

Welcome to your CDP Climate Change Questionnaire 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Ryder System, Inc. (Ryder), a Florida corporation founded in 1933, is a global leader in commercial fleet management and supply chain solutions. We operate primarily in three business segments: Fleet Management Solutions (FMS), Dedicated Transportation Services (DTS) and Supply Chain Solutions (SCS). Ryder has received significant awards and recognition from customers, leading transportation and logistics industry associations, media, business and regulatory communities. Recent examples include: Newsweek: America's Most Responsible Companies (2020-2021); FORTUNE: World's Most Admired Companies Award (2013-2021); Forbes: America's Best Employers (2015-2021); Trucking HR Canada – Top Fleet Employers (2018); SupplyChainBrain - 100 Great Supply Chain Partners award (2017-2019); Carbon Disclosure Project Carbon Disclosure Leadership Index (2012, 2015); Food Logistics: Top Green Providers award for green transportation and logistics solutions (2012 – 2019; 2021); Inbound Logistics - Top 75 Green Supply Chain Partners by Inbound Logistics (2009– 2021); Supply & Demand Chain Executive: Green Supply Chain Award for meeting green or sustainable supply chain goals (2016-2017, 2020-2021); 2020 Women on Boards W Company – Ryder was named a “W” company for having a board with more than 20 percent women (2013, 2017); CivilianJobs.com's Most Valuable Employers (MVE) for Military (2013 - 2017); Militaryfriendly.com: Military Friendly Company (2020); Monster.com: Monster/Military.com Companies to Watch 2020 (2020); Florida Diversity Council: Most Powerful and Influential Women Award (2017); Women in Trucking: Top Companies for Women to Work For (2019-2020); Women in Trucking: Influential Woman in Trucking (2019). The FMS business provides full service leasing (long-term), commercial rental (short-term), as well as contract maintenance of trucks, tractors and trailers to customers principally in the US, Canada and the UK. The standard leasing business model offers customers different vehicle options (such as fuel-efficient or natural gas/electric powered vehicle packages) with attractive financing mechanisms. Because of increased demand for vehicle efficiency and reliability, companies that own and manage their own fleet of vehicles have put greater emphasis on the quality of preventative maintenance for their vehicles. In addition, several trends have increased the need for outsourcing, such as the increased complexity and cost of buying and maintaining vehicles including technology, diagnostics, and training; labor issues including a shortage of qualified truck drivers and mechanics; as well as increased regulation – e.g. more

expensive emission controls needed for EPA-compliant engines - and enforcement of safety requirements. The Dedicated Transportation Service (DTS) option provides vehicles and drivers as part of a dedicated transportation solution in the US. Customers directly manage their overall freight movement but Ryder provides the equipment, maintenance, and administrative services (including driver hiring, training, routing and scheduling, and fleet sizing) associated with maintaining the customer’s private fleet. This combination of services allows us to provide high service levels and the most efficient routing to lower fuel costs due to less idle time and fewer empty miles. A key difference between Dedicated Transportation Services and Full Service Lease is Ryder provides the drivers for Dedicated. The SCS supply chain solution provides Distribution and Transportation Management services in North America. SCS customers are looking for a total integrated solution that includes managing outsourced vehicles, drivers, freight routing, IT integration, warehouse and distribution management, as well as other logistics engineering services. SCS provides a wide range of services relating to a customer’s distribution operations, from designing the distribution network to managing distribution facilities. Customers can more precisely align inbound and outbound shipments, synchronize returns with optimized fleet use and arrange backhauls to offset transportation costs and minimize empty miles that will directly help lowering GHG emissions. The SCS Transportation Management business offers services relating to all aspects of a customer’s transportation network. Ryder’s transportation specialists provide shipment planning and execution, through a series of technological and web-based solutions.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2020	December 31, 2020	No

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Canada
- Germany
- Mexico
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-T00.7/C-TS0.7

(C-T00.7/C-TS0.7) For which transport modes will you be providing data?

Light Duty Vehicles (LDV)

Heavy Duty Vehicles (HDV)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	i) Management of Ryder’s fundamental governance policies and practices are overseen by Ryder’s Board of Directors Corporate Governance Committee. They are responsible for reviewing and informing on matters relating to public policy, public affairs and corporate responsibility including Ryder’s environmental & sustainability programs, which address regulatory and business issues such as climate change impacts and strategy. ii) The Board periodically reviews and decides on a variety of issues related to sustainability and climate change opportunities, throughout the year including: in its review of environmental issues related to Proxy statements and disclosures; as part of periodic changes to our Corporate Sustainability Reporting; and when reviewing and deciding on changes to improve Ryder’s ESG (Environmental, Social & Governance) priorities, disclosures and performance rankings throughout the year. In addition, the Board is updated periodically on enterprise risks, including climate related impacts. For example, in 2020 the board set Ryder’s new Scope 1, Scope 2, and Scope 3 emission reduction targets that were published in the 2021 Corporate Sustainability Report. iii) The Chief Legal Officer leads the company’s legal functions and serves as

	<p>Corporate Secretary for coordinating all functions relating to the company's board of directors, including acting as liaison of the Board's Corporate Governance Committee. He is also responsible for Ryder's Safety, Health and Security organization, Corporate Compliance group, Government Affairs, and Environmental department and works closely with other departments that execute sustainability-related functions, such as Human Resources. The VP Environmental, Real Estate and Fuel Services reports to the Chief Legal Officer and maintains day-to-day operational responsibility for Environmental Programs including climate change impacts. The VP provides an annual Environmental Program Report to the Board of Directors Corporate Governance Committee that includes details on Ryder's emission reduction strategy and goals, as well as overall sustainability performance.</p>
--	--

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>Ryder's Board of Directors Corporate Governance Committee oversees major plans of action as important matters arise. For example, periodically throughout the year and during the annual board meeting, environmental risks and costs are reviewed to identify potential business opportunities and action plans to assist with reductions related to energy and resource conservation. This includes both specific program updates (e.g. energy efficiency projects) and a general overview of greenhouse gas reduction targets and performance.</p>
Sporadic - as important matters arise	<p>Reviewing and guiding business plans</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>Ryder's Board of Directors Corporate Governance Committee oversees and periodically reviews business plans as important matters arise. For example, as part of its commitment to stay ahead of the curve on advanced vehicle technology and reduce emissions, Ryder has expanded its alternative fuel strategy over the last 7 years. We expanded natural gas truck fleet offerings and retrofitted maintenance/repair shops to accommodate natural gas vehicle maintenance for diverse customers groups, including a partnership with Anheuser-Busch to replace 66 of the beer company's diesel tractors with compressed natural gas alternatives.</p>

		<p>We have increased investments to develop business opportunities related to electric vehicles, such as EV charging stations at our locations, and offering energy management services to our Customers. Not only is Ryder investing in charging equipment at FMS shops to accommodate and support the expansion of electric vehicles in key geographic areas, but Ryder has also assembled a large cross-functional diverse team of 100+ in-house technical resource experts, spearheaded by Ryder’s leadership team, to support the deployment of evolving technologies, like EV, when it becomes available at scale.</p>
--	--	--

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify • Other: Chief Legal Officer	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Chief Legal Officer leads the company’s legal functions and serves as Corporate Secretary for coordinating all functions relating to the company’s board of directors, including acting as liaison of the Board’s Corporate Governance Committee. He is also responsible for Ryder’s Safety, Health and Security organization, Corporate Compliance group, Government Affairs, and Environmental department and works closely with other departments that execute sustainability-related functions, such as Human Resources. The VP Environmental, Real Estate and Fuel Services reports to the Chief Legal Officer and maintains day-to-day operational responsibility for Environmental Programs including climate change impacts. The VP provides an annual Environmental Program Report to the Board of Directors Corporate Governance Committee that includes details on Ryder’s emissions reduction strategy and goals, as well as overall sustainability performance. Our monitoring of climate-related issues includes a review of Ryders’s scope 1, 2 and 3 GHG emissions and identifying new opportunities for reductions, as well as customer emission reduction benefits. In addition, business and market opportunities are explored to assist customers with emission reductions resulting from improved transportation management and supply chain solutions. An Environmental Report of our

progress in these areas is reviewed annually with our Board of Directors Corporate Governance Committee.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Energy manager	Monetary reward	Energy reduction project Energy reduction target Efficiency project	Facility Managers are incentivized to measure, track and attain targets for energy use reductions and associated greenhouse gas (GHG) emission reductions from conservation programs, awareness campaigns and other activities.
All employees	Non-monetary reward	Behavior change related indicator	Ryder employees are encouraged to identify, implement, and take ownership of initiatives that further reduce facility energy use through lighting management and improved equipment maintenance procedures. Field employees can access our energy reporting tool, which tracks Scope 1 and 2 emissions and provides visibility of local operations. Management receives internal reports on GHG trends and energy usage updates, and the information is distributed to field employees to support transparency. Business unit directors are measured and incentivized to meet approved spending limits for locations, including utility reduction targets. They can measure, track, and attain targets for energy use reductions and associated GHG emission reductions leveraging conservation programs, awareness campaigns, and other activities. We have instituted employee awareness campaigns and energy challenges in the past to engage and energize employees, as

			well as to identify and share energy and climate change reduction best practices across the organization.
Buyers/purchasers	Monetary reward	Energy reduction project	Facility maintenance contractors as well as 3rd party suppliers are incentivized to identify, propose and implement energy reduction opportunities. Several large scale programs have been developed and launched that reduce energy use and provide financial benefit to our supplier partners for service/materials. These programs include shop lighting upgrades, the replacement of aging HVAC systems with energy efficient equipment and routine preventative maintenance programs that financially encourage suppliers to find improved energy management solutions. Ryder assigns an annual building maintenance budget to each facility based on operating footprint and building square footage. This serves to benchmark each facility's performance & utility usage, thereby improving employee management and investment decisions that result in facility upgrades and promote energy efficiency and resource conservation.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	5	SBTi recommends these time horizons for short-term, medium-term, and longer-term targets.
Medium-term	5	15	SBTi recommends these time horizons for short-term, medium-term, and longer-term targets.
Long-term	15	30	SBTi recommends these time horizons for short-term, medium-term, and longer-term targets.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Ryder is a global leader in transportation and supply chain management solutions. Ryder's mission is to provide innovative fleet management and supply chain solutions that are reliable, safe and efficient, enabling our customers to deliver on their promises. We seek to deliver valuable solutions that will compel customers to outsource their fleet management and supply chain needs to us. As such, we closely monitor, respond to, and mitigate climate-related risks, such as severe weather and other natural occurrences, that reduce efficiencies in or cause significant business disruptions to our customers' and our fleet utilization and operations. Many of our customers operate in cyclical or seasonal industries, or operate industries, including the food and beverage industry, that may be impacted by unanticipated weather, crop growing conditions (such as droughts, insects or disease), natural disasters and other climate-related conditions. These impacts can result in reductions or spikes to freight volume shipped or to their need for our services, which could materially affect our operations, business results and financial condition. Similarly, our operations may be directly affected by climate-related factors such as increased severe weather, including floods, fires, hurricanes and earthquakes at operating locations where we have vehicles, warehouses and other facilities. These weather events can adversely affect the performance of our fleet, result in damage to our vehicles and facilities, make our workforce temporarily unavailable in impacted areas, cause fuel costs to rise, as well as result in other significant business interruptions. Insurance protection needed to mitigate against sudden losses of business and other related consequences from these natural occurrences is subject to coverage limitations, depending on the nature of the risk insured, and does not fully mitigate against a significant interruption in operations. Costs associated with securing this coverage are increasing each year. Additionally, insurance may not be sufficient to cover all of our damages or damages to others and this insurance may not continue to be available at commercially reasonable rates. For example, our property insurance policy, which includes all-risk coverage for Ryder property and warehouseman's legal liability for our customer's goods in Ryder's care, custody and/or control, experienced a rate increase during renewal. In the 2020-21 policy term, Ryder paid \$9M compared to \$9.8M for the 2021-22 policy term, representing a 9.5% (or \$800,000) increase. Nevertheless, due to lower loss ratio and loss mitigation efforts, Ryder's rate remained well below the industry average, which increased approximately 25%.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

A specific climate-related risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

a) Ryder's process for identifying and assessing climate-related risks includes evaluation, management, and on-going review of financial, regulatory, customer, employment, insurance, and environmental risks, among others at both a company level and an asset level:

i) Company level, we utilize insurance risk management modelling systems used by underwriters and an integrated Environmental Management System (EMS) to manage climate change risks; ensure compliance; promote business opportunity and growth; and create a competitive advantage with environmental programs consistent with Ryder's long-term business strategy.

ii) Asset level, we apply formal identification processes and assess climate change risks and opportunities of our assets: a) Facilities, we contract with third party risk consulting firms to perform onsite surveys of operating facilities to support compliance.

b) Vehicle fleet, we identify efficiencies through our participation in the EPA SmartWay® Program and Ryder's RydeSmart fleet tracking system. RydeSmart is an integrated telematics platform helps customers monitor key vehicle attributes such as location, speed and idle time and real-time performance metrics. In addition, Ryder pursues investments in low carbon technologies including electric and alternative fuel vehicles such as natural gas or electric trucks.

Value chain stage(s) covered

Upstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Ryder buys vehicles and related equipment from a relatively small number of original equipment manufacturers (OEMs) in our FMS business. Some of our vehicle manufacturers rely on a small concentration of suppliers for certain vehicle parts,

components and equipment. Ryder maintains strong partnerships with our OEMs to ensure our fleet is optimum to keep our customer businesses moving smoothly, using best in class advanced vehicle technologies and operating at lower costs. Through these partnerships, Ryder is able to identify, assess and respond to supply chain disruptions that may impact truck availabilities and we are able to leverage these partnerships to best position our customers for access to new and disruptive technologies. For example, as customers seek greener and more eco-friendly solutions, Ryder has leaned on our long-time OEM partners and new prospective OEM partners for EV technologies. In early 2021, we have met one-on-one with 25 different traditional and non-traditional OEMs to discuss their EV development plans and projected production schedules. As part of these discussions, we are forging potential new OEM relationships, putting customers' needs before the OEMs to ensure they are front of mind, as well as aligning our emission reduction targets and other business timelines with expected EV delivery dates. This supplier engagement effort has connected Ryder with more than 10 OEMs with whom we have not worked before, thereby expanding our OEM network.

Value chain stage(s) covered

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

In recent years, our industry has been impacted by evolving customer interest and demand toward low carbon technologies as a result of emission reduction programs and regulatory mandates. Ryder is actively engaged in developing strategic partnerships with new technology providers, developing new products, and evaluating emerging technologies as they become available to support this shift in demand. However, there remains a high degree of uncertainty as to which technologies will be successful or timely to meet this growing need. Ryder is meeting this uncertainty by investing and supporting new technologies that are most promising. There is some risk associated with these innovation investments, and if these initiatives prove unsuccessful, there are risks associated with the investments we have made.

New concepts that are currently under development for more advanced low carbon or alternative fuel transportation options and which we are exploring include electric vehicles, automatic or semi-automatic self-driving vehicles, cargo and freight sharing

tools, connected vehicle platforms, and drones. Additional innovations impacting the transportation, trucking and supply chain/logistics industries may emerge in the future and we will continue to monitor their potential viability. Ryder recognizes the need to quickly identify, adapt and deliver innovative products and services desired by our customers. In addition, advances in low carbon technology may require us to increase our investments in order to remain competitive, and our customers may be unable or unwilling to accept higher prices to cover the cost of these investments. Ryder is taking steps to mitigate this impact at every turn. However, in spite of our efforts, our lease and rental fleets could become unfavorable with our customers or obsolete or potentially, we may no longer be able to find buyers for our used vehicles. An increase in customer use of electric vehicles could reduce the demand for our vehicle maintenance services, diesel vehicles and related offerings. Likewise, self-driving vehicles may reduce the demand for our dedicated service offerings, where, in addition to a vehicle, Ryder provides a driver as part of an integrated, full service customer solution.

As a leader in transportation and logistics, Ryder is uniquely and skillfully positioned to successfully spearhead the transition to newer vehicle technologies and services. For example, as our customers seek greener and more eco-friendly transportation solutions, we have anticipated and prepared for that need by assembling a large cross-functional diverse team of 100+ in-house technical resource experts across 11 workstreams (i.e., marketing, incentive grants, pricing, infrastructure, maintenance needs) to support the deployment of evolving technologies, like EV. We continuously monitor, research and collaborate with our OEM partners in the commercial AFV and EV markets to best position our products and services for our customers. We know production can ramp up at any time so we are putting rigor around our expertise to hit the ground running when they become available at scale.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We determine that current regulation risk is relevant to our organization because it has financial and strategic impacts to our business. For example, the climate change regulations adopted and proposed in California have had significant financial costs to our organization and our customers.
Emerging regulation	Relevant, always included	We determine that emerging regulation risk is relevant to our organization because it has financial and strategic impacts to our business. For example, fuel and vehicle efficiency regulations are relevant to our organization and our customers and new technologies.

Technology	Relevant, always included	We determine that technology risk is relevant to our organization because it has financial and strategic impacts to our business. For example, new vehicle and fuel technologies, such as alternative fuels are relevant to our organization and our customers.
Legal	Relevant, always included	We determine that legal risk is relevant to our organization because it has financial and strategic impacts to our business. For example, changes in the regulatory environment can result in increased fuel efficiency mandates, accelerated deployment of alternative fuel vehicles or carbon taxes all of which will directly impact our industry.
Market	Relevant, always included	We determine that market risk is relevant to our organization because it has financial and strategic impacts to our business. For example, market changes in fuel costs could influence our business and financials.
Reputation	Relevant, always included	We determine that reputation risk is relevant to our organization because it has financial and strategic impacts to our business. For example, increased shareholder and customer expectations regarding greenhouse gas reductions can directly impact Ryder's reputation and reduce customer demand for our transportation services.
Acute physical	Relevant, always included	We determine that acute physical risk is relevant to our organization because it has financial and strategic impacts to our business. For example, during natural disasters or other extenuating circumstances, we extend our transportation and supply chain environmental expertise, technology, and infrastructure to customers and organizations in need. On the other hand, Ryder could also experience supply chain disruptions, particularly due to the small pool of Original Equipment Manufacturers (OEM).
Chronic physical	Relevant, always included	We determine that chronic physical risk is relevant to our organization because it has financial and strategic impacts to our business. For example, extreme weather events can influence our operations and the operations of our customers.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Increased direct costs

Company-specific description

i) We anticipate regulatory risks in the United States if both pending and proposed state-specific or increased federal regulations move forward. This includes state or federal changes in all areas including engine or emission standards for vehicles, particularly related to vehicle efficiency. ii) In the case of changes in emissions or engine standards, we anticipate these changes could lead to increases in the cost of operating Ryder's fleet and an increase in operating costs for our Customers. We monitor, evaluate and help influence legislative and regulatory activities through our government relations program that includes active participation in diverse business, professional and trade groups.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

6,450,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Enacted legislation can directly and/or indirectly influence business decisions and costs related to equipment, fuel, or operations. We anticipate that climate change-related regulations will continue to increase in volume and complexity, thereby increasing Ryder's operating and compliance costs. For example, the climate change and other environmental regulations adopted in California over the past 10 years have increased

our asset and operating costs in state, such as the cost of refrigerated units which must be replaced every seven years compared to the 8 to 10 year replacement schedule nationwide. Furthermore, California requires a minimum vehicle preventative maintenance frequency regardless of mileage, meaning maintenance costs per vehicle are higher in California than other states. Similarly, FMS shops in California spend \$150,000 on average per year more than non-California FMS shops in operating costs due in part to higher regulatory requirements. This totals \$6,450,000 across all 43 FMS California shops. It should be noted that while operating costs in California are greatly impacted by stricter regulatory requirements, operating costs in and out of California are influenced by a variety of factors including shop size, services offered, proximity to customers, and cost of living, among other variables.

Cost of response to risk

1,600,000

Description of response and explanation of cost calculation

Our compliance and reporting costs will continue to increase, particularly if regulations mandate equipment with specialized parts (i.e., emission control devices), maintenance requirements, regular equipment testing and compliance reporting. Ryder retains professional environmental consulting, trade groups, trucking associations, and legal to mitigate the direct potential impact of regulations to Ryder and our customers, which cost more than \$1.6 Million annually across our North America operations.

Ryder proactively addresses regulatory risks through a culture of continuous improvement that drives efficiency and productivity, to the benefit of our customers and the environment. For example: (i) We use energy tracking and reporting tools to monitor energy use and associated GHGs. These tools help us improve energy efficiency by allowing us to easily identify unusually high energy consumption and flag facilities that are candidates for further emission reduction opportunities. (ii) Ryder is uniquely positioned through our relationships with the Original Engine Manufacturers (OEM) to support accelerated deployment of new and more efficient technologies, such as EV. We work with our OEM partners to validate the technology for our customers' needs and help it gain widespread industry acceptance. These relationships also ensure that integration is looked at through the lens of a fleet operator and not solely from the perspective of a truck manufacturer. Ryder has recognized the value of making financial investments in advanced fuel equipment, technologies, and processes to improve fuel economy for our customers, enhance safety, and reduce operating costs as part of an overall strategy to improve transportation efficiencies. For example, Ryder provides several options to rent or lease electric light duty trucks, including the Workhorse units we offer for long-term leases and through our COOP commercial vehicle sharing platform. We also offer service and charging capabilities in our expanding EV charging station network throughout our US facilities, including two recently upgraded facilities in Fontana and Northridge, CA that feature the latest fast chargers. (iii) Ryder manages potential regulatory risks by collaborating with trade and business associations to shape pending climate change- legislation and regulations at the state, provincial, and federal level.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

- i) We consider our company to be exposed to physical risks such as natural disasters (e.g. flooding, tropical cyclones and storms, etc.) or changing weather patterns that may be associated with climate change. There are no specific geographical areas that are more affected by these physical risks than others, although our operations in coastal and near coastal areas (particularly in the Gulf or East Coast regions of U.S.) may be at higher risk for hurricanes and tropical cyclones.
- ii) Our company is exposed to physical risks such as tropical cyclones in a number of ways: a) increased costs and business disruption because our facilities or equipment (vehicle fleet) could be damaged during a disaster, b) we may need to increase resources and modify operations in order to support our customers in the event of a disaster, or c) our larger supply chains may be disrupted as a result of natural disasters that will temporarily interfere with our ability to maintain operations.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,800,000

Potential financial impact figure – maximum (currency)

23,700,000

Explanation of financial impact figure

The financial implications of acute physical risks include damage to our facilities, vehicles, or other equipment that would increase our operational cost and vary based on the severity of the weather event. Based on property damage costs incurred during past weather events, the financial impact can range from \$1.8M to \$23.7M. From January 2020 through March 2021, Ryder incurred \$1.8M in property damage losses, including \$750,000 for winter storm Uri. However, in 2012, Ryder incurred a charge of \$8 million for property damage to vehicles owned by full service lease customers and company-owned units with a carrying value of \$15.7 million were damaged or completely destroyed as a direct result of superstorm Sandy. These costs do not include financial impacts to our customers' operations resulting from downtime during recovery efforts.

Cost of response to risk

0

Description of response and explanation of cost calculation

Actively managing risks is fundamental to the services Ryder provides so there is no additional cost for risk response (\$0). Ryder facilities must comply with an Asset Protection Manual that dictates how to maintain optimum, safe working conditions year-round. We update contingency and emergency management plans annually, perform third party risk assessments of our facilities, and have dedicated property risk control specialists inspect and recommend improvements. Compliance with mitigation plans and recommendations is tracked and any human element issues require corrective actions within 90 days.

Furthermore, Ryder has multiple protocols in place, ready to execute when natural disasters strike. We pre-engage key suppliers, e.g. generator providers, and perform preparation work at potentially impacted facilities. We follow a structured pre and post-storm notification procedure to alert potentially impacted Ryder locations of impending storm events. Notifications include specific instructions for protecting Ryder property. When warranted, post-storm procedures include scheduled calls with key Ryder areas (Risk Management, Operations, Safety, Claims, IT, etc.) to assist impacted locations in becoming operational as soon as possible. In-house management of Ryder property claims helps control the costs of claims. To further minimize business disruptions and costs, we have a comprehensive fuel supply network through Ryder's Energy Distribution Company (REDCO), which responds quickly to man-made or natural disruptions in fuel supply, and we help customers with contingency plan implementation, including fuel management. Critical freight loads are moved early and inventory loads repositioned in advance to avoid potential storm impacts.

Our property insurance policy, which includes all-risk coverage for Ryder property and warehouseman's legal liability for our customer's goods in Ryder's care, custody and/or control, experienced a rate increase during our most recent renewal. In the 2020-21 policy term, Ryder paid \$9M compared to \$9.8M for the 2021-22 policy term,

representing a 9.5% (or \$800,000) increase. Nevertheless, due to lower loss ratio and the aforementioned loss mitigation efforts, Ryder's rate remained well below the industry average, which increased approximately 25% (or \$2.1M if applicable to Ryder's policy). Ryder's extensive loss mitigation efforts helped us save approximately \$1.2M in potential property insurance policy rate increases.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Reputation

Shifts in consumer preferences

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

- i) A potential risk is the need to expand existing business services to support customer-driven initiatives related to the measurement, reduction, and reporting of their own emission outputs.
- ii) As our customers increasingly consider and quantify the direct and indirect impacts associated with their carbon emissions, as a transportation service provider, our company is required to respond with emission outputs related to the services we provide and to assist customers to also measure the emissions associated with the movement of inbound raw materials and outbound products within their supply chain network. Our company's response has taken varied forms including responding to supplier questionnaires or assisting customers in specifying the most fuel efficient vehicles or options to reduce fuel usage by using viable and commercially-available alternative powered vehicles.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

0.1

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial implications of these identified risks are difficult to quantify long-term as other risk areas previously discussed (i.e., regulatory risks) influence the magnitude of their impact, as does how quickly and nimbly Ryder responds to these risks. However, in the medium-term, a consumer shift toward greener and more eco-friendly transportation solutions is expected to decrease demand for diesel-centric products and services, including fuel and vehicle maintenance. With increased EV adoption over the next 5-7 years, we anticipate an estimated 5-10% decrease in fuel consumption by 2030 similar to reduced fuel consumption impacts previously observed from improved fuel efficiency standards. Potential changes in vehicle maintenance frequency and revenue are expected, but the extent of these changes are still speculative and contingent on EV availability and adoption rates. Ryder has assembled a large cross-functional diverse team of 100+ in-house technical resource experts across 11 workstreams (i.e., marketing, incentive grants, pricing, infrastructure, maintenance needs) to support the deployment of evolving technologies, like EVs, along with a supporting suite of new products and services that will be needed as demand increases. These new services and products will bring new revenue generating opportunities to offset lower diesel demand.

Cost of response to risk

50,000,000

Description of response and explanation of cost calculation

As part of our commitment to stay ahead of the curve on advanced vehicle technology, Ryder has increased its investment in mitigating this risk by amassing in-house resources related to alternative fuel vehicles and emerging technologies, including adding four new dedicated employee resources to this effort. Additionally, RyderVentures is targeting \$50 million in investments over the next five years. Ryder regularly explores and evaluates new vehicles, new technologies, and early-stage development products that could directly benefit our customers. By researching and testing technology before bringing it to our customers, we ensure that it is right for their business needs. For example, we continuously monitor research and collaborate with our OEM partners in the commercial alternative fuel vehicle (AFV) and electric vehicle (EV) markets to best position our products and services for our customers. Beyond EVs, we are routinely looking for and piloting emerging, low-carbon technologies that will drive value for our customers and improve our environment.

In 2020, we partnered with Truck Labs to pilot Truck Wings, a tractor-mounted active aerodynamic device that closes the gap between the cab and trailer at highway speeds

to reduce drag, add stability, and improve fuel economy by more than 4%. Ryder made a commitment to purchase 30 Truck Wing units if the pilot successfully met certain sustainability KPIs. Following a successful pilot, we have spent more than \$110,000 in these 30 units. Ryder has committed to piloting and/or investing in additional emission reduction technologies, including a Series A investment through the RyderVentures corporate venture fund in SmartHop, an AI-based dispatch platform that helps smaller operators/carriers improve their backhaul fill rate and reduce empty miles through predictive analytics.

Comment

As part of the support Ryder provides customers toward greener solutions, we have seen an uptick in requests for emissions modelling and reporting that allows customers to measure and track the “carbon footprint” associated with their transportation activities. Ryder works with many customers to quantify transportation carbon emissions and to develop carbon reduction strategies that work for their business. For example, Ryder helped a customer to reduce their carbon footprint by 7% through implementation of a lean supply chain design. In the future, there may be increased costs associated with supporting customer-driven initiatives, depending on the complexity of regulatory requirements that are adopted. Complexity of new technologies and how they interact with each other will create many challenges from uptime to reliability to cost, particularly where they are deployed in response to mandates versus voluntarily as regulations impose additional considerations and afford less flexibility. With our combination of know-how, relationships, and experience, Ryder enables private fleet operators and companies to outsource these challenges to us in order to drive fleet efficiency and compliance. Ryder has experience in deploying these technologies in different types of duty cycles, as well as understanding the operating cost and residual value impacts this has. This is bundled together in the Ryder Choice Lease product giving operators the best of that industry knowledge, maintenance capabilities, and asset disposition to help them get the best value and recognize the efficiencies.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

Increasing weather-driven disruptions associated with climate change, may impact a particular OEM's or supplier's industry or location. These events may result in adverse regional economic conditions impacting an OEM or supplier's ability to provide vehicles or a particular component. All of these could adversely impact our FMS business and profitability. Our suppliers may also be affected by changes in the political and regulatory environment, particularly with regards to climate change related legislation, both in the U.S. and internationally. Negative impacts on our suppliers could result in disruptions in the supply and availability of equipment or services needed for our business that could in turn affect our ability to operate and serve our customers as planned.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Cost of response to risk

Description of response and explanation of cost calculation

The potential risk and financial impact of supply chain disruptions that could result in our reduced production capacity is dependent on a wide range of factors and therefore difficult to quantify. However, we recognize the importance of a robust and diverse supply chain in mitigating this risk. As such, we work closely with our OEM partners to ensure our operational needs can be met, plan for changing customer and regulatory trends, and align our business strategy and timelines to their production timelines, among other mitigating strategies. Furthermore, we continuously work to expand our OEM network. For example, in early 2021, we have met one-on-one with 25 different traditional and non-traditional OEMs to discuss their EV development plans and projected production schedules. These discussions have not only deepened our

relationship with our existing OEM partners, but they also connected us with more than 10 OEMs with whom we have not previously worked.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

i. Increasing complexity of vehicle technologies, continually changing maintenance requirements, and new United States federal and state regulatory, fuel, and emissions standards will drive more companies to outsource their transportation needs to a third party like Ryder that has the technical knowledge and expertise to handle these areas.

ii. Ryder helps customers manage and reduce their own risks and costs by providing guidance and direction to our customers on regulatory rules and regulations that may impact their business. For example, a small to medium size fleet client may not have dedicated environmental and regulatory personnel, and it will be advantageous to this client to have our compliance specialists stay abreast of frequent regulatory changes rather than attempting to monitor these changes themselves. We also allow our customers to achieve economies of scale (in fuel, maintenance, waste management and other operating costs) and to access to new and emerging technologies that they would not be able to gain, at least not as quickly and cost effectively as they do with Ryder.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

0.24

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

New fuel economy and fuel efficiency standards are expected to impact vehicle manufacturing costs, fuel costs, and overall operating costs for our fleet. The full extent of these impacts depends on a number of variables and are still unknown. However, we are able to estimate some of these costs. For example, while new vehicle emission standards will increase initial tractor-trailer equipment costs, they are expected to be more fuel efficient and consume 24% less fuel, thereby reducing operating costs. We also expect to generate increased revenues as the increased complexity associated with responding to new regulations prompts customers to outsource their transportation management and network optimization services to Ryder. As an industry leader, our expertise and access to emerging technologies is significantly greater than a company of a smaller size is able to achieve.

Cost to realize opportunity

4,200,000

Strategy to realize opportunity and explanation of cost calculation

Ryder has operated successfully in a highly regulated environment for years and is well positioned to service our customers with expertise and support. Ryder invests in purchasing strategies including evaluation of the environmental and performance standards of suppliers. We continually invest in state-of-the-art vehicles, fleet management and diagnostic technologies that expand these capabilities and maximize vehicle performance, cargo routing, fuel usage, and driving skills. We also had demonstrated leadership in transitioning our customers to evolving and more efficient transportation technologies. Starting in 2009, we assembled an Alternative Fuels and Vehicles Strategy Team (expanded in 2010 to the Alternative Fuel Natural Gas Council) to review alternative fuel platforms and identify new market opportunities. In 2015, to better serve customers incorporating NGVs into their fleets, we launched a new online

NGV maintenance training program to educate our entire North American technician workforce on NGV platforms, resulting in 6,200 NGV trained technicians across 61 NG compliant maintenance facilities across North America. To date, Ryder has invested \$100 million to offer customers natural gas vehicles. Ryder NG vehicles travelled over 280 million miles, and replaced over 42 million gallons of diesel fuel with lower emission natural gas. Ryder partnered with Anheuser-Busch to replace 66 of the beer company's diesel tractors with compressed natural gas (CNG) powered engines.

In 2019, to better serve customers incorporating EVs into their fleets, we assembled a large cross-functional diverse team of 100+ in-house technical resource experts across 11 different workstreams (marketing, incentive grants, pricing, infrastructure, maintenance needs). This includes four new dedicated employee resources toward this effort. Additionally, we are investing in EV vehicles and charging infrastructure, including \$3M in 2020 and 2021 to reserve a total of 150 Tesla semi-trucks, \$1M in EV charging stations and charging infrastructure, \$180,000 in 2 C-1000 Workhorse all-electric step vans offered through COOP for short-term rentals and through ChoiceLease and SelectCare product lines for longer term leases, and nearly \$30,000 in partnership with Freightliner to demo new, all-electric Class 6 and Class 8 trucks. Combined, recent investments exceed \$4.2M.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

- i) Changing consumer behaviour, particularly interest in full-service transportation solutions, has increased interest in environmentally-sound transportation solutions, presenting future business opportunities for Ryder.
- ii) Ryder provides full-service transportation solutions, which helps customers outsource their transportation needs and lower their carbon emissions.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

0

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Ryder is continually developing new services and tools that generate new revenue opportunities by enhancing the experience of and creating value for our outsourced transportation management and network optimization customers, such as: (1) RyderGyde, an application that allows drivers, fleet managers, and fleet owners to manage vehicles, ensure compliance, schedule maintenance, rent vehicles, find Ryder locations, and compare fuel rates; (2) RydeSmart, Ryder’s turnkey telematics program that gives customers real-time visibility and control over their fleet; (3) Uber Solutions for Business; and (4) COOP by Ryder, a commercial vehicle sharing platform that gives customers access to thousands of commercial trucks, tractors, and trailers available for rent at competitive rates. The potential financial impact will be indirect (\$0).

Cost to realize opportunity

180,000

Strategy to realize opportunity and explanation of cost calculation

i) Ryder proactively invests in developing new services and technology for our outsourced transportation management and network optimization customers to continuously improve operational efficiency and enhance the customer experience. As part of our commitment to innovation, we help customers manage their climate change risks and reduce their emissions through access to emerging technologies, market leadership, in-house technical expertise, and research and development. For example, Ryder developed the RyderGyde application to give customers the ability to manage their fleet or a single vehicle anywhere and anytime using a customized Ryder phone app. The app allows our customers to more efficiently identify Ryder locations, view fleet details and compare fuel rates. In addition, COOP is the perfect launch platform for new technology vehicles such as the Workhorse C-Series electric van as it provides customers the ability to try the vehicles in various markets without any long-term commitment. In 2020, Ryder purchased 2 C-1000 Workhorse units (\$90,000 each) and began offering the all-electric step van through COOP for short-term rentals and through ChoiceLease and SelectCare product lines for longer term leases.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Markets

Primary climate-related opportunity driver

Use of public-sector incentives

Primary potential financial impact

Increased access to capital

Company-specific description

i) Changing consumer behaviour, particularly related to business demand for energy efficient technologies, has increased interest in environmentally sound transportation solutions, presenting future business opportunities for Ryder.

ii) The growth of demand for alternative fuelled trucks including both electric and the natural gas vehicle market is an example of one such opportunity. Ryder has obtained federal and state grants for both electric and natural gas equipment and has used that funding to offset incremental costs associated with NGVs, EVs and associated infrastructure for our customers.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3,169,746

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Federal and state incentive projects provided Ryder with a tremendous opportunity to expand our alternative fueled fleet including electric and natural gas truck program, generating additional revenues from these new vehicles. The potential financial impact figure above includes grants received in 2021 to purchase and install two integrated power centers and up to four megachargers in San Bernardino and Riverside Counties, California, which will support future expansion of EVs into these areas. We expect this potential financial impact figure to increase in future years as we leverage additional partnerships and resources to enhance our grant achieving potential. For example, in 2021, Ryder partnered with the Center for Transportation and the Environment (CTE) to identify and win grants that will help us expand our evolving vehicle technology deployment efforts. Ryder is in CTE's Leadership Circle, which constitutes its highest level of membership.

Cost to realize opportunity

25,000

Strategy to realize opportunity and explanation of cost calculation

In 2020, Ryder made significant investments in developing charging infrastructure in our network, the impact and geographic extent of which was magnified by access to public-sector incentives. Over the course of the year, we installed five charging stations across three locations in California, bringing Ryder's total to 51 charging stations across the U.S. These installations will allow Ryder to increase the uptake of electric vehicles in its fleet in these regions. In the next year, Ryder hopes to install at least 15 electric charging stations across the US and Canada. Additionally, in April 2021, the South Coast Air Quality Management District Governing Board approved \$3.17M in grant funding for Ryder to purchase and install up to four Tesla Megachargers and two mobile charging power centers. Through Ryder's partnership with CTE as a member of their Leadership Circle (a \$25,000 membership cost), we anticipate leveraging additional public sector incentives and grants focused on advancing EV technologies.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

	Intention to publish a low-carbon transition plan	Comment
Row 1	No, we do not intend to publish a low-carbon transition plan in the next two years	

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.2b

(C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?

- i. Ryder is not using a single analysis specifically targeted at climate-related scenarios, because we implement a wide-ranging risk assessment program that considers financial, market, weather and sustainability and other risks that are fully integrated in the business strategy review.
- ii. Ryder is not planning to add a stand-alone climate related scenario analysis in the near future since our company is already applying a multi-prong strategy approach. However, Ryder is continuously reviewing opportunities to improve current risk programs.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	a) Ryder has assisted more than 70 Customers converting to NG vehicles including Anheuser Busch, Blu LNG, CEVA, Dean Foods, Golden Eagle Distributing, Northeast Foods and more. In 2014, Ryder engaged with Anheuser Busch to transition 10% of their vehicles to NG fuel. This would allow Anheuser Busch to lower fuel costs while also making progress towards their emission reduction goals. Over the course of that engagement, Ryder assisted Anheuser Busch in evaluating fleet turnover and fuel sourcing, to enable a strategic roll out of NG vehicles across the US.

		The result was that Anheuser Busch adopted 66 new NG vehicles in its fleet. b) Ryder's low carbon products and services, such as efficient vehicles and alternative fuel vehicles, have had a medium-high influence on business.
Supply chain and/or value chain	Yes	a) We have a comprehensive fuel supply network through Ryder's Energy Distribution Company (REDCO), which responds quickly to man-made or natural disruptions in fuel supply. For example, Ryder helps customers get ready for hurricanes and other approaching storms by implementing contingency plans in storm areas that include fuel management and by leaning on our strategic fuel partners for priority supply. We also have fostered a robust supplier network on which we to ensure continued deliveries and uninterrupted supply fuel shortages or supply chain interruptions. In 2020, due to COVID, the diesel fuel market experienced a surplus rather than a shortage. However, we have faced shortages in past years and we track fuel inventories by branch in the affected areas. We also evaluate our fuel supplier portfolio annually to ensure we are best aligned for supply, price, and service in the right geographies. Critical freight loads are moved early and inventory loads repositioned in advance to avoid potential storm impacts. b) Ryder's logistics and transportation support services have had a medium-high influence on the business such as support to federal and state governments, as well as to non-profit disaster relief agencies during times of disaster.
Investment in R&D	Yes	a) Ryder invests in state-of-the-art vehicles, fleet management and diagnostic technologies that expand transportation capabilities and maximize vehicle performance, cargo routing, fuel usage, and driving skills. In 2020, Ryder made significant investments in developing charging infrastructure in our network. In total, Ryder has invested nearly \$1M in EV charging stations and charging infrastructure. Over the course of the year, we installed five charging stations across three locations in California, bringing Ryder's total to 51 charging stations across the U.S. This investment will allow Ryder to increase the uptake of electric vehicles in its fleet in these regions. In the next year, Ryder hopes to install at least 15 electric charging stations across the US and Canada. Additionally, in April 2021, the South Coast Air Quality Management District Governing Board approved \$3.17M in grant funding for Ryder to purchase and install up to four megachargers and two mobile charging power centers. b) Ryder's investment

		in R&D for new low carbon vehicles and technologies has had a medium-high influence on the business.
Operations	Yes	a) Continuously improving efficiency in our operations is commonplace at Ryder. Operations routinely reduces costs and emissions by investing in vehicle and building efficiency, as well as educating our employees. In 2020, Ryder began development of an employee Fuel Efficient Driving Training series aimed at reducing fleet emissions by educating drivers to control RPMs, Overspeeding and Idle Time or ROI, the three driver behaviors that have the greatest impact on vehicle fuel efficiency. The training is an enhancement of a previous fuel-efficient driver training campaign and is designed to reduce emissions. The training will be delivered in conjunction as part of the broader driver training curriculum to 100% of drivers in Dedicated Transportation Services next year. b) Ryder’s operational risks and opportunities have had a medium influence on the business.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Capital expenditures	As part of our commitment to advancing Alternative Fuel Vehicle technologies, Ryder has committed to investing in evolving technologies, including EV. We have assembled a large cross-functional diverse team of 100+ in-house technical resource experts across 11 workstreams (i.e., marketing, incentive grants, pricing, infrastructure, maintenance needs) to support the deployment as they become available at scale, including four new dedicated employee resources toward this effort. Additionally, Ryder has made capital investments in EVs and EV technology including \$3M in 2020 and 2021 to reserve a total of 150 Tesla semi-trucks, \$1M in EV charging stations and charging infrastructure, \$180,000 in 2 C-1000 Workhorse all-electric step vans offered through COOP for short-term rentals and through ChoiceLease and SelectCare product lines for longer term leases, and nearly \$30,000 in partnership with Freightliner to demo new, all-electric Class 6 and Class 8 trucks.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2020

Target coverage

Business division

Scope(s) (or Scope 3 category)

Scope 1

Base year

2018

Covered emissions in base year (metric tons CO₂e)

701,947.17

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

81

Target year

2024

Targeted reduction from base year (%)

10

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

631,752.453

Covered emissions in reporting year (metric tons CO₂e)

636,951.44

% of target achieved [auto-calculated]

92.5934782243

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

In alignment with our sustainability principle to protect our planet, we strive to reduce emissions along our whole value chain. As a leading logistics and transportation company, 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 we are deploying AFVs, optimizing distribution networks, or operating energy-efficient warehouses and service shops, Ryder helps customer reduce emissions and drive long-term value for their businesses.

After meeting our 2020 goal early to reduce Scope 1 and Scope 2 emissions 20% over a 2009 baseline, we recently implemented new targets to drive our strategy over the next three years while we finalize our longer term targets. To develop our new emissions targets, we closely tracked and evaluated materials factors that influence our emissions across the value chain. We identified priorities that present the greatest opportunity to reduce emissions and close existing data gaps while evaluating the resources available (and needed) to achieve our goals. Our new goals, which have been reviewed by the Board of Directors, aim to complete the following:

- Reduce Scope 1 emissions (company-operated fleet) 10% by 2024, over 2018 baseline;
- Reduce Scope 2 emissions (company-operated facilities) 30% by 2024, over 2018 baseline; and,
- Reduce Scope 3 emissions (downstream leased equipment) 15% by 2024, over 2018 baseline.

The scope 1 target includes Ryder's DTS fleet operations and currently excludes the following fleet activities: UK fleet (2020: 10,256 MTCO₂e) and company owned service trucks (319 MTCO₂e). Both emissions are included in the emissions reporting.

Target reference number

Abs 2

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 2 (location-based)

Base year

2018

Covered emissions in base year (metric tons CO₂e)

118,889.38

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2024

Targeted reduction from base year (%)

30

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

83,222.566

Covered emissions in reporting year (metric tons CO₂e)

82,903.2

% of target achieved [auto-calculated]

100.8954149928

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

In alignment with our sustainability principle to protect our planet, we strive to reduce emissions along our whole value chain. As a leading logistics and transportation company, 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 we are deploying AFVs, optimizing distribution networks, or operating energy-efficient warehouses and service shops, Ryder helps customer reduce emissions and drive long-term value for their businesses.

After meeting our 2020 goal early to reduce Scope 1 and Scope 2 emissions 20% over a 2009 baseline, we recently implemented new targets to drive our strategy over the next three years while we finalize our longer term targets. To develop our new emissions targets, we closely tracked and evaluated materials factors that influence our emissions across the value chain. We identified priorities that present the greatest opportunity to reduce emissions and close existing data gaps while evaluating the resources available (and needed) to achieve our goals. Our new goals, which have been reviewed by the Board of Directors, aim to complete the following:

- Reduce Scope 1 emissions (company-operated fleet) 10% by 2024, over 2018 baseline;
- Reduce Scope 2 emissions (company-operated facilities) 30% by 2024, over 2018 baseline; and,
- Reduce Scope 3 emissions (downstream leased equipment) 15% by 2024, over 2018 baseline.

Target reference number

Abs 3

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 3: Downstream leased assets

Base year

2018

Covered emissions in base year (metric tons CO₂e)

9,599,291.42

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2024

Targeted reduction from base year (%)

15

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

8,159,397.707

Covered emissions in reporting year (metric tons CO₂e)

8,924,110.73

% of target achieved [auto-calculated]

46.8910089616

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

In alignment with our sustainability principle to protect our planet, we strive to reduce emissions along our whole value chain. As a leading logistics and transportation company, 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 we are deploying AFVs, optimizing distribution networks, or operating energy-efficient warehouses and service shops, Ryder helps customer reduce emissions and drive long-term value for their businesses.

After meeting our 2020 goal early to reduce Scope 1 and Scope 2 emissions 20% over a 2009 baseline, we recently implemented new targets to drive our strategy over the next three years while we finalize our longer term targets. To develop our new emissions targets, we closely tracked and evaluated materials factors that influence our emissions across the value chain. We identified priorities that present the greatest opportunity to reduce emissions and close existing data gaps while evaluating the resources available (and needed) to achieve our goals. Our new goals, which have been reviewed by the Board of Directors, aim to complete the following:

- Reduce Scope 1 emissions (company-operated fleet) 10% by 2024, over 2018 baseline;
- Reduce Scope 2 emissions (company-operated facilities) 30% by 2024, over 2018 baseline; and,
- Reduce Scope 3 emissions (downstream leased equipment) 15% by 2024, over 2018 baseline.

As of 2020, Ryder Scope 3 emissions are tracked and reported under nine of the 15 categories. While we calculate and track emissions across more categories, Scope 3 emissions reported in this section include only those from downstream leased assets (Category 13), as they represent the highest percentage of our Scope 3 (and total emissions) and are the focus of our newest emission reduction target. In future, we will consider additional Scope 3 emission reduction targets.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with suppliers

Percentage of suppliers disclosing their GHG emissions

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

8

Target year

2022

Figure or percentage in target year

20

Figure or percentage in reporting year

12

% of target achieved [auto-calculated]

33.3333333333

Target status in reporting year

Underway

Is this target part of an emissions target?

Scope 3 emissions represent the largest opportunity for improvement. Therefore, we are focused on working collaboratively with our suppliers and customers to reduce both upstream and downstream emissions through increased and more targeted engagement. In 2019, Ryder began ramping up company-wide supplier engagement with a review of current supplier code of conducts, sustainability programs, and one-on-one discussions on opportunities to further reduce emissions. Ryder has historically worked closely with our strategic suppliers, including our OEM partners, to expand upon our emission reduction initiatives and refine our emissions reporting year-over-year. As part of this on-going collaboration, Ryder is bolstering our supplier code of conduct with more specific supplier specific greenhouse gas reduction and reporting requirements. In 2020, we met with 3 top suppliers, including our preferred tire vendor, our preferred building repair and maintenance program vendor, and preferred waste recycling vendor on sustainability KPIs. In early 2021, we have met one-on-one with 25 different traditional and non-traditional OEMs to discuss their EV development plans and projected production schedules. As part of these discussions, we are forging potential new OEM relationships, putting customers' needs before the OEMs to ensure they are front of mind, as well as aligning our emission reduction targets and other business timelines with expected EV delivery dates. Not only have these discussions deepened our relationship with our existing OEM partners, but this supplier engagement effort has also connected Ryder with more than 10 OEMs with whom we have not worked before.

Is this target part of an overarching initiative?

Other, please specify

Other, please specify - Ryder is pro-actively engaging suppliers as part of a company-wide effort to enhance supplier code of conducts and sustainability programs.

Please explain (including target coverage)

Since 2009, Ryder has included sustainability questions in its RFP and Sourcing information to help in the qualifying and selection process for key suppliers. For environmental service and product providers, responses were weighted and included in the selection criteria. For other suppliers, responses were considered but were not always determinative. In 2019, Ryder started a broad-based company-wide supplier initiative to review current supplier code of conducts, sustainability programs and begin discussion on opportunities to reduce emissions. Ryder Environmental Services and Procurement teams have been working with a number of suppliers in those efforts to advance emission reduction benefits going forward, Ryder will now review select strategic suppliers to drive toward increased reporting and scoping of beneficial emission reduction opportunities. As part of this on-going collaboration, Ryder is bolstering our supplier code of conduct with more specific supplier specific greenhouse gas reduction and reporting requirements. In 2020, we met with our top strategic suppliers, including our preferred tire vendor, our preferred building repair and maintenance program vendor, and waste recycling vendor on sustainability KPIs.

Additionally, we are meeting with OEMs to align their low carbon product (i.e. EVs) production timelines with our emission reduction targets and overall strategy timelines. In 2021, we are scheduled to meet with a minimum of 25 different OEMs as part of our EV strategy, including more than 10 new prospective OEM partners.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*	2	210,211
Implemented*	5	258,341
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings
Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)

631

Scope(s)

Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

89,073

Investment required (unit currency – as specified in C0.4)

244,056

Payback period

4-10 years

Estimated lifetime of the initiative

3-5 years

Comment

In 2020, Ryder replaced 40 HVAC units as part of the corporate Facilities Maintenance Program. Ryder expects the program to expand across all facilities in the next 1-4 years.

Initiative category & Initiative type

Energy efficiency in buildings

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

7,148

Scope(s)

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,459,982

Investment required (unit currency – as specified in C0.4)

10,780,290

Payback period

4-10 years

Estimated lifetime of the initiative

3-5 years

Comment

As of Dec 2020, Ryder has completed, or begun, more than 497 projects to convert facilities from energy-intensive metal halides fixtures to more energy efficient LED fixtures. Ryder expects the program to expand across 100 additional facilities in the next 1-4 years.

Initiative category & Initiative type

Transportation
Company fleet vehicle efficiency

Estimated annual CO2e savings (metric tonnes CO2e)

12,616

Scope(s)

Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

22,079,230

Investment required (unit currency – as specified in C0.4)

88,316,919

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

Ryder reduces emissions significantly through the RydeSmart toolbox that includes a software-as-a-service (SAAS) products, making it even easier for customers to access and monitor their fleets anytime, anywhere. This program is designed to deliver up to a 10-15% reduction in fuel consumption through improved routing, driving habits and reduction of unauthorized use and idle time, which directly leads to avoided scope 1 emissions for our customers. The program has been in existence since 2008, delivering reductions since its inception. RydeSmart is a full-featured GPS fleet location, tracking, and vehicle performance management system lowers operating expenses and provides better customer service allows customers to know where their fleet is at all times. Vehicles can be easily monitored from a central location, anytime, anywhere. RydeSmart provides customers with the ability to pinpoint their vehicle location, get accurate mileage or performance data or find out which truck is closest to their location. Ryder reduces approximately 12,616 MTCO2e of scope 1 emissions for our customers annually through the RydeSmart telematics program.

Initiative category & Initiative type

Transportation
Company fleet vehicle efficiency

Estimated annual CO2e savings (metric tonnes CO2e)

142,526

Scope(s)

Scope 1
Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

7,240,294

Investment required (unit currency – as specified in C0.4)

16,551,553

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

Ryder was the first national vehicle maintenance service provider to convert its vehicles and to exclusively use low viscosity, high efficiency 10W-30 grade engine oil. Using the more efficient oil, enables customers to achieve up to a 1.5 percent improvement in fuel economy, which translates to an estimated reduction of 130,083 metric tonnes (MT) CO₂e annually for both Ryder's scope 1 (8,743 MTCO₂e) and scope 3 emissions (142,526 MTCO₂e).

Initiative category & Initiative type

Transportation
Company fleet vehicle efficiency

Estimated annual CO₂e savings (metric tonnes CO₂e)

95,420

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2,870,744

Investment required (unit currency – as specified in C0.4)

95,000,000

Payback period

16-20 years

Estimated lifetime of the initiative

11-15 years

Comment

Value-added differentiation of the full service leasing, maintenance and commercial rental services, as well as continued commitment to offer innovative products and solutions, such as natural gas vehicles, electric and potentially other alternative fueled vehicles, has been and will continue to be Ryder's emphasis. To date, Ryder has a combined distance of over 320 million miles of natural gas vehicle experience where the Company has replaced more than 47 million gallons of diesel fuel with lower emission domestically produced natural gas. In markets where Ryder has natural gas vehicles running in customer operations, the company has engineered its maintenance facilities to be compliant for the indoor services of natural gas vehicles.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Facility lighting upgrades are incentivized by providing corporate supervision and project management support. The environmental corporate team performs all the due diligence and legwork, solicits utility rebates to offset costs and provides technical, project management support to complete upgrades. 411 energy efficient lighting projects have been completed to date at an average per project upgrade cost of \$26,229 and an average facility savings of 36,464 kWh. Facility lighting upgrades result in safer, more efficient work spaces for employees. Cost savings are maximized by securing utility incentives that are passed along to operating facilities P&L and are sustained with on-going project management oversight by the corporate environmental team.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Company-wide

Description of product/Group of products

With best-in-class SmartWay Verified Technologies, such as the RydeSmart telematics program, Ryder offers its customers industry-leading vehicle performance, optimized fuel efficiency, and reduced carbon emissions. This program is designed to deliver up to 10-15% reduction in fuel consumption through improved routing, driving habits and reduction of unauthorized use and idle time, which directly leads to avoided scope 1 emissions for our customers. The program has been in existence since 2008, delivering annual reductions since its inception. RydeSmart is a full-featured GPS fleet location-tracking, and vehicle performance management system which lowers operating expenses and allows customers to know where their fleet is at all times and monitor driver performance. Vehicles can be easily monitored from a central location, anytime, anywhere. RydeSmart provides customers with the ability to pinpoint their vehicle location, get accurate mileage or performance data or find out which truck is closest to their location.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

EPA SmartWay Tool

% revenue from low carbon product(s) in the reporting year

0.01

Comment

Ryder reduces approximately 12,616 MTCO₂e of scope 1 emissions for our customers annually through the RydeSmart telematics program. Emission reductions are calculated based on the following methodology and assumptions: Ryder Full Service Lease units that are equipped with RydeSmart achieved a 10% reduction in vehicle speeding and hard braking, and a 10% reduction in reduced idling, resulting in 0.1 gallons/mile fuel savings improvement. The emission reduction estimates are based on fuel savings from RydeSmart vehicles, calculated based on total annual miles travelled, average miles per gallon of fuel use, and applying the 0.1 gallons/mile fuel savings. Ryder has established the SmartWay Tool as the technical basis and source for all mobile emission factors. Scope 1 and Scope 3 mobile emissions are based on a factor of 22.2 lbs of CO₂ per gallon of diesel fuel, as documented in the US EPA Office of Transportation and Air Quality EPA 420-F-05-001 dated February 2005, and which is the basis for all SmartWay CO₂ emission calculations. Ryder is computing CO₂ emission reductions only. CO₂ has a GWP of 1.

Level of aggregation

Group of products

Description of product/Group of products

Alternative Fuel Fleet: Ryder has built expertise around Alternative Fuel Vehicle deployment. For example we developed an extensive natural gas vehicle network that allows customer to lease alternative fuel vehicles and use Ryder natural gas fuelling stations and repair facilities. Natural gas vehicles are built from the ground up to deliver better emissions performance than conventional diesel vehicles. A natural gas fleet can help cut fuel costs, reduce carbon footprint and tap into more predictable fuel pricing. In addition to lowering fuel costs, natural gas vehicles can reduce well-to-wheel CO2 emissions by as much as 25% and are powered by a more secure source of domestic energy. In recent years, we repeated this approach again with emerging EV technologies and have assembled a large cross-functional diverse team of 100+ in-house technical resource experts across 11 workstreams (i.e., marketing, incentive grants, pricing, infrastructure, maintenance needs) to support the deployment of evolving technologies, like EVs, as they become available at scale.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Argonne national Laboratory GREET 2. Model

% revenue from low carbon product(s) in the reporting year

0

Comment

Percent revenue from low carbon products in the reporting year was estimated at 0.001%. To date, Ryder has a combined distance of over 320 million miles of natural gas vehicle experience where the Company has replaced more than 47 million gallons of diesel fuel with lower emission domestically produced natural gas. In markets where Ryder has natural gas vehicles running in customer operations, the company has engineered its maintenance facilities to be compliant for the indoor services of natural gas vehicles. Ryder currently operates a fleet of approximately 500 natural gas vehicles, and 61 natural gas compliant maintenance facilities.

Level of aggregation

Group of products

Description of product/Group of products

Supply Chain Solutions (SCS): Through Ryder SCS services, customers can more precisely align inbound and outbound shipments, synchronize returns with optimized fleet use and arrange backhauls that offset transportation costs and minimize empty miles. For example, Ryder helped a customer to reduce their carbon footprint by 7% through implementation of a lean supply chain design that includes optimal transportation and fleet solutions, including the use of a dedicated fleet. Through multi-stop truckload routing, total miles driven were reduced by nearly 50%.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

EPA SmartWay Tool

% revenue from low carbon product(s) in the reporting year

0.01

Comment

Level of aggregation

Group of products

Description of product/Group of products

Preventative Maintenance: Ryder offers customers quality preventive and ongoing maintenance to optimize vehicle and fleet performance. Better-maintained vehicles are more efficient and burn less fuel. Ryder has an extensive program that implements rigorous preventive maintenance schedules for even the most routine care by routinely measuring engine performance at pre-scheduled maintenance checks and verifying tire conditions and inflation rates every time vehicles stop to refuel.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Internal asset management database

% revenue from low carbon product(s) in the reporting year

0.06

Comment

Example: Ryder's Total Tire Management program utilizes low rolling resistance fuel efficient original tires and retreads to reduce emissions in all Ryder vehicles. Operating on properly inflated fuel efficient tires can represent up to 4% in fuel savings compared to a similar vehicle operating on on-fuel efficient tires.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

749,903.46

Comment

Scope 2 (location-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

118,889.38

Comment

Scope 2 (market-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

117,962.65

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Climate Registry: General Reporting Protocol

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Center for Corporate Climate Leadership: Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases

US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity
Other, please specify

US EPA Office of Transportation and Air Quality Emission Facts EPA420 -F-05-001

C5.2a

(C5.2a) Provide details of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

US EPA Office of Transportation and Air Quality Emission Facts EPA420 -F-05-001

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

681,840.55

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

We continue our due diligence to obtain as much Market-Based information as possible from suppliers and from publicly available information.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

82,903.2

Scope 2, market-based (if applicable)

84,141.88

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Heating Oil

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

Heating oil usage for 8 locations was not available at the time we submitted this report and they represent approximately 0.28% (2,155 MTCO₂) of our total emissions (0.32% of scope 1).

Source

Lighting Flat Rate Meters

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

There are approximately 139 facilities that have outdoor lighting meters where actual kWh usage is not provided. The emissions were estimated at 2,521 MTCO₂. This represents 0.3% of the total Scope 1 and 2 inventory (3% of scope 2).

Source

Refrigerants

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

Relevance was determined from estimating the size of refrigerants emissions as compared to a materiality threshold of 5%. Since refrigerant emissions make up 0.59% (4,525 MTCO₂) of the scope 1 and 2 emissions (0.66% of scope 1), they are considered not material and therefore not relevant. Ryder also considers if emissions are relevant by determining if Ryder can drive reductions, the cost-benefit of gathering data, stakeholder expectations, and potential uses of the data.

Source

Refrigerants from HVAC usage in buildings

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

HVAC emissions are excluded as they do not meet the materiality threshold of 5%. Using TCR GRP's screening method and assuming a conservative 1,158 A/C units (1 per site) and using R-407A refrigerants results in emissions of 17,671 MTCO₂e. This is 2.3% of scope 1 and 2 (2.6% of scope 1) emissions and does not cause the materiality threshold of 5% to become exceeded (including the other omissions).

Source

CH₄/N₂O Emissions

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

CH₄ and N₂O emissions are not estimated as they are considered de minimis. They represent approximately 0.1% of scope 1 and 2 emissions (including the other omissions).

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

231,331

Emissions calculation methodology

The WRI/WBCSD Scope 3 average-data method and supplier specific method were applied to calculate the category 1: purchased goods and services. This category

includes GHG emissions associated with the extraction, production and transportation of fuel purchased by Ryder through REDCO. Fuel production and transportation average life cycle emission factors for upstream emissions per gallon were used, excluding combustion (U.S. /CA Life Cycle EF for Diesel at regional storage).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Ryder customers purchase fuel through REDCO resulting in GHG emissions from extraction, production and transportation to distributor. Nonfuel purchased goods (e.g., tires, motor oil) are not relevant and not included in emissions calculations.

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

30,108

Emissions calculation methodology

The WRI/WBCSD Scope 3 average-data method was applied to calculate the category 2: Capital Goods. This category includes GHG emissions associated with the production of trucks purchased by Ryder during the reporting year. The WRI/WBCSD Scope 3 average product method was applied estimating emissions from purchased trucks using industry average lifecycle emission factors published by Ecoinvent V3.2 Truck Lifecycle Dataset.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

This includes upstream emissions from new trucks added to the Ryder fleet.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

120,361

Emissions calculation methodology

The WRI/WBCSD Scope 3 average-data method and supplier-specific method were applied to calculate the category 3: fuel and energy related activities not included in scope 1 or scope 2 emissions. This category assesses GHG emissions associated with fuel distributed to the Ryder fleet using gallons of fuel retrieved through the internal

database and used for scope 1 calculations. We used the average-data method to calculate the upstream emissions of Ryder fuels used in their operations including extraction, production, and transportation to storage. We used the supplier-specific method to calculate the upstream distribution of Ryder fuels used in their operations from the bulk supplier to Ryder. Fuel production and transportation emission factors from the Ecoinvent V3 database were generated in the SimaPro life cycle assessment software using the IPCC 2007 GWP 100a characterization method.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Ryder's owned fleet consumes fuel in their U.S. and Canadian Operations. This accounts for GHG emissions from extraction, production and transport from manufacturer to distributor for the DTS fleet. Fuel transport from supplier to Ryder shops is captured in Category 4.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

1,729

Emissions calculation methodology

The WRI/WBCSD Scope 3 distance-based method was applied to calculate the category 4: upstream transportation and distribution emissions from fuel Ryder sold to customers. This category assesses GHG emissions associated with fuel usage by customer fleet that is distributed through Ryder REDCO. Excluded are emissions for fuel used in the Ryder owned fleet (this is included in category 3). Transportation emission factors from the Ecoinvent V3 database were generated in the SimaPro life cycle assessment software using the IPCC 2007 GWP 100a.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

This is the transportation of customer sold fuels provided through REDCO in the U.S. and Canada. It includes GHG emissions from the transportation from distributor to Ryder locations.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

3,170

Emissions calculation methodology

The average cost data method was applied to calculate category 5: Ryder waste hauling costs are approximately 0.021% of the waste vendor's total revenue. The vendor's scope 1 and 2 emissions are 15,934,821 MTCO₂e and therefore Ryder's scope 3 category is approximately 3,337 MTCO₂e.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

80

Please explain

Ryder generated mixed solid waste is tracked and annual cost is reported. The scope 3 emissions are based on scope 1 and 2 emissions that are reported by the waste hauler. The current cost incurred is approximately 66% of all company-wide MSW disposal and is extrapolated to all operations.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

7,593

Emissions calculation methodology

Ryder's travel vendor provides annual reporting that categorizes air travel as short, medium and long haul flights and computes varying amounts of GHG emitted based on air mileage. The calculation methodologies are based on various widely accepted protocols that can all be traced back or related to the GHG Protocol. They include The Climate Registry General Reporting Protocol and the EPA GHG Calculator. Also included in this category are GHG emissions based on annual mileage and mpg reports from Ryder's preferred rental car partners.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Ryder employs approximately 38,000 full time employees in North America. Ryder has made significant progress reducing air miles travelled each year and reducing GHG emissions associated with employee travel miles. Ryder's travel partner, Ryder travel vendor developed real-time measurements of each traveler based on airline travel. Ryder's preferred rental car companies provided the vehicle rental miles travelled.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

26,352

Emissions calculation methodology

Employee commuting patterns were surveyed in 2012 (Miami HQ). The responses showed that approximately 98.2% of HQ employees drive to work alone/carpool with an average commuting distance of 42 miles. Assuming an average fuel efficiency and EPA gasoline emission factor of 8.78 kg/gal this translates into 3.65 MTCO₂e/year/employee. In 2020, there were 29,400 employees in North America (excluding truck drivers). Taking into account that the pandemic resulting from COVID 19, influenced commuting patterns, it was assumed that commuting only took place the first quarter of the year. This estimate results in 26,352 MTCO₂e for commuting activities.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

2

Please explain

The calculation is only a high level approximation based on a single commuter survey. Actual commuting patterns will vary significantly from state to state.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Ryder does not have significant upstream leased assets.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Ryder does not have significant downstream transportation and distribution. Ryder sold fuel is included as a fuel purchased option with their leased vehicles and is included in category 13 in addition to fuel purchased elsewhere (not from Ryder).

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Ryder does not have significant processing of sold products. Ryder sold fuel is included as a fuel purchased option with their leased vehicles and is included in category 13 in addition to fuel purchased elsewhere (not from Ryder).

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

906,017

Emissions calculation methodology

The category includes the emissions from the use of used trucks sold by Ryder in the reporting year. The trucks consumed energy resulting in direct use-phase emissions. Ryder has established the SmartWay Tool as the technical basis and source for all mobile emission factors. Scope 1 and Scope 3 mobile emissions are based on a factor of 22.2 lbs of CO2 per gallon of diesel fuel, as documented in the US EPA Office of Transportation and Air Quality EPA 420-F-05-001 dated February 2005, and which is the basis for all SmartWay CO2 emission calculations.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The sale of used trucks was added to Ryder's scope 3 emissions. In 2020, Ryder held 11,300 trucks for sale. Based on average truck mileages, this equates to 906,017 MT CO2e. Ryder does not have any other significant sold products. Ryder sold fuel is included as a fuel purchased option with their leased vehicles and is included in category 13 in addition to fuel purchased elsewhere (not from Ryder).

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Ryder does not have significant life treatment of sold products.

Downstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO2e

8,924,111

Emissions calculation methodology

The WRI/WBCSD Scope 3 direct use-phase emissions method was applied to calculate the category 13: downstream leased assets emissions from fuels combusted in Ryder leased vehicles. This category assesses fuel combustion and lifecycle GHG emissions associated with customer trucks fuel usage. The category includes the emissions from the use phase of the leased products (combustion) and life cycle emission factor for diesel production. Ryder has established the SmartWay Tool as the technical basis and source for all mobile emission factors. Scope 1 and Scope 3 mobile emissions are based on a factor of 22.2 lbs of CO₂ per gallon of diesel fuel, as documented in the US EPA Office of Transportation and Air Quality EPA 420-F-05-001 dated February 2005, and which is the basis for all SmartWay CO₂ emission calculations.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

This category accounts for GHG emissions resulting from the combustion of fuel used in customer leased vehicles in the U.S., Canada and UK.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Ryder does not have any franchise operations.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Ryder does not own any GHG releasing investments.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

Ryder does not have any other scope 3 upstream emissions.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

Ryder does not have any other scope 3 downstream emissions.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	21,689	

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

19.61

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

764,743.76

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

39,000

Scope 2 figure used

Location-based

% change from previous year

12.29

Direction of change

Decreased

Reason for change

FTE decreased 2.26% and Scope 1 and 2 emissions decreased 16.6% in 2020, leading to an intensity change of 12.29%. Ryder realized emissions reductions from our 5 major emission reduction activities: HVAC projects (631 MTCO2e/yr), Lighting (7,148 MTCO2e/yr), Customer fleet efficiency via RyderSmart program (12,616 MT CO2e),

High efficiency oil (8,743 MT CO₂e), and Natural Gas Fleet replacing diesel usage (528 MT CO₂e).

C-TS6.15

(C-TS6.15) What are your primary intensity (activity-based) metrics that are appropriate to your emissions from transport activities in Scope 1, 2, and 3?

LDV

Scopes used for calculation of intensities

Report just Scope 1

Intensity figure

0.0014

Metric numerator: emissions in metric tons CO₂e

0

Metric denominator: unit

t.mile

Metric denominator: unit total

1

% change from previous year

-6

Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

In 2020, Ryder's DTS fleet reported a fleet-wide emission intensity of 1,410 grams CO₂e per mile (0.001410 metric tons CO₂e per mile) which is a 6% decrease compared to 2019. Fleet-wide emission reduction activities, including equipment upgrades and technology initiatives contributed to the improvement in fleet emission intensities.

HDV

Scopes used for calculation of intensities

Report just Scope 1

Intensity figure

0.0014

Metric numerator: emissions in metric tons CO₂e

0

Metric denominator: unit

t.mile

Metric denominator: unit total

1

% change from previous year

-6

Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

In 2020, Ryder's DTS fleet reported a fleet-wide emission intensity of 1,410 grams CO₂e per mile (0.001410 metric tons CO₂e per mile) which is a 6% decrease compared to 2019. Fleet-wide emission reduction activities, including equipment upgrades and technology initiatives contributed to the improvement in fleet emission intensities.

ALL

Scopes used for calculation of intensities

Report just Scope 1

Intensity figure

Metric numerator: emissions in metric tons CO₂e

Metric denominator: unit

Metric denominator: unit total

% change from previous year

Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO ₂ e)
----------------	---

United States of America	613,846.94
Canada	57,086.12
Europe	10,907.49

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Supply Chain Solutions	645,517.43
Fleet Management Solutions	25,347.6
Administration	68.03
International Operations	10,907.49

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Transportation Service/Fleet activity	655,773.49
Fleet Maintenance activity	25,999.03
Administrative activity	68.03

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Transport services activities	655,773.49	

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	72,715.99	73,931.11	174,625.19	174,625.19
Canada	1,427.07	1,427.07	7,669.02	7,669.02
Mexico	8,168.04	8,304.45	14,855.21	14,855.21
Europe	592.1	615.66	2,439.29	2,439.29

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Supply Chain Solutions	35,313.7	35,903.81
Fleet Management Solutions	34,151.01	34,721.69
Administration	4,678.35	4,756.53
International Operations	8,760.14	8,760.14

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Transportation Service/Fleet activity	35,313.7	35,903.81
Fleet Maintenance activity	42,911.15	43,481.83
Administrative activity	4,678.35	4,756.53

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO₂e.

	Scope 2, location-based, metric tons CO ₂ e	Scope 2, market-based (if applicable), metric tons CO ₂ e	Comment
Transport services activities	82,903.2	84,141.88	

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO ₂ e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	19,074.95	Decreased	2.14	Ryder purchased 48% less biodiesel/renewable diesel from 2019 to 2020. 19,074.95 MTCO ₂ e in 2020 versus 892,057.17 MTCO ₂ e 2019 Emissions = 2.14% decrease in biodiesel/renewable diesel consumption.
Other emissions reduction activities	29,666.36	Decreased	3.33	Ryder implemented the following emission reduction activities in scope 1 and 2: HVAC and LED Lighting upgrade programs (7,779 MTCO ₂ e), RydeSmart (12,616 MTCO ₂ e), High efficiency oil (DTS fleet, 8,743 MTCO ₂ e), Natural Gas Fleet replacing diesel usage (528 MTCO ₂ e). Combined emission reduction activities saved 29,666.36 MTCO ₂ e in 2020 versus 892,057.17 MTCO ₂ e =

				3.33% decrease in emissions from emission reduction activities.
Divestment				
Acquisitions				
Mergers				
Change in output	104,555.1	Decreased	11.72	Ryder decreased truck mileages in 2020 resulting in an 11.72% decrease in emissions = 104,555.10 MTCO ₂ e in 2020 versus 892,057.17 MTCO ₂ e in 2019.
Change in methodology	4,145.16	Increased	0.46	Ryder updated all emission factors to current eGrid and other emission factors resulting in a 0.46% increase: 4,145.16 MTCO ₂ e in 2020 versus 892,057.17 MTCO ₂ e in 2019.
Change in boundary				
Change in physical operating conditions	6,009.51	Decreased	0.67	Physical operating conditions and weather related changes resulted in a 0.67% decrease in emissions = 6,009.51 MTCO ₂ e in 2020 versus 892,057.17 MTCO ₂ e 2019 emissions.
Unidentified	23,800.85	Increased	2.74	Unidentified changes resulted in a 2.74% increase in emissions = 23,800.85 MTCO ₂ e in 2020 versus 892,057.17 MTCO ₂ e in 2019 emissions.
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	2,897,440.07	2,897,440.07
Consumption of purchased or acquired electricity		0	199,588.7	199,588.7
Total energy consumption		0	3,097,028.77	3,097,028.77

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No

Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Diesel

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

2,711,055.63

Emission factor

22.2

Unit

lb CO2e per gallon

Emissions factor source

U.S. EPA Office of Transportation and Air Quality Emission Facts document EPA 420-F-05-001 dated February 2005

Comment

Ryder has established the SmartWay Tool as the technical basis and source for all mobile emission factors. Diesel emissions are based on a factor of 22.2 lbs of CO2 per gallon of diesel fuel, as documented in the US EPA Office of Transportation and Air Quality EPA 420-F-05-001 dated February 2005, and which is the basis for all SmartWay CO2 emission calculations.

Fuels (excluding feedstocks)

Fuel Oil Number 2

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

3,286.69

Emission factor

0.074

Unit

metric tons CO₂e per million Btu

Emissions factor source

US: 0.0740 MTCO₂e/MMBTU, 2020 TCR

Canada: 199.78 MTCO₂e/MMBTU, 2020 TCR

Fuel Oil UK: 0.17 MTCO₂e/MMBTU, 2020 DEFRA

Burning Oil UK: 0.135 MTCO₂e/MMBTU, 2020 DEFRA

Gas Oil UK: 0.147 MTCO₂e/MMBTU, 2020 DEFRA

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

175,428.13

Emission factor

116.98

Unit

lb CO₂e per million Btu

Emissions factor source

US: 116.98 lbs/MMBTU, 2020 TCR

Canada: 132.96 lbs/MMBTU, 2020 TCR

UK: 131.64 lbs/MMBTU, 2020 DEFRA

Comment

Fuels (excluding feedstocks)

Propane Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

7,669.62

Emission factor

136.05

Unit

lb CO2e per million Btu

Emissions factor source

Propane:

US: 136.05 lbs/MMBTU, 2020 TCR

Canada: 178.02 lbs/MMBTU, 2020 TCR

UK (LPG): 182.82 lbs/MMBTU, 2020 DEFRA

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

None (no purchases of low-carbon electricity, heat, steam or cooling)

Low-carbon technology type

Country/area of consumption of low-carbon electricity, heat, steam or cooling

MWh consumed accounted for at a zero emission factor

Comment

C-TS8.2f

(C-TS8.2f) Provide details on the average emission factor used for all transport movements per mode that directly source energy from the grid.

Category	Emission factor unit	Average emission factor: unit value	Comment
LDV	gCO2/kWh	405	Argonne Lab Model GREET 1, Version 2019, Electricity Generation, Power Plant Emissions: Grams per kWh of Electricity Available at User Sites (wall outlets).

C-TS8.5

(C-TS8.5) Provide any efficiency metrics that are appropriate for your organization's transport products and/or services.

Activity

Heavy Duty Vehicles (HDV)

Metric figure

1,410

Metric numerator

Other, please specify
CO2 Grams

Metric denominator

Other, please specify
Mile

Metric numerator: Unit total

1,410

Metric denominator: Unit total

1

% change from last year

-6

Please explain

Ryder DTS Fleet provides annual updates to the EPA SmartWay Carrier Tool. The tool generates greenhouse gas and other emission data with scientifically-based methods using EPA emission factors, and provides consistent and comparable metrics for freight emissions across all industry sectors. In 2020, Ryder DTS generated approximately 1,410 grams of CO2 per mile based on the 2020 SmartWay Carrier Performance.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-T09.3/C-TS9.3

(C-T09.3/C-TS9.3) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.

Activity

Light Duty Vehicles (LDV)

Metric

Fleet adoption

Technology

Battery electric vehicle (BEV)

Metric figure

2

Metric unit

Units

Explanation

In 2020, Ryder announced that customers will be able to lease or short-term rent the C-Series Workhorse all-electric step van, which is a first step for fleets seeking to electrify their last mile. The C-1000 was first made available in California through Ryder's COOP peer-to-peer commercial vehicle sharing platform. The C-1000 has 1,000 cubic feet of space and weighs 13,000 pounds fully loaded. Workhorse is the only fully permitted, last-mile EV OEM building vehicles for commercial use across the country.

Activity

Heavy Duty Vehicles (HDV)

Metric

Fleet adoption

Technology

Other, please specify
Natural Gas

Metric figure

500

Metric unit

Units

Explanation

Ryder customer fleet includes approximately 500 natural gas units that are operated across the United States.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	

C-TO9.6a/C-TS9.6a

(C-TO9.6a/C-TS9.6a) Provide details of your organization’s investments in low-carbon R&D for transport-related activities over the last three years.

Activity

Heavy Duty Vehicles (HDV)

Technology area

Electrification

Stage of development in the reporting year

Pilot demonstration

Average % of total R&D investment over the last 3 years

≤20%

R&D investment figure in the reporting year (optional)

50,000,000

Comment

RyderVentures, a new corporate venture capital fund, was launched in 2020 to invest in and partner with start-up companies that are developing new technologies and business models that deliver advancements and automation in logistics and transportation. RyderVentures is targeting to invest \$50 million over the next five years.

Activity

Light Duty Vehicles (LDV)

Technology area

Electrification

Stage of development in the reporting year

Pilot demonstration

Average % of total R&D investment over the last 3 years

≤20%

R&D investment figure in the reporting year (optional)

180,000

Comment

In 2020, Ryder announced customers will be able to lease or short-term rent the C-Series Workhorse all-electric step van, which is a first step for fleets seeking to electrify their last mile. The C-1000 was first made available in California through Ryder’s COOP peer-to-peer commercial vehicle sharing platform. The C-1000 has 1,000 cubic feet of space and weighs 13,000 pounds fully loaded. Workhorse is the only fully permitted, last-mile EV OEM building vehicles for commercial use across the country. In 2017, W.B. Mason announced its plans to lease Workhorse E-GEN electric vehicles through Ryder as the Company is the primary distributor and provider of service and support for Workhorse’s light and medium duty range-extended electric vehicle fleet in North America. Ryder collaborated with Workhorse to develop the electric vehicle chassis.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

0.01

% total procurement spend (direct and indirect)

13.83

% of supplier-related Scope 3 emissions as reported in C6.5

0.1

Rationale for the coverage of your engagement

Direct supplier engagement and forming lasting partnerships has mutual benefits. Ryder has recognized the value of establishing strong partnerships with strategic suppliers such as Original Engine Manufacturers (OEMs) as it encourages cost and resource efficiencies. Ryder maintains close relationships with all major suppliers, but particularly with the OEMs who are critical for our business and help support deployment of emerging fuel efficient technologies. Therefore, OEMs are prioritized for engagement through information collection and collaboration on low-carbon product lines. We are meeting with OEMs to align their low carbon product (i.e. EVs) production timelines with our emission reduction targets and overall strategy timelines.

Impact of engagement, including measures of success

Since 2009, Ryder has included sustainability questions in its RFP and Sourcing information to help in the qualifying and selection process for key suppliers. For environmental service and product providers, responses were weighted and included in the selection criteria. For other suppliers, responses were considered but were not always determinative. In 2019, Ryder started a broad-based company-wide supplier initiative to review current supplier code of conducts, sustainability programs and begin discussion on opportunities to reduce emissions. Ryder Environmental Services and Procurement teams have been working with a number of suppliers in those efforts to advance emission reduction benefits. For example, Ryder will now review select strategic suppliers to drive toward increased reporting and scoping of beneficial emission reduction opportunities. As part of this initiative, Ryder will develop supplier specific greenhouse gas reduction performance targets and standard reporting. Additionally, as customers seek greener and more eco-friendly solutions, Ryder has leaned on our long-time OEM partners and new prospective OEM partners for EV technologies. In early 2021, we have met one-on-one with 25 different traditional and non-traditional OEMs to discuss their EV development plans and projected production schedules. As part of these discussions, we are forging potential new OEM relationships, putting customers' needs before the OEMs to ensure they are front of mind, as well as aligning our emission reduction targets and other business timelines with expected EV delivery dates. This supplier engagement effort has connected Ryder with more than 10 OEMs with whom we have not worked before, thereby expanding our OEM network.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

86

Please explain the rationale for selecting this group of customers and scope of engagement

Ryder engages with its customers on GHG emissions and climate change strategies through several initiatives and offerings. 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. For example, Ryder's innovative ChoiceLease offers our customers the option to convert some or all of their fleet to greener, more fuel-efficient vehicles at any time. Ryder's alternative fuel fleet includes compressed and liquid natural gas vehicles, which are offered in select markets as well as hybrid vehicles, which are available in most U.S. markets. Ryder customers are educated and provided a menu of green-to-greener services, with some solutions requiring a higher initial capital investment to produce the maximum amount of emission reductions long-term. Customers can also select optimum network designs for maximum fuel savings and emission reduction, and they can incorporate carbon offsets to neutralize their transportation related emissions. All customers are educated about these programs through Ryder's marketing and social media efforts and through communications on Ryder's webpage. Customers are selected for engagement based on their expressed interest in adopting low carbon products that Ryder offers. As such, Ryder's strategy for prioritizing engagements is to meet customer demand for low carbon solutions. Category 13 (downstream leased emissions) represent 86% of our Scope 3 emissions and are therefore our primary focus for customer engagement efforts. According to our estimation, approximately 86% of Ryder's customers are eligible for low carbon products and are therefore targeted for Ryder's customer engagement efforts.

Impact of engagement, including measures of success

i. The impact of the engagement has been the successful creation of business opportunities and reduction in emissions. For example, Michigan based beverage container recycling company UBCR, LLC has operated its Ryder NGV fleet for more than 15 million miles from 2011 to 2020. As an early adopter of Ryder's NGV solution, UBCR has reduced its greenhouse gas emissions by approximately 3,0814 MTCO₂e and replaced more than one million gallons of diesel fuel with lower-emission, domestically produced natural gas. Sixteen compressed natural gas vehicles, designed with the latest modifications and technological advances, will replace UBCR's entire

truck fleet.

ii. Ryder measures success as expanding business opportunities.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Energy efficiency	Support	(a) Ryder directly supported advocacy efforts with policy makers on tax, vehicle GHG emission standards and other incentives to promote the development and adoption of new federal engine emission standards & the use of alternative truck technologies to reduce fuel consumption (b) Ryder has worked with federal and state policy makers throughout the US and Canada to recommend and define alternative fuel legislation. Ryder works closely with government as well as trade associations like NGVA, ATA, TRALA, US Chamber of Commerce, Business Round Table and other organizations to provide policy makers with legislative comments that support the needs of both business and the environment.	Ryder supports this legislation without exceptions.
Mandatory carbon reporting	Support	Ryder advocates directly with U.S policy makers on the NHTSA/EPA GHG standards through its network of professional & trucking trade associations to provide for emissions mitigation through decreased fuel consumption standards	Ryder supports federal, universal standard and legislation for carbon reporting versus state-specific standards and requirements.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

The Chief Legal Officer leads the company's legal functions and serves as Corporate Secretary for coordinating all functions relating to the company's board of directors, including acting as liaison of the Board's Corporate Governance Committee. He is also responsible for

several Ryder departments, including Government Affairs, which oversees the company's direct and indirect activities related to public policy development and government relations for Ryder business across all services and geographies. The VP Environmental, Real Estate and Fuel Services reports to the Chief Legal Officer and maintains day-to-day operational responsibility for Environmental Programs including climate change impacts. The Environmental department monitors climate-related issues, including a regular review of Ryder's Scope 2, 3 and 3 GHG emissions and emission reduction opportunities. The VP provides an annual Environmental Program Report to the Board of Directors Corporate Governance Committee that includes details on Ryder's sustainability performance and ensures alignment of all direct and indirect activities that influence policy that influences and is influenced by our climate change strategy.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

 Ryder CSR Report 2019-2020.pdf

Page/Section reference

Additional details available here: <https://rydercsr.com/>

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Additional details available here: <https://rydercsr.com/>

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Vice President, Environmental, Real Estate and Fuel Services	Other, please specify Other, please specify (Vice President at Corporate Headquarters)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Ryder provides customized Ryder Dedicated Transportation Solutions (DTS) and Supply Chain Solutions (SCS). These customized solutions determine which party controls the source of the emissions, which party has access to the source data on which to compute the emissions, if the emissions are Scope 1, 2, or 3, and therefore how they should be allocated and reported.

In the Ryder Dedicated Transportation Solutions, our customers direct their product movement but Ryder owns and controls the equipment, fuel, and administrative services (including driver hiring, training, routing, scheduling, and fleet sizing). As Ryder provides the fuel, hires the driver, and controls the vehicle, the emissions originating from the vehicle fuel consumption are allocated to, and reported by, Ryder as Scope 1. These same emissions would be reported as Scope 3 by our customers.

Ryder also provides Supply Chain Solutions (SCS). SCS product offerings include three categories: 1) Professional Services to identify efficiencies and opportunities for supply chain integration; 2) Distribution Management to manage warehouse operations, product distribution networks, and 3) Transportation Solutions which provide 3rd party freight and carrier management services.

Within Distribution Management, Ryder's client often owns or leases the physical brick and mortar distribution center. In these customer controlled facilities, all utilities will be in the name of, and paid by, the client. In these cases, Ryder would not report Scope 1 and 2 utility-related emissions and actually does not even have access to the source data on which to compute it.

Ultimately, the customized solutions determine which party controls, computes, and reports the respective emissions. Ryder will therefore report all client emissions based on the specifics of these customized solutions.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	8,420,091,000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	US	7835491082

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Advance Auto Parts Inc

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

5,232

Uncertainty (±%)

2

Major sources of emissions

Ryder Dedicated Transportation Solutions - Fleet Operations

Verified

No

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Ryder has established the SmartWay Tool as the technical basis and main source for mobile emission factors. The Advanced Auto Parts Scope 3 emissions are based on a factor of 22.2 lbs of CO₂ per gallon of diesel fuel, as documented in the US EPA Office of Transportation and Air Quality EPA 420-F-05-001 dated February 2005, and which is the basis for SmartWay CO₂ emission calculations.

Requesting member

AT&T Inc.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

12,502

Uncertainty (±%)

2

Major sources of emissions

Ryder Dedicated Transportation Solutions - Fleet Operations

Verified

No

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Ryder has established the SmartWay Tool as the technical basis and main source for mobile emission factors. The AT&T Scope 3 emissions are based on a factor of 22.2 lbs of CO₂ per gallon of diesel fuel, as documented in the US EPA Office of Transportation and Air Quality EPA 420-F-05-001 dated February 2005, and which is the basis for SmartWay CO₂ emission calculations.

Requesting member

Cisco Systems, Inc.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

427

Uncertainty (±%)

2

Major sources of emissions

Ryder Supply Chain - Stationary Scope 1 and 2 - Warehouse operations

Verified

No

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Ryder operates two warehouses for Cisco. We receive electric utilities for these warehouses. Emissions were calculated using the EPA E-Grid emission factors for electricity and TCR emission factors for natural gas.

Requesting member

Diageo Plc

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

3,761

Uncertainty (±%)

2

Major sources of emissions

Stationary Scope 2 - Warehouse operations

Verified

No

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Ryder operates several warehouses for Diageo which are considered under Ryder's operational control. Emissions were calculated using the TCR 2020 Mexico emission factor for electricity.

Requesting member

Grupo Bimbo, S.A.B. de C.V.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

9,725

Uncertainty (±%)

0

Major sources of emissions

Ryder Dedicated Transportation Solutions - Fleet Operations

Verified

No

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Ryder has established the SmartWay Tool as the technical basis and main source for mobile emission factors. The Grupo Bimbo Scope 3 emissions are based on a factor of 22.2 lbs of CO₂ per gallon of diesel fuel, as documented in the US EPA Office of Transportation and Air Quality EPA 420- F-05-001 dated February 2005, and which is the basis for SmartWay CO₂ emission calculations.

Requesting member

General Motors Company

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

774,147

Uncertainty (±%)

2

Major sources of emissions

3rd Party Carrier Managed Transportation for Powertrain Stamping and Assembly, and Ryder Operated Equipment assigned to the Material Optimization Centers.

Verified

No

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Ryder has established the SmartWay Tool as the technical basis and source for mobile emission factors. GM Scope 3 emissions for Ryder operated equipment are based on a factor of 22.2 lbs of CO₂ per gallon of diesel fuel, as documented in the US EPA Office of Transportation and Air Quality EPA 420-F-05-001 dated February 2005, and which is the basis for SmartWay CO₂ emission calculations. 3rd Party Carrier Managed Transportation emissions are based on CO₂ grams/mile as documented in the US EPA SmartWay Carrier Performance data.

Requesting member

Hewlett Packard Enterprise Company

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

156,429

Uncertainty (±%)

2

Major sources of emissions

Ryder Dedicated Transportation Solutions - Fleet Operations.

Verified

No

Allocation method

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Ryder has established the SmartWay Tool as the technical basis and main source for mobile emission factors. The HP Scope 3 emissions are based on a factor of 22.2 lbs of CO₂ per gallon of diesel fuel, as documented in the US EPA Office of Transportation and Air Quality EPA 420-F-05-001 dated February 2005, and which is the basis for SmartWay CO₂ emission calculations.

Requesting member

Kellogg Company

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

1,512

Uncertainty (±%)

2

Major sources of emissions

Ryder Dedicated Transportation Solutions - Fleet Operations.

Verified

No

Allocation method

Allocation not necessary due to type of primary data available

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Ryder has established the SmartWay Tool as the technical basis and main source for mobile emission factors. The Kellogg's Scope 3 emissions are based on a factor of 22.2 lbs of CO₂ per gallon of diesel fuel, as documented in the US EPA Office of Transportation and Air Quality EPA 420-F-05-001 dated February 2005, and which is the basis for SmartWay CO₂ emission calculations.

Requesting member

Syncreon

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

0

Uncertainty (±%)

0

Major sources of emissions

Syncreon is not a current Ryder customer.

Verified

No

Allocation method

Other, please specify

Syncreon is not a current Ryder customer.

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Syncreon is not a current Ryder customer.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

US EPA Office of Transportation and Air Quality EPA 420-F-05-001 dated February 2005
GHG Protocol Table 14 Carbon Emissions Factors by Weight Distance

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Other, please specify Determining emission factors.	The challenge is not in allocating emissions to different customers. The challenge is in determining the appropriate emission factors for ocean, air, and package transportation. Our primary 3rd party carriers are Less-Than-Truckload, Truckload, InterModal, and Rail. Our data points are # of freight bills, weight, and miles. These are not the appropriate data points for air, ocean, and package. Separating downstream transportation activity by transportation mode, and establishing standardized emission factors by mode, would bring consistency to the methodology and allow for evaluating transportation emissions across modes, industries, and sectors.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

Ryder System has the capability to capture, measure, track, and analyze 3rd party carrier transportation management data for all of our clients and, as such, is able to report Scope 3 downstream transportation emissions.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

General Motors Company

Group type of project

Relationship sustainability assessment

Type of project

Assessing products or services life cycle footprint to identify efficiencies

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

1-3 years

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

Ryder services come with more than 85 years of expertise and access to efficiencies, including a culture of continuous improvement and focus on responsible resource management that are inherent to sustainability. Since 2020, we have been sharing that expertise with GM's Sustainability Sub-Council, where we lend our perspective and best practices as a leader in transportation and logistics. For example, we have collaborated with GM and the other Sub-Council members on supplier engagement tools (e.g.,

supplier handbook, supplier sustainability workshop) that increase integration of sustainability into sourcing decision and help other GM vendors meet those sustainable sourcing requirements. Our participation in the Sustainability Sub-Council also allows us to understand GM's supplier expectations and needs more intimately so we can tailor our best-in-class products and services accordingly. We look forward to continuing our participation in the Sustainability Sub-Council. Additionally, we have the capability to refine how we measure, track and monitor emissions for GM by carrier and by mode so we can collaboratively assess the levers that drive emissions across the value chain and identify the resources available (and needed) to meet GM's emissions reduction goals strategically.

Requesting member

Hewlett Packard Enterprise Company

Group type of project

Reduce Logistics Emissions

Type of project

Other, please specify
Carrier survey

Emissions targeted

Actions to reduce customers' operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized

1-3 years

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

Ryder recommends conducting a survey with sub-contracted carriers, managed by Ryder, to get feedback on what emission reduction initiatives the carriers already have in the works and what incentives would encourage them to take on additional initiatives with direct emission reduction impact on HP freight management.

Requesting member

Diageo Plc

Group type of project

Relationship sustainability assessment

Type of project

Assessing products or services life cycle footprint to identify efficiencies

Emissions targeted

Actions to reduce customers' operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized

1-3 years

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

As a leader in transportation and logistics, Ryder is well positioned to lead Diageo in energy efficiency and renewable energy projects in inbound and outbound facilities, including: LED lighting upgrades, solar powered electricity, replacing MHE batteries with fast charge batteries and overall transition of yard and facility equipment with electric alternatives, motion sensors for lights and faucets, low-flow fixtures, among other innovations in sustainability. Additionally, we would like to discuss opportunities to reduce transportation emissions, including optimized routing and loads (LTL to FTL) and strategically relocating crossdocks to more central locations, among other strategies. Not only can these facility and transportation enhancements reduce operational emissions, but they can also reduce operational costs.

Requesting member

Cisco Systems, Inc.

Group type of project

Change to supplier operations

Type of project

Implementation of energy reduction projects

Emissions targeted

Actions to reduce customers' operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized

1-3 years

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

As a leader in transportation and logistics, Ryder is well positioned to lead Cisco in energy efficiency and renewable energy projects in Cisco's inbound and outbound facilities, including: LED lighting upgrades, solar powered electricity, motion sensors for lights and facets, among other innovations in sustainability. Not only can these facility enhancements reduce operational emissions, but they can also reduce operational costs.

Requesting member

Grupo Bimbo, S.A.B. de C.V.

Group type of project

New product or service

Type of project

New product or service that reduces customers operational emissions

Emissions targeted

Actions to reduce customers' operational emissions (customer scope 1 & 2)

Estimated timeframe for carbon reductions to be realized

3-5 years

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

Ryder would welcome a discussion on how we can incorporate electric vehicles into the Bimbo fleet. As customers seek more sustainable transportation solutions, Ryder is working with traditional and non-traditional OEM partners to secure access to EVs for our customers. We have amassed in-house resources, an industry-leading team of cross-functional experts, and an expanding EV charging network to support the deployment of EV technology as soon as it becomes available at scale.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below

I have read and accept the applicable Terms