

## **Environmental Sustainability at Ryder (updated 5.28.2021)**

### **Background**

We have a long-standing commitment to sound environmental practices that reduce risk and build value for us and our customers. We have a history of adopting “green” designs and processes because they are efficient, cost-effective transportation solutions that improve our bottom line and bring value to our customers. We have maintained an environmental policy since 1991 and have updated it periodically as regulatory and customer needs have changed. Our environmental policy reflects our commitment to supporting the goals of sustainable development, environmental protection, and pollution prevention in our business. We have adopted proactive environmental strategies that have advanced business growth and continued to improve our performance in ways that reduce emission outputs and environmental impact. An overview of our core environmental sustainability programs and initiatives is provided below. A more comprehensive discussion of our sustainability programs and initiatives and climate-related risk is included in our Corporate Sustainability Report (CSR) and Carbon Disclosure Project (CDP) Climate Change Response. Both reports are available at <https://ryder.com/about-us/sustainability>.

### **Compliance**

Our business is subject to regulation by various federal, state and local government agencies. We perform facility compliance audits to ensure environmental risks are identified and that our existing control programs are adequate to effectively manage those risks. When needed, we implement new initiatives, employee training and policies to improve efficiencies in waste storage, disposal and recycling, spill prevention and response, fuel storage and dispensing, as well as conservation opportunities for natural resources, water and fuel.

### **Environmental Programs:**

#### **Waste Recycling/Resource Conservation**

We continually evaluate and adjust our programs to drive efficiency and reduce energy consumption and emissions. We upgrade our facilities to reduce environmental impacts and improve recycling and disposal technologies used to manage automotive wastes. Over the past few years, Ryder upgraded 130 locations with LED lighting, which is expected to generate 17% in energy savings and 1820 MT CO<sub>2</sub>e reduction annually. Improvements in building maintenance and shop equipment are prioritized to drive additional energy reduction from HVAC, electrical systems and shop equipment that has been replaced with more energy efficient systems. Annually we recycle approximately 2.9M gallons of used oil, 917K gallons of oily waste water, 13K drums of used automotive oil filters and more than 48K gallons of cleaning solvent from our facility maintenance operations, which collectively reduces more than 20K MT CO<sub>2</sub>e.

#### **Carbon Emissions**

We have advanced our carbon accounting and reporting over the past 10 years and continue to develop new initiatives that drive carbon reductions for our business and for our customers. Today, we have in place programs to identify, monitor, measure and report material emission impacts which are described in Ryder’s CSR, published in accordance with Global Reporting Initiative (GRI) international standards. Our results and performance are reviewed year-over-year to identify improvement opportunities and to help inform decision-making across the organization as part of an integrated risk management approach.

Ryder’s commitment to reducing GHG emissions is a primary focus of our overall environmental strategy and is central to our disclosure reporting in both the CSR and Carbon Disclosure Project Climate Change Questionnaire Reports (CDP). We set goals, then compile, report and publish detailed information on our Scope 1, Scope 2, and Scope 3 emissions in MT CO<sub>2</sub>e. We met our 2012 reduction goal targets for Scope 1 and Scope 2 emissions

of 20% by 2020 over a 2009 baseline early, and we are now implemented new targets to drive our strategy over the next three years while we finalize our long-term targets. Our new goals, which have been reviewed by the Board of Directors, aim to complete the following:

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

### Long-Term Vision

To develop our new emission reductions targets, we closely tracked and evaluated material factors that influence our emissions across the value chain, including the needs of our customers and communities in which we provide services. We will continue to evaluate climate-related risks and opportunities, evolving climate change science, and diverse disclosure standards such those promulgated by the Task Force on Climate-Related Financial Disclosures (TCFD), Sustainability Accounting Standards (SASB), Global Reporting Initiative (GRI) and other globally-recognized standards to improve our target-setting and reporting.

In addition to reducing emissions from our Ryder operations, we will continue to develop innovative transportation services that will optimize our customers' operations and maximize their emission reductions as well. We believe one of our highest priorities and greatest opportunities for reductions is in our Scope 3 emissions, particularly related to downstream customer leased vehicles which represent a significant majority of reported Scope 3 emissions. Therefore, we will continue to target this opportunity area for greatest reduction targets in both our short and long-term strategy.

We work collaboratively with suppliers and business partners to reduce both upstream and downstream emissions through expanded supplier and customer engagement, with a strong focus on improving fuel efficiency and increasing alternative fuel technology use in our leased and rental vehicles. We are also committed to supporting low carbon technology deployment by continuing to make available to our customers alternative fuel vehicles and related maintenance solutions as these technologies continue to evolve and develop. One of our goals is to train 10% of Ryder technicians to maintain and support alternative fuel vehicles over the next five years.

We published updated Scope 1, 2, and 3 enterprise-wide emission reduction targets, through 2024 based on operationally owned boundaries. Emission reduction opportunities toward these goals were be prioritized based on their potential level of impact.

### Governance

Through our work to further measure our impact and embed sustainability into our business strategy, we developed a framework to drive impact on the sustainability issues we deemed material to Ryder's long-term success. The five pillars of this framework include protecting our planet, safeguarding people, fostering talent, diversity and equality; transforming communities, and upholding ethics and integrity. We published our updated principles and related goals in our 2021 corporate sustainability report in March 2021. Our principles and goals will reflect our continued commitment to sustainability and illustrate the strategic priorities of our business. The Corporate Governance and Nominating Committee of the Board of Directors oversees the Company's development and adherence to these principles and ensures that management is appropriately focused on achieving the underlying goals.

For more information go to [rydercsr.com](https://www.rydercsr.com).

