

RYDER SYSTEM INC  
Form DEF 14A  
March 18, 2019

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

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No. )

Filed by the Registrant ☐

Filed by a Party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement ☐ Confidential, for Use of the Commission Only  
(as permitted by Rule 14a-6(e)(2))

☒ Definitive Proxy Statement

☐ Definitive Additional Materials

☐ Soliciting Material under § 240.14a-12

Ryder System, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.

☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Ryder System,  
Inc.  
11690 N.W. 105  
Street  
Miami, Florida  
33178

NOTICE OF 2019 ANNUAL MEETING OF SHAREHOLDERS

Time: 10:00 a.m. Eastern Daylight Time

Date: May 3, 2019

Place: Ryder System, Inc. Headquarters

11690 N.W. 105th Street

Miami, Florida 33178

Purpose:

1. To elect eleven directors for a one-year term expiring at the 2020 Annual Meeting of Shareholders.
2. To ratify the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm for the 2019 fiscal year.
3. To approve, on an advisory basis, the compensation of our named executive officers.
4. To approve the 2019 Equity and Incentive Compensation Plan.
5. To approve amendments to our Restated Articles of Incorporation and By-Laws to remove supermajority voting provisions on shareholder action by written consent.
6. To vote, on an advisory basis, on a shareholder proposal on an independent board chairman.
7. To consider any other business that is properly presented at the meeting.

Who May Vote: You may vote if you were a record owner of our common stock at the close of business on March 8, 2019.

Proxy Voting: Your vote is important. You may vote:

- via Internet;
- by telephone;
- by mail, if you received a paper copy of these proxy materials; or
- in person at the meeting.

By order of the Board of Directors,

Robert D. Fatovic  
Executive Vice President, Chief Legal Officer and Corporate Secretary  
Miami, Florida  
March 18, 2019

This proxy statement and the form of proxy, along with our Annual Report on Form 10-K for the year ended December 31, 2018 and the shareholder letter, were first sent or given to shareholders on or about March 18, 2019. IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING TO BE HELD ON FRIDAY, MAY 3, 2019.

Ryder's proxy statement and Annual Report are available online at: <http://www.proxyvote.com>



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## Proxy Summary

## PROXY SUMMARY

This proxy summary provides selected highlights of some of the information contained elsewhere in this proxy statement. Please read the entire proxy statement before voting.

## ANNUAL MEETING

Date: May 3, 2019  
10:00 a.m.  
Time: Eastern Daylight  
Time  
Ryder System,  
Inc.  
Headquarters,  
Place: 11690 N.W.  
105th Street,  
Miami, Florida  
33178

Record Date: March 8, 2019

## Voting:

Each share of the Company's common stock held by you at the close of business on March 8, 2019 (the record date) is entitled to one vote on each matter that is properly submitted for a vote at the Annual Meeting.

## How:

Online	By Phone	By Mail	In Person
www.proxyvote.com	1.800.690.6903	Completing, signing and returning your proxy card	With proof of ownership and a valid photo ID

## VOTING MATTERS AND BOARD RECOMMENDATIONS

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## Proxy Summary

## 2018 FINANCIAL HIGHLIGHTS

Record total revenue increased 15% to \$8.4 billion and record operating revenue\* increased 11% to \$6.7 billion compared to 2017. Total revenue and operating revenue grew across all three business segments reflecting new business and higher volumes.

EBT increased 10% from the prior year primarily due to higher operating results in all business segments.

Adjusted return on capital (ROC)\* increased 70 basis points from 4.2% in the prior year to 4.9% primarily due to higher pre-tax earnings.

Earnings per share (EPS) from continuing operations decreased 65% to \$5.21 primarily due to the one-time benefit of the Tax Cuts and Jobs Act (Tax Reform) in the prior year. Comparable EPS\* increased 28% to \$5.79 primarily due to lower tax rate from tax reform and improved operating performance.

We grew ChoiceLease by a record 9,600 vehicles and delivered our seventh consecutive year of lease fleet growth.

Commercial rental revenue increased 18% from the prior year due to stronger demand as well as higher pricing.

For more information relating to the Company's 2018 financial performance, please review our 2018 Annual Report on Form 10-K.

Operating revenue, comparable EPS and adjusted ROC are non-GAAP financial measures. For a reconciliation of total revenue to operating revenue, GAAP EPS to comparable EPS, and our non-GAAP elements of our adjusted \*ROC to the corresponding GAAP measure as well as the reasons why management believes these measures are useful to shareholders, refer to the "Non-GAAP Financial Measures" section on pages 57-65 of our Annual Report on Form 10-K for the year ended December 31, 2018.

## BOARD AND GOVERNANCE HIGHLIGHTS

## BOARD OF DIRECTORS

Name	Age	Director Since	Professional Background	Independent	Committee Memberships
John M. Berra	71	2003	Retired EVP of Emerson Electric Company	X	Compensation & Governance
Robert J. Eck	60	2011	Retired CEO of Anixter International, Inc.	X	Compensation & Finance
Robert A. Hagemann	62	2014	Retired CFO of Quest Diagnostics Incorporated	X	Audit (Chair) & Finance
Michael F. Hilton	64	2012	President & CEO of Nordson Corporation	X	Compensation & Governance
Tamara L. Lundgren	61	2012	President & CEO of Schnitzer Steel Industries, Inc.	X	Audit & Governance
Luis P. Nieto, Jr.	63	2007	Retired President of the Consumer Foods Group for ConAgra Foods Inc.	X	Audit & Finance (Chair)
David G. Nord	61	2018	Chairman, President & CEO of Hubbell Incorporated	X	Compensation & Finance
Robert E. Sanchez	53	2013	Chair & CEO of Ryder System, Inc.		
Abbie J. Smith	65	2003	Professor of Accounting at the University of Chicago Booth School of Business	X	Audit & Finance
E. Follin Smith	59	2005		X	

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Dmitri L. Stockton	54	2018	Retired EVP, CFO & Chief Administrative Officer of Constellation Energy Group, Inc. Retired Chairman, President & CEO of GE Asset Management	X	Compensation (Chair) & Governance Compensation & Finance
Hansel E. Tookes, II	71	2002	Retired President of Raytheon International	Lead Independent Director	Audit & Governance (Chair)

Active Shareholder Engagement:

Our Board and management have a long-standing commitment to engaging with our shareholders and soliciting their perspectives on key performance, governance and compensation matters. As described in further detail below, our current governance and compensation programs reflect changes we have made as a result of this feedback. The key elements of our shareholder engagement process are set forth below.

4 We engage in continuous outreach with shareholders throughout the year and regularly report feedback to our Board.

We routinely review governance and voting policies of our largest shareholders who publish their policies and, each year, we reach out to shareholders representing at least half of our outstanding shares to seek and discuss their feedback on corporate governance, our compensation programs and any other matters of interest. After the 2018 annual meeting, we reached out to our largest shareholders constituting over 53% of our outstanding shares to request feedback on our governance profile and compensation structure.

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## Proxy Summary

Our Board and management review and evaluate shareholder input to identify issues and concerns that may require Board attention or changes to our policies, practices or disclosure.

In addition to our annual outreach, our CEO, CFO and Investor Relations team meet frequently with shareholders and the investment community regarding our strategy and performance. Depending on the topics the investor wishes to discuss, our meetings with shareholders may also include our Lead Independent Director and Chair of the Corporate Governance and Nominating Committee and the Chair of the Compensation Committee.

### Key Changes in Recent Years Based on Shareholder Feedback:

In recent years, in response to shareholder feedback, we have undertaken significant changes to our corporate governance and executive compensation practices and disclosures, including:

Proposing to remove the last-remaining supermajority voting provision in our Restated Articles of Incorporation and By-Laws (for action by written consent) at our 2019 Annual Meeting.

Providing shareholders with the right to act by written consent with procedural safeguards to protect the interests of all shareholders.

Appointing two new Board members in 2018 as part of our Board evaluation, succession planning and refreshment process.

Modifying our executive compensation program, including by (i) moving from long-term performance targets of less than three years to three-year performance periods and (ii) changing our stand-alone total shareholder return ("TSR") performance metric to a TSR modifier that adjusts payouts, either upward or downward, to reflect our performance against our custom peer group.

### Governance Highlights:

All directors are independent (except the CEO/Chair)

None of our directors serve on more than three other public company boards

No related person transactions in 2018

Strong focus on CEO succession planning

Comprehensive Corporate Sustainability Report published in 2019

Strong Lead Independent Director role, who chairs meetings of the independent directors at every Board meeting and who oversees the annual Board evaluation, CEO succession planning and search process for new directors, among other responsibilities

Regular executive sessions in conjunction with each regularly scheduled Board meeting  
Strong Board oversight of risk management and compliance process

Annual Board and committee evaluations

Minimum stock ownership requirements for directors and executive officers

Robust code of ethics and enterprise risk management system

Average Board tenure is 8.9 years; 25% of the directors on the Board have a tenure of less than six years and seven of twelve directors are women or minorities

### EXECUTIVE COMPENSATION HIGHLIGHTS

#### Changes to our Executive Compensation Program in 2018

The Compensation Committee made several changes to our executive compensation program in 2018 intended to further align our compensation program with the objectives articulated by our shareholders, including:

Setting fixed performance targets for each three-year long-term grant at the beginning of the three-year period.

Replacing the annual ROC metric in the long-term incentive plan ("LTIP") with a three-year ROC/Cost of Capital ("COC") spread metric designed to incentivize ROC spread improvement over the full performance period, which will be measured at the end of such three-year period.

Shifting from a standalone TSR performance metric to a TSR performance results modifier, which reduces earned performance-based awards if TSR performance is below the median of Ryder's TSR peer group and increases awards for above median performance. No TSR modifier will be applied to increase payouts if Ryder's absolute TSR is



negative.

Adding a new strategic revenue growth metric to incentivize growth in areas which shareholders told us are key to creating long-term shareholder value. The 2018 performance targets are now based on a three-year compound

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## Proxy Summary

average growth rate established at the grant date. Performance will be compared to this target at the end of the three-year performance period to determine payouts.

Replacing a portion of the stock option allocation in our LTIP with restricted stock awards in order to enhance executive stock ownership and serve as a retention tool for our named executive officers ("NEOs"), consistent with market and peer group practices.

These changes were the result of the Committee's comprehensive review of our executive compensation program following our 2017 annual meeting, which included significant shareholder outreach by the Board and management to better understand and address shareholder perspectives. We believe these changes have been well received by our shareholders as reflected by our 2018 say on pay vote of approximately 95% of the total votes cast by our shareholders. As described above, following our 2018 annual meeting we continued to solicit our shareholders' perspectives and contacted our largest shareholders representing over 53% of our outstanding shares. Feedback received was positive and no concerns with our compensation program were expressed.

### Policies that Promote Significant and Long-Term Ownership and Sustainable Shareholder Value Creation

In 2018, 87% of our CEO's target compensation was composed of "at risk" compensation. CEO compensation is a mix of base salary (13%), short-term incentives (20%) and long-term incentives (67%), which we believe provides compensation opportunities measured by a variety of time horizons to appropriately balance our near-term and long-term strategic goals.

A variety of distinct performance metrics tied to our financial and strategic objectives are used in our short-term and long-term incentive plans. We believe this "portfolio" approach to performance metrics encourages executives to focus on overall, sustainable Company performance.

Equity incentive programs and stock ownership guidelines are designed to align management and shareholder interests by providing vehicles for executive officers to maintain ownership positions in the Company.

In 2017, the Compensation Committee increased stock ownership requirements from four to six times base salary for the CEO, and from two to three times base salary for all other NEOs.

Stock ownership requirements for the Board were also increased from five to six times each director's total annual cash retainer.

Starting in 2018, the Compensation Committee replaced performance-based cash awards with performance-based restricted stock rights in order to increase shareholder alignment.

In 2018, the Compensation Committee, after an evaluation by the Committee's independent compensation consultant and consultation with management, approved changes to the compensation peer group and TSR custom peer group to improve operational alignment and ensure appropriate comparisons.

### Priority on Risk Management and Sound Compensation Practices

We incorporate several risk mitigation policies into our compensation program, including:

The Compensation Committee's ability to use "negative discretion" to align appropriate payouts to Company and individual performance;

Anti-hedging and anti-pledging policies; and

Clawback policy applicable to performance-based incentive awards.

Our equity plan, as amended in 2016, as well as our cash severance and annual cash incentive awards, all require "double-trigger" vesting upon a change of control. Our new equity plan, up for approval at the Annual Meeting (Proposal 4), retains this same requirement.

### Rigorous Goals

Goals for our performance-based awards are approved by our independent directors and take into account our historical performance, current strategic initiatives and the macroeconomic environment in which we operate. For

2018:

target operating revenue\* was \$6.59 billion, an increase from our 2017 actual operating revenue of \$5.79 billion.  
target comparable earnings per share\* (EPS) was \$5.73, an increase of 26% from the comparable EPS results in 2017 of \$4.53.

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## Proxy Summary

target 2018 ROC\* for the 2016-2018 and 2017-2019 LTIPs was 4.88%, which was significantly higher than 2017 actual ROC performance of 4.22% and was a particularly challenging target given the weak conditions in our used vehicle sales business.

4 When setting these targets for 2018, we took into account the targeted vehicle growth in our contractual businesses, which we expect will drive long-term shareholder value, as well as the challenges in our used vehicle sales business, which we anticipated would continue into 2018.

4 We believe that our goals are challenging because they require strong top and bottom-line growth, which is consistent with our pay-for-performance philosophy.

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Operating revenue, comparable EPS and adjusted ROC are non-GAAP financial measures. For a reconciliation of total revenue to operating revenue, GAAP EPS to comparable EPS, and our non-GAAP elements of our adjusted \*ROC to the corresponding GAAP measure as well as the reasons why management believes these measures are useful to shareholders, refer to the "Non-GAAP Financial Measures" section on pages 57-65 of our Annual Report on Form 10-K for the year ended December 31, 2018.

Information About our Annual Meeting

RYDER SYSTEM, INC.  
11690 N.W. 105th STREET  
MIAMI, FLORIDA 33178

INFORMATION ABOUT OUR ANNUAL MEETING

You are receiving this proxy statement because you own shares of Ryder common stock that entitle you to vote at the 2019 Annual Meeting of Shareholders to be held on Friday, May 3, 2019 at 10:00 a.m. Eastern Daylight Time, at our corporate headquarters. Our Board of Directors is soliciting proxies from shareholders who wish to vote at the meeting. By using a proxy, you can vote even if you do not attend the meeting. This proxy statement describes the matters on which you are being asked to vote and provides information on those matters so that you can make an informed decision.

At the Annual Meeting, you will be asked to vote on the following six proposals. Our Board recommendation for each proposal is set forth below.

Proposal	Board Recommendation
To elect each of the following eleven directors for a one-year term expiring at the 2020 No. Annual Meeting of Shareholders: Robert J. Eck, Robert A. Hagemann, Michael F. 1 Hilton, Tamara L. Lundgren, Luis P. Nieto, Jr., David G. Nord, Robert E. Sanchez, Abbie J. Smith, E. Follin Smith, Dmitri L. Stockton and Hansel E. Tookes, II	FOR each director nominee
No. To ratify the appointment of PricewaterhouseCoopers LLP as our independent registered 2 certified public accounting firm for the 2019 fiscal year	FOR
No. To approve, on an advisory basis, the compensation of our named executive officers, 3 which we refer to as "Say on Pay"	FOR
No. 4 To approve the 2019 Equity and Incentive Compensation Plan	FOR
No. To approve amendments to our Restated Articles of Incorporation and By-Laws to 5 remove supermajority voting provisions on shareholder action by written consent	FOR
No. To vote, on an advisory basis, on a shareholder proposal on an independent board 6 chairman.	AGAINST

If you sign and return your proxy without making any selections, your shares will be voted "FOR" each of the director nominees, "FOR" Proposals 2-5 and "AGAINST" Proposal 6.

If other matters properly come before the meeting, the proxy holders will have the authority to vote on those matters on your behalf at their discretion. As of the date of this proxy statement, we are not aware of any matters that will come before the meeting other than those disclosed in this proxy statement.

## Election of Directors

### PROPOSAL NO. 1

#### ELECTION OF DIRECTORS

Based upon the recommendation of the Corporate Governance and Nominating Committee, the Board has nominated the eleven individuals listed below for election at the Annual Meeting. Under our By-Laws, directors are elected each year at the Annual Meeting. All nominees are currently directors and have been previously elected by our shareholders. As required by our mandatory retirement policy under our Corporate Governance Guidelines, Mr. John M. Berra will be retiring from the Board, effective as of the date of the Annual Meeting, and is therefore not standing for re-election.

Each director elected at the Annual Meeting will serve until Ryder's 2020 Annual Meeting of Shareholders and until he or she is succeeded by another qualified director who has been elected, or, if earlier, until his or her death, resignation or removal.

#### KEY FACTS ABOUT OUR BOARD

We strive to maintain a diverse and well-rounded Board that balances the institutional knowledge of tenured directors with the fresh perspectives of new members.

#### Board Composition and Expertise

**Director Criteria, Qualifications and Experience** We believe that each of our directors has the experience, skills, qualities and time to successfully perform his or her duties as a director and contribute to our Company's success. Our directors were nominated because each individual possesses the highest standards of personal integrity and interpersonal and communication skills, is highly accomplished in his or her field, has an understanding of the interests and issues that are important to our shareholders and is able to dedicate sufficient time to fulfilling his or her obligations as a director. Our directors, as a group, complement each other's respective experiences, skills and qualities. Our directors are diverse in age, gender, tenure, ethnic background and professional experience but together produce a cohesive body in terms of Board process, collaboration, mutual respect for differing perspectives and commitment to receiving input on all director viewpoints when evaluating critical issues and making important decisions. More information on Ryder's nomination process is set forth in the Corporate Governance and Nominating Committee section under "Board Succession Process for Directors" on page 21.

## Election of Directors

**Director Tenure, Retirement Policy and Board Refreshment** Board composition and refreshment are priorities for Ryder. The Board believes that it is desirable to maintain a mix of new and experienced directors. The Board does not believe that express limits on a director's tenure are appropriate, and values the increasing contribution of directors who, over time, have developed deeper insight into the Company and its operations. However, to encourage appropriate refreshment and the continued qualification of our Board members, our Corporate Governance Guidelines provide for review of a director's continuation of Board service each time the director is up for re-election. We also have a general policy that directors must retire immediately prior to the Annual Meeting closest to the date the director turns 72, a requirement that the Board has authority to waive in individual cases if the best interests of the Company would be served by such waiver.

### Other Policies and Practices Related to Director Service

**Limits on Other Directorships.** To ensure our directors have adequate time to serve on our Board, we permit service on no more than four other public company boards (or two other public company boards for our CEO/Chair). No director currently serves on more than three other public company boards, and our CEO only serves on one other public company board. We have determined that each director nominee has the adequate time to devote to service on our Board, carry out his or her duties and provide valuable service to the Company in his or her role as a director.

**Meeting Attendance Requirements.** Directors are expected to regularly attend Board and committee meetings.

Directors who fail to attend at least 75% of Board and committee meetings for two consecutive years must submit a letter of resignation, which the Board will determine whether to accept, taking into account the recommendation of the Governance Committee. All of our directors met the meeting attendance requirements in 2018.

**Resignation upon Change in Status.** The Board also requires directors to submit a letter of resignation upon a substantial change in the nature of the director's employment or other significant responsibilities since the time of his or her election. The Board, upon review and recommendation by the Governance Committee, will determine whether the circumstances are consistent with the criteria for Board membership and whether it is appropriate for a director to continue service on the Board.

**Impairment of Ability to Serve.** A director who experiences any other change in circumstances that may impair his or her ability to effectively serve on the Board, or that could result in negative attention to the Company or director, is required to immediately notify the Company and may be asked by the Board to submit a letter of resignation.

Each director's principal occupation and other pertinent information about his or her particular experience, qualifications, attributes and skills that led the Board to conclude that such person should serve as a director appears on the following pages.

If you are a beneficial shareholder and do not give your nominee instructions, your nominee does not have the ability to vote in favor of or against the director nominees. We therefore urge you to return your proxy card and vote your shares on this proposal.

The Board recommends a vote FOR the election of each director nominee.

Election of Directors

DIRECTOR NOMINEES

Robert J. Eck

DESCRIPTION OF BUSINESS EXPERIENCE:

Director since: Mr. Eck served as Chief Executive Officer of Anixter International, Inc. (Anixter), a global distributor of network and security solutions, electrical and electronic solutions, and utility power solutions, from May 2011  
 Committees: 2008 until he retired in 2018. He serves on Anixter's Board of Directors.

- Mr. Eck joined Anixter in 1989 and held roles of increasing responsibility in strategy, supply chain management, sales and marketing, and human resources. From 2007 to 2008, Mr. Eck served as  
 Compensation Executive Vice President and Chief Operating Officer of Anixter. Prior to that position, Mr. Eck served as Executive Vice President of Enterprise Cabling and Security Solutions for Anixter from 2004 to 2007. In 2003, he served as Senior Vice President of Physical Security Products and  
 - Finance Integrated Supply of Anixter Inc.

OTHER PUBLIC BOARD MEMBERSHIPS:

- Anixter International, Inc.

QUALIFICATIONS:

Age: 60 The Board nominated Mr. Eck as a director because of his leadership experience and expertise in supply chain management, domestic and international operations, and marketing and business development, which the Board finds to be valuable skills that complement the other skills represented on our Board. In addition, Mr. Eck has prior leadership experience as President and Chief Executive Officer of a global public company. He also has experience as a director on a global public company board.

Consistent with our policies and practices related to director service, in making a determination as to Mr. Eck's nomination, the Board considered Mr. Eck's qualifications listed above, his valuable, significant contributions to the Board and Company and his demonstrated willingness and ability to commit adequate time and attention to all Board matters.

Robert A. Hagemann

DESCRIPTION OF BUSINESS EXPERIENCE:

Director since: Mr. Hagemann served as Senior Vice President and Chief Financial Officer of Quest Diagnostics Incorporated until he retired in 2013.

August 2014 Mr. Hagemann joined Quest's predecessor, Corning Life Sciences, Inc., in 1992, and held roles of  
 Committees: increasing responsibility until he was named Chief Financial Officer of Quest in 1998. Prior to joining  
 - Audit Corning, Mr. Hagemann held senior financial positions at Prime Hospitality, Inc. and Crompton &  
 (Chair) Knowles, Inc. He also held various positions in corporate accounting and audit at Merrill Lynch and  
 - Finance Company and Ernst & Young.

Age: 62 OTHER PUBLIC BOARD MEMBERSHIPS:

- Graphic Packaging Holding Company
- Zimmer Biomet Holdings, Inc.

QUALIFICATIONS:

The Board nominated Mr. Hagemann as a director because of his leadership experience and expertise in finance/accounting, business development, strategy, supply chains and government contracting, which the Board finds to be valuable skills that complement the other skills represented on our Board. In addition, Mr. Hagemann has leadership experience as Chief Financial Officer of a global public company. He also has experience as a director on global public company boards, including serving on audit, compensation and research/innovation/technology committees.

The Board has determined that Mr. Hagemann qualifies as an audit committee financial expert.

Consistent with our policies and practices related to director service, in making a determination as to Mr. Hagemann's nomination, the Board considered Mr. Hagemann's current service on the board of two other public companies. Mr. Hagemann was renominated based on his qualifications listed above, his



valuable, significant contributions to the Board and Company and his demonstrated willingness and ability to commit adequate time and attention to all Board matters.

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Election of Directors

Michael F. Hilton

**CURRENT PRINCIPAL OCCUPATION:**  
 Director since: Mr. Hilton serves as President and Chief Executive Officer of Nordson Corporation, a position he  
 July 2012 has held since he joined Nordson in 2010. Nordson engineers, manufactures and markets products  
 Committees: and systems used for dispensing adhesives, coatings, sealants, biomaterials and other materials in a  
 - Compensation wide variety of end markets. Mr. Hilton has publicly announced that he intends to retire from his  
 - Corporate position as President and CEO of Nordson by the end of 2019.  
 Governance & **DESCRIPTION OF BUSINESS EXPERIENCE:**  
 Nominating Prior to joining Nordson, Mr. Hilton served as Senior Vice President and General Manager of Air  
 Products & Chemicals, Inc. from 2007 until 2010 with specific responsibility for leading the  
 company's global Electronics and Performance Materials segment. Mr. Hilton joined Air Products  
 in 1976, where he held roles of increasing responsibility in a variety of management and operations  
 positions. Air Products serves customers in industrial, energy, technology and healthcare markets  
 worldwide with a unique portfolio of atmospheric gases, process and specialty gases, performance  
 materials, equipment and services.  
**OTHER PUBLIC BOARD MEMBERSHIPS:**  
 • Nordson Corporation  
 • Lincoln Electric  
**QUALIFICATIONS:**  
 Age: 64 The Board nominated Mr. Hilton as a director because of his leadership experience and expertise  
 in global operations, strategy development, business to business marketing, and oversight of large  
 and diverse business units, which the Board finds to be valuable skills that complement the other  
 skills represented on our Board. In addition, Mr. Hilton has leadership experience as a Chief  
 Executive Officer of a global public company. He also has experience as a director on two global  
 public company boards, including serving on audit and governance committees.  
 Consistent with our policies and practices related to director service, in making a determination as  
 to Mr. Hilton's nomination, the Board considered Mr. Hilton's current role as CEO of another  
 public company and service on the board of his company and one other public company. Mr.  
 Hilton was renominated based on his qualifications listed above, his valuable contributions to the  
 Board, his in-depth knowledge of the Company gleaned from his years of service on the Board,  
 and his demonstrated willingness and ability to commit adequate time and attention to all Board  
 matters.

Tamara L. Lundgren

**CURRENT PRINCIPAL OCCUPATION:**  
 Director since: Ms. Lundgren serves as President and Chief Executive Officer of Schnitzer Steel Industries, Inc., a  
 October 2012 position she has held since 2008. Schnitzer Steel is one of the largest manufacturers and exporters  
 Committees: of recycled ferrous metal products in the United States with approximately 100 operating facilities  
 - Audit in the United States, Puerto Rico and Canada.  
 - Corporate  
 Governance & **DESCRIPTION OF BUSINESS EXPERIENCE:**  
 Nominating Ms. Lundgren joined Schnitzer Steel in 2005 as Chief Strategy Officer and subsequently served as  
 Executive Vice President and Chief Operating Officer from 2006 until 2008. Prior to joining  
 Schnitzer Steel, Ms. Lundgren was a managing director at JP Morgan Chase in London and  
 managing director at Deutsche Bank AG in New York and London. Before joining Deutsche Bank,  
 Ms. Lundgren was a partner at the law firm of Hogan & Hartson, LLP in Washington D.C.  
**OTHER PUBLIC BOARD MEMBERSHIPS:**  
 • Schnitzer Steel Industries  
**OTHER RELEVANT EXPERIENCE:**

- Member of the Board of Directors of Federal Reserve Bank of San Francisco
- Executive Committee member of the U.S. Chamber of Commerce

**QUALIFICATIONS:**

The Board nominated Ms. Lundgren as a director because of her leadership experience and expertise in global operations, strategy, finance and corporate law, which the Board finds to be valuable skills that complement the other skills represented on our Board. In addition, Ms. Lundgren has leadership experience as President and Chief Executive Officer of a global public company. She also has experience as a director on a global public company board.

The Board has determined that Ms. Lundgren qualifies as an audit committee financial expert. Consistent with our policies and practices related to director service, in making a determination as to Ms. Lundgren's nomination, the Board considered Ms. Lundgren's current role as CEO of another public company and service on the board of her company. Ms. Lundgren was renominated based on her qualifications listed above, her valuable, significant contributions to the Board and Company and her demonstrated willingness and ability to commit adequate time and attention to all Board matters.

Election of Directors

Luis P. Nieto, Jr.

DESCRIPTION OF BUSINESS EXPERIENCE:

Director since: Mr. Nieto served as President of the Consumer Foods Group for ConAgra Foods Inc. from 2007 until he retired in 2009.

February 2007 Mr. Nieto joined ConAgra in 2005 and held various leadership positions, including President of the Meats Group and Refrigerated Foods Group. ConAgra is one of the largest packaged food companies in North America. Prior to joining ConAgra, Mr. Nieto was President and Chief Executive Officer of the Federated Group, a leading private label supplier to the retail grocery and foodservice industries, from 2002 to 2005. From 2000 to 2002, he served as President of the National Refrigerated Products Group of Dean Foods Company. Prior to joining Dean Foods, Mr. Nieto held positions in brand management and strategic planning with Mission Foods, Kraft Foods and the Quaker Oats Company. Mr. Nieto is the President of Nieto Advisory LLC, a consulting firm and is affiliated with Akoya Capital Partners.

Committees: - Audit  
- Finance  
(Chair)

OTHER PUBLIC BOARD MEMBERSHIPS:

- AutoZone, Inc.

QUALIFICATIONS:

Age: 63 The Board nominated Mr. Nieto as a director because of his leadership experience and expertise in finance, operations, supply chains, brand management, marketing and strategic planning, which the Board finds to be valuable skills that complement the other skills represented on our Board. In addition, Mr. Nieto has leadership experience in positions of executive oversight and senior management at a global public company. He also has experience as a director on a global public company board, including serving on audit and governance committees.

The Board has determined that Mr. Nieto qualifies as an audit committee financial expert.

Consistent with our policies and practices related to director service, in making a determination as to Mr. Nieto's nomination, the Board considered Mr. Nieto's current service on the board of another public company. Mr. Nieto was renominated based on his qualifications listed above, his valuable, significant contributions to the Board and Company and his demonstrated willingness and ability to commit adequate time and attention to all Board matters.

David G. Nord

CURRENT PRINCIPAL OCCUPATION:

Director since: Mr. Nord serves as Chairman, President and Chief Executive Officer of Hubbell Incorporated, an international manufacturer of electrical and electronic products for a broad range of non-residential and residential construction, industrial and utility applications. Mr. Nord has held this position since March 2018 May 2014, and prior to that served as President and Chief Executive Officer of Hubbell since January 2013.

Committees: -  
Compensation - Finance

DESCRIPTION OF BUSINESS EXPERIENCE:

Age: 61 Mr. Nord joined Hubbell in 2005 as Senior Vice President and Chief Financial Officer, and subsequently served as President and Chief Operating Officer from 2012 to 2013. Prior to joining Hubbell, Mr. Nord held various senior financial positions at United Technologies Corporation, including Vice President and Controller as well as Vice President of Finance and Chief Financial Officer of Hamilton Sundstrand Corporation, one of its principal subsidiaries.

OTHER PUBLIC BOARD MEMBERSHIPS:

- Hubbell Incorporated

QUALIFICATIONS:

The Board nominated Mr. Nord as a director because of his leadership experience, expertise in global operations and strong financial acumen, which the Board finds to be valuable skills that complement the other skills represented on our Board. In addition, Mr. Nord has leadership experience as President and CEO of a global public company. He also has experience as a director on a global public company board.

Consistent with our policies and practices related to director service, in making a determination as to Mr. Nord's nomination, the Board considered Mr. Nord's current role as CEO of another public company and service on the board of his company. Mr. Nord was nominated based on his qualifications listed above and his willingness and ability to commit adequate time and attention to all Board matters.

Election of Directors

Robert E. Sanchez

**CURRENT PRINCIPAL OCCUPATION:**

Director Mr. Sanchez currently serves as Chair and Chief Executive Officer of Ryder System, Inc.

since: **DESCRIPTION OF BUSINESS EXPERIENCE:**

January Mr. Sanchez was appointed Chair of Ryder's Board in May 2013. He was appointed President and Chief  
2013 Executive Officer in January 2013, at which time he was also elected to Ryder's Board. Mr. Sanchez joined  
Board Ryder in 1993 and has served in positions of increasing responsibility, including a broad range of leadership  
Chair positions in Ryder's business segments. Mr. Sanchez served as President and Chief Operating Officer from  
February 2012 to December 2012. Prior to that position, he served as President of Global Fleet Management  
Solutions, Ryder's largest business segment, from September 2010 to February 2012. Mr. Sanchez also  
served as Executive Vice President and Chief Financial Officer from October 2007 to September 2010; as  
Executive Vice President of Operations, U.S. Fleet Management Solutions from October 2005 to October  
2007; and as Senior Vice President and Chief Information Officer from January 2003 to October 2005. Mr.  
Sanchez has been a member of Ryder's Executive Leadership team since 2003.

**OTHER PUBLIC BOARD MEMBERSHIPS:**

- Texas Instruments

**OTHER RELEVANT EXPERIENCE:**

- Member of the Board of Directors of the Truck Renting and Leasing Association

**QUALIFICATIONS:**

Age: 53 The Board nominated Mr. Sanchez as a director because of his leadership experience and expertise in  
transportation, supply chains/logistics, global operations, finance and information technology, which the  
Board finds to be valuable skills that complement the other skills represented on our Board. He has  
leadership experience based on years of broad-based, diverse senior management experience at Ryder,  
including serving as President and Chief Operating Officer, Division President of Ryder's largest business  
segment, Chief Financial Officer and Chief Information Officer. He also has experience as a director on a  
global public company board, including serving as compensation committee chair.  
Consistent with our policies and practices related to director service, in making a determination as to Mr.  
Sanchez's nomination, the Board considered Mr. Sanchez's current role as CEO of Ryder and service on the  
board of another public company. Mr. Sanchez was renominated based on his qualifications listed above, his  
valuable, significant contributions to the Board and Company and his demonstrated willingness and ability  
to commit adequate time and attention to all Board matters.

Abbie J. Smith

**CURRENT PRINCIPAL OCCUPATION:**

Director Ms. Smith serves as the Boris and Irene Stern Distinguished Service Professor of Accounting at the  
since: University of Chicago Booth School of Business.

July 2003 **DESCRIPTION OF BUSINESS EXPERIENCE:**

Committees: Ms. Smith joined the faculty of the University of Chicago Booth School of Business in 1980 upon  
- Audit completion of her Ph.D. in Accounting at Cornell University. The primary focus of her research is  
- Finance corporate restructuring, transparency and corporate governance. She was nominated for a 2005 Smith  
Age: 65 Breeden Prize for her publication in The Journal of Finance and has received a Marvin Bower  
Fellowship from the Harvard Business School, a McKinsey Award for Excellence in Teaching and a GE  
Foundation Research Grant.

**OTHER PUBLIC BOARD MEMBERSHIPS:**

- Dimensional Investment Group Inc.
- DFA Investment Dimensions Group Inc.
- HNI Corporation

**OTHER RELEVANT EXPERIENCE:**

- Trustee of certain Chicago-based UBS Funds

**QUALIFICATIONS:**

The Board nominated Ms. Smith as a director because of her leadership experience and expertise in business, accounting and corporate governance, which the Board finds to be valuable skills that complement the other skills represented on our Board. In addition, Ms. Smith has an accomplished educational background with extensive academic and teaching experience in business, accounting and corporate governance. She also has experience as a director on global public company boards, including serving as lead independent director and member of audit and governance committees.

The Board has determined that Ms. Smith qualifies as an audit committee financial expert.

Consistent with our policies and practices related to director service, in making a determination as to Ms. Smith's nomination, the Board considered Ms. Smith's current role as a professor of a distinguished university and service on the board of three other companies. Ms. Smith was renominated based on her qualifications listed above, her valuable, significant contributions to the Board and Company and her demonstrated willingness and ability to commit adequate time and attention to all Board matters.

Election of Directors

E. Follin Smith

**DESCRIPTION OF BUSINESS EXPERIENCE:**

Director since: Until May 2007, Ms. Smith served as the Executive Vice President, Chief Financial Officer and July 2005 Chief Administrative Officer of Constellation Energy Group, Inc., then the nation's largest competitive supplier of electricity to large commercial and industrial customers and the nation's largest wholesale power seller. Ms. Smith joined Constellation Energy Group as Senior Vice Committees: President, Chief Financial Officer in June 2001 and was appointed Chief Administrative Officer in (Chair) December 2003.

- Compensation Before joining Constellation Energy Group, Ms. Smith was Senior Vice President and Chief Governance & Financial Officer of Armstrong Holdings, Inc., the global leader in hard-surface flooring and Nominating ceilings. Prior to joining Armstrong, Ms. Smith held various senior financial positions with General Motors, including Chief Financial Officer for General Motors' Delphi Chassis Systems division.

**OTHER PUBLIC BOARD MEMBERSHIPS:**

- A past director of Kraft Foods Group (until July 2015)
- A past director of Discover Financial Services (until May 2014)

**QUALIFICATIONS:**

Age: 59 The Board nominated Ms. Smith as a director based on her leadership experience and expertise in finance, human resources, risk management, legal and information technology, which the Board finds to be valuable skills that complement the other skills represented on our Board. In addition, Ms. Smith has leadership experience serving as Chief Financial Officer and Chief Administrative Officer of global public companies. She also has experience as a director on other global public company boards, including serving on audit, governance and risk committees.

Consistent with our policies and practices related to director service, in making a determination as to Ms. Smith's nomination, the Board considered Ms. Smith's past experience as a CFO and service on other company boards. Ms. Smith was renominated based on her qualifications listed above, her valuable, significant contributions to the Board and Company and her demonstrated willingness and ability to commit adequate time and attention to all Board matters.

Dmitri L. Stockton

**DESCRIPTION OF BUSINESS EXPERIENCE:**

Director since: Mr. Stockton most recently served as Senior Vice President and Special Advisor to the Chairman of March 2018 General Electric Company (GE) from 2016 until his retirement in 2017. GE is a multinational industrial company that provides power and water, aviation, oil and gas, healthcare, appliances and Committees: lighting, energy management, transportation and financial services.

- Mr. Stockton joined GE in 1987 and held various positions of increasing responsibility during his 30 Compensation year tenure. From 2011 to 2016, Mr. Stockton served as Chairman, President and Chief Executive - Finance Officer of GE Asset Management, a global asset management company affiliated with GE, and as Age: 54 Senior Vice President of GE. From 2008 to 2011, he served as President and Chief Executive Officer for GE Capital Global Banking and Senior Vice President of GE in London, UK. He previously also served as President and Chief Executive Officer for GE Consumer Finance for Central and Eastern Europe.

**OTHER PUBLIC BOARD MEMBERSHIPS:**

- Deere & Company
- Stanley Black & Decker
- Target Corporation

**QUALIFICATIONS:**

The Board nominated Mr. Stockton as a director because of his leadership experience and his expertise in risk management, governance, finance and asset management, which the Board finds to be valuable skills that complement the other skills represented on our Board. In addition, Mr.



Stockton also has leadership experience in positions of executive oversight and senior management from his tenure at GE, as well as experience as a director on public company boards.

Consistent with our policies and practices related to director service, in making a determination as to Mr. Stockton's nomination, the Board considered Mr. Stockton's current service on the Board of three other public companies. Mr. Stockton was nominated based on his qualifications listed above and his willingness and ability to commit adequate time and attention to all Board matters.

Election of Directors  
Corporate Governance Framework

Hansel E. Tookes, II

DESCRIPTION OF BUSINESS EXPERIENCE:

Director since: Mr. Tookes served as President of Raytheon International until he retired from Raytheon Company  
September 2002 in December 2002.

Lead Mr. Tookes joined Raytheon in September 1999 as President and Chief Operating Officer of  
Independent Raytheon Aircraft Company. He was appointed Chief Executive Officer in January 2000, Chairman  
Director in August 2000 and became President of Raytheon International in May 2001. Prior to joining  
Committees: Raytheon in 1999, Mr. Tookes served as President of Pratt & Whitney's Large Military Engines  
- Audit Group since 1996. He joined Pratt & Whitney's parent company, United Technologies Corporation,  
- Corporate in 1980. Mr. Tookes was a Lieutenant Commander and military pilot in the U.S. Navy and later  
Governance & served as a commercial pilot with United Airlines.

Nominating OTHER PUBLIC BOARD MEMBERSHIPS:

- Corning Incorporated
- Harris Corporation
- NextEra Energy, Inc. (formerly FPL Group, Inc.)

QUALIFICATIONS:

Age: 71 The Board nominated Mr. Tookes as a director because of his leadership experience and expertise  
in global operations, the transportation industry, the U.S. military and government contracting,  
which the Board finds to be valuable skills that complement the other skills represented on our  
Board. In addition, Mr. Tookes has leadership experience in positions of executive oversight and  
senior management at global public companies. He also has experience as a director on  
global public company boards, including serving as governance committee chair and member of  
audit, compensation, finance and executive committees.

The Board has determined that Mr. Tookes qualifies as an audit committee financial expert.

Consistent with our policies and practices related to director service, in making a determination as  
to Mr. Tookes' nomination, the Board considered Mr. Tookes' current service on the board of three  
other public companies. Mr. Tookes was renominated based on his qualifications listed above, his  
valuable, significant contributions to the Board and Company and his demonstrated willingness and  
ability to commit adequate time and attention to all Board matters.

CORPORATE GOVERNANCE FRAMEWORK

We maintain a Governance page in the Investors area of our website at <http://investors.ryder.com>, which includes our  
Corporate Governance Guidelines and the following additional materials relating to corporate governance:

Principles of Business Conduct

Committee charters

Board - background and experience

Board committees - current members

How to contact our directors

The Corporate Governance Guidelines set forth our governance principles relating to, among other things:

The Board's annual strategic direction review

Director independence (including our director independence standards)

Director qualifications and responsibilities

Board and leadership structure

Director resignation policy

Director compensation

CEO and senior management succession

CEO evaluation and compensation

**Board and committee evaluations**

The Principles of Business Conduct apply to our officers, employees and Board members and cover all areas of professional conduct including conflicts of interest, confidentiality, compliance with law and mechanisms to report known or suspected wrongdoing. Any waivers to our Principles of Business Conduct for Board members or our executive officers granted by the Governance Committee will be posted on our website or disclosed in a public filing made with the Securities and Exchange Commission (SEC).

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Board of Directors

**BOARD OF DIRECTORS**

**Director Independence**

11 of the 12 Directors are Independent

**Independence**

It is our policy that a substantial majority of the members of our Board and all of the members of our Audit Committee, Compensation Committee, Corporate Governance and Nominating Committee and Finance Committee qualify as independent under the New York Stock Exchange (NYSE) corporate governance listing standards. To assist in making independence determinations, our Board has adopted director independence standards, which are included as part of our Corporate Governance Guidelines and are available on our Investors website at <http://investors.ryder.com>. Our director independence standards set forth certain transactions or relationships that the Board has determined will not, by themselves, be deemed to create a material relationship for the purpose of determining director independence. However, the Board will consider all relationships and transactions with our directors, even those that meet these standards, to determine whether the particular facts or circumstances of the relationship or transaction would impair the director's independence.

**2019 Independence Review**

In preparation for our 2019 Annual Meeting, the Board undertakes an annual review of director independence, which includes a review of each director's responses to questionnaires asking about any and all relationships with the Company. This review is performed in accordance with our Corporate Governance Guidelines and is designed to identify and evaluate any transactions or relationships between a director or any member of his or her immediate family and the Company or members of our senior management.

In the ordinary course of business, transactions may occur between us and entities with which some of our directors are or have been affiliated. In connection with its evaluation of director independence, our Board identified and reviewed several transactions that occurred during 2018 between us and companies where our directors or family members of our directors serve as executive officers.

Specifically, Mr. Eck, Mr. Hilton, Ms. Lundgren, and Mr. Nord have served or currently serve as executives of companies that lease vehicles or receive other services from us, or provide services or products to us, such as maintenance equipment or parts. We reviewed each of these commercial relationships and found that all transactions between us and the relevant companies were made in the ordinary course of business and negotiated at arm's length. Furthermore, each of these commercial relationships was below the threshold set forth in our director independence standards (i.e., one percent of such other company's consolidated gross revenues for such year or \$1 million, whichever is greater). As a result, our Board determined that none of these commercial relationships impaired the independence of the relevant director.

Additionally, the Board reviewed charitable donations and contributions made by the Company to tax-exempt organizations where our directors serve as a trustee or director. Specifically, Ms. Lundgren serves on the board of a tax-exempt organization to which the Company makes or has made contributions. We reviewed this relationship and found that all contributions made by the Company were made in the ordinary course, at arm's length and consistent with our policies and procedures. Furthermore, this relationship was below the threshold set forth in our director independence standards (i.e., one percent of such organization's consolidated gross revenues for such year or \$250,000, whichever is greater). As a result, our Board determined that this relationship does not impair Ms. Lundgren's independence.

Based on its independence review and after considering the transactions described above, the Board determined that each of the following directors (which together constitute all members of the Board other than Mr. Sanchez) is independent: John M. Berra, Robert J. Eck, Robert A. Hagemann, Michael F. Hilton, Tamara L. Lundgren, Luis P. Nieto, Jr., David G. Nord, Abbie J. Smith, E. Follin Smith, Dmitri L. Stockton and Hansel E. Tookes, II. No family relationships exist among our directors and executive officers.

## Board of Directors

### SHAREHOLDER ENGAGEMENT AND COMMUNICATIONS WITH THE BOARD

Our Board and management are committed to engaging with our shareholders and obtaining their views and input on performance, governance, executive compensation and any other matters important to our shareholders.

**Board-Driven Engagement and Board Reporting.** Our Governance Committee oversees the shareholder engagement process and reviews and assesses shareholder input. As part of this process, the Committee regularly provides updates to the full Board on shareholder engagement efforts and feedback.

**Year-Round Engagement.** Ryder conducts routine shareholder outreach during and outside of the proxy season, so that the Board and Company remain informed on the issues that our shareholders tell us matter most to them. We provide institutional investors with opportunities to provide feedback to our Board and senior management through our participation in formal events, one-on-one meetings and group meetings throughout the year. Annually, our Chief Legal Officer and Corporate Secretary reaches out to our shareholders representing at least half of our outstanding shares to discuss Ryder's corporate governance and compensation profile and any other shareholder concerns. We also seek shareholder feedback prior to making any material compensation or governance changes and when we are considering whether to support or enact provisions requested in a shareholder proposal.

**Engagement Participants.** Our Board Chair and CEO, Chief Legal Officer and Corporate Secretary, and/or Vice President of Corporate Strategy and Investor Relations participate in regular meetings with shareholders. When appropriate, other Board members, including our Lead Independent Director, Governance Committee Chair and other Committee Chairs, also participate in the meetings. For instance, in 2017, our Lead Independent Director and Governance Committee Chair and Compensation Committee Chair participated in the shareholder engagement meetings when we were considering material governance changes requested by shareholders as well as changes to our executive compensation program.

**Transparency and Informed Governance Enhancements.** Our Governance Committee and full Board regularly review our governance practices and policies with an eye towards continual improvement. In addition to considering shareholder feedback obtained through our engagement process, our Board regularly reviews the voting results of our shareholder meetings, governance and proxy voting policies of our shareholders who publish their policies, other published materials reflecting shareholder views, governance practices of our peers and other companies similar in size to Ryder, and current trends in corporate governance.

#### Summary of Ryder's 2018 Shareholder Engagement

<sup>4</sup> During the summer and fall of 2018, we sought feedback from shareholders holding over 53% of our shares, including our top 20 shareholders, on Ryder's governance and compensation profile.

<sup>4</sup> This engagement outreach was in addition to over a hundred other meetings and discussions that management and investor relations held with shareholders since the 2018 Annual Meeting.

<sup>4</sup> None of the shareholders whom we reached out to expressed any concerns, which we believe indicates that shareholders have been pleased with recently implemented governance changes.

## Board of Directors

### Actions Taken as a Result of Shareholder Engagement

- 4 Provided shareholders with the right to act by written consent in 2018
- 4 Commenced annual elections for all directors beginning in 2018
- 4 Moved to three-year performance periods and fixed three-year targets in the LTIP beginning with 2018 awards
- 4 Implemented a balanced proxy access right in 2016
- 4 Adopted double-trigger vesting upon a change of control in our Equity Plan in 2016 (eliminating our single-trigger vesting provisions)
- 4 Commenced disclosing on an annual basis our political contributions policy and annual direct corporate contributions to political candidates on our website beginning in 2015
- 4 Eliminated supermajority voting provisions from our By-Laws regarding removal of directors, amendment of certain provisions of our Articles of Incorporation and By-Laws and approval of certain business combinations with interested shareholders beginning in 2014
- 4 Periodically publish a corporate sustainability report beginning in 2012
- 4 Commenced disclosure of carbon emissions and energy data through the Carbon Disclosure Project beginning in 2008

Shareholder Communications with the Board. Shareholders and other interested parties can communicate with our independent directors as a group through an external toll-free hotline number at 1-800-815-2830 (7 days a week/24 hours a day), through the Governance page in the Investors area of our website at <http://investors.ryder.com>, or by mailing their communication to: Independent Directors, c/o Corporate Secretary, Ryder System, Inc., 11690 N.W. 105th Street, Miami, Florida 33178. Any communications received from interested parties in the manners described above will be collected and organized by our Corporate Secretary and will be periodically, and in any event prior to each regularly-scheduled Board meeting, reported and/or delivered to our independent directors. The Corporate Secretary will not forward spam, junk mail, mass mailings, service complaints or inquiries, job inquiries, surveys, business solicitations or advertisements, or patently offensive or otherwise inappropriate materials to the independent directors. Correspondence relating to some of these matters, such as service issues, may be distributed internally for review and possible response. The procedures for communicating with our independent directors as a group are available in the Investors area of our website at <http://investors.ryder.com>, on the Governance page.

Our Audit Committee has established procedures for the receipt, retention and treatment of complaints regarding questionable accounting, internal control, financial improprieties or auditing matters. Any of our employees or members of the general public may communicate concerns about any of these matters confidentially to any supervisor or manager, the Chief Legal Officer, the Vice President of Internal Audit or the Chief Compliance Officer, or on a confidential and/or anonymous basis by way of a third party toll-free hotline number (1-800-815-2830), web-based portal ([helpline.ryder.com](http://helpline.ryder.com)), e-mail ([ethics@ryder.com](mailto:ethics@ryder.com)), or via e-mail to members of our Audit Committee ([audit@ryder.com](mailto:audit@ryder.com)). All of these reporting mechanisms are publicized in the Investors area of our website at <http://investors.ryder.com>, in our Principles of Business Conduct, through in person and on-line compliance training, and location posters. Upon receipt of a complaint or concern, a determination will be made whether it pertains to accounting, internal control, financial improprieties or auditing matters and, if it does, it will be handled in accordance with the procedures established by the Audit Committee. A summary of all complaints of whatever type received through the reporting mechanisms are reported to the Audit Committee at each regularly-scheduled Audit Committee meeting. Matters requiring immediate attention are promptly forwarded to the Chair of the Audit Committee.

### BOARD MEETINGS

The Board held six regular meetings and two special meetings in 2018. Each of the directors attended at least 75% of the aggregate number of meetings of the Board and committees on which the director served in 2018. Our independent directors meet in outside directors session without management present as part of each regularly-scheduled Board meeting. Our Lead Independent Director presides over these outside directors sessions.

We expect our directors to attend our Annual Meeting of Shareholders. All of our directors attended the 2018 Annual Meeting.

## BOARD LEADERSHIP STRUCTURE

Ryder combines the positions of CEO and Board Chair. Ryder believes that the CEO, as a Company executive, is in the best position to fulfill the Chair's responsibilities, including those related to identifying emerging issues facing Ryder, communicating essential information to the Board about Ryder's performance and strategies, and proposing agendas for the Board. As detailed in his biography above, Mr. Sanchez has over 25 years of experience with the Company, during which time he has held many senior executive leadership positions. We believe his in-depth knowledge of the Company and his extensive executive and management experience makes him uniquely well positioned to lead the Board in developing and monitoring the strategic direction of the Company. Ryder believes that its Board leadership structure is enhanced by the independent leadership provided by our Lead Independent Director. The Board has developed the role of a strong Lead Independent Director to facilitate and

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Board of Directors

strengthen the Board's independent oversight of Company performance, strategy and succession planning, and uphold effective governance standards. Ryder's Corporate Governance Guidelines establish that the Board members shall appoint a Lead Independent Director every five years, although the Board has discretion to deviate from this cycle when it determines it is in the best interests of the Company to do so. Our current Lead Independent Director is Hansel E. Tookes, II, who has served in the position since 2015. The Board believes that Mr. Tookes' in-depth knowledge of our business and historical developments gleaned from his years on our Board, his past executive leadership experience at a public company, and his willingness and ability to devote the time required to serve in this role, make him exceptionally well qualified to serve as our Lead Independent Director.

The Lead Independent Director's duties include the following:

Lead Independent Director

Duties and Practices

- |   |   |
|---|---|
| 4 | Presides at all meetings of the Board at which the Chair is not present, including outside directors sessions of the independent directors (which are held at every regular meeting)                  |
| 4 | Serves as the liaison between the CEO/Chair and the independent directors and works with the Chair to make sure that all director viewpoints are considered and that decisions are appropriately made |
| 4 | Serves as the liaison between the Board and management to ensure the Board obtains the materials  |



and information  
it needs  
Requests and  
previews  
4 information  
sent to the  
Board, as  
necessary  
Develops  
meeting  
agendas for the  
Board, in  
collaboration  
with the Chair  
4 and Chief Legal  
Officer, to  
ensure that  
topics requested  
by the  
independent  
directors are  
included  
Has authority to  
4 call meetings of  
the independent  
directors  
Is available for  
consultation  
and direct  
communication  
4 with  
shareholders to  
discuss  
concerns and  
expectations,  
upon request  
Engages with  
other  
independent  
directors to  
4 identify matters  
for discussion at  
outside  
directors  
sessions  
Oversees  
4 annual CEO  
evaluation  
4 Serves as our  
Governance  
Committee

Chair and  
oversees the  
Board's annual  
evaluation  
process and the  
search process  
for new director  
candidates

#### BOARD COMMITTEES

The Board has four standing committees: Audit, Compensation, Corporate Governance and Nominating and Finance. All of the committees are composed entirely of independent directors who meet in outside directors sessions without management present as part of each regularly-scheduled committee meeting. Each committee evaluates its performance annually. The tables below provides current membership and 2018 meeting information for each committee:

We have adopted written charters that set forth each committee's responsibilities and provide for periodic review of each charter and annual evaluation of each committee's performance. The charters grant each committee the authority to obtain the advice and assistance of, and receive appropriate funding from us for, outside legal, accounting or other advisors as a committee deems necessary to fulfill its obligations. The specific powers and responsibilities of the committees are set forth in more detail in their charters, which are available on the Governance page in the Investors area of our website at <http://investors.ryder.com>.

At the end of each year, the committees review and approve agenda schedules for the following year. The agenda schedules outline the various topics the committees will consider during the year to ensure they adequately fulfill their committee charter responsibilities. The committees consider other topics during the year as needed to fulfill their responsibilities. Our Chief Legal Officer works closely with the Board Chair, Lead Independent Director and Committee Chairs to ensure that information presented to the committees with respect to items discussed and/or approved is clear and comprehensive.

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Audit Committee

AUDIT COMMITTEE

Members

Robert A. Hagemann (Chair) Tamara L. Lundgren Luis P. Nieto, Jr. Abbie J. Smith Hansel E. Tookes, II

Key Responsibilities

	Appointing, overseeing and determining the compensation and
4	independence of our independent registered certified public accounting firm
	Approving the scope of the
4	annual audit and the related audit fees
	Reviewing the scope of
4	internal audit's activities and performance of the internal audit function
4	Reviewing and discussing the adequacy and effectiveness of internal control over financial reporting with internal audit and the independent registered certified public

4 accounting  
firm  
Overseeing  
investigations  
into  
accounting  
and financial  
complaints  
and Ryder's  
global  
compliance  
program  
Reviewing  
audit results,  
4 financial  
disclosures  
and earnings  
guidance  
Reviewing,  
discussing and  
overseeing the  
4 process by  
which the  
Company  
assesses and  
manages risk  
Reviewing  
and  
overseeing  
matters  
relating to  
4 accounting,  
auditing and  
financial  
reporting  
practices and  
policies

Independence and Financial  
Expertise

4 All members  
are  
independent  
All members  
4 are financial  
experts

Audit Committee Processes and Procedures

Meetings. Our Chief Financial Officer, Controller, Vice President of Internal Audit, Chief Legal Officer, Chief Compliance Officer and representatives of our independent registered certified public accounting firm participate in Audit Committee meetings, as necessary and appropriate, to assist the Audit Committee in its discussion and analysis of the various agenda items. The Audit Committee also meets regularly in executive session with our Chief Financial Officer, Vice President of Internal Audit, Controller, Chief Compliance Officer, Chief Legal Officer and

representatives of our independent registered certified public accounting firm.

#### Independence and Financial Expertise

The Board reviewed the background, experience and independence of each of the Audit Committee members based in part on the directors' responses to a questionnaire relating to their relationships, background and experience. Based on this review, the Board determined that each member of the Audit Committee:

- meets the independence requirements of the NYSE's corporate governance listing standards and our director independence standards;

- meets the enhanced independence standards for audit committee members required by the SEC;

- is financially literate, knowledgeable and qualified to review financial statements; and

- qualifies as an "audit committee financial expert" under SEC rules.

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Compensation Committee

COMPENSATION COMMITTEE

Members

E. Follin Smith (Chair) John M. Berra Robert J. Eck Michael F. Hilton David G. Nord\* Dmitri L. Stockton\*

Key Responsibilities

- |   |  |
|---|--|
| 4 | Overseeing,<br>reviewing and<br>approving our<br>executive and<br>director   |
| 4 | compensation<br>plans, policies<br>and programs<br>Considering<br>industry trends,<br>benchmark<br>data and<br>whether   |
| 4 | compensation<br>actions support<br>key business<br>objectives and<br>pay for<br>performance<br>philosophy<br>Approving<br>compensation<br>actions for<br>direct reports to<br>the CEO and<br>recommending<br>compensation<br>actions for the<br>CEO for<br>consideration<br>by the<br>independent<br>directors |
| 4 | Reviewing and<br>discussing the<br>results of the<br>shareholder<br>advisory vote<br>on executive<br>compensation<br>(and the<br>frequency of<br>such vote) and  |

considering  
whether to  
recommend  
any  
adjustments to  
policies and  
practices based  
on the vote  
results  
Reviewing and  
assessing  
compensation  
4 policies from a  
risk  
management  
perspective  
Overseeing the  
preparation of  
the  
Compensation  
Discussion and  
4 Analysis and  
determining  
whether to  
recommend it  
for inclusion in  
this proxy  
statement

#### Independence

4 All members  
are  
independent

\*Messrs. Nord and Stockton became members of the Compensation Committee when they were appointed to the Board on March 1, 2018.

#### Compensation Committee Processes and Procedures

Meetings. The Chief Human Resources Officer, Vice President - Compensation and Benefits, Vice President and Deputy General Counsel, and, when requested, the CEO, participate in Compensation Committee meetings, as necessary and appropriate, to assist the Compensation Committee in its discussion and analysis of the various agenda items. These individuals are generally excused from the meetings as appropriate, including for discussions regarding their own compensation.

Authority, Role of Management and Delegation. The Compensation Committee is responsible for reviewing and approving all components of our executive compensation program as well as the compensation program for our Board. New executive compensation plans and programs must be approved by the full Board based on recommendations made by the Compensation Committee. The Compensation Committee, with input from the CEO, is responsible for setting the compensation of all other NEOs. Our independent directors, acting as a group, are responsible for setting CEO compensation based on recommendations from the Compensation Committee. Pursuant to the terms of its charter, the Compensation Committee may delegate all or a portion of its responsibilities relating to retirement plans to the Company's Retirement Committee. For additional discussion of the Compensation Committee's processes and procedures for the consideration and determination of executive compensation, please see the discussion under "Compensation Setting Process" in our Compensation Discussion and Analysis on page 45 of this proxy statement.

Use of Compensation Consultants. The Compensation Committee has authority to retain compensation consultants, outside legal counsel and other advisors to assist it in fulfilling its responsibilities. During 2018, the Committee again retained Frederic W. Cook & Co., Inc. ("Frederic W. Cook") to serve as its independent compensation consultant. For further discussion of the role that Frederic W. Cook played in assisting the Committee in making executive compensation decisions during 2018, please see the discussion under "Role of the Independent Compensation Consultant" in our Compensation Discussion and Analysis on page 45 of this proxy statement.

Compensation Committee Interlocks and Insider Participation. During the fiscal year ended December 31, 2018, John M. Berra, Robert J. Eck, Michael F. Hilton, David G. Nord, E. Follin Smith and Dmitri L. Stockton served as Compensation Committee members. None of these directors was, during 2018, an officer or employee of Ryder, or was formerly an officer of Ryder. There were no transactions in 2018 between us and any directors who served as Compensation Committee members for any part of 2018 that would require disclosure by Ryder under SEC rules requiring disclosure of certain relationships and related party transactions. During 2018, none of Ryder's executive officers served as a director of another entity, one of whose executive officers served on the Compensation Committee, and none of Ryder's executive officers served as a member of the compensation committee of another entity, whose executive officers served as a member of our Board.

#### Independence

The Board reviewed the background, experience and independence of each of the Compensation Committee members based in part on the directors' responses to a questionnaire relating to their relationships, background and experience. Based on this review, the Board determined that each member of the Compensation Committee meets the independence requirements of the NYSE's



Compensation Committee

corporate governance listing standards, including the additional independence requirements specific to compensation committee members, and our director independence standards.

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Corporate Governance and Nominating Committee

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

Members

Hansel E. Tookes, II

(Chair)

John M. Berra\* Michael F. Hilton Tamara L. Lundgren E. Follin Smith

Key Responsibilities

4	Identifying and recommending qualified individuals to serve as directors
4	Reviewing the qualifications of director candidates, including those recommended by our shareholders pursuant to our By-Laws
4	Recommending to the Board the nominees to be proposed by the Board for election as directors at our Annual Meeting of Shareholders
4	Recommending the size, structure, composition and functions of Board committees
4	Reviewing and recommending changes to the charters of each committee of the Board
4	

	Designing and overseeing the Board and committee evaluation processes as well as the annual CEO evaluation process
4	Reviewing and recommending changes to our Corporate Governance Guidelines and Principles of Business Conduct and overseeing and approving governance practices of the Company and Board
4	Reviewing and overseeing the process by which the Board identifies and prepares for a crisis
4	Overseeing the Company's charitable contributions, government relations, environmental activities, safety performance, and diversity efforts
Independence	
4	All members are independent

---

\* Mr. Berra rotated to the Corporate Governance and Nominating Committee effective May 3, 2018.

Corporate Governance and Nominating Committee Processes and Procedures

Meetings. Our Chief Legal Officer and, when requested, our CEO, participate in Governance Committee meetings, as necessary and appropriate, to assist the Governance Committee in its discussion and analysis of the various agenda items.

Board Succession Process for Directors

Our Governance Committee seeks to build and maintain an experienced, effective, well-rounded and diverse Board exemplifying sound judgment and integrity that operates collaboratively. Below is a summary of our process for identifying director candidates: Identifying and recommending individuals for nomination, election or re-election to our Board is a principal responsibility of our Governance Committee. The Governance Committee carries out this function through an ongoing, year-round process, which includes the annual evaluation of our Board and committees. Each director candidate is evaluated by the Governance Committee based on his or her individual merits, taking into account our Company's needs and the composition of our Board.

The Governance Committee will seek to identify individuals who would qualify as independent under applicable NYSE listing standards and our director independence standards, and who are independent of any particular constituency. The Governance Committee may, based on the composition of the Board, seek individuals who have specialized skills or expertise, experience as a leader of another public company or major complex organization, or relevant industry experience. The Governance Committee

Corporate Governance and Nominating Committee

also focuses on what skills are beneficial for service on each committee and for key Board positions, such as Lead Independent Director and Committee Chairs. Annually, the Governance Committee reviews Board and committee composition and conducts a succession planning process to fill, rotate and refresh those positions.

In identifying individuals to nominate for election to our Board, the Governance Committee seeks candidates who:

- 4 have a high level of personal integrity and exercise sound business judgment
- 4 are highly accomplished, with superior credentials, recognition and/or strong senior leadership experience in their respective fields
- 4 have relevant expertise and experience that is valuable to the business of the Company and its long-term strategy, goals and initiatives
- 4 have an understanding of, and concern for, the interests of our shareholders
- 4 have sufficient time to devote to fulfilling their

obligations as  
directors

**Board Composition Matrix.** The Governance Committee uses a Board Composition Matrix to identify the current skills, experience, expertise and diversity on the Board, and ensure all desired traits are represented by the current Board members. When identifying desired director candidate traits, the Governance Committee seeks out areas that may become underrepresented as a result of Board turnover or where additional skills would enhance the Board's composition. The Governance Committee reviews and updates the Matrix on an ongoing basis, with individual input from all directors, as needed.

**Retention of Experienced Director Search Firms.** Generally, the Governance Committee identifies individuals for service on our Board through the Governance Committee's retention of experienced director search firms that use their extensive resources and networks to find qualified individuals who meet the qualifications established by the Board. The Governance Committee will also consider qualified candidates who are proposed by other members of the Board, our senior management and, to the extent submitted in accordance with the procedures described below, our shareholders. The Governance Committee will not consider a director candidate unless the candidate has expressed his or her willingness to serve on the Board if elected.

**Diversity.** The Board believes that diversity is one of many important considerations in board composition. As noted above, the Governance Committee evaluates the current composition of the Board from time-to-time to ensure that the directors reflect a diversity of viewpoints, professional experience, backgrounds, education and skills. The Governance Committee is committed to seeking out highly qualified women and minority candidates as well as candidates with diverse backgrounds, experiences and skills as part of the director search that the Company undertakes, and to ensuring that candidates are drawn from a pool that includes diverse candidates, including women and minority candidates. Ryder believes that a diverse group of directors brings a broader range of experiences to the Board and generates a greater variety of innovative ideas and perspectives, and, therefore, is in a better position to make complex decisions. In addition, Ryder believes its shareholders appreciate a diverse Board, which is more reflective of the overall investment community and markets we and our customers serve. The Governance Committee and the full Board believe that the director nominees embody the breadth of backgrounds and experience necessary for a balanced and effective Board. Currently, seven of twelve directors are women or minorities.

**Shareholders Recommending a Director Candidate to the Governance Committee.** If a shareholder would like to recommend a director candidate to the Governance Committee, he or she must deliver to the Governance Committee the same information and statement of willingness to serve as described above. In addition, the recommending shareholder must deliver to the Governance Committee a representation that the shareholder owns shares of our common stock and intends to continue holding those shares until the relevant Annual Meeting of Shareholders, as well as a representation regarding the shareholder's direct and indirect relationship to the suggested candidate. This information should be delivered to us at:

11690 N.W. 105th Street

Miami, Florida 33178

Attention: Corporate Secretary

This information must be delivered to the Governance Committee no earlier than 120 days and no later than 90 days prior to the one-year anniversary of the date of the prior year's Annual Meeting of Shareholders. Any candidates properly recommended by a shareholder will be considered and evaluated in the same way as any other candidate submitted to the Governance Committee.

Upon receipt of this information, the Governance Committee will evaluate and discuss the candidate's qualifications, skills and characteristics in light of the current composition of the Board. The Governance Committee may request additional information from the recommending party or the candidate in order to complete its initial evaluation. If the Governance Committee determines that the individual would be a suitable candidate to serve as one of our directors, the candidate will be asked to meet with members of the Governance Committee, members of the Board and/or members of senior management, including in each case, our CEO, to discuss the candidate's qualifications and ability to serve on the Board. Based on the Governance Committee's discussions and the results of these meetings, the Governance Committee will recommend nominees for election to the Board and



Corporate Governance and Nominating Committee

the Board will nominate a slate of directors for election by our shareholders at our Annual Meeting (or, if filling a vacancy between Annual Meetings, the Board will elect a nominee to serve on the Board). Pursuant to our Corporate Governance Guidelines, each incumbent director nominee must agree to tender his or her resignation for consideration by the Board if the director fails to receive the required number of votes for re-election in accordance with the By-Laws.

**Board and Committee Evaluation Process.** The Governance Committee has oversight of the annual Board and committee evaluation process and uses feedback from the results of the evaluation to identify directors currently serving on the Board to be renominated for election at the expiration of their terms. Each year, the Governance Committee, led by the Lead Independent Director/Governance Committee Chair, establishes the year's evaluation process, taking into account the Board's needs, how the evaluation was performed the previous year and input from other members of the Governance Committee. Currently, evaluations alternate each year between (i) open dialogue sessions in Board and committee outside directors sessions, where a list of potential topics is established and distributed to directors beforehand, and (ii) a written questionnaire, which includes open-ended questions to solicit feedback on Board and committee performance and opportunities for improvement. The chart below summarizes the 2018 Board and committee evaluation process:

**CEO Evaluation Process.** The Governance Committee also oversees the annual CEO evaluation process, which is discussed in the "Evaluating Performance" section on page 45 of the Compensation Discussion and Analysis in this proxy statement.

**Crisis Preparedness.** Our Board has prepared a crisis preparedness plan for potential crises that could occur, which includes descriptions of potential triggering events, notification protocol, advance preparation, communication plans, resources and a summary of key considerations, implications and risks of each triggering event scenario. Our Governance Committee (in conjunction with the other committees, as necessary) oversees the crisis preparedness plan, and reviews and recommends updates and enhancements to the Board at least annually.



Finance Committee  
Corporate Responsibility and Sustainability

# FINANCE COMMITTEE

Member

Luis P. Nieto, Jr. (Chair) Robert J. Eck Robert A. Hagemann David G. Nord\* Abbie J. Smith Dmitri L. Stockton\*

## Key Responsibilities

4	Reviewing our overall financial metrics, liquidity position, arrangements and requirements
4	Reviewing, approving and recommending certain capital expenditures, issuances or repurchases of debt and equity securities, dividend policy, pension contributions and acquisitions
4	Reviewing our relationships with rating agencies, banks and analysts
4	Reviewing and assessing our risk management policies and activities (relating to business, economic, interest rate, foreign currency and other risks relating to capital

	structure to
	access to
	capital) and
	providing
	guidance to the
	Board with
	respect thereto
	Reviewing our
	overall tax
	planning
	strategy as well
4	as our
	corporate
	insurance
	program and
	activities
	Reviewing
	post-audits of
4	major capital
	expenditures
	and business
	acquisitions
	Reviewing and
	recommending
	to the Board
	the slate of
	persons to be
4	appointed to
	the Company's
	Investment
	Committees
	and evaluating
	their
	performance
Independence	
4	All members
	are
	independent

\* Messrs. Nord and Stockton became members of the Finance Committee when they were appointed to the Board on March 1, 2018.

#### Finance Committee Processes and Procedures

Meetings. Our Chief Financial Officer, Treasurer and other members of management including our Vice President of Investor Relations and Strategy, participate in Finance Committee meetings, as necessary and appropriate, to assist the Finance Committee in its discussion and analysis of the various agenda items.

#### CORPORATE RESPONSIBILITY AND SUSTAINABILITY

At Ryder, our mission is to create long-term value for our shareholders, customers and employees while having a positive impact on the communities in which we live and work. We strive to integrate corporate responsibility and sustainability into every aspect of our strategy from how we engage with employees and local communities to our

expansion into more sustainable offerings of products and services to customers. Achieving our mission responsibly is critical to attracting and retaining the best talent, executing on our strategy, maintaining a robust supplier base, and innovating to provide technologically advanced and affordable products for our customers. Our commitment to this mission requires us to adhere to a strong corporate governance program that includes policies and principles that integrate environmental, social and governance (ESG) matters into our broader risk management and strategic planning initiatives.

We have a team of senior managers and subject-matter experts who monitor global trends, assess risks and opportunities around specific ESG issues, and provide updates and reports to senior leadership members and to the Corporate Governance and Nominating Committee. The Governance Committee provides leadership and oversight of our ESG practices, including oversight of our policies and programs related to environmental sustainability, health and safety, government relations, diversity and inclusion, and charitable giving, and regularly updates the full Board on these matters. We provide extensive information regarding our sustainability initiatives through our website, including in our Corporate Sustainability Report and our responses to the annual climate change and water surveys conducted by the Carbon Disclosure Project.

## Risk Management

### RISK MANAGEMENT

#### The Board's Role in Risk Oversight

The Company understands that risk is present in its everyday business and organizational strategy and risk-taking is a necessary part of growing and operating a business. Consequently, the Company has implemented an enterprise risk management ("ERM") program to provide management and the Board with a robust and holistic top-down view of key risks facing Ryder.

The ERM program is structured so that the Board is ultimately responsible for oversight of our ERM process. The Board executes its duty both directly and indirectly through its Audit, Compensation, Governance and Finance Committees. ERM is a Company-wide initiative that involves both the Board and Ryder's management. The program is designed to (i) identify the various risks faced by the organization; (ii) assign responsibility for managing those risks to individual management executives who report directly to the applicable committee; and (iii) align those management assignments with appropriate board-level oversight.

The primary areas of risk overseen by the Board and its committees are summarized below.

#### Board/Committee Areas of Risk Oversight

Full Board	4 Company's culture and tone at the top;
	4 Strategic, financial, competitive and execution risk associated with the annual business operating plan and strategic plan;
	4 Allocation of capital investments;
	4 Major litigation and regulatory matters;
	4 Acquisitions and divestitures;
	4 CEO and executive management succession planning; and
Audit Committee	4 Business conditions and competitive landscape.
	4 Financial matters (including financial reporting, accounting, public disclosure and internal controls);
	4 Cyber security and information technology;
	4 Major litigation and regulatory matters;
Compensation Committee	4 Oversight over the internal audit function and the ethics and compliance program; and
	4 Review and oversight of the process by which the Company assesses and manages risk.
	4 CEO and executive compensation, equity and incentive-based compensation programs, performance management of officers and director compensation; and
Governance Committee	4 Compensation risk assessment (see "Compensation Risks" on page 48 of the Compensation Discussion and Analysis).
	4 Board effectiveness and organization, corporate governance, CEO evaluation process and director succession planning; and
	4 Reputational risks relating to environmental, government relations, charitable contributions and safety matters.
Finance Committee	4 Capital structure, expenditures, financing transactions and asset management;
	4 Liquidity, tax planning, currency and interest rate exposures and insurance strategies; and
	4 Selection of Investment Committee members for U.S. and Canadian pension and savings plans.

Our ERM program was developed and is run under the direction and supervision of our Chief Legal Officer and Chief Financial Officer with the assistance of external experts, and is managed day-to-day by our Chief Compliance Officer and Vice President of Internal Audit. The CEO and executive leadership team are responsible for risk identification, management and mitigation under our ERM process.

We believe that effective Board oversight of the ERM process is an essential element in the preservation and enhancement of shareholder value. All significant risks identified through our ERM program or ERM reports are communicated to the Board. Specific risks are discussed by the Board and/or one or more of the committees, based on areas of risk oversight.



## Risk Management

### Board's Risk Review and Assessment

- |   |   |
|---|---|
| 4 | Review significant risks and consider such risks when overseeing strategic and business decisions.  |
| 4 | Discuss with management the effectiveness of our risk management processes in identifying, assessing and managing the organization's most significant enterprise-wide risk exposures.   |
| 4 | Review an ERM report from the Chief Legal Officer, Chief Compliance Officer and Vice President of Internal Audit at least annually which (1) identifies the Company's risks, including detailed analysis of the likelihood of occurrence and potential impact of each risk, and (2) details the ERM program |

elements and  
process for risk  
identification.  
Review written  
updates and  
presentations on  
specific risks  
and our ERM  
program at  
every regularly  
scheduled  
4 meeting and  
discuss with  
management  
the most  
significant risks  
that are  
identified and  
managed by  
Ryder.  
Establish an  
annual schedule  
for the Board  
and committees  
to conduct  
4 individual, in  
depth reviews  
of the  
Company's key  
risks identified  
in the ERM  
report.  
Review an  
internal audit  
report from the  
Vice President  
of Internal  
Audit at least  
annually  
regarding  
4 internal audit's  
assessment of  
enterprise risks  
and audit  
activities to  
evaluate the  
controls and  
processes  
regarding such  
risks.

Although Ryder's ERM program is structured with formal processes, it remains flexible enough to adjust to changing economic, business and regulatory developments and is founded on clear lines of communication to the leadership team, the Board and its committees. In addition, the Company periodically commissions an external assessment of its ERM program and its risk assessment processes to ensure they are in line with industry practices and are effectively identifying, monitoring and mitigating enterprise-wide risks.

#### The Board's Oversight of Cyber Security

Our Board believes that a strong enterprise cyber strategy is vital to effective cyber risk management. Ryder has a dedicated Chief Information Security Officer whose team is responsible for leading enterprise-wide information security strategy, policy, standards, architecture and processes. The Board has delegated to the Audit Committee the responsibility of exercising oversight with respect to Ryder's cyber security risk management and risk controls as well as management's actions to identify, assess, mitigate and remediate any material issues. Consistent with such delegation, the Audit Committee receives regular updates from management on its cyber event preparedness efforts in addition to periodic reports from the Chief Information Security Officer on the Company's cyber risk profile and cyber security program initiatives. Management has also engaged third-party experts, as appropriate, to evaluate Ryder's cyber security program and to assess the risks and changes in the cyber environment. The Audit Committee provides reports to the full Board on these matters regularly.



## Related Person Transactions

### RELATED PERSON TRANSACTIONS

#### Related Person Transactions

#### No Related Person Transactions in 2018

In accordance with our written Policies and Procedures Relating to Related Person Transactions adopted by the Board, all “related person transactions” are subject to review, approval or ratification by the Governance Committee. The Policies and Procedures are in addition to, not in lieu of, the requirements relating to conflicts of interest in our Principles of Business Conduct. Copies of both policies are available in the Investors area of our website at <http://investors.ryder.com>. For purposes of the Policies and Procedures, and consistent with Item 404 of Regulation S-K, a “related person transaction” is:

- any transaction in which we or a subsidiary of ours is a participant, the amount involved exceeds \$120,000 and a “related person” has a direct or indirect material interest; or
- any material amendment to an existing related person transaction.

“Related persons” are our executive officers, directors, nominees for director, any person who is known to be the beneficial owner of more than 5% of any class of our voting securities and any immediate family member of any of the foregoing persons.

Our Principles of Business Conduct require that directors and executive officers report any actual or potential conflicts of interest, including potential related person transactions, to the Company. In addition, each director and executive officer completes and signs a questionnaire annually to confirm there are no material relationships or related person transactions between such individuals and the Company other than those previously disclosed to us. This ensures that all material relationships and related person transactions are identified, reviewed and disclosed in accordance with applicable policies, procedures and regulations. Based on this information, we review the Company's own records and make follow-up inquiries as may be necessary to identify potentially reportable transactions. A report summarizing such transactions is then provided to the Governance Committee.

The Governance Committee is responsible for reviewing and determining whether to approve related person transactions. In considering whether to approve a related person transaction, the Governance Committee considers the following factors, to the extent relevant:

- whether the terms of the related person transaction are fair to us and on the same basis as would apply if the transaction did not involve a related person;
- whether there are business reasons for us to enter into the related person transaction;
- whether the related person transaction would impair the independence of an outside director; and
- whether the related person transaction would present an improper conflict of interest for any of our directors or executive officers, taking into account the size of the transaction, the overall financial position of the director, executive officer or related person, the direct or indirect nature of the director's, executive officer's or related person's interest in the transaction and the ongoing nature of any proposed relationship, and any other factors the Governance Committee deems relevant.

Any member of the Governance Committee who has an interest in the related person transaction must abstain from voting on the approval of the transaction. Although such member would normally be excused from any discussions relating to the transaction, the Governance Committee Chair has the authority to request that such member participate in some or all of the Committee's discussions. Typically, participation would only be requested if the other Committee members have questions about the interested member's involvement in the transaction.

There were no related person transactions during 2018.

## Ratification of Independent Public Accounting Firm

## PROPOSAL NO. 2

## RATIFICATION OF INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM

The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the independent registered certified public accounting firm retained to audit our consolidated financial statements. The Audit Committee has selected and appointed PricewaterhouseCoopers LLP for the year ending December 31, 2019. PricewaterhouseCoopers LLP has audited our consolidated financial statements continuously since 2006.

In executing the responsibilities set forth in its charter, the Audit Committee engages in a thorough annual evaluation of the independent registered certified public accounting firm's qualifications, performance and independence. In connection with the Audit Committee's evaluation, management conducts its own evaluation and provides the results of its evaluation to the Audit Committee. Following completion of the Audit Committee's evaluation, performance feedback is provided to the independent registered certified public accounting firm. The Audit Committee is also responsible for approving the services and audit fees associated with the retention of PricewaterhouseCoopers LLP. In 2016, the Audit Committee rotated the Company's lead engagement partner from PricewaterhouseCoopers LLP, pursuant to the rotation requirements of the Public Company Accounting Oversight Board (PCAOB). The Audit Committee and its Chair were directly involved in the selection of the new lead engagement partner.

The Audit Committee and Board believe that the continued retention of PricewaterhouseCoopers LLP to serve as our independent registered certified public accounting firm is in the best interests of Ryder and its shareholders. In selecting PricewaterhouseCoopers LLP to serve as our independent registered certified public accounting firm for 2019, the Audit Committee considered a number of factors, including:

- the quality of PricewaterhouseCoopers LLP's work product and performance;
- the professional qualifications of PricewaterhouseCoopers LLP, the lead engagement partner and other members of the audit team;
- PricewaterhouseCoopers LLP's knowledge and experience with the Company's business operations, accounting policies and industry;
- the results of the PCAOB review of PricewaterhouseCoopers LLP;
- PricewaterhouseCoopers LLP's independence program and controls for maintaining independence;
- the appropriateness of PricewaterhouseCoopers LLP's audit fees; and
- the results of the Audit Committee's and management's annual evaluation of PricewaterhouseCoopers LLP's qualifications, performance and independence and the potential impact of selecting a different independent registered certified public accounting firm.

Although shareholder ratification of the appointment of PricewaterhouseCoopers LLP is not required, the Board believes that submitting the appointment to shareholders for ratification is a matter of good corporate governance. The Audit Committee will consider the outcome of this vote in future deliberations regarding the appointment of our independent registered certified public accounting firm, and if the shareholders do not ratify the selection, the Audit Committee will reconsider whether or not to retain PricewaterhouseCoopers LLP. Even if the selection is ratified, the Audit Committee in its discretion may change the appointment at any time during the year if it determines that such change would be in the best interests of the Company and our shareholders.

Representatives of PricewaterhouseCoopers LLP will be present at the 2019 Annual Meeting of Shareholders to respond to appropriate questions and to make a statement if they desire to do so.

## Fees and Services of Independent Registered Certified Public Accounting Firm

Fees billed for services by PricewaterhouseCoopers LLP for the 2018 and 2017 fiscal years were as follows (\$ in millions):

	2018	2017
Audit Fees	\$5.2	\$4.7
Audit-Related Fees	1.5	0.3
Tax Fees <sup>1</sup>	0.3	0.3
All Other Fees	0.0	0.0
Total Fees	\$7.0	\$5.3

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1 All of the Tax Fees paid in 2018 and 2017 relate to tax compliance services.

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## Ratification of Independent Public Accounting Firm

Audit Fees primarily represent amounts for services related to the audit of our consolidated financial statements and internal control over financial reporting, a review of financial statements included in our Forms 10-Q (or other periodic reports or documents filed with the SEC), statutory or financial audits for our subsidiaries or affiliates and consultations relating to financial accounting or reporting standards.

Audit-Related Fees represent amounts for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements. These services include audits of employee benefit plans, consultations concerning matters relating to Section 404 of Sarbanes-Oxley and due diligence.

Tax Fees represent amounts for U.S. and international tax compliance services (including review of our federal, state, local and international tax returns), tax advice and tax planning, in accordance with our approval policies described below.

### Approval Policy

All services rendered by our independent registered certified public accounting firm are either specifically approved (including the annual financial statements audit) or pre-approved by the Audit Committee, in each instance in accordance with our Approval Policy for Independent Auditor Services (Approval Policy) and are monitored both as to spending level and work content by the Audit Committee to maintain the appropriate objectivity and independence of the independent registered certified public accounting firm's core service, which is the audit of our consolidated financial statements and internal control over financial reporting. Under the Approval Policy, the terms and fees of annual audit services and any changes thereto, must be approved by the Audit Committee. The Approval Policy also sets forth detailed pre-approved categories of other audit, audit-related, tax and non-audit services that may be performed by our independent registered certified public accounting firm during the fiscal year, subject to the dollar limitations set by the Audit Committee. The Audit Committee may, in accordance with the Approval Policy, delegate to any member of the Audit Committee the authority to approve audit and non-audit services to be performed by the independent registered certified public accounting firm. The Audit Committee has delegated to the Chair of the Audit Committee the authority to approve audit and non-audit services if it is not practical to bring the matter before the full Audit Committee and the estimated fee does not exceed \$350,000. Any Audit Committee member who exercises his or her delegated authority, including the Chair, must report any approval decisions to the Audit Committee at its next scheduled meeting. All of the services provided in 2018 were approved or pre-approved by the Audit Committee in accordance with the Approval Policy.

The Board recommends a vote FOR ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm for the 2019 fiscal year.

## Audit Committee Report

### AUDIT COMMITTEE REPORT

The Audit Committee is comprised of five outside directors, all of whom are independent under the rules of the NYSE, our director independence standards and applicable rules of the SEC. The Committee operates under a written charter that specifies the Committee's responsibilities. The full text of the Committee's charter is available in the Investors area of our website at <http://investors.ryder.com>, on the Governance page. The Audit Committee members are not auditors and their functions are not intended to duplicate or to certify the activities of management and the independent registered certified public accounting firm.

The Audit Committee oversees Ryder's financial reporting process on behalf of the Board. Ryder's management has the responsibility for preparing the consolidated financial statements, for establishing and maintaining adequate internal control over financial reporting and for assessing the effectiveness of internal control over financial reporting. Ryder's independent registered certified public accounting firm is responsible for performing an integrated audit of Ryder's annual consolidated financial statements and internal control over financial reporting as of the end of the year in accordance with the standards of the PCAOB and expressing opinions on (1) whether the financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of Ryder in conformity with accounting principles generally accepted in the United States and (2) whether Ryder maintained effective internal control over financial reporting based on criteria established in "Internal Control - Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission. In fulfilling its oversight responsibilities, the Committee reviewed and discussed the audited consolidated financial statements in the Annual Report on Form 10-K for the fiscal year ended December 31, 2018, and management's assessment of the effectiveness of internal control over financial reporting with Company management, including a discussion of the quality of the accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements.

The Committee reviewed with the independent registered certified public accounting firm its judgments as to the quality of Ryder's accounting principles and such other matters as are required to be discussed with the Committee by Auditing Standard No. 16, "Communications with Audit Committees", adopted by the PCAOB, as amended and the rules of the SEC. In addition, the Committee has discussed the independent registered certified public accounting firm's independence from Company management and Ryder with the firm, reviewed the written disclosures and letter from the independent registered certified public accounting firm required by applicable requirements of the PCAOB regarding the independent registered certified public accounting firm's communications with the Audit Committee concerning independence, and considered the compatibility of non-audit services with the independent registered certified public accounting firm's independence.

The Committee discussed with Ryder's internal auditor and representatives of the independent registered certified public accounting firm the overall scope and plans for their respective audits. The Committee met with the internal auditor and representatives of the independent registered certified public accounting firm, with and without management present, to discuss the results of their audits; their evaluations of Ryder's internal control, including internal control over financial reporting; and the overall quality of Ryder's financial reporting.

In reliance on the reviews and discussions referred to above, the Committee recommended to the Board, and the Board has approved, that the audited consolidated financial statements and management's assessment of the effectiveness of Ryder's internal control over financial reporting be included in the Annual Report on Form 10-K for the year ended December 31, 2018, filed by Ryder with the SEC. The Committee has also approved, subject to shareholder ratification, the selection of PricewaterhouseCoopers LLP as Ryder's independent registered certified public accounting firm for the 2019 fiscal year.

Submitted by the Audit Committee of the Board.

Robert A. Hagemann (Chair) Tamara L. Lundgren Luis P. Nieto, Jr. Abbie J. Smith Hansel E. Tookes, II

Security Ownership of Officers and Directors  
Section 16(a) Beneficial Ownership Reporting Compliance

**SECURITY OWNERSHIP OF OFFICERS AND DIRECTORS**

The following table shows the number of shares of common stock beneficially owned as of February 22, 2019, by each director and each executive officer named in the Summary Compensation Table herein individually and all directors and executive officers as a group. Unless otherwise indicated, the mailing address of everyone is c/o Ryder System, Inc., 11690 N.W. 105th Street, Miami, Florida 33178. The following information is based upon information provided to us or filed with the SEC by the shareholders.

Biographical information for Ryder's executive officers can be found in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 21, 2019.

Name of Beneficial Owner	Total Shares Beneficially Owned <sup>1</sup>	Percent of Class <sup>2</sup>
Robert E. Sanchez <sup>3,4</sup>	606,310	1.1%
John M. Berra <sup>5</sup>	31,475	*
Dennis C. Cooke	111,142	*
John J. Diez	72,101	*
Robert J. Eck <sup>3</sup>	16,773	*
Art A. Garcia <sup>4</sup>	135,216	*
Robert A. Hagemann <sup>5</sup>	11,006	*
Michael F. Hilton	12,623	*
Tamara L. Lundgren	9,659	*
Luis P. Nieto, Jr.	23,757	*
David G. Nord	3,065	*
J. Steven Sensing	57,177	*
Abbie J. Smith <sup>4,5</sup>	47,655	*
E. Follin Smith <sup>5</sup>	28,582	*
Dmitri L. Stockton	3,065	*
Hansel E. Tookes, II <sup>3,5</sup>	34,927	*
Directors and Executive Officers as a Group (23 persons) <sup>3,4</sup>	1,477,003	2.8%

\* Represents less than 1% of our outstanding common stock, based on the 53,480,280 shares outstanding of the Company's common stock on February 22, 2019.

Unless otherwise noted, all shares included in this table are owned directly, with sole voting and dispositive power.  
1 Listing shares in this table shall not be construed as an admission that such shares are beneficially owned for purposes of Section 16 of the Securities Exchange Act of 1934, as amended (Exchange Act).

2 Percent of class has been computed in accordance with Rule 13d-3(d)(1) of the Exchange Act.

Includes shares held through a trust, jointly with their spouses or other family members or held solely by their spouses, as follows: Mr. Sanchez, 2,193 shares; Mr. Eck, 1,900 shares; Mr. Tookes, 1,000 shares; and all directors and executive officers as a group, 5,266 shares.

Includes shares held in the accounts of executive officers pursuant to our 401(k) plan and deferred compensation plan and shares held in the accounts of directors pursuant to our deferred compensation plan as follows: Ms. A. Smith, 12,091 shares; Mr. Sanchez, 3,006 shares; and Mr. Garcia, 563 shares.

5 Includes stock granted to the director in lieu of his or her annual cash retainer, which stock has vested but will not be delivered to the director until six months after his or her departure from the Board.

**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act of 1934 requires our directors and executive officers, and persons who beneficially own more than 10% of a registered class of our equity securities, to file reports with the SEC relating to their common stock ownership and changes in such ownership. To our knowledge, based solely on our records and certain written representations received from our executive officers and directors, during the year ended December 31, 2018, we believe all Section 16(a) filing requirements applicable to directors, executive officers and greater than 10%

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shareholders were complied with on a timely basis; however, one Form 4 reporting transaction to report a transfer of funds in May 2017 into the Ryder Stock Fund in Mr. Robert Fatovic's employee savings plan was filed late and no subsequent Form 5 was filed due to administrative error.

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Security Ownership of Certain Beneficial Owners  
Compensation Discussion and Analysis Summary

### SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table shows the number of shares of common stock held by all persons who are known by us to beneficially own or exercise voting or dispositive control over more than five percent of our outstanding common stock.

Name and Address	Number of Shares Beneficially Owned	Percent of Class <sup>3</sup>
BlackRock, Inc. <sup>1</sup> 55 East 52nd Street New York, NY 10055	6,570,551	12.28%
The Vanguard Group, Inc. <sup>2</sup> 100 Vanguard Blvd. Malvern, PA 19355	5,399,427	10.10%

Based on the most recent SEC filing by BlackRock, Inc. on Schedule 13G/A dated January 31, 2019. Of the total 1 shares shown, the nature of beneficial ownership is as follows: sole voting power 6,094,497; shared voting power 0; sole dispositive power 6,570,551; and shared dispositive power 0.

Based on the most recent SEC filing by The Vanguard Group, Inc. on Schedule 13G/A dated February 12, 2019. Of 2 the total shares shown, the nature of beneficial ownership is as follows: sole voting power 25,363; shared voting power 5,991; sole dispositive power 5,373,411; and shared dispositive power 26,016.

The ownership percentages set forth in this column are based on the 53,480,280 shares outstanding of the Company's 3 common stock on February 22, 2019, and the assumption that each person listed above owned the number of shares reflected above on such date.

### COMPENSATION DISCUSSION AND ANALYSIS SUMMARY

The Compensation Discussion and Analysis is designed to provide our shareholders with a clear understanding of our compensation philosophy and objectives, our compensation-setting process, our 2018 compensation program design and the earned awards for our named executive officers. As discussed in Proposal 3 on page 63, we are conducting our annual Say on Pay vote that requests your approval of the compensation of our named executive officers. In deciding how to vote, we recommend that you review this Compensation Discussion and Analysis section with particular focus on:

- Our compensation philosophy to align executive action with the best long-term interests of shareholders;
- Our 2018 compensation program actions and pay-for-performance profile; and
- The redesign of our programs in 2018 based on input from our shareholders.

In 2018, our named executive officers, or NEOs, were:

Robert E. Sanchez Chair and Chief Executive Officer (CEO)

Art A. Garcia Executive Vice President and Chief Financial Officer

Dennis C. Cooke President - Global Fleet Management Solutions

J. Steven Sensing President - Global Supply Chain Solutions

John J. Diez President - Dedicated Transportation Solutions

### EXECUTIVE SUMMARY

Our executive compensation program reflects the Company's commitment to pay for performance and to strongly align the interests of the Company's leadership with those of our shareholders. The Company's executive compensation program is designed to encourage our executives to take actions that support the Company's short-term financial goals and also ensure strong shareholder value creation over the long-term. This executive summary provides an overview of 2018 Company performance, the alignment between our pay and our performance, our shareholder outreach efforts, key compensation actions taken in 2018 and our executive compensation governance practices.





# Compensation Discussion and Analysis Summary

## 2018 Company Performance

Metric	2018 Results	2018 O/(U) 2017	Metric	2018 Results	2018 O/(U) 2017
Total Revenue	\$8.4B	15%	FMS Operating Revenue*	\$4.4B	9%
Operating Revenue*	\$6.7B	11%	DTS Operating Revenue*	\$0.9B	10%
EPS	\$5.21	(65)%	SCS Operating Revenue *	\$1.8B	17%
Comparable EPS*	\$5.79	28%	Adjusted Return on Capital*	4.9%	0.7 pps

\* Operating revenue for Ryder and its FMS, SCS and DTS business segments, comparable EPS and adjusted ROC are non-GAAP financial measures. For a reconciliation of total revenue to operating revenue for the Company and each business segment, respectively, a reconciliation of GAAP EPS to comparable EPS and a reconciliation of the non-GAAP elements of our adjusted ROC calculation to the corresponding GAAP measures, as well as the reasons why management believes these measures are useful to shareholders, refer to the "Non-GAAP Financial Measures" section on pages 57-65 of our Form 10-K for the year ended December 31, 2018.

\*\* During 2018, we adopted ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606) and ASU No. 2016-15, Statement of Cash Flows, and have restated 2017 and 2016 for the impact of the adoption of these new accounting standards.

## Financial and Strategic Highlights

Record total revenue increased 15% to \$8.4 billion and record operating revenue\* increased 11% to \$6.7 billion compared to 2017. Total revenue and operating revenue grew across all three business segments reflecting new business and higher volumes.

Ryder realized our second consecutive year of record sales. We achieved growth across all contractual product lines which drove operating revenue growth above our three-year financial targets in all business segments. In 2018, Ryder delivered our seventh consecutive year of organic lease fleet growth and the highest year of lease fleet growth as measured by vehicle count with over 9,600 vehicles added in 2018. Lease fleet growth is a key indicator of success at leveraging secular trends to drive higher levels of outsourcing.

Approximately 40% of new lease business came from customers who are new to outsourcing in 2018, an increase from approximately 33% in 2015. The increase of sales to customers who are new to outsourcing vehicle ownership and maintenance provides further evidence of success in executing our long-term strategy to grow by further penetrating the non-outsourced market.

We launched COOP by Ryder™, a new asset sharing platform, which is the first of its kind for commercial vehicles and offers businesses the opportunity to list and rent underutilized vehicles and continued its investment in RyderShare™ a cloud-based platform that provides load location visibility, tracking, and customized communications through one source.

We acquired MXD Group, an e-commerce fulfillment provider with a national network of facilities including last mile capabilities,

EPS from continuing operations decreased 65% to \$5.21 primarily due to the one-time benefit of the Tax Cuts and Jobs Act (Tax Reform) in the prior year. Comparable EPS\* increased 28% to \$5.79 primarily due to lower tax rate from tax reform and improved operating performance.

We expanded strategic partnerships with electric vehicle companies and announced the largest commercial electric vehicle purchase in the United States, which enables the broader adoption of commercial electric vehicle technology.

During a challenging year for the used vehicle sales market, used vehicle inventory remained in our target range. Managing inventory levels allows us to maximize proceeds by increasing use of the retail sales channel and also positions us well for 2019.

Forbes named Ryder among the World's Best Employers for 2018 and first in the companies listed in the Trucking, Rental and Leasing categories. Forbes also named Ryder among America's Best Employers. In addition, Forbes named Ryder Among America's Best Employers for Women in 2018 in their first-ever ranking.

We acquired Metro Truck and Tractor Leasing, expanding our Fleet Management Solutions

positioning Ryder as the second largest last mile delivery provider of big and bulky goods across the U.S. and Canada.

footprint in the Baltimore-metro area with two Maryland facilities in Beltsville and Baltimore, which provide truck leasing, rental, and maintenance services to more than 150 customers with a fleet of approximately 900 units.

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## Compensation Discussion and Analysis Summary

## Pay for Performance

**At-Risk Pay.** Consistent with our compensation goals and philosophy, our executives' direct compensation package comprises base salary, an annual cash incentive award, and a long-term performance-based equity award. The following chart illustrates the Company's commitment to our pay for performance philosophy and shareholder alignment, showing that for 2018, over 75 percent of our NEOs target total direct compensation was "at risk" and earned only upon achievement of performance goals, with more than half of their pay opportunity provided in the form of long-term equity vesting three years after grant.

<sup>1</sup>The percentages in the chart above were determined using: (1) actual 2018 salaries as reported in the Summary Compensation Table; (2) 2018 target payout opportunities under the annual cash incentive awards; and (3) 2018 target long-term incentive program (LTIP) opportunities.

**Cash Incentive.** As described under "2018 Annual Cash Incentive Award Targets Established" beginning on page 38, in 2018, annual cash incentive awards were earned primarily based on Ryder's performance with respect to comparable earnings per share from continuing operations (EPS) and operating revenue. In the first quarter of 2018, the Compensation Committee set performance targets for each performance metric based on our internal business plan. Later in the year, the Company completed two acquisitions that were unanticipated when developing the internal business plan. In consultation with Frederic W. Cook, the Committee's independent compensation consultant, the Committee decided to increase the annual cash incentive award targets to include the comparable EPS and operating revenue targets management committed to achieve for these two businesses at the time Board approval was sought. The following chart shows these increased performance targets, each of which was set at levels above actual 2017 performance, and the results for 2018 as determined by the Committee in the first quarter of 2019.

Performance Metric	2017 Results	2018 (25% Payout)	Threshold (100% Payout)	2018 Target (100% Payout)	2018 Maximum (200% Payout)	Weight	2018 Results	2018 Payout (% of target)
Comparable EPS*	\$4.53	3.44		\$5.73	\$6.36	60%	\$5.79	109.5%
Operating Revenue* (in millions)	\$6,040	\$5,598		\$6,586	\$6,915	40%	\$6,693	132.8%
Earned Payout (weighted)								118.8%

\* Comparable EPS and operating revenue are non-GAAP financial measures. For a reconciliation of GAAP EPS to comparable EPS and total revenue to operating revenue for the Company, as well as the reasons why these measures are useful to shareholders, refer to the "Non-GAAP Financial Measures" section on pages 57-65 of our Form 10-K for the year ended December 31, 2018.

The Compensation Committee also reviewed each NEO's individual performance and determined to base each NEO's earned 2018 annual cash incentive award on the Company-wide performance measures. Individual payout amounts are set forth under "Earned 2018 Annual Cash Incentive Awards" on page 39 and reflect our commitment to aligning our executive pay with Company-wide performance.

**2018 Long-Term Incentive.** As further described under "2018 Long-Term Incentive Program (LTIP) Grants" beginning on page 40, 2018 long-term incentive awards were granted in the form of performance-based restricted stock rights (PBRsRs) (60%), options (30%) and time-vested restricted stock (TVRSRs) (10%). For 2018, PBRsRs can be earned from 0% to 200%, with half of each award based on adjusted return on capital over cost of capital spread (ROC/COC spread) and half based on strategic revenue growth. In addition, a TSR modifier can impact the payouts of PBRsRs positively or negatively up to a maximum of 15% based on the Company's TSR relative to a custom peer group at the end of the three-year performance period. If the Company's TSR is negative, no modifier will be applied even if the TSR result is above the median of the custom peer group.

The awards granted and earned in 2018 will vest in February 2021, after performance results for the performance period are reviewed and approved by the Compensation Committee.

## Compensation Discussion and Analysis Summary

### Shareholder Outreach - Say on Pay Feedback

Our Board and management have a long-standing commitment to engaging our shareholders and soliciting their perspectives on key performance, governance, and compensation matters. Our current executive compensation program reflects several changes made in connection with extensive shareholder engagement over the past two years. Throughout 2017 and into 2018, the Compensation Committee and management undertook a comprehensive review of our executive compensation program, and as part of this process, spoke with each shareholder who accepted our invitation to engage. This effort culminated in conversations with shareholders representing approximately 53% of our shares. From this outreach, the Committee and the Board gained valuable insight into our investors' views about the Company. Based on an evaluation of our business strategy, the results of our annual "say on pay" vote, and input received from shareholders as well as Frederic W. Cook, the Committee's independent compensation consultant, the Committee made a number of refinements to our compensation program in 2018.

These changes have been well received by our shareholders, as reflected by our 2018 "say-on-pay" vote of approximately 95% of the total votes cast by our shareholders. In 2018, we continued our shareholder engagement, reaching out to our top 20 shareholders representing over 50% of our outstanding shares, updating them on the recent changes we made to our compensation and governance programs as a result of shareholder feedback and offering to discuss various matters including governance and executive compensation. These engagement efforts were in addition to our normal investor relations outreach throughout the year. The feedback was positive and no concerns or questions were raised by our shareholders. Based on the 2018 "say on pay" results and the fact that shareholders did not express any concerns with respect to the compensation program, the Committee determined that our executive compensation philosophy, compensation objectives and program design, including the changes made in recent years, are appropriate and decided not to make any further substantive changes to the core design of our program.

The Committee is committed to engaging with shareholders at least annually on executive compensation and considering changes requested through shareholder feedback which enhance the alignment of our program with our long-term strategy. The following table demonstrates the key changes made by the Committee in 2018 in response to feedback received from shareholders over the last two years.

Our Response to Say on Pay Vote and Shareholder Feedback

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## Compensation Discussion and Analysis Summary

### 2018 Key Compensation Actions and Discussions

The key features of the redesign of our long-term incentive compensation program (LTIP) for 2018 awards are set forth below and are described in further detail in the Compensation Discussion and Analysis section.

Commit to a three-year LTIP performance target and remove discretion to change the target within the three-year performance period. Beginning with our 2018 LTIP awards, we set a fixed three-year target, with no discretion to change the target within the three-year performance period.

Continue the use of ROC metrics in the LTIP, which shareholders value especially for leasing companies. Investors acknowledged that ROC targets must change as interest rates and equity costs change during a three-year performance period. To reconcile any concerns that targets not change during the three-year performance period with the fact that the actual cost of capital will fluctuate during any given period, several investors suggested using a target spread. Beginning with our 2018 LTIP awards, we replaced the annual ROC metric in the LTIP with a three-year ROC/COC (cost of capital) spread target, which will not change during the period, and will be measured at the end of such three-year period. It is designed to incentivize ROC/COC spread improvement over the full performance period.

Eliminate the standalone TSR metric and instead use TSR as a modifier, which enhances or penalizes payment based on relative stock performance. Beginning with our 2018 LTIP awards, we shifted TSR from a standalone metric to a results modifier, where PBRSSR awards will be reduced if TSR performance is below the median of Ryder's TSR peer group and increased if above median. No TSR modifier will be applied to increase payments if Ryder's absolute TSR is negative.

Focus on growing certain areas of the business to drive long-term shareholder value. Several investors suggested creating a specific metric in the LTIP that incentivizes management to deliver strategic revenue growth. Beginning with our 2018 awards, we introduced a strategic revenue growth metric, which includes such items as long-term contractual lease growth, transactional maintenance, dedicated transportation contracts and supply chain revenue growth. The 2018 performance target is based on a three-year compound average growth rate established at the grant date and will be measured at the end of the three-year performance period.

Review the compensation peer group to confirm operational alignment and appropriate size. In 2018, we reviewed our compensation peer group and decided to remove four companies from Ryder's compensation peer group due to operational fit and size and added three peers based on similarity. The TSR peer group was modified as well.

Compensation Discussion and Analysis

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Philosophy and Objectives

Our primary goal is to design compensation programs that will attract, retain and motivate high-quality executives who possess diverse skills and talents. We believe these compensation programs, together with a workplace culture that drives engagement and innovation, enable Ryder to meet its strategic objectives and ultimately increase the value of our shareholders' investment in the Company.

Our compensation program

has five key goals:

Attracting and

Retaining

Talent

Offer an

executive

compensation

program that

allows us to

utilize and

adjust

compensation

elements in

order to deliver

market

competitive

compensation

and reward

performance.

Encouraging

Shareholder

Alignment

Align the

interests of our

executives with

our

shareholders by

tying a

significant

portion of

executive

compensation

to Company

performance

through the use

of

complementary

pay elements

including

significant

equity-based

compensation.

4

4

	Encouraging Firmwide Orientation Balance the short- and long-term interests of our shareholders so that our
4	executives are appropriately encouraged and rewarded for actions that are in the best interests of our Company as a whole and drive collaboration.
	Encouraging Appropriate Risk-Taking Provide
4	incentives to executives that will promote long-term, sustainable, profitable growth and encourage appropriate risk-taking.
	Paying for Performance Reward each named
4	executive officer's individual performance, contribution and value to Ryder.

#### 2018 EXECUTIVE COMPENSATION PROGRAM

The 2018 compensation structure for our NEOs emphasizes "at-risk" compensation that is earned only upon achievement of performance goals, with approximately 51% to 67% of an NEO's annual pay opportunity provided in equity that vests after three years. We also provide competitive severance and change of control arrangements to ensure that the executive will act in the best interests of the shareholders rather than avoiding a transaction that could result in termination of employment. The actual compensation mix and value for each NEO may vary based on job responsibilities, market competition for the position, an individual's experience, past performance and contributions,



compensation history, tenure, long-term potential and succession planning and strategic needs.

The chart below illustrates the principal elements and design of Ryder's executive compensation program in 2018.

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## Compensation Discussion and Analysis

## Actual 2018 Compensation

The chart and the descriptions below explain the components of our 2018 compensation program, how they align with our strategy and how the Compensation Committee determined compensation levels for 2018.

	Settled in	Target Established	Payout Linked to Strategy/Growth	Additional Information
Base Salary	Cash	Set based on experience, market, performance, tenure, responsibility and succession potential	Competitively set to recruit and retain top talent	Reviewed annually based on market positioning and individual qualifications
Annual Cash Incentive	Cash	Target value approved at the beginning of the fiscal year based on market data for each position	Comparable EPS is a key measure of profitability Operating revenue reflects progress against strategic and operational goals ROC/COC spread measures efficient capital management and returns on shareholders' investment	Payouts range from 0-200% of target Earned based on Company performance on financial metrics and individual performance Performance threshold required for any payout Cliff vests after three-year performance period
PBSRs	Stock	Target grant value established at start of a three-year cycle Based on market data, level of responsibility, and desired pay mix	Strategic revenue growth measures progress against long-term strategic growth goals TSR modifier measures stock performance against peer group	Payouts range from 0-200% Denominated and settled in stock No positive modification if actual TSR is negative
Stock Options	Stock	Granted at start of three-year cycle Grant value based on market data, level of responsibility, and desired pay mix Granted at start of a three-year cycle	Stock price appreciation aligned to stockholder interests	10-year term Vests ratably over three years
TVRSRs	Stock	Target grant amount based on market data, level of responsibility, and desired pay mix	Provides link to market-based outcomes	Vests ratably over three years Denominated and settled in stock

## Base Salary

Base salary is paid in cash and is the sole fixed component of an executive's total direct compensation. In determining the base salaries of each of our NEOs, the Compensation Committee ("Committee") considers his or her experience and performance. In its overall assessment, the Committee also considers the following factors (without assigning any specific weighting to any individual factor):

- annual merit increase paid to all other Ryder employees;
- demand in the labor market for the particular executive position; and
- succession planning implications.

In October 2018, all NEOs (except for Mr. Garcia who is retiring in 2019) received an annual base salary increase of 2.0%.

## 2018 Annual Cash Incentive Award Targets Established

Our 2018 executive annual cash incentive awards were designed to reflect both Company and individual performance. In structuring our annual cash incentive awards, early in 2018, the Committee sets target payout opportunities for each

executive. For 2018, the target payout opportunity remained unchanged for each of our NEOs at 150% of base salary for Mr. Sanchez, 100% of base salary for Mr. Cooke, Mr. Sensing and Mr. Diez, and 80% of base salary for Mr. Garcia. Earned awards can range from 0-200% of target.

Given the Company's continued focus on earnings and revenue growth in 2018, the Committee continued to use comparable EPS and operating revenue (weighted 60% and 40%, respectively) as the 2018 financial performance metrics for all incentive-eligible employees. We believe that setting annual revenue and earnings targets which incorporate growth in key revenue and earnings components and which reflect the expected economic environment for more cyclical parts of the business helps ensure annual execution is consistent with creating long-term shareholder value growth. The Committee has

## Compensation Discussion and Analysis

discretion to adjust reported results for these metrics to ensure that they properly reflect the results participants in our annual cash incentive program achieve during the performance year and are not impacted, positively or negatively, by certain items, including non-recurring or non-operational items. The calculation of each is consistent with the publicly disclosed non-GAAP measures referred to as Comparable EPS and Operating Revenue.

### 4 Comparable

EPS (a non-GAAP financial measure) is defined as earnings per share from continuing operations excluding non-operating pension costs and other significant items not representative of our business operations.

The comparable EPS used by the Committee is consistent with the comparable EPS in Ryder press releases and public presentations.

4 Operating Revenue (a non-GAAP financial measure) is defined as total revenue for Ryder excluding any (1) fuel and (2) subcontracted transportation. We exclude these two components

because they may be volatile without having any impact on earnings. The operating revenue used by the Committee is consistent with the operating revenue in Ryder press releases and public presentations.

Consistent with the Committee's desire to strike an appropriate balance between our growth and return objectives and in light of challenging macroeconomic conditions, particularly with respect to our used vehicle sales business which is experiencing a prolonged and significant slowdown, the Committee established 2018 comparable EPS and operating revenue targets significantly higher than those set in 2017, based on our internal business plan. The 2018 targets required management to grow significantly in strategic areas to offset declines in our highly cyclical used vehicle sales business. Later in the year, the Company completed two acquisitions that were unanticipated when developing the internal business plan. In consultation with Frederic W. Cook, the Committee decided to increase the annual incentive plan targets to reflect the earnings and revenue originally anticipated from these two acquisitions at the time the Board approved the acquisitions, making the comparable EPS and operating revenue targets even more challenging to achieve.

#### Earned 2018 Annual Cash Incentive Awards

Our 2018 actual comparable EPS was \$5.79 (an increase of 28% compared to 2017), and actual operating revenue was \$6.7 billion (an increase of 11% compared to 2017).

The following chart sets forth actual 2018 results for each of the performance metrics, and the payout calculation based on these results:

Performance Metric	Threshold (25% Payout)	Target (100% Payout)	Maximum (200% Payout)	Weight	2018 Results	2018 Payout (as a % of target opportunity)
Comparable EPS*	3.44	\$5.73	\$6.36	60%	\$5.79	109.5%
Operating Revenue* (in millions)	\$5,598	\$6,586	\$6,915	40%	\$6,693	132.8%
Initial Payout Calculation (weighted)						118.8%

\* Comparable EPS and operating revenue are non-GAAP financial measures. For a reconciliation of GAAP EPS to comparable EPS and total revenue to operating revenue for the Company, as well as the reasons why these measures are useful to shareholders, refer to the "Non-GAAP Financial Measures" section on pages 57-65 of our Form 10-K for the year ended December 31, 2018.

The Committee reviews the initial payout calculation for each NEO. The Committee then has the discretion to adjust the NEO's payout upwards or downwards. In determining whether to make any adjustments, the Committee considers the following factors: performance relative to furthering the Company's strategic initiatives, internal leadership, business development and other business goals, risk management, talent development, sustainability/corporate responsibility goals, financial management and regulatory and compliance results; however, no individual goals are established or assessed.

The Committee determined to grant earned 2018 annual cash incentive awards consistent with our financial results for each NEO and did not adjust any awards once the payout was calculated. The following chart sets forth the earned

2018 annual cash incentive award for each of our NEOs:

Name	Target 2018 Award	Actual 2018 Payout	% of Target
Robert E. Sanchez	\$1,230,170	\$1,461,590	118.8%
Art A. Garcia	\$400,000	\$475,248	118.8%
Dennis C. Cooke	\$566,848	\$673,484	118.8%
J. Steven Sensing	\$461,319	\$548,102	118.8%
John J. Diez	\$461,319	\$548,102	118.8%

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## Compensation Discussion and Analysis

## 2018 Long-Term Incentive Program (LTIP) Grants

The LTIP awarded in early 2018 was designed to align the interests of our NEOs with those of our shareholders by directly linking awards with sustained Company performance. Long-term incentives are in the form of equity-based awards, including performance-based restricted stock rights (PBRsRs), stock options and time-vested restricted stock rights (TVRSRs), which ties realized compensation to the performance of the Company's common stock. As discussed in further detail below, we have also established minimum stock ownership requirements for our executives.

In 2018, the Committee considered a variety of factors in establishing the LTIP target for an individual, including overall compensation relative to peers and market benchmarks, the NEO's role, responsibilities and performance, the NEO's long-term potential, retention risk, and the value of the NEO's outstanding equity awards. Once LTIP target values were set, the LTIP awards were granted in the form of PBRsRs (60%), stock options (30%), and TVRSRs (10%). The Committee believes that this award mix appropriately encourages long-term equity ownership, promotes a balance between stock-based and financial-based achievements, and aligns the interests of the NEOs with the Company's risk profile and the interests of our shareholders. 2018 LTIP target values for each of our NEOs, and the values and amount of PBRsRs, stock options, and TVRSRs in which 2018 LTIP target awards were granted, are as follows:

NEO	2018 LTIP Target Value (\$)	PBRsRs (\$) <sup>1</sup>	Stock Options (\$) <sup>2, 3</sup>	TVRSRs (\$) <sup>4</sup>
Robert E. Sanchez	\$4,100,000	\$2,460,007	\$1,230,369	\$409,989
Art A. Garcia	\$1,200,000	\$720,002	\$360,113	\$120,000
Dennis C. Cooke	\$1,350,000	\$809,965	\$405,127	\$135,019
J. Steven Sensing	\$950,000	\$569,964	\$285,089	\$94,969
John D. Diez	\$950,000	\$569,964	\$285,089	\$94,969

<sup>1</sup> The number of PBRsRs granted in 2018 for each of the NEOs is as follows: Mr. Sanchez, 32,923 shares; Mr. Garcia, 9,636 shares; Mr. Cooke, 10,840 shares; Mr. Sensing, 7,628 shares and Mr. Diez, 7,628 shares.

The number of stock options granted in 2018 for each of the NEOs is as follows: Mr. Sanchez, 77,407 options; Mr. Garcia, 22,656 options; Mr. Cooke, 25,488 options; Mr. Sensing, 17,936 options and Mr. Diez, 17,936 options shares.

Stock options were issued at \$74.72, the closing price of our common stock as reported by the NYSE on February 21, 2018. The grant date fair value of the option awards is determined pursuant to the accounting guidance for stock compensation and represents the total amount that we will expense in our financial statements over the relevant vesting period.

<sup>4</sup> The number of TVRSRs granted in 2018 for each of the NEOs is as follows: Mr. Sanchez, 5,487 shares; Mr. Garcia, 1,606 shares; Mr. Cooke, 1,807 shares; Mr. Sensing, 1,271 shares and Mr. Diez, 1,271 shares.

## PBRsRs

PBRsRs granted in 2018 vest at the end of a three-year performance period and are earned from 0% to 200% of target, with 50% of each award based on the attainment of an improved Ryder ROC/COC spread by 2020 and 50% based on the attainment of a three-year compound average growth rate (CAGR) in strategic revenue. The Committee believes attainment of these two metrics over time should result in strong shareholder returns. Both goals were set at the beginning of the three-year period and achievement will be measured at the end of the three-year period. In addition, in 2018, the Committee implemented a TSR modifier that will impact the PBRsR payouts positively or negatively up to 15% depending on Ryder's TSR relative to the TSR of a custom peer group. Even if Ryder's relative TSR is above the median, no positive TSR modifier will be applied if Ryder's absolute TSR is negative. In addition, the TSR modifier cannot increase the total payout of PBRsRs beyond 200%. The Committee has the discretion to adjust the results for these metrics to ensure that they properly reflect the results participants in our LTIP achieve during the performance period and are not impacted, positively or negatively, by certain factors that may be unanticipated, non-recurring or non-operational in nature.

## Stock Options

Stock options under the LTIP vest in three equal annual installments and expire ten years from the grant date. The exercise price is set as the closing price of our common stock on the grant date. We consider stock options to be performance-based compensation. Stock options only provide value to the extent that the Company's stock price has increased above the grant price.

#### TVRSRs

TVRSRs under the LTIP vest in three equal annual installments. TVRSRs, which are denominated and settled in stock, further align the financial interests of our NEOs with our shareholders and support retention. Dividend equivalents accrue on PBRsRs and TVRSRs during the vesting period and are only paid upon vesting.



## Compensation Discussion and Analysis

## Understanding the Impact of LTIP Plan Design Changes in the Summary Compensation Table

Ryder's Compensation Committee strives to ensure that the design of Ryder's executive compensation program strongly aligns the interests of our executives with the long-term interests of our shareholders. The Committee awards target long-term incentive compensation to each executive at the beginning of each year based upon factors such as company performance, market benchmarks, the executive's role, responsibilities and performance, and the executive's long-term potential. After reviewing these factors, the Committee determined not to increase the 2018 long-term incentive plan (LTIP) target award grant value for executives from 2017.

Name	2017 LTIP Target Awards	2018 LTIP Target Award
Robert E. Sanchez	\$4,100,000	\$4,100,000
Art A. Garcia	\$1,200,000	\$1,200,000
Dennis C. Cooke	\$1,350,000	\$1,350,000
J. Steven Sensing	\$950,000	\$950,000
John J. Diez	\$950,000	\$950,000

In 2017 and 2018, after an extensive engagement with over 50% of our shareholders, our Committee modified our 2018 LTIP structure to move from one-year fixed targets to three-year fixed targets for all performance-based awards. Under the old structure, a significant portion of our three-year performance-based awards included targets set each year by the Committee. This change from targets set each year to three-year targets impacts the timing of how we are required to report the value of performance-based awards and will increase the compensation reflected in the Summary Compensation Table for 2018. Specifically, under SEC reporting rules, the fiscal 2018 reported compensation must include the portion of awards made in prior years that relate to the current year as well as the full three-year awards made in the 2018. As we transition to shareholder preferred three-year targets in 2018 and 2019, the LTIP value set forth in the Summary Compensation Table will continue to include a portion of awards made in prior years, resulting in Summary Compensation Table long term incentive award values which are higher than the awards made by the Committee.

To illustrate the difference between the LTIP amounts awarded in 2018 and how such amounts are reported in the Summary Compensation Table on page 49, we provide details for Mr. Sanchez below.

In 2018, the Committee awarded Mr. Sanchez a \$4.1 million LTIP opportunity identical to the 2017 grant; however, the SEC reporting requirements required us to report a LTIP award of approximately \$4.9 million. This increase in the Summary Compensation Table reported value for 2018 is due to the fact that we must include 100% of this year's award plus a portion of prior year awards under the old structure that relate to the current year.

The chart below further illustrates the impact of prior year awards on Mr. Sanchez's LTIP value reported in the Summary Compensation Table for 2018.

2018

Compensation

Committee

LTIP

\$4.1 million

Award

Grant

Value

2018 Summary Compensation Table

	Related to Prior Years Awards	Related to 2018 Award	Total 2018 Summary Compensation Table
Stock Awards			
1/3 of 2016 ROC Awards	\$346,701		\$ 346,701
1/3 of 2017 ROC Awards	400,499		400,499
100% of 2018 ROC/COC		1,200,446	1,200,446
100% of 2018 Strategic Revenue Growth		1,200,520	1,200,520

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100% of 2018 TVRSR	409,989	409,989
Total Stock Award		3,558,155
Option Awards	1,230,369	1,230,369
PBCA portion of Non-Equity Incentive Compensation	133,669	133,669
Total Reported for LTIP Award in SEC Summary Compensation Table	\$ 880,869	\$ 4,041,324 <sup>1</sup> \$ 4,922,193

<sup>1</sup> Amount represents the grant date fair value for the 2018 LTIP Award, determined pursuant to the accounting guidance for stock compensation (FASB ASC Topic 718) which may not fully align with the 2018 LTIP award value granted by the Committee.

The discussion and table above are not intended to be a replacement or substitute of the Summary Compensation Table on page 49.

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## Compensation Discussion and Analysis

## LTIP Performance Metrics

4ROC/COC Spread represents the difference between adjusted ROC and the weighted average cost of capital. The Company's adjusted ROC is defined as the Company's net (after-tax) earnings from continuing operations, excluding restructuring and other items (which are the same items adjusted from comparable earnings as disclosed in our SEC filings), as a percentage of the sum of the Company's 12 month average (i) debt, (ii) off-balance sheet debt and (iii) shareholders' equity. In early 2018, the Committee established a target ROC/COC spread which required significant improvement by 2020. The Committee also established a spread threshold which must be attained before any payout is made and a spread above which no increases in payout would result (maximum spread). The Committee took into account the Company's business plan when setting the three-year target. The three-year target is intended to be consistent with the Company's publicly disclosed three-year target. If the Company's ROC/COC spread falls above threshold and between the measuring points, the ROC/COC spread accrual percentage will be determined proportionally between the measuring points. The Committee believes that using ROC/COC spread as one of our LTIP performance metrics ensures that management maintains appropriate focus on capital efficiency and improving returns on shareholders' investment across all of the Company's business segments.

4Strategic Revenue Growth measures the compounded annual growth rate (CAGR) of certain revenue that is foundational to the Company's long-term growth strategy. The calculation of strategic revenue growth includes contractual revenue from all business lines, transactional maintenance and all new product revenue. The Company's three-year strategic revenue CAGR is determined by the Committee at the end of the performance period against a maximum three-year strategic revenue CAGR, target three-year strategic revenue CAGR and a threshold three-year strategic revenue CAGR. The Committee takes into account the Company's business plan when setting the three-year target. If the Company's three-year CAGR falls above threshold and between the measuring points, the three-year CAGR accrual percentage for the performance period will be determined proportionally between the measuring points. Any fractional PBRSR resulting from accrual of the PBRSRs shall be rounded down to the nearest whole number. The Company believes that the three-year CAGR target is a rigorous measure of sustained strategic revenue growth.

4TSR is determined based on Ryder's TSR relative to the TSR of the companies in our custom peer group. TSR is calculated for Ryder and each peer company based on the percentage change in Ryder's stock price from the average closing price of the last ten trading days prior to the beginning of the relevant performance period to the average of the last ten trading days prior to the end of the relevant performance period, assuming reinvestment of dividends. The custom peer group for 2018 consisted of 26 companies plus Ryder and included the 13 companies in Ryder's 2018 Industry Peer Group plus additional related companies (provided in the chart below) that are subject to similar market conditions and economic recovery cycles as Ryder. At the end of the three-year performance period, the companies in the custom peer group are sorted by TSR performance, and the 25th, 50th and 75th percentiles of the custom peer group are calculated. Ryder's TSR performance is compared to the TSR of the companies in the custom peer group. The number of accrued PBRSRs will then be adjusted up or down by a percentage based on the TSR relative percentile rank as shown below; provided, however, that (i) in no event will the TSR modifier adjustment result in accrual of more than 200% of the target PBRSRs and (ii) even if the Company's TSR rank is above the 50th percentile, no positive TSR modifier will be applied if the Company's TSR is negative.

Ryder TSR Relative Percentile Rank to Peer Companies      TSR Modifier

At and above 75th percentile	+15%
At and between 50th and 75th percentile	+5%
Between 50th and 25th percentile	-5%
Below 25th percentile	-15%

The Committee references 2 groups of companies when establishing executive compensation:

The Compensation Peer Group is a group of 13 companies who are in similar industries and in a size range approximating Ryder's size. The pay of the NEOs at these companies serves as one input for determining target pay levels for our NEOs.

•

The relative TSR group includes the compensation peer group plus a number of companies who are too large to serve as compensation peers for our NEOs, but whose stock price performance is very relevant as a benchmark for Ryder's stock price performance because these companies operate in the markets in which we compete and because the companies are viewed as comparable by investors.

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## Compensation Discussion and Analysis

### 2018 Relative TSR Group

#### Compensation Peer Group

1. Avis Budget Group, Inc.
2. C. H. Robinson Worldwide, Inc.
3. CSX Corporation
4. Expeditors International of Washington, Inc.
5. GATX Corporation
6. Hertz Global Holdings, Inc.
7. Hub Group, Inc.
8. J.B. Hunt Transport Services Inc.
9. Knight-Swift Transportation Holdings Inc.
10. Landstar System, Inc.
11. Old Dominion Freight Line, Inc.
12. United Rentals, Inc.
13. XPO Logistics, Inc.

#### Additional Performance Peer Companies

1. Amerco (U-Haul)
2. Arc Best Corporation (Arkansas Best Corporation)
3. FEDEX Corporation
4. Forward Air Corporation
5. Navistar International Corp.
6. PACCAR International
7. Rush Enterprises, Inc.
8. Saia, Inc.
9. Trinity Industries, Inc.
10. Triton International
11. United Parcel Service Inc.
12. Universal Logistics Holdings, Inc.
13. Werner Enterprises, Inc.

### 2016 and 2017 LTIP Grants and Payouts for 2016-2018 Plan Period

PBSRs granted to NEOs prior to 2018 were based on our prior plan performance metrics, 50% based on relative TSR and 50% based on ROC performance. For grants in 2016 and 2017, the overall three-year performance period is segmented into three performance periods of one, two and three years (for relative TSR) and three one-year performance periods (for ROC performance).

For the 2016-2018 grant, the 50% of the PBSRs are earned based on relative TSR performance as described below:

- a threshold level, below which no award for the TSR performance metric will be earned, and at which 30% of the award for the TSR performance metric will be earned if Ryder's TSR ranks twentieth among the 26; companies in our custom peer group;
- a target level, at which 100% of the award for the TSR performance metric will be earned if Ryder's TSR ranks thirteenth among the 26 companies in our custom peer group; and
- a maximum level, at which 125% of the award for the TSR performance metric will be earned if Ryder's TSR ranks in the top eight among the 26 companies in our custom peer group.

2017 awards have a maximum level at which 150% of the award will be earned. Awards are earned proportionately between threshold and target performance levels and between target and maximum performance levels.

1/3 are earned based on performance results for Year 1 of the performance period (for 2016 LTIP awards, January 2016 through December 2016);

1/3 are earned based on performance results through Year 2 of the performance period (for 2016 LTIP awards, January 2016 through December 2017); and

1/3 are earned based on performance results through Year 3 of the performance period (for 2016 LTIP awards, January 2016 through December 2018).

The 50% of the PBSRs which are earned based on ROC performance in each performance period as described below:

a threshold level, below which no award for the ROC performance metric will be earned and at which 25% of the award will be earned;

a target level, at which 100% of the award for the ROC performance metric will be earned; and

a maximum level, at which 125% of the award for the ROC performance metric will be earned.

2017 awards have a maximum level at which 150% of the award will be earned. Awards are earned proportionately between threshold and target performance levels and between target and maximum performance levels.

1/3 are earned based on ROC performance results for Year 1 of the performance period (for 2016 LTIP awards, January 2016 through December 2016);

- <sup>4</sup> 1/3 are earned based on ROC performance results for Year 2 of the performance period (for 2016 LTIP awards, January 2017 through December 2017); and
- <sup>4</sup> 1/3 are earned based on ROC performance results for Year 3 of the performance period (for 2016 LTIP awards, January 2018 through December 2018).

## Compensation Discussion and Analysis

At the beginning of each performance period, the Committee set performance targets that are attainable but challenging, taking into account the economic conditions in the markets we service and currently prevailing interest rates and costs for equity. The ROC target for 2018 was more challenging than 2017 actual ROC performance. When setting the ROC target for 2018, the Committee took into account the anticipated growth in our contractual businesses that we expect would offset the challenges in our used vehicle sales. Our targets were set to be both rigorous and achievable to motivate our executives during this phase of the business cycle.

In the first quarter of 2019, the Committee set annual performance targets for the final remaining period (January 2019 through December 2019) of the 2017 grants against which our ROC performance will be measured.

### Completed 2016-2018 LTIP Award Period

The three-year performance period for our 2016 long-term incentive awards ended on December 31, 2018, and the Committee assessed our performance in the first quarter of 2019. Our 2016 long-term incentive awards included grants of options (40%), PBRs (40%) and performance-based cash awards (PBCAs, 20%), which are earned based on the same performance metrics and vest on the same schedule as PBRs. In 2017, the Committee determined to discontinue the use of PBCAs; however, they were still in use in the LTIP which ran from 2016-2018. The following table summarizes performance for all PBRs and PBCAs for the 2016-2018 completed performance period.

### Performance Results - Completed 2016-2018 LTIP Award Period (PBRs and PBCAs)

#### Performance Measure

#### ROC Performance (50% Weight) ROC Target ROC Results Percentage Earned

January 2016 - December 2016	5.48%	4.82%	55.00%
January 2017 - December 2017	4.86%	4.22%	50.52%
January 2018 - December 2018	4.88%	4.92%	104.17%

69.90%

(Overall Payout)

#### Performance Measure

#### TSR Performance (50% Weight) Performance Measure Ryder's Ranking Percentage Earned

January 2016 - December 2016	TSR vs. Custom Peer Group	11 <sup>th</sup> / 27	115.00%
January 2016 - December 2017	TSR vs. Custom Peer Group	16 <sup>th</sup> / 26	70.00%
January 2016 - December 2018	TSR vs. Custom Peer Group	22 <sup>nd</sup> / 26	0.00%

61.67%

(Overall Payout)

Aggregate 2016 - 2018 LTIP Payout of PBRs and PBCAs 65.79%

For illustrative purposes, in 2016, Mr. Sanchez was granted an LTIP award valued at approximately \$3.8 million, which was comprised of 60% PBRs and PBCAs and 40% options. The overall PBR and PBCA payout for the 2016-2018 period was 65.79%. As of December 31, 2018, the options granted in 2016 were underwater and had no intrinsic value. As of December 31, 2018, Mr. Sanchez had realized less than 40% of the value of his 2016 LTIP award grant value.

### Summary of Executive Compensation Governance Practices

Our executive compensation practices support the needs of our business, drive performance and ensure alignment with the short- and long-term interests of our shareholders.

#### What We Do

- ü Directly link pay with company performance
- ü Use double-trigger change of control provisions
- ü Use three-year performance periods and targets for long-term performance metrics
- ü Engage an independent compensation consultant
- ü Regularly benchmark executive compensation against an appropriate peer group
- ü Maintain robust stock ownership requirements
- ü Subject performance-based incentive awards to clawback policy

- ü Grant majority of pay in performance-based compensation which is not guaranteed
- ü Engage in a robust target-setting process for incentive metrics
- ü Provide for caps for incentive compensation

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## Compensation Discussion and Analysis

### What We Don't Do

- Provide employment agreements
- Provide tax gross ups related to a change of control, perquisites or benefits
- Provide excessive perquisites
- Reprice underwater stock options without shareholder approval
- Grant equity awards below 100% of fair market value or grant options at a discount
- Pay dividends or dividend equivalents on unvested PBRs or restricted stock rights
- Permit hedging transactions
- Permit pledging activity or use of margin accounts by executives or directors

### Compensation Setting Process

The Committee is responsible for making determinations about our executive compensation programs and practices. The Committee's independent compensation consultant along with management assist the Committee in making these determinations. Below is an explanation of: (1) the key roles and responsibilities of each group in setting executive compensation; (2) the executive evaluation process; (3) how competitive market data is integrated into the decision-making process; and (4) how shareholder feedback is evaluated.

### Role of the Compensation Committee

The Committee is responsible for reviewing and approving, or recommending that the Board approve, all components of our executive compensation program as well as the compensation program for our Board. New executive compensation plans and programs must be approved by the full Board based on recommendations made by the Committee. The Committee reviews and recommends the compensation of our CEO to the independent Board members for approval. After considering the CEO's assessment and recommendation for each NEO, the Committee determines and approves the compensation of all other NEOs. LTIP awards are granted in February of each year.

### Role of the Independent Compensation Consultant

The Committee has retained Frederic W. Cook as its independent consultant. Frederic W. Cook reports directly to the Committee and provides advice about our compensation program and design, including views on current compensation trends, best practices and peer comparisons. Frederic W. Cook also works with the Committee on a regular basis to provide recommendations and insights on how to make our executive compensation practices and structure more effective. During 2018, Frederic W. Cook supported the Committee in evaluating enterprise and related risk associated with our executive compensation components and plans, as discussed under "Compensation Risks" on page 48, and provided advice regarding director compensation. A consultant from Frederic W. Cook attended all of the Committee meetings in person or by telephone in 2018 and participated in independent director sessions with no management present.

The Committee undertakes an annual review of whether Frederic W. Cook's work as a compensation consultant has raised any conflict of interest, taking into consideration the following factors: (1) the provision of other services to the Company by Frederic W. Cook; (2) the amount of fees from the Company paid to Frederic W. Cook as a percentage of Frederic W. Cook's total revenue; (3) Frederic W. Cook's policies and procedures that are designed to prevent conflicts of interest; (4) any business or personal relationship of Frederic W. Cook's compensation advisers with an executive officer of the Company or any member of the Committee; and (5) any stock of the Company owned by Frederic W. Cook's compensation advisers. Considering this information, the Committee confirmed that Frederic W. Cook does no other work for the Company and determined that Frederic W. Cook is independent and that its work for Ryder has not raised any conflict of interest.

### Role of Management

Our CEO, Chief Human Resources Officer, Vice President-Compensation and Benefits, and Vice President and Deputy General Counsel recommend agendas and develop written background and supporting materials for review at Committee meetings, attend Committee meetings at the Committee's request, and provide information regarding, and make recommendations about, designs for and, if warranted, changes to our executive compensation programs. Our CEO provides an assessment of each NEO's performance and recommends compensation actions for NEOs other than himself.

### Evaluating Performance

Annually, our CEO provides the Committee with his performance assessment and compensation recommendations for each NEO other than himself. The performance assessment includes strengths, areas for development and succession potential and is based on individual performance evaluations conducted by the CEO. Our CEO also reviews each NEO's compensation history and current market compensation data.

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## Compensation Discussion and Analysis

At the end of each year, the independent directors begin to conduct a performance review of the CEO. The CEO first provides the independent directors with a self-evaluation relative to his individual goals and objectives. After the directors have reviewed these materials, each independent director completes a comprehensive evaluation questionnaire relating to the CEO's performance. This questionnaire is prepared by the Governance Committee, which is responsible for developing and overseeing the process by which the CEO is evaluated. In addition to evaluating the CEO's performance with respect to his individual goals and objectives, the questionnaire focuses on the CEO's performance in developing and executing the Company's strategic initiatives, leadership of the Company and the Board and relations with stakeholders (including shareholders, customers and employees) and succession planning/talent development.

At the February Committee meeting, the Committee discusses the results of the CEO's performance review in executive session with only the independent directors in attendance and formulates its recommendations regarding CEO compensation. At the February Board meeting, in executive session without the CEO present, the independent directors evaluate and discuss the CEO's performance and determine his compensation based on the results of his performance evaluation and the recommendations of the Committee. The Lead Independent Director and Chair of the Committee then provide feedback to the CEO on his performance.

### Use of Benchmarking

Our Committee compares our executive compensation program to that of our peers to help analyze our executive compensation structure, determine the levels of compensation for our executives and review our program's effectiveness in attracting and retaining talent.

In evaluating each element of our executive compensation program, the Committee uses benchmark comparisons to peer groups and, particularly when appropriate peer group data is unavailable, to general industry survey data. While there are no public companies that provide the same mix of services as Ryder, the Committee references as one source of input a Compensation Peer Group of 13 companies operating in similar industries in a similar size range and who compete with Ryder for executive talent. The Committee does not design our executive compensation programs to fit within a specific percentile of the executive compensation programs of other companies comprising any particular peer group or survey. The Committee does consider the median compensation of similar executives at the peer companies, both for each compensation component and the total compensation package, as a reference in making compensation decisions.

The Industry Compensation Peer Group for 2018 is comprised of:

- |   |  |
|---|--|
| 1. Avis Budget Group, Inc.                      | 8. J.B. Hunt Transport Services Inc.         |
| 2. C. H. Robinson Worldwide, Inc.               | 9. Knight-Swift Transportation Holdings Inc. |
| 3. CSX Corporation                              | 10. Landstar System, Inc.                    |
| 4. Expeditors International of Washington, Inc. | 11. Old Dominion Freight Line, Inc.          |
| 5. GATX Corporation                             | 12. United Rentals, Inc.                     |
| 6. Hertz Global Holdings, Inc.                  | 13. XPO Logistics, Inc.                      |
| 7. Hub Group, Inc.                              |  |

### CEO and Senior Management Succession Planning

Our Board oversees CEO and senior leadership succession planning, which is formally reviewed at least annually. Our CEO and our Chief Human Resources Officer provide our Board with recommendations and evaluations of potential CEO successors and review their development plans. Our Board reviews potential internal senior leadership candidates with our CEO and Chief Human Resources Officer, including the candidates' qualifications, experience, and development priorities for these individuals. Directors engage with potential CEO and senior leadership successors at Board and committee meetings and in less formal settings to allow directors to personally assess candidates. Our Board also reviews the overall composition of our senior leadership's qualifications, tenure and experience.

Our Board has prepared a crisis preparedness plan for different scenarios that could occur, including plans for an unforeseen departure or emergency succession of the CEO or other executive management. Our Governance

Committee reviews and oversees (in conjunction with the other committees, as necessary) the steps to address emergency CEO succession planning. Our emergency CEO succession planning is intended to enable our Company to respond to an unexpected vacancy by continuing business operations with minimal disruption.

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## Compensation Discussion and Analysis

### RETIREMENT AND WELFARE BENEFITS AND PERQUISITES

**Retirement Benefits.** The Company maintains a qualified pension plan and a pension benefit restoration plan (pension restoration plan) in which any NEO who had joined the Company prior to January 1, 2007 was able to participate. These plans were frozen for all participants as of December 31, 2007. Based on their age and tenure with Ryder, Mr. Sanchez, Mr. Garcia, Mr. Sensing and Mr. Diez do not meet the eligibility requirements to continue accruing benefits under the pension and pension restoration plans, and, as such, their pension benefits were frozen. Mr. Cooke was hired after January 1, 2007 and, therefore, was not eligible to participate in the pension or pension restoration plans.

All NEOs are eligible to participate in the Company-wide 401(k) savings plan and deferred compensation plan. The retirement and deferred compensation plans are described under the headings “Pension Benefits” and “2018 Nonqualified Deferred Compensation” beginning on page 54 of this proxy statement.

**Health and Welfare Benefits.** During 2018, our NEOs were eligible to participate in the following standard welfare benefit plans: medical, dental and prescription coverage, Company-paid short- and long-term disability insurance, and paid vacation and holidays. In addition, the NEOs received the following additional welfare benefits which are not available to all salaried employees: (1) executive term life insurance coverage equal to three times the executive’s current base salary (limited to an aggregate of \$3 million in life insurance coverage under the policy) in lieu of the standard Company-paid term life insurance; and (2) individual supplemental long-term disability insurance, which provides up to approximately \$20,000 per month (subject to age, earnings, health and state of residence limitations) in additional coverage over the \$8,000 per month maximum provided under our group long-term disability plan. We believe that these additional benefits are consistent with benefits provided to other similarly-situated executives.

**Perquisites.** We provide a limited number of perquisites to our NEOs that we believe are related to the performance of their responsibilities. Annually, the Committee reviews the types and aggregate values of Ryder’s perquisite program. Specifically, in 2018, each NEO received the following perquisites:

\$9,600 per year as an annual car allowance; and

\$6,800 per year (\$11,800 for our CEO) intended (but not required) to be used to pay for community, business or social activities that may be related to the performance of the executive’s duties, but which are not otherwise eligible for reimbursement as direct business expenses.

All perquisites are fully taxable to the NEOs and are not subject to any tax gross-ups.

### SEVERANCE AND CHANGE OF CONTROL

All of our NEOs are currently eligible for certain severance benefits under individual severance agreements. These arrangements are described in more detail under the heading “Potential Payments Upon Termination or Change of Control” on page 56 of this proxy statement. Severance arrangements are intended to ensure that NEOs will act in the best interests of the shareholders rather than avoiding transactions that could result in termination of employment. These arrangements are also designed to prevent our NEOs from seeking employment with our competitors after termination or soliciting our employees or customers during the restricted period.

The change of control arrangements are included in the severance agreements and are designed to preserve productivity, avoid disruption and prevent attrition during a period when we are, or are rumored to be, involved in a change of control transaction.

### NEO STOCK OWNERSHIP REQUIREMENTS

We encourage significant stock ownership by our NEOs to align the interests of our leadership team with those of our shareholders. We established stock ownership guidelines that require each NEO to own Ryder equity at least equal in value to a multiple of such NEOs salary within five years of appointment.

CEO 6x

Other named executive officers 3x

Currently, each NEO meets these stock ownership requirements.

### PROHIBITIONS ON HEDGING AND PLEDGING

Ryder considers it improper and inappropriate for any Board member, officer or other employee of the Company to engage in short-term or speculative transactions in the Company’s securities. Ryder’s Insider Trading Policy prohibits Board members,



## Compensation Discussion and Analysis

executive officers and employees from engaging in hedging or monetization transactions, including zero-cost collars and forward sale contracts. In addition, directors and executives are prohibited from holding the Company's securities in a margin account or otherwise pledging the Company's securities as collateral for a loan.

### TAX IMPLICATIONS

**Deductibility of Executive Compensation.** Section 162(m) of the Internal Revenue Code generally imposes a \$1 million limit on the amount a public company may deduct for compensation paid to the company's "covered employees," which include our named executives. Prior to 2018, this limit did not apply to compensation that qualified as "performance-based", and the Committee historically designed certain performance awards in a manner intended to qualify for that exception. The Tax Cuts and Jobs Act of 2017 eliminated the performance-based compensation exception (other than compensation provided pursuant to a binding written contract in effect as of November 2, 2017 that qualifies for transition relief). While the Committee continues to consider the deductibility of compensation, the primary goals of our executive compensation programs are to attract, incentivize and retain key employees and align pay with performance, and the Committee retains the ability to provide compensation that exceeds deductibility limits as it determines appropriate.

### COMPENSATION RISKS

Frederic W. Cook was engaged by the Committee to assist with the assessment of risk arising from the Company's compensation programs and policies. Frederic W. Cook's assessment covered each material element of the executive compensation programs, and the Company also performed a risk assessment of the Company's non-executive plans as part of its enterprise risk management program which is overseen by the Board. Based on these assessments, the Company concluded that our policies and practices do not create risk that is reasonably likely to have a material adverse effect on Ryder. The assessments took into account that our compensation opportunities are generally measured by a variety of time horizons to balance our near-term and long-term strategic goals, encouraging a focus on sustained, holistic company performance, and that our programs also incorporate risk mitigation policies such as caps on maximum payouts and clawback policies.

## Compensation Committee Report on Executive Compensation

## COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

Our Committee has reviewed and discussed the Compensation Discussion and Analysis contained in this proxy statement with management. Based on our review and discussions, we have recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

Submitted by the Compensation Committee of the Board.

E. Follin Smith (Chair) John M. Berra Robert J. Eck Michael F. Hilton David G. Nord Dmitri L. Stockton

## EXECUTIVE COMPENSATION

The following tables set forth information with respect to compensation for our NEOs:

A detailed description of the plans and programs under which our NEOs received the following compensation can be found in the Compensation Discussion and Analysis beginning on page 37 of this proxy statement.

## SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary (\$)	Stock Awards (\$) <sup>1</sup>	Option Awards (\$) <sup>2</sup>	Non-Equity Incentive Plan Compensation (\$) <sup>3</sup>	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) <sup>4</sup>	All Other Compensation (\$) <sup>5</sup>	Total (\$)
Chair and Robert E. Chief Sanchez Executive Officer	2018	820,080	3,558,155	1,230,369	1,595,259	—	147,762	7,351,625