



**RYDER SYSTEM, INC.
AUDIT COMMITTEE CHARTER**

Purposes

The purposes of the Audit Committee (the "Committee") of the Board of Directors of Ryder System, Inc. (the "Company") are (a) to assist the Board of Directors in fulfilling its oversight responsibilities with respect to (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the independent auditors' qualifications and independence, and (iv) the performance of the independent auditors and the Company's internal audit function; and (b) to prepare the Committee's report, as required by the rules of the Securities and Exchange Commission ("SEC"), for inclusion in the Company's annual proxy statement.

Composition of the Committee

Number. The Board of Directors shall determine the size of the Committee, but it shall consist of no fewer than three members.

Qualifications. Each Committee member shall have all of the following qualifications:

- 1) Each Committee member shall meet the independence criteria of the rules of the New York Stock Exchange ("NYSE") and the rules of the SEC and the Company's Corporate Governance Guidelines, as such requirements are interpreted by the Board of Directors in its business judgment. In addition, each Committee member shall be free of any material relationship that, in the opinion of the Board of Directors, may interfere with such person's exercise of independent judgment as a Committee member.
- 2) Each Committee member shall be financially literate or shall become financially literate within a reasonable period of time after such person's appointment to the Committee. Additionally, at least two members of the Committee shall be audit committee financial experts in accordance with the rules and regulations of the SEC, and at least one member (who may also serve as the audit committee financial expert) shall have accounting or related financial management expertise in accordance with NYSE rules. The Board of Directors shall determine, in its business judgment and upon the recommendation of the Corporate Governance and Nominating Committee, whether a member is financially literate, whether at least two members are audit committee financial experts and whether at least one member has the requisite accounting or financial management expertise. The designation or identification of a person as an audit committee financial expert shall not (a) impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and the Board of Directors in the absence of such designation or identification, or (b) affect the duties, obligations or liability of any other member of the Committee or the Board of Directors.
- 3) Each Committee member shall receive as compensation from the Company only those forms of compensation as are not prohibited by the SEC and NYSE.
- 4) No member of the Committee may serve on the audit committees of more than two other public companies unless the Board of Directors determines that such simultaneous service would not impair the ability of such person to effectively serve on the Committee, and discloses this determination in the Company's annual proxy statement or on the Company's website. The Board of Directors shall make this determination in its business judgment and upon the recommendation of the Corporate Governance and Nominating Committee.

Appointment. The Board of Directors will appoint the Chair and other members of the Committee upon considering the recommendations made by the Company's Corporate Governance and Nominating Committee. Committee members shall serve at the pleasure of the Board of Directors and for such term or terms as the Board of Directors may determine.

Delegation. The Committee may, in its discretion, delegate any of its duties and responsibilities to a subcommittee of the Committee. The Committee may also, in its discretion, delegate to one or more of its members the authority to pre-approve any audit or non-audit services to be performed by the independent auditors, provided that any such approvals are presented to the Committee at its next scheduled meeting. Except to the extent prohibited by applicable law, the Committee may also, in its discretion, delegate administrative functions to (i) individuals who are officers or employees of the Company, (ii) agents or advisors of the Company or the Committee, or (iii) any other persons designated by the Committee.

Duties and Responsibilities of the Committee

The Committee is responsible for assisting the Board of Directors in overseeing the Company's financial reporting process. Management is responsible for the preparation, presentation and integrity of the Company's financial statements and for the appropriateness of the accounting and reporting policies that are used by the Company. The independent auditors are responsible for auditing the Company's annual financial statements and for reviewing the Company's interim financial statements.

The Committee is directly responsible for the appointment, termination, compensation, retention, evaluation and oversight of the work of the Company's independent auditors (including the resolution of disagreements between management and the independent auditors regarding financial reporting) and any other registered public accounting firm engaged by the Company for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, and each such firm must report directly to the Committee.

In addition, the Committee shall have the following responsibilities:

Responsibilities Relating to the Independent Auditors

- 1) Sole authority to retain (subject to applicable shareholder ratification, which shall be taken into account but not bind the Committee) and terminate the Company's independent auditors.
- 2) Pre-approve, or adopt appropriate procedures to pre-approve, all audit services and any allowable non-audit services with the independent auditors (consistent with the rules and requirements of the Exchange Act, SEC, NYSE and Public Company Accounting Oversight Board ("PCAOB")).
- 3) At least annually, obtain and review a report by the independent auditors (it being understood that the independent auditors are responsible for the accuracy and completeness of such report) relating to (a) the audit firm's quality-control procedures, (b) any material issues raised by the most recent quality-control review, peer review or review by the PCAOB, of the audit firm, (c) any material issues raised by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the audit firm, and (d) any steps taken to deal with any such issues.
- 4) At least annually, review and discuss the information provided by management, the independent auditors and the Company's internal auditors relating to the independence of the audit firm, including a report by the auditors setting forth all relationships between the auditors and the Company. The Committee will present to the Board of Directors the Committee's conclusion with respect to the independent auditors' independence and performance. The Committee will also review with the full Board of Directors any significant issues that arise with respect to the performance and independence of the Company's independent auditors throughout the year as needed, and will take into account the opinions of management and the Company's internal auditors in assessing the independent auditors' qualifications, performance and independence.

- 5) In connection with the Committee's evaluation of the auditors' independence discussed above, review and evaluate the qualifications, performance and independence of the lead partner of the independent auditors and take such steps as may be required by law with respect to the regular rotation of the audit partners serving on the Company's audit engagement team. The Committee will discuss with management the timing and process for implementing the rotation of the lead audit partner, the concurring partner and any other active audit engagement team partner and consider whether there should be a regular rotation of the audit firm itself.
- 6) Set hiring policies for employees or former employees of the independent auditors, including any restrictions imposed by the SEC.
- 7) Review and discuss the audit plan, including its scope, with management, the independent auditors and internal audit, as appropriate.
- 8) Review any information related to the conduct of the audit submitted to the Committee by the independent auditors as required by or referred to in PCAOB AS 1301 (or any other applicable standards), including, as applicable, any audit problems or difficulties, management's and/or internal audit's response to such difficulties or any other matters, and the detection of any illegal acts or fraud.
- 9) Discuss with the independent auditors any significant issues arising from the most recent PCAOB inspection of the independent auditors, to the extent relevant to the Company, including the independent auditor's response to any identified accounting deficiencies.
- 10) Review and discuss with the independent auditors a timely report relating to the Company's annual audited financial statements describing all critical accounting policies and practices used, all alternative treatments within generally accepted accounting principles for policies and practices related to material items that have been discussed with management, ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditors, and any material written communications between the independent auditors and management, such as any "management letter" or schedule of unadjusted differences. The foregoing shall include any reports required by the SEC.
- 11) Review and discuss with management, the independent auditors and the internal auditors, as appropriate, any "management letter" or "internal control letter" issued, or proposed to be issued, by the independent auditors and any form of opinion the independent auditors propose to render to the Board of Directors and shareholders.
- 12) Review and discuss with the independent auditors the reports of their reviews of the Company's interim financial statements and the reports of the results of such other examinations outside of the course of the independent auditors' normal audit procedures that the independent auditors may from time to time undertake.
- 13) Discuss with management, the independent auditors or the internal auditors (a) any significant matters or problems arising from any audit, whether raised by management, the independent auditors or the internal auditors, relating to the Company's financial statements, and (b) any difficulties the independent auditors encountered in the course of the audit, including any restrictions on their activities or access to requested information and any disagreements with management. Resolve disagreements between management and the independent auditors regarding financial reporting.

Responsibilities Related to Financial Statements and Public Reporting

- 14) Review and discuss with appropriate officers of the Company and the independent auditors the annual audited and quarterly financial statements of the Company and the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," required by the SEC, and recommend to the Board of Directors whether to include the audited

financial statements in the Company's Annual Report on Form 10-K. Review with the full Board of Directors any significant issues that arise with respect to the quality or integrity of the Company's financial statements throughout the year, as needed.

- 15) Review and discuss the type and presentation of information to be included in earnings and other financial press releases, and discuss the types of earnings guidance and other financial information provided, and the types of presentations made, to analysts and rating agencies. The Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance.
- 16) Review and discuss, as appropriate, (a) major issues regarding accounting principles and financial statements presentations, including any significant changes in the Company's selection or application of accounting principles and vehicle residual value estimates, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies; and (b) analyses prepared by management or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of financial statements, including analyses of certain used vehicle inventory reports and the effects of alternative GAAP methods on the financial statements, as appropriate.
- 17) Review and discuss any material off-balance sheet financing and any other material financial arrangement that does not appear in the financial statements of the Company, as well as the effect of regulatory and accounting initiatives on the Company's financial statements.
- 18) Prepare, with the assistance of management, the independent auditors and outside legal counsel, as appropriate, the Audit Committee Report included in the Company's Annual Proxy Statement, and any other report or disclosures required by the rules of the SEC to be included in the Company's Annual Proxy Statement.
- 19) Review and discuss, as appropriate, any new accounting standards that are likely to have a material impact on the Company, including the implementation plan, the anticipated effect on the Company's financial statements and the disclosure obligations relating to such new accounting standards.

Responsibilities Related to Internal Audit, Internal Controls and Risk Oversight

- 20) Review and discuss the plans for and the scope of internal audit activities and the examinations and results thereof, and review periodically the performance of the internal audit function. Review with the full Board of Directors any significant issues that arise with respect to the performance of the internal audit function.
- 21) Review, and periodically meet separately with the senior internal auditing executive and other appropriate officers of the Company and the independent auditors to discuss, the adequacy and effectiveness of the Company's internal accounting controls (including any material weaknesses or significant deficiencies in internal control over financial reporting or critical accounting estimates, including any such estimates regarding vehicle residual values and depreciation, amongst other items), the Company's financial, auditing and accounting organizations and personnel, and the Company's policies and compliance procedures with respect to business practices (which shall include the disclosures regarding internal controls and matters required by the SEC).
- 22) Inquire of the Company's Chief Executive Officer and Chief Financial Officer as to the existence of any significant deficiencies or material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and as to the existence of any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

- 23) Review, discuss and oversee the process and policies by which the Company assesses, manages and reports exposure to risk, including those due to critical accounting estimates (including any such estimates regarding vehicle residual values and depreciation, amongst other items), and review and discuss with management and the independent auditors those risks that may have a material impact on the Company's financial statements or disclosures and the steps management has taken to monitor and control such risks.
- 24) Oversee information technology matters relevant to the Company, including cybersecurity, and review with the full Board of Directors any significant issues that arise with respect thereto. The Committee shall review and discuss reports from management regarding the Company's cybersecurity and information technology risks, controls and procedures, including those related to data privacy and network security, including that could affect the adequacy of the Company's internal controls.
- 25) Review the appointment and replacement of the head of the internal auditing department.

Responsibilities Related to Legal and Ethical Compliance

- 26) Establish procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters as required by the SEC and NYSE.
- 27) Obtain reports regarding, and discuss with the Chief Legal Officer, the Company's conformity with applicable legal and regulatory requirements, including material notices to or inquiries received from governmental agencies, material litigation and any legal matters that may have a material impact on the financial statements. Review with the full Board of Directors any significant issues that arise with respect to the Company's compliance with legal and regulatory requirements.
- 28) Review reports of the Chief Legal Officer or Chief Compliance Officer, relating to the scope and effectiveness of the Company's compliance program (including reporting mechanisms and significant investigations, training initiatives, policy development, risk assessments and mitigation efforts).
- 29) Perform those functions which may be required under Part 205 of the Rules of Practice of the SEC (Standards of Professional Conduct for Attorneys Appearing and Practicing Before the Commission in the Representation of an Issuer), which may include (i) receiving reports of material violations governed by such rule from attorneys representing the Company (including in-house counsel), (ii) making of inquiries and investigations in response to such reports, (iii) recommending that the Company take such remedial action as the Committee shall deem necessary or appropriate, and (iv) providing such notifications to the SEC as may be permitted or required by law.

Other Responsibilities

- 30) Review and discuss such other matters that relate to the accounting, auditing and financial reporting practices and procedures of the Company, or any other matters pertaining to the Committee's purposes, duties and responsibilities, as set forth herein, as the Committee may, in its own discretion, deem desirable in connection with such purposes, duties and responsibilities. The responsibilities set forth above serve only as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing legislative, regulatory, legal or other similar conditions.
- 31) Report its activities regularly (and, at a minimum, not less than once per year) to the Board of Directors in such manner and at such times as the Committee and the Board of Directors deem appropriate, make such recommendations to the Board of Directors with respect to the above and

other matters as the Committee may deem necessary or appropriate, and maintain minutes or other records of Committee meetings.

Meetings of the Committee

The Committee shall meet at least four times per year, or more frequently as it may determine necessary, to comply with its responsibilities as set forth herein. In addition, the Committee will hold regular quarterly meetings in advance of financial statement filings and releases. The Chair of the Committee shall, in consultation with the other members of the Committee, the independent auditors and the appropriate officers of the Company, be responsible for calling meetings of the Committee, establishing agendas thereof and supervising the conduct thereof. Members of the Committee may participate in a meeting of the Committee by means of a conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. The Committee may also take any action permitted hereunder by unanimous written consent, which may be obtained electronically.

The Committee may request any officer or employee of the Company or the Company's outside legal counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee shall meet with the Company's management (including the Chief Financial Officer, Chief Accounting Officer, Chief Legal Officer and Chief Compliance Officer), the internal auditors and the independent auditors periodically in separate private sessions to discuss any matter that the Committee or any of these persons believe should be discussed privately.

Resources and Authority of the Committee

The Committee shall have the resources and authority appropriate to discharge its responsibilities as required by law, including the authority to select, retain, terminate, and approve the fees and other retention terms of independent counsel, accountants and other advisors as the Committee deems necessary or appropriate, without seeking approval of the Board of Directors or management. The Committee may also, to the extent it deems necessary or appropriate, meet with the Company's investment bankers or financial analysts who follow the Company.

The Company will provide for appropriate funding, as determined by the Committee, for payment of (i) compensation to the Company's independent auditors and any other public accounting firm engaged for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company, (ii) compensation to independent counsel or any other advisers employed by the Committee, and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate to carrying out its duties.

Periodic Review of Charter

The Committee will periodically review (in conjunction with the Corporate Governance and Nominating Committee) this Charter and recommend any changes to the Board of Directors.

Periodic Performance Evaluation

On an annual basis, the Committee will conduct and review with the Board of Directors an evaluation of the Committee's performance with respect to the requirements of this Charter in the manner prescribed by the Corporate Governance and Nominating Committee. The Committee may conduct this performance evaluation in such manner as the Committee, in its business judgment, deems appropriate.