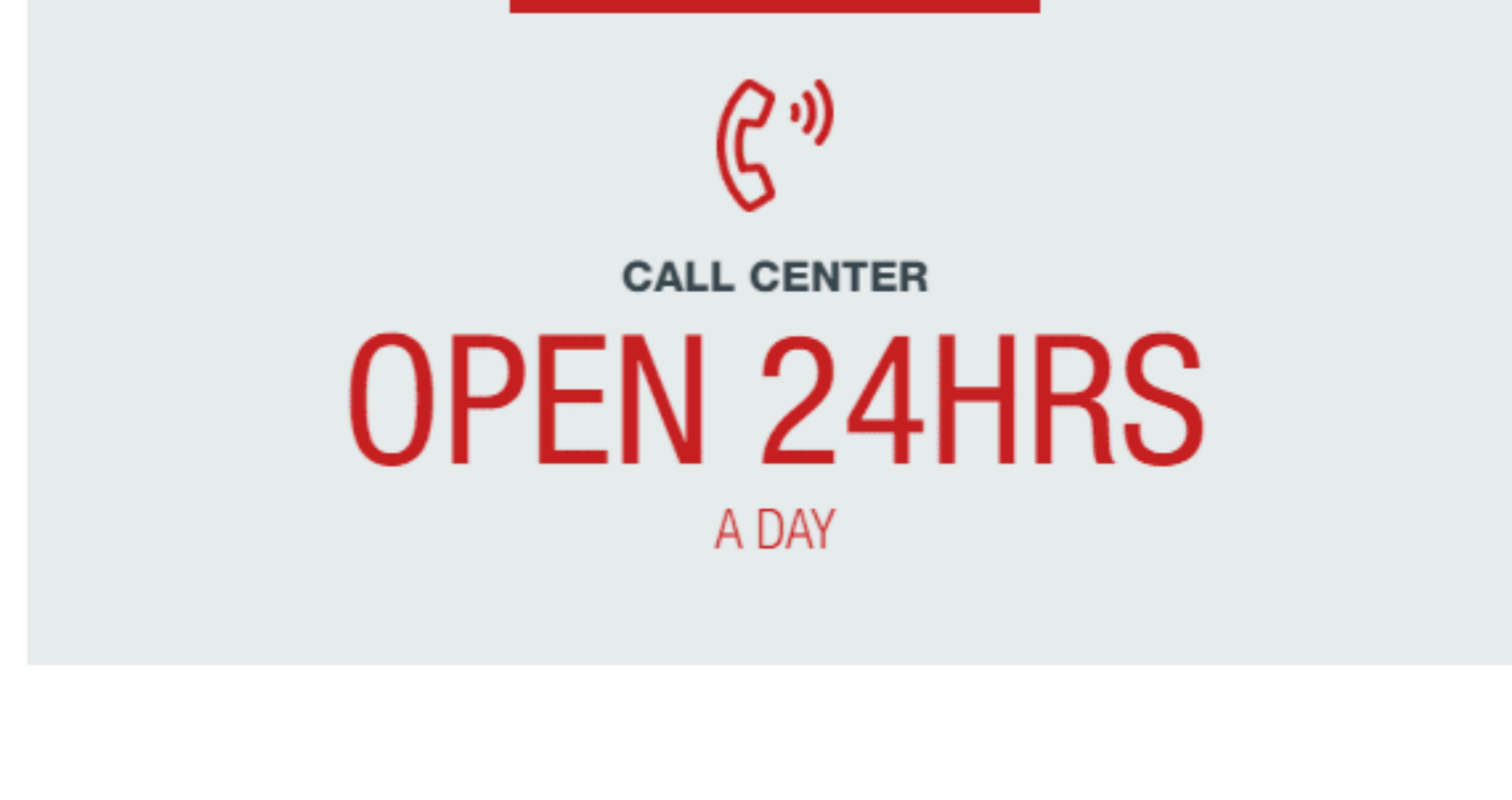
HIGHLIGHT STORY: SOLVING LOGISTICS ISSUES FOR CUSTOMERS

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

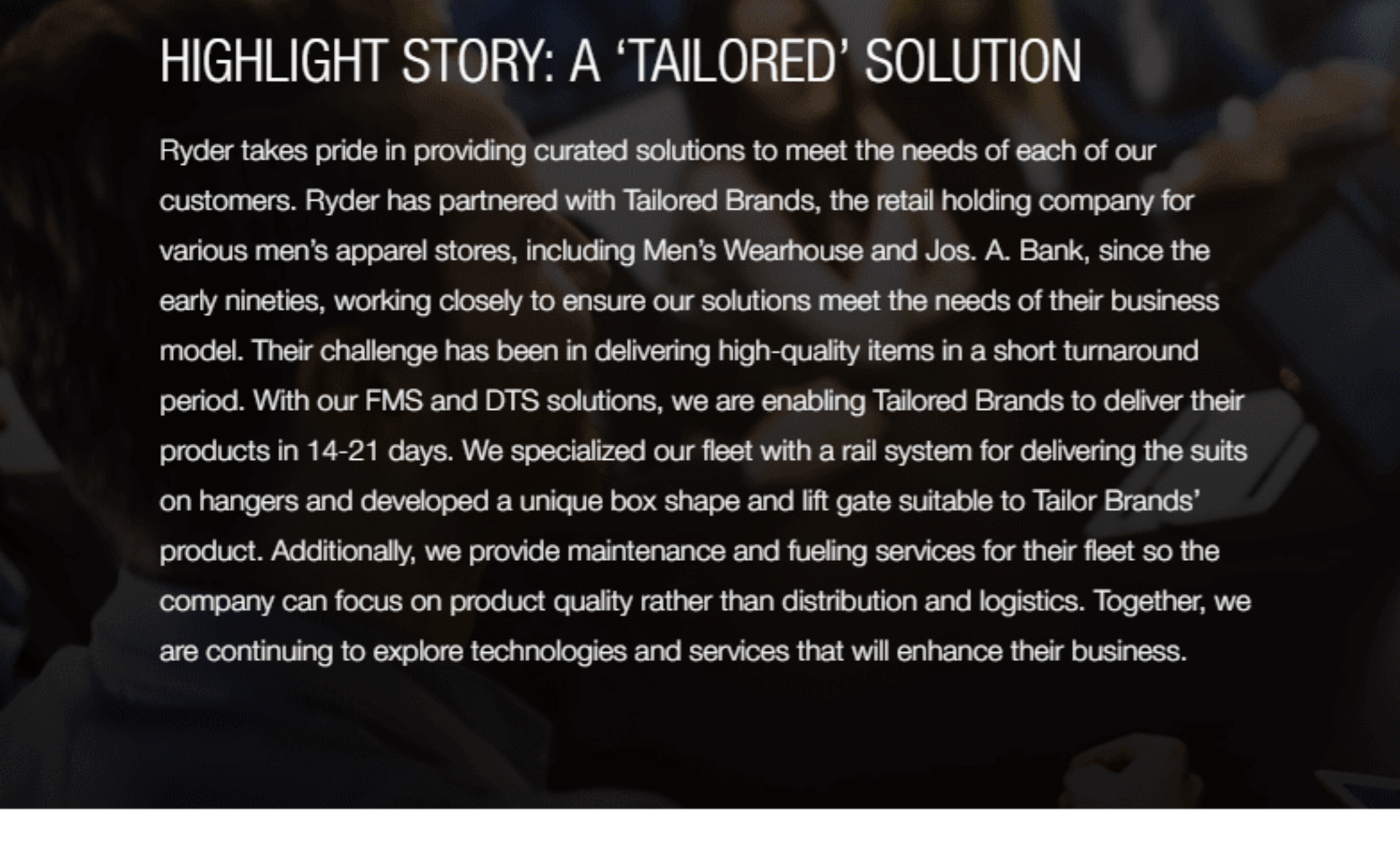
Across all business segments, we survey our customers to calculate a Customer Satisfaction Index (CSI) as well as a Net Promoter Score (NPS) which measures customer likelihood to recommend Ryder's services to others. The components of these scores guide our Customer Focus decision-making processes each 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 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.



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.

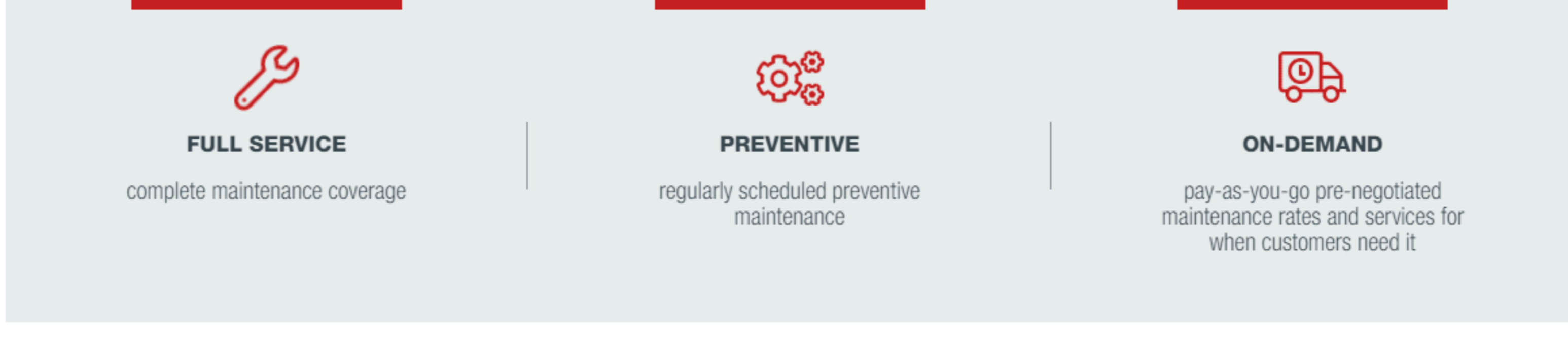


HIGHLIGHT STORY: A 'TAILORED' SOLUTION

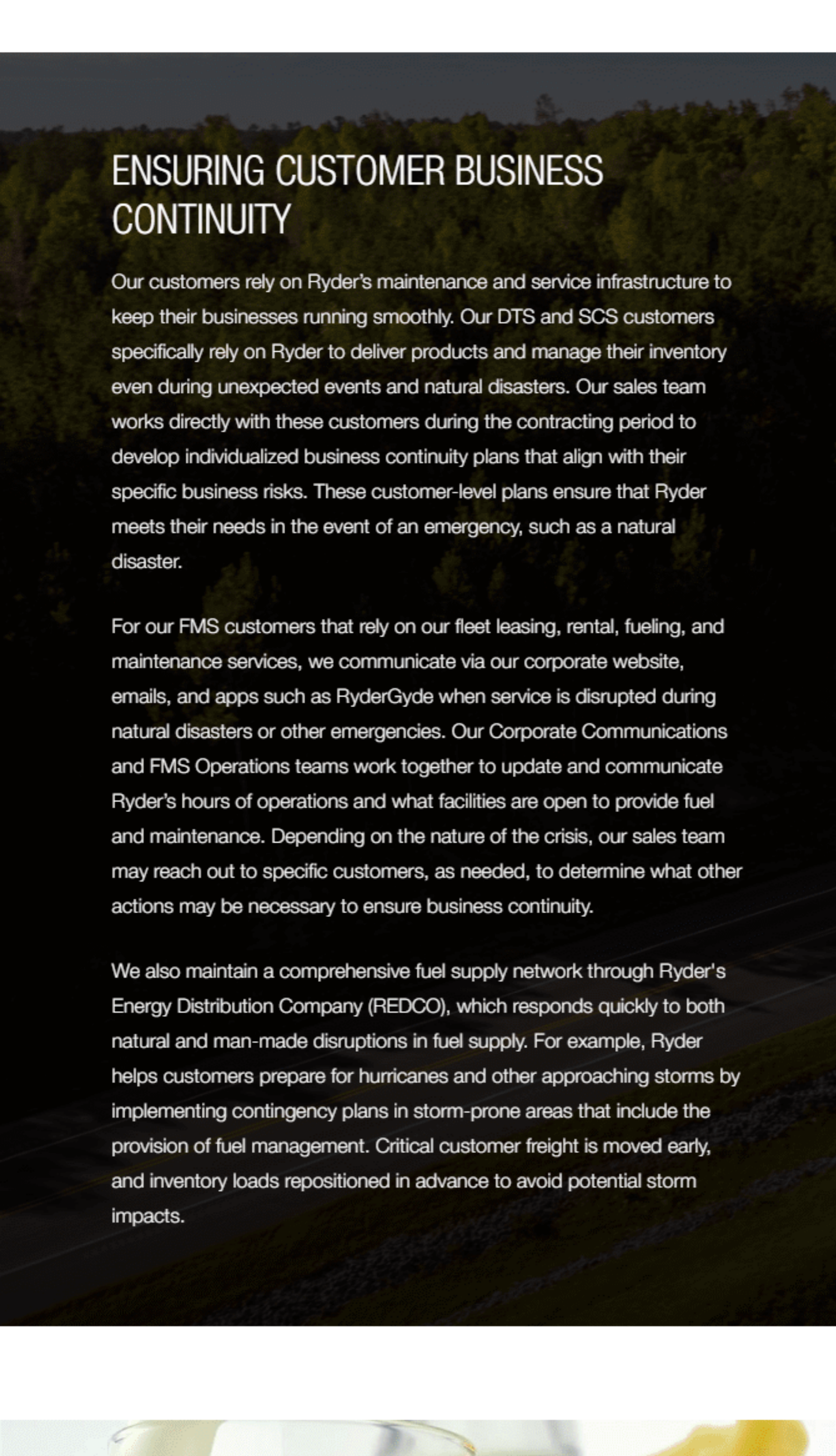
Ryder takes pride in providing curated solutions to meet the needs of each of our customers. Ryder has partnered with Tailored Brands, the retail holding company for various men's apparel stores, including Men's Wearhouse and Jos. A. Bank, since the early nineties, working closely to ensure our solutions meet the needs of their 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.



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

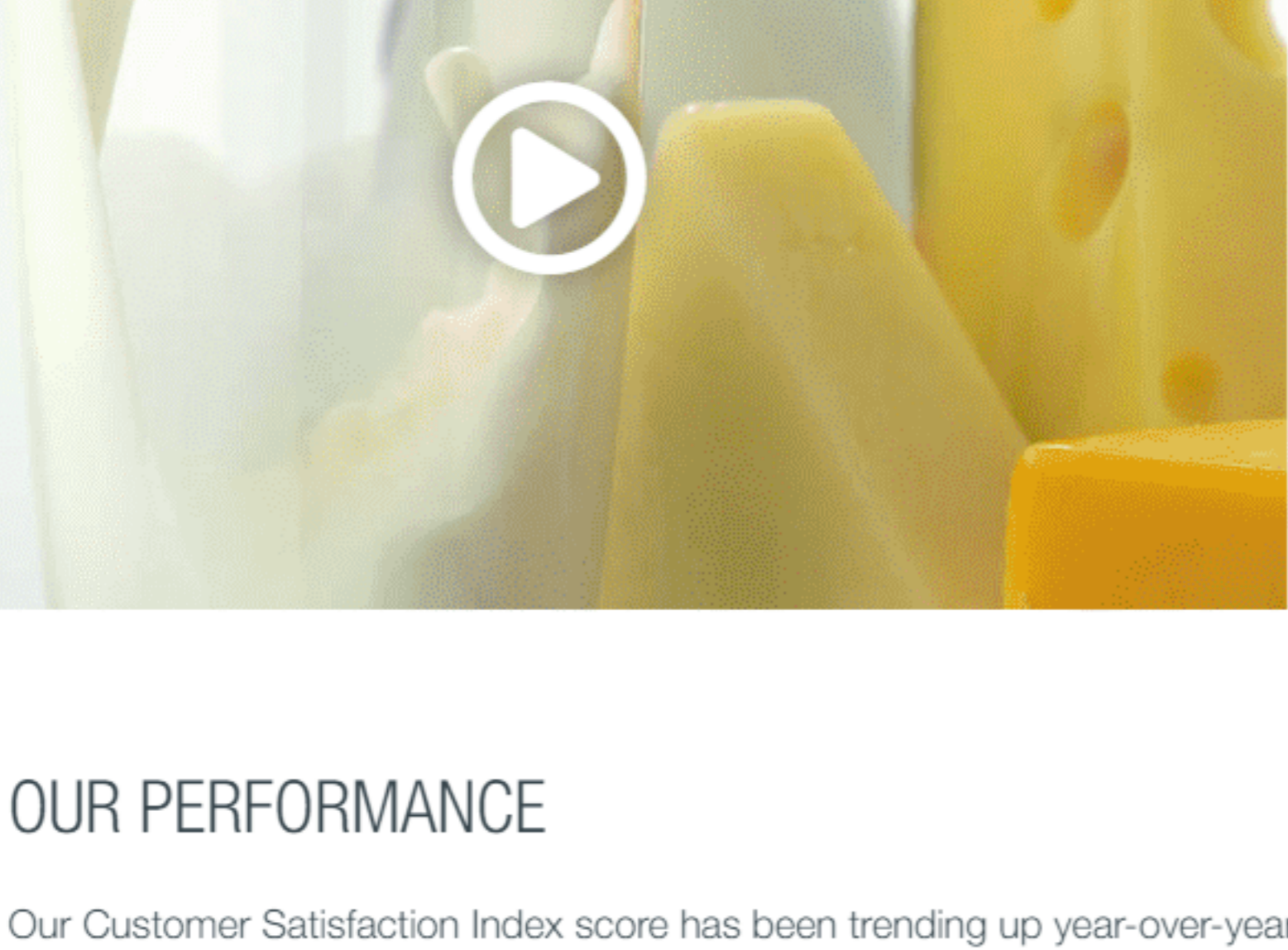
Our customers rely on Ryder's maintenance and service infrastructure to keep their businesses running smoothly. Our DTS and SCS customers specifically rely on Ryder to deliver products and manage their inventory even during unexpected events and natural disasters. Our sales team works directly with these 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 RyderGyde 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.

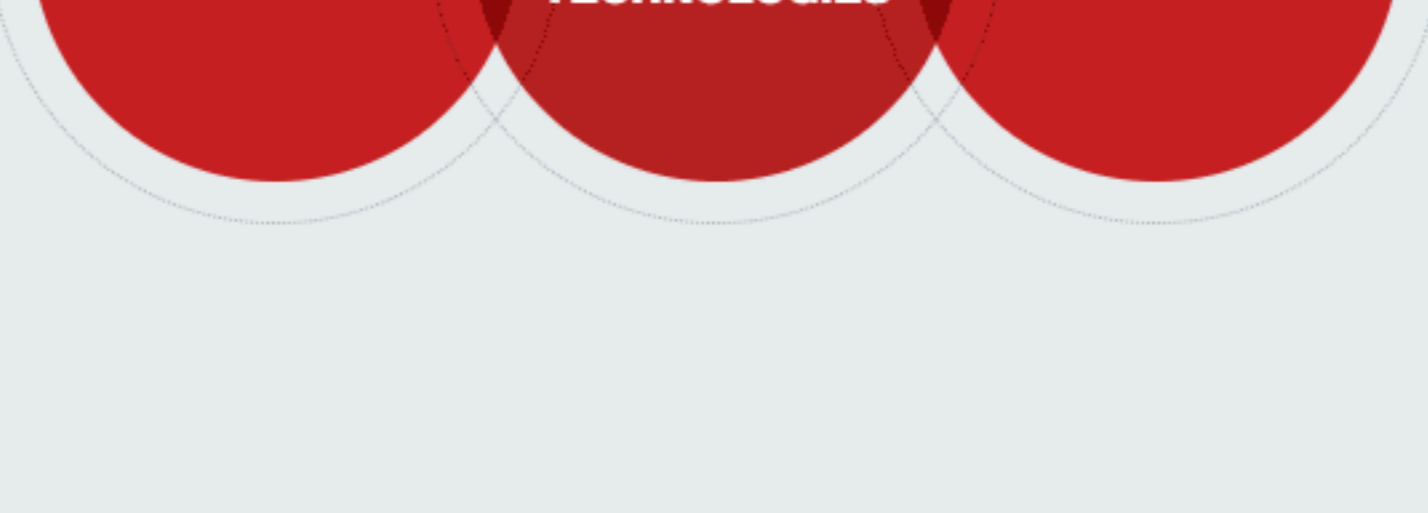
For more information on our strategic and innovative activities, products, and services, see [Innovation in an Evolving Marketplace](#).

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.

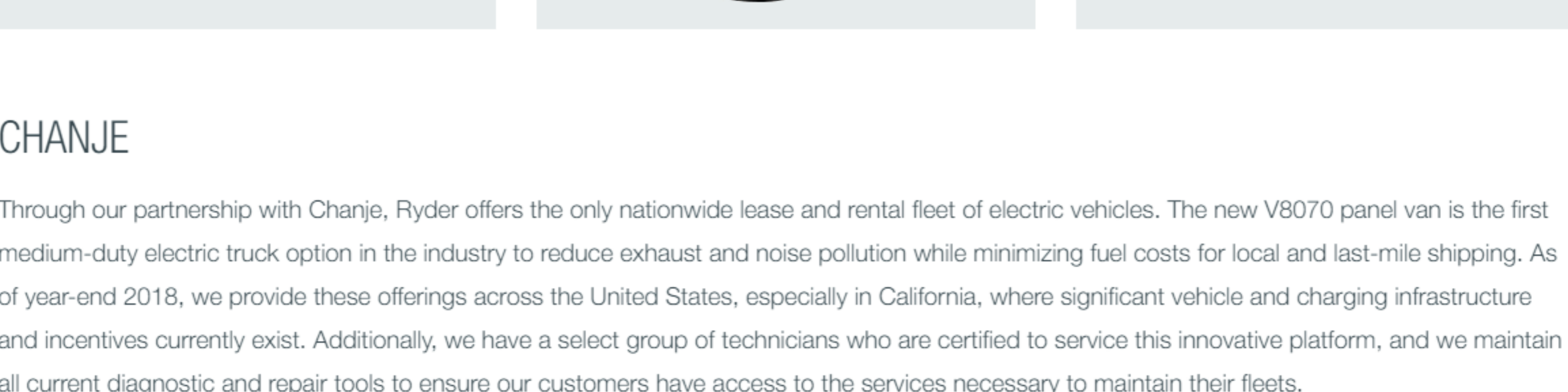
ADVANCED VEHICLE TECHNOLOGY

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.

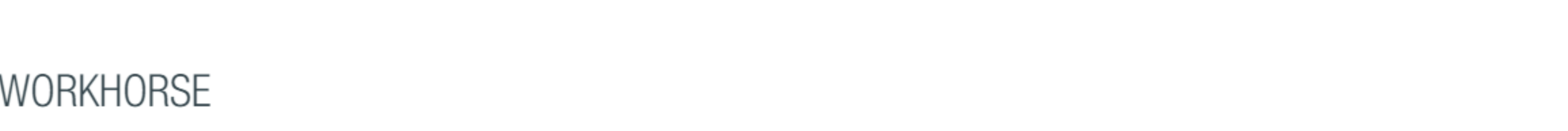


CHANJE

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 access to transmission lines and placement of charging stations. Additionally, we are taking a consultative approach with customers to identify and assess 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 CO₂e. 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.

1,000+ NATURAL GAS VEHICLES IN THE U.S.	22.6M GALLONS OF DIESEL FUEL WITH NATURAL GAS	70+ CUSTOMERS CONVERT TO NATURAL GAS VEHICLES
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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 fleet solutions helps mitigate business continuity risks associated with utilizing a single fuel, such as rising costs or service disruptions.

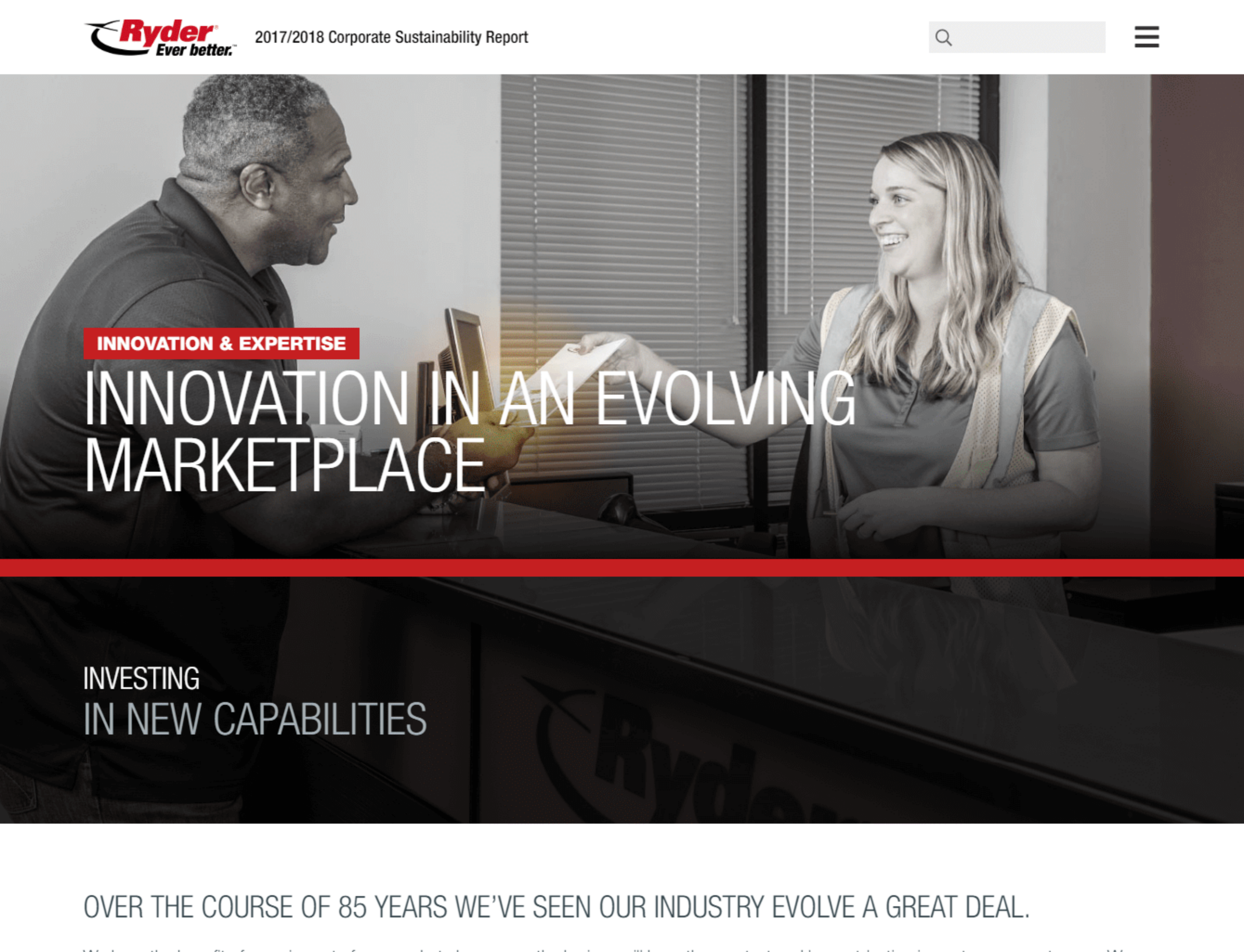
Ryder's investments in advanced vehicle technologies benefits us, our customers, and the communities we serve, including through improving fuel economy, enhancing safety, and reducing environmental impacts and long-term operating costs. That is why Ryder continues to invest in developing a diverse fleet 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 ACTIVE ALTERNATIVE FUEL VEHICLES	29 ELECTRIC VEHICLES IN OUR FLEET	1,000 ELECTRIC VEHICLE ORDERS EXPECTED IN 2019	200M MILES DRIVEN WITH NATURAL GAS VEHICLES
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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 Addressing increasing trends in online commerce and digitalization to fit our customers' needs	 NEXT GENERATION VEHICLES Developing partnerships and opportunities in advanced vehicle technologies to help increase 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
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Ryder's goal is to create and strengthen customer relationships by leveraging and developing technology that addresses these disruptions.

E-COMMERCE

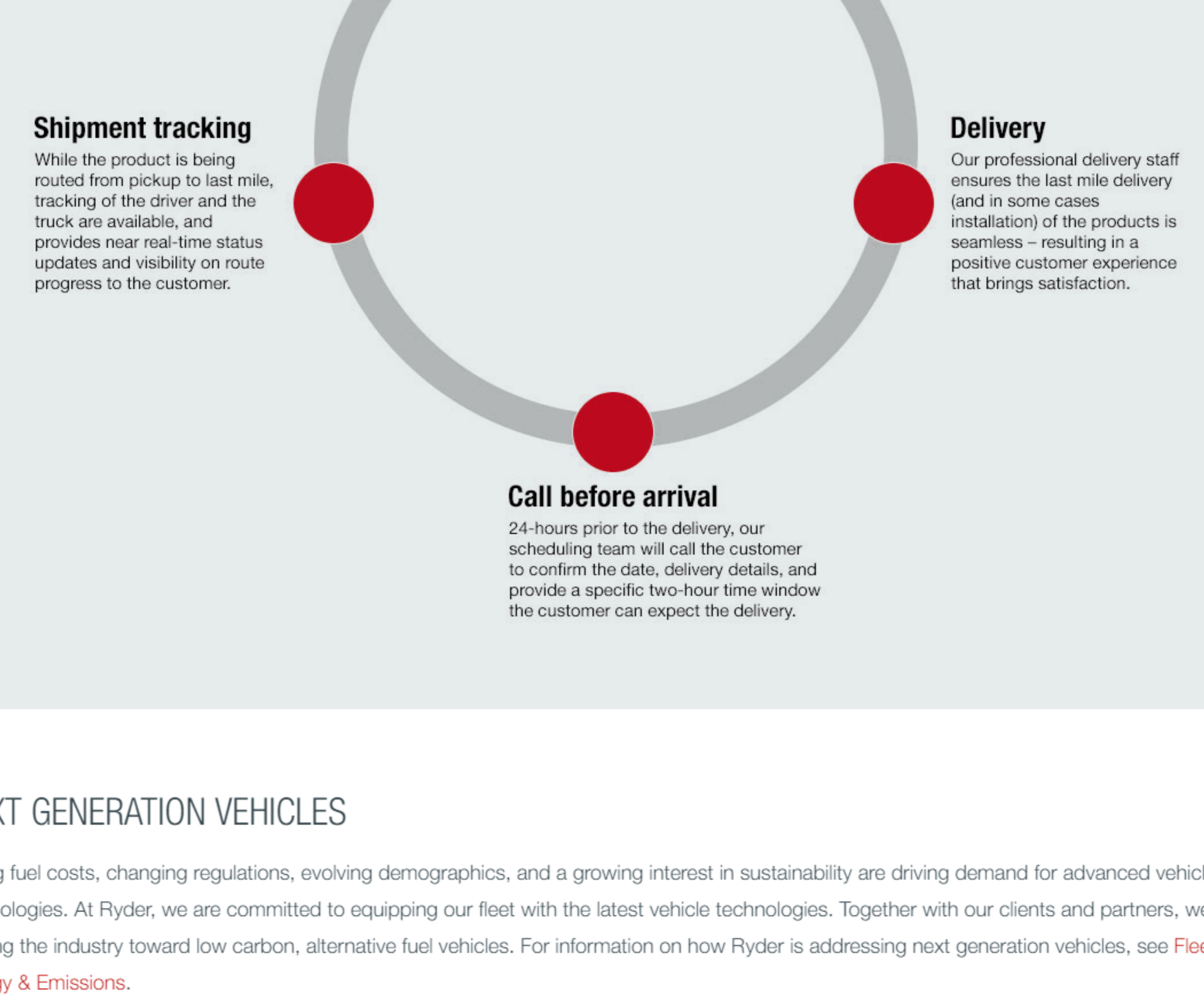
With increased online purchasing and expedited delivery expectations facing our customers, Ryder is focused on providing the right solutions to improve our customers' efficiency. The e-commerce market continues to grow, with retail web sales increasing 16 percent in 2017 to more than \$450 billion. In 2018, 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 oversees 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 scale and maximize the value provided to our customers.

HIGHLIGHT STORY: RYDER LAST MILE

With the acquisition of a big and bulky 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-consumer. Our RyderView technology provides shippers and consumers 100 percent, real-time, end-to-end shipment scheduling, visibility, and tracking.

Ryder Last Mile provides diverse tiers of service to our customers, from convenient delivery windows to unboxing, installation, and inspection. Our Deluxe service offerings includes "furniture medics," saving consumers up to six times 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

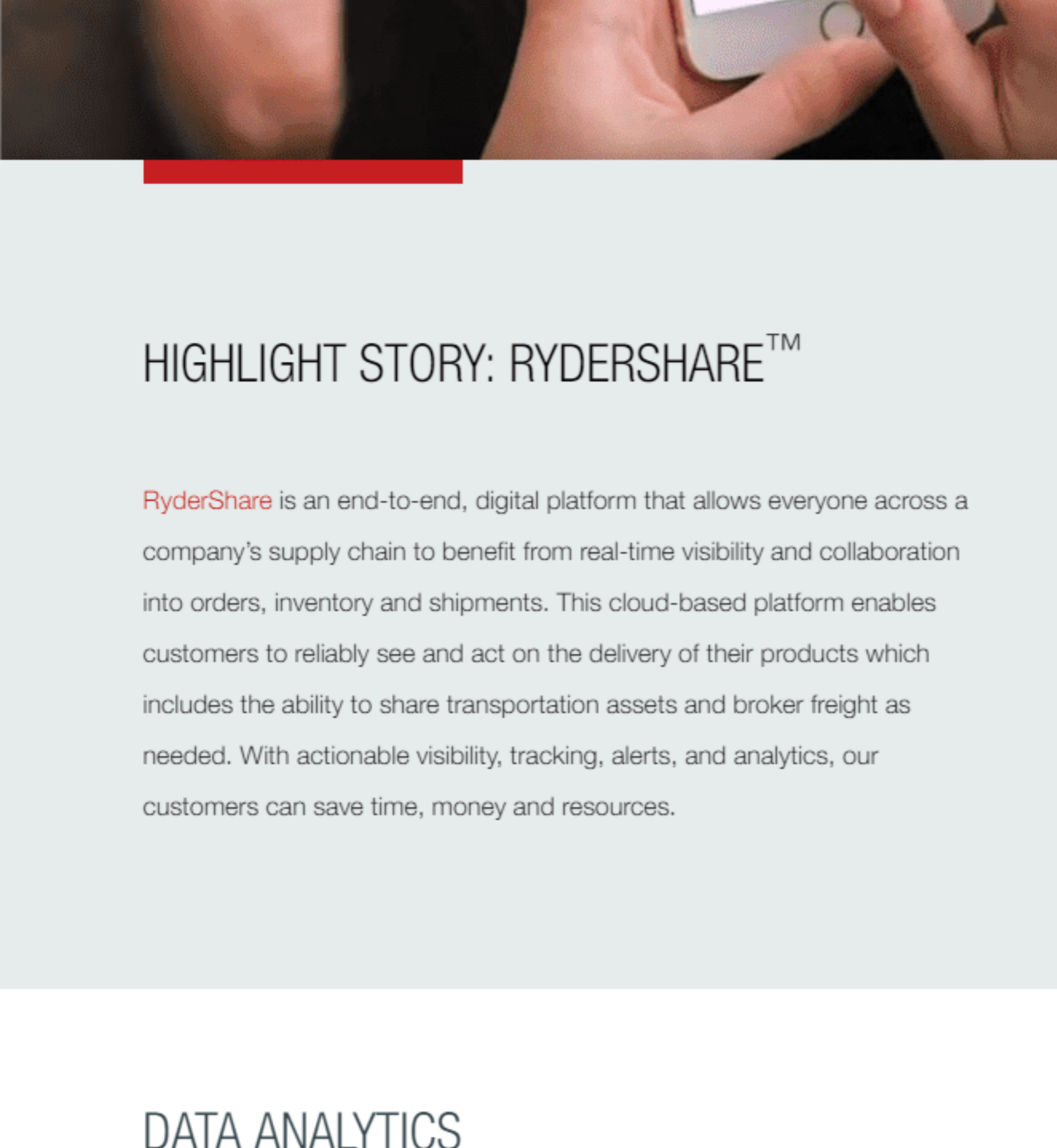


NEXT GENERATION VEHICLES

Rising fuel costs, changing regulations, evolving demographics, and a growing interest in sustainability are driving demand for advanced vehicle technologies. At 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 2018. 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 2018, we have 450 accounts and over 6,000 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 see 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.

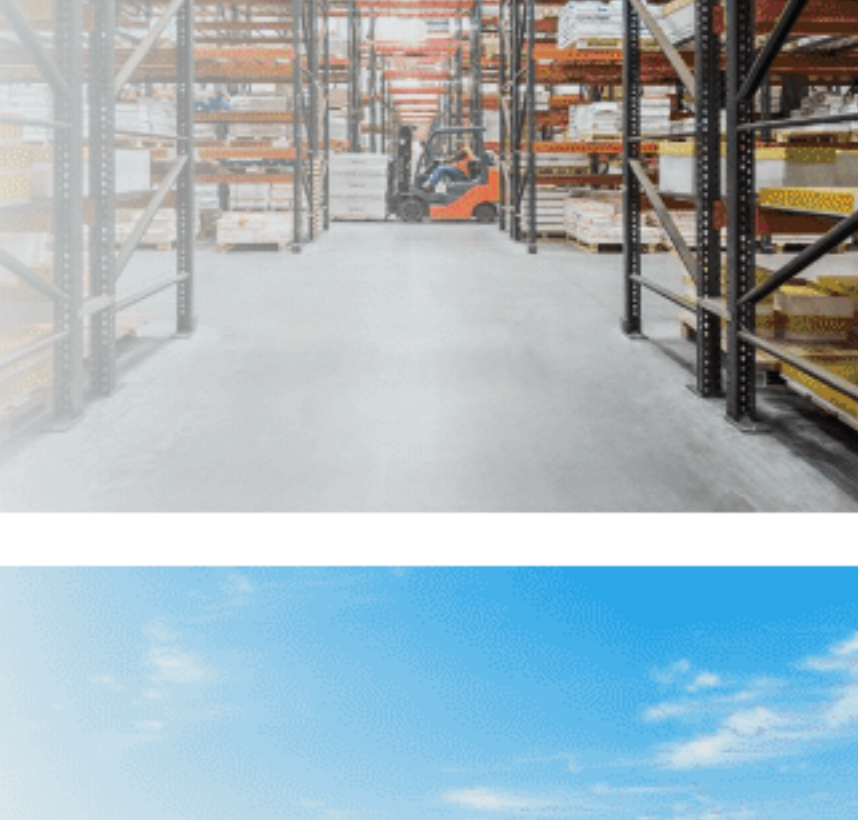



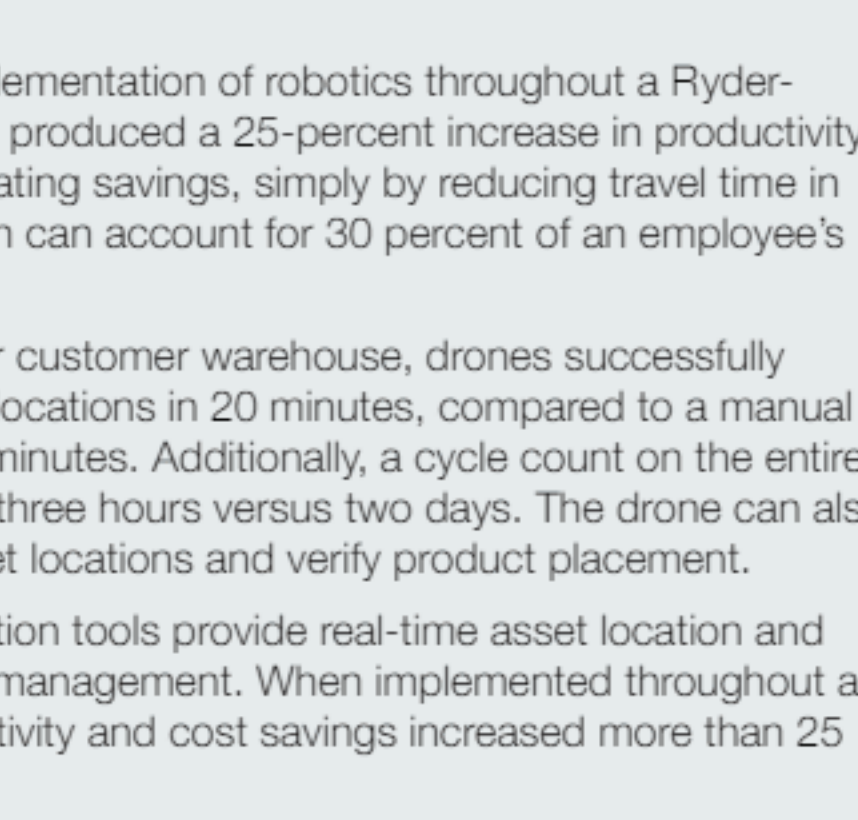


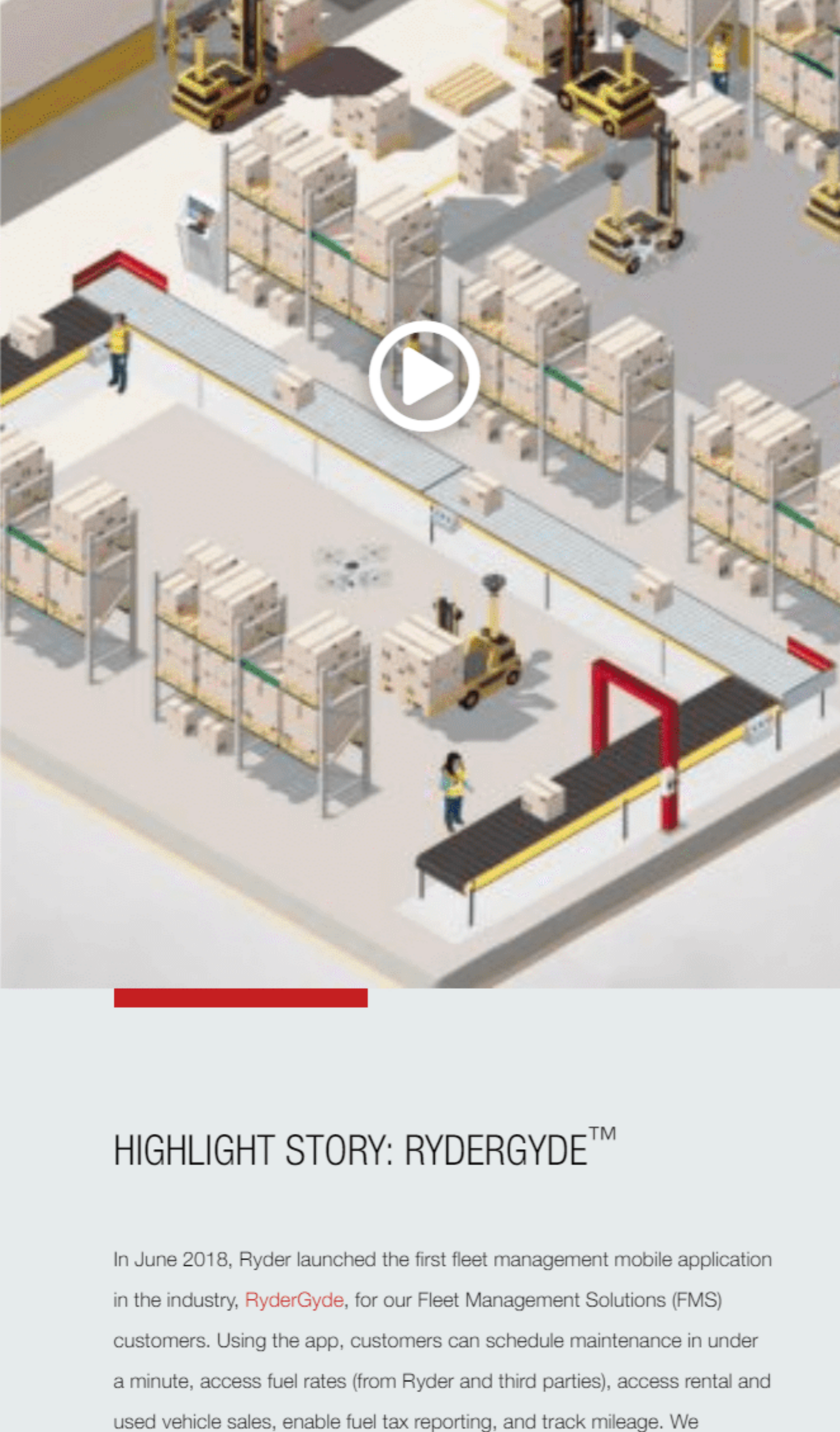
DATA ANALYTICS

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. DriveCam 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 waste—both physical and in-process—we meet our customers' expectations faster and more efficiently. The five key principles of a LEAN organization are:

<p>People involvement</p> <p>From the C-suite to the loading dock, all employees work together as a team to eliminate waste, reduce cost, and provide greater value for customers.</p>	
<p>Built-in quality</p> <p>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.</p>	
<p>Standardization</p> <p>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.</p>	
<p>Short lead times</p> <p>The shorter the time between when an order is received and the LEANer that supply chain is. Short lead times unfetter cash that would otherwise be tied-up in "safety" inventory and make it available for other uses.</p>	
<p>Continuous improvement</p> <p>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.</p>	



HIGHLIGHT STORY: SMART WAREHOUSING

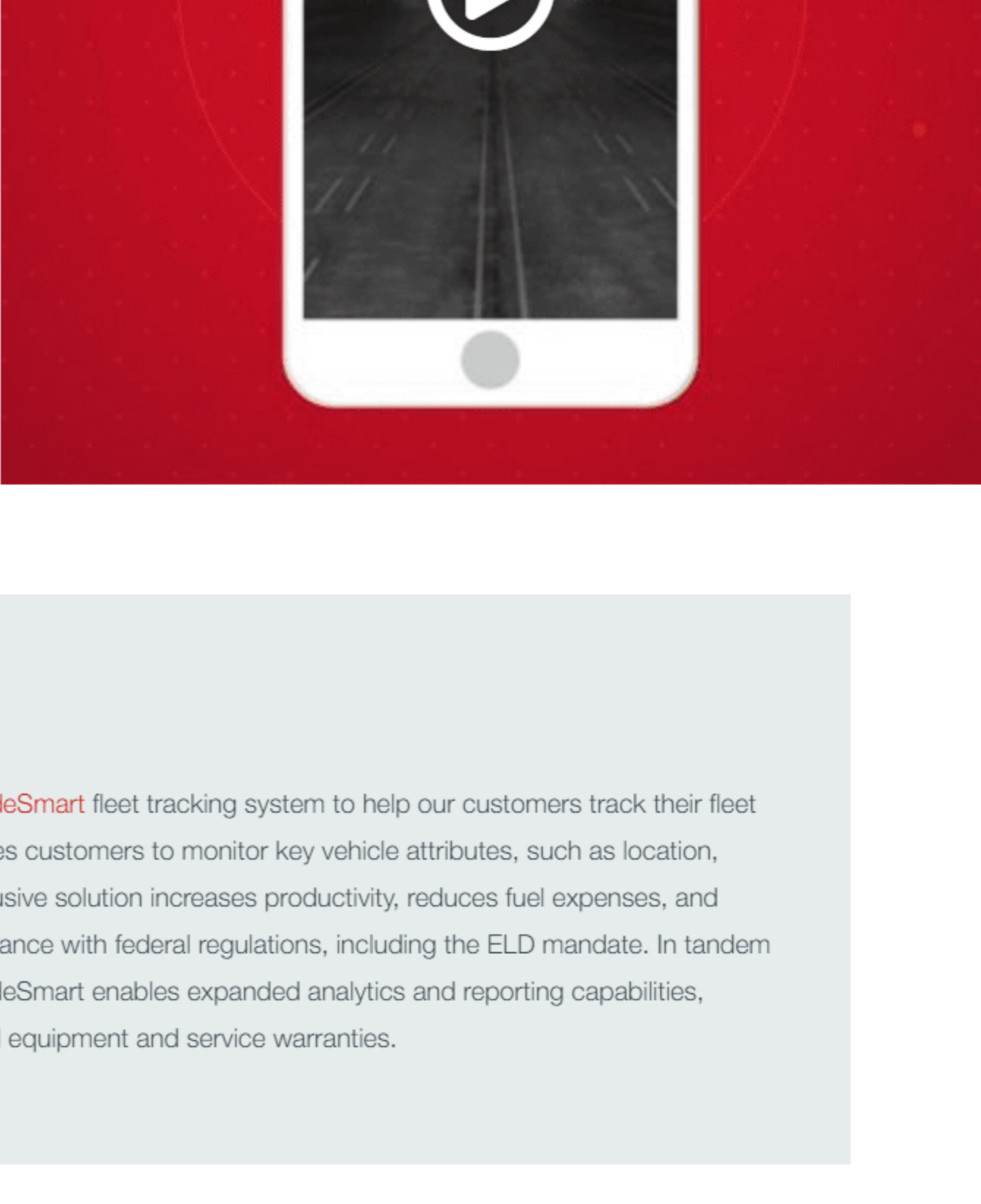
Beginning in 2017, we started piloting technologies in our warehouses to be as efficient as possible, offering our customers a **transformational digital supply chain solution** that improves efficiency and focuses on speed-to-market. Ryder has identified the technology below as definitive benchmarks 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-managed warehouse produced a 25-percent increase in productivity and 20-percent operating savings, simply by reducing travel time in the warehouse, which can account for 30 percent of an employee's shift.
- **Drones** – At a Ryder customer warehouse, drones successfully scanned pallets and locations in 20 minutes, compared to a manual scan which took 90 minutes. Additionally, a cycle count on the entire warehouse took just three hours versus two days. The drone can also identify available pallet locations and verify product placement.
- **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 33 percent.

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

HIGHLIGHT STORY: RYDERGYDE™

In June 2018, Ryder launched the first fleet management mobile application in the industry, **RyderGyde**, for our Fleet Management Solutions (FMS) customers. Using the app, customers can schedule maintenance in under a minute, access fuel rates (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. RyderGyde helps our customers manage their fleet, ensure timely maintenance, and interact with Ryder more easily. To date, more than 6,000 customers are utilizing RyderGyde. We continue to enhance the features of RyderGyde 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 **RydeSmart** fleet tracking system to help our customers track their fleet efficiency. RydeSmart 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. RydeSmart also helps customers ensure compliance with federal regulations, including the ELD mandate. In tandem with Ryder **ChoiceLease** and **SelectCare** Maintenance solutions, RydeSmart enables expanded analytics and reporting capabilities, convenience of scheduling servicing at Ryder facilities, and extended equipment and service warranties.

