



# ACCELERATE THE **IMPACT**

SUSTAINABILITY REPORT 2021

**NAVISTAR**<sup>®</sup>



# FROM THE CEO



In my first year as Navistar CEO, I have been filled with immense excitement for this company’s unique potential to accelerate the impact of sustainable mobility in North America. Since 1831, ingenuity and passion have put our people at the front lines of revolutions in the agriculture and transportation sectors. I am honored to join them there as we make possible the most rapid, innovative — and necessary — changes ever in our history.

Growing up in Stockholm, Sweden, I come from a culture with a rich history of pioneering, forward-thinking environmental initiatives. In 1967, Sweden was the first country in the world to pass an environmental protection act, and we hosted the first United Nations conference on the global environment in 1972. Today, 100% of the energy used by Stockholm comes from renewable sources, with a goal to use only fossil fuel-free transportation by 2030.

I’ve seen that same can-do attitude, pride and commitment to a higher purpose at Navistar. From production lines to dealerships to headquarters, our teams are committed to delivering industry-leading solutions that benefit our customers and the world.

With that in mind, I’m proud to share high-level details of our positive impact on both people and the planet in 2021.

### PEOPLE

As part of Navistar’s holistic approach to sustainability, in 2021 we identified education, equity, and the environment as our primary impact areas and began developing a focused giving strategy to support meaningful change in the communities where we live and work.

Building for the future is also part of our vision, so our support of STEM education for engineers and technicians expanded last year.

Navistar continued existing programs that provide job training and internship opportunities, launched a new program to help address the technician shortage, and donated a record number of engines and equipment to technical programs throughout the U.S, Brazil, and Canada.

### PLANET

Since the Industrial Revolution, economic growth and carbon emissions have risen hand in hand — but not for much longer. Economic growth will continue to rise but carbon emissions must drop sharply to meet goals set in the Paris Agreement.

Decarbonization is a business opportunity that is good for our bottom line and will have a positive impact for the generations that come after us. Navistar has the technology to help bend the curve on decarbonization. By 2030 it is anticipated that battery electric vehicles (BEVs) will achieve cost parity with diesel combustion engines, at which point widespread adoption of zero-emissions vehicles will reach a tipping point.

In 2021 we committed to a 20% improvement in energy intensity with the U.S. Department of Energy Better Plants program. We also began work on what will be a foundational effort, setting science-based targets that will be submitted to the Science-based Targets Initiative.

Taking care of our planet is the right thing to do and there’s a right way to do it.

From raw materials to remanufacturing and recycling, we are committed to state-of-the-art sustainability stewardship across the lifecycle of our products. To realize our goal, Navistar will work closely with stakeholders and competitors to overcome the challenges of building an effective infrastructure to support clean energy. We are also encouraging balanced regulations that take a strong stance on carbon emissions to speed the adoption of electric vehicles, including the promotion and funding of necessary infrastructure improvements.

### RESPONSIBILITY

As a member of the TRATON GROUP, Navistar joins the second largest commercial vehicle manufacturer in the world. Access to new technologies and advantages of scale will help us meet our goals — in full compliance with regulations and in harmony with our ethics.

Navistar is committed to creating a better, healthier world for future generations to thrive in, and we absolutely will accomplish that with a strategic roadmap comprised of four priority areas:

- **Sustainable Impact** – Bend the curve on carbonization by driving change
- **Foundation for Future** – Invest in digitalization, zero emissions and autonomous technologies
- **Profitable Performance** – Become a healthy well-rounded company in partnership with our dealer network
- **Culture & Leadership** – Empower employees and embrace accountability

2021 has been a year of significant change that will set the stage for the future; not only for us at Navistar, but also industry-wide as megatrends like electric and autonomous vehicles emerge. This report highlights some of the accomplishments the Navistar team has achieved with impressive focus, talent, and skill. I’m proud to be a part of this team and I’m honored to lead Navistar forward into a sustainable and successful future.

Navistar is ready to accelerate the impact of sustainable mobility.

A handwritten signature in blue ink, appearing to read 'Mathias Carlbaum', written over a light blue circular background.

**Mathias Carlbaum**  
President and Chief Executive Officer



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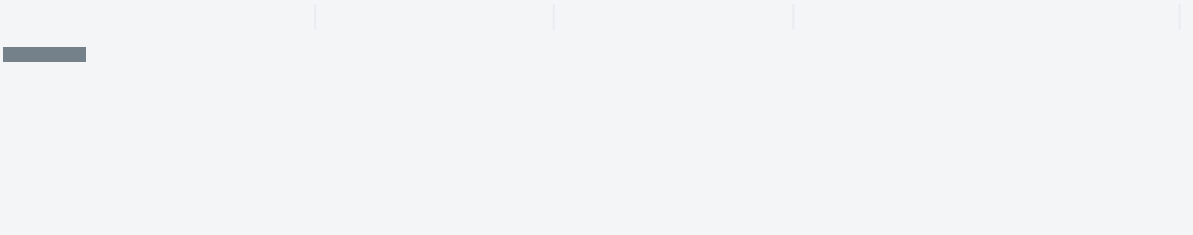
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- A Member of TRATON GROUP
- Vision and Strategy
- Expanding Our Footprint in San Antonio
- Mobile ZEV Education

INTRODUCTION

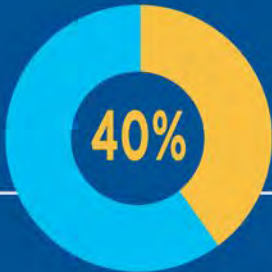


COMPANY OVERVIEW

NAVISTAR TODAY

CORE BUSINESS:  
Class 6-8 trucks and buses  
in U.S. and Canada

LARGEST DEALER AND  
SERVICE NETWORK  
in North America<sup>a</sup>



Primary business operations in:  
U.S.  
CANADA  
MEXICO  
BRAZIL



#1 BRAND IN  
SCHOOL BUSES<sup>b</sup>

40% of all school buses on  
the road today are our  
IC Bus® brand

Headquarters:  
LISLE, ILLINOIS, U.S.



#2 BRAND IN  
CLASS 6/7<sup>b</sup>

#4 BRAND IN  
CLASS 8<sup>b</sup>

20% of U.S. class 6 through  
8 vehicles on the  
road today are an  
International® Truck

2021 total  
unit sales:

71,000

Worldwide  
employees:

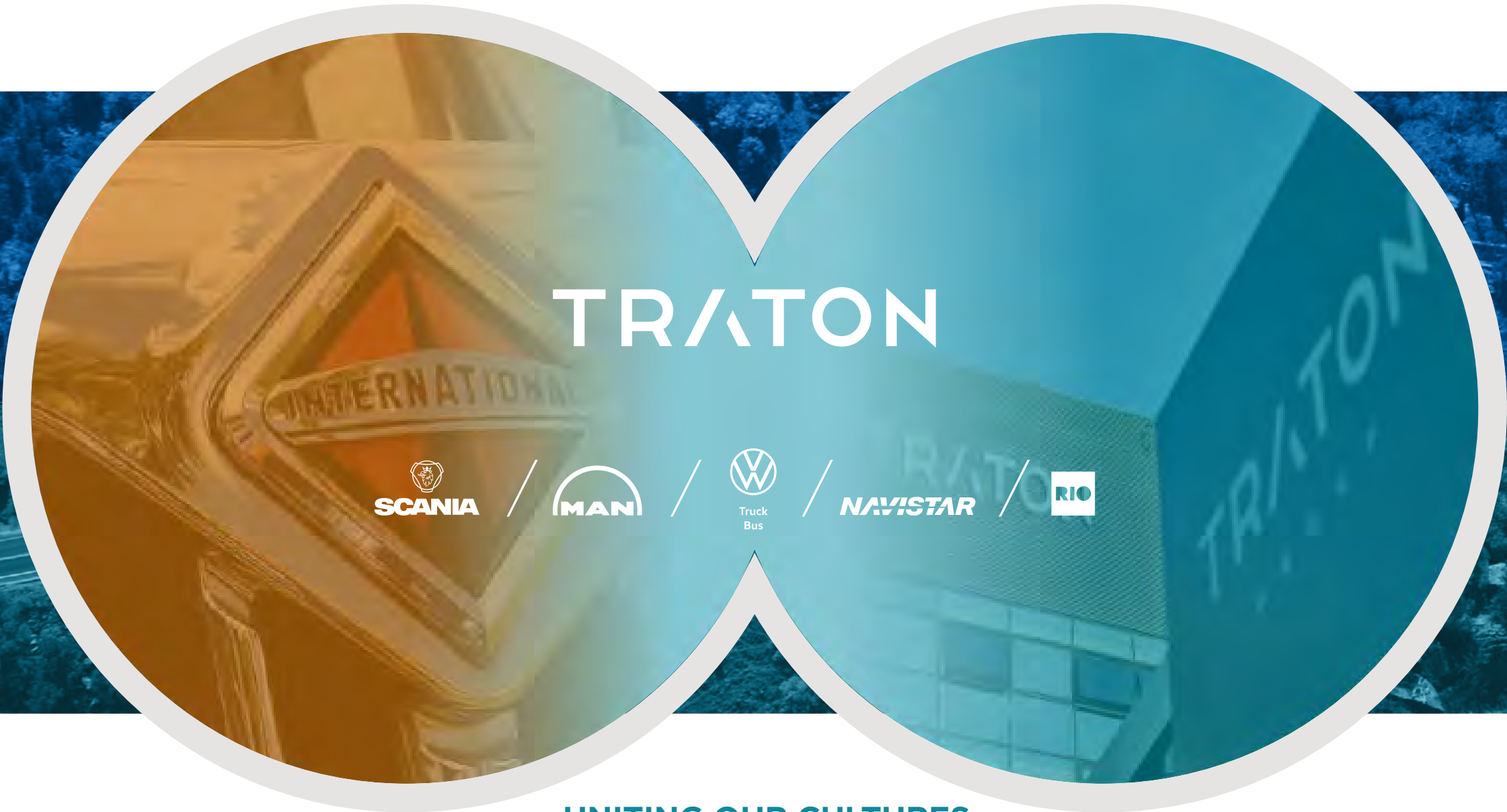
14,500

a. Including service partnership with Love's Travel Stops and Speedco.  
b. Based on 2021 on the road today by OEM. School buses include classes B, C and D.



# A MEMBER OF TRATON GROUP

On July 1, 2021, TRATON SE, through a subsidiary, merged with Navistar International Corporation. TRATON SE is one of the world’s leading commercial vehicle manufacturers with its operating brands of: Scania, MAN, Volkswagen Truck & Bus, Navistar, and RIO.




UNITING OUR CULTURES  
MAKES US STRONGER TOGETHER




TRATON MERGER  
CREATES MULTIPLE OPPORTUNITIES

- 1




LEVERAGE COMMON COMPONENTS AND TECHNOLOGIES

- » Revenue growth through emerging technologies
  - » Use of powerful component and technology setup within the TRATON GROUP
  - » Leverage powertrain components, i.e., the Integrated Powertrain
- 2




STRENGTHEN NAVISTAR TO REGAIN MARKET SHARE

- » Continue strong position in bus, medium and light duty
  - » Establish a strong and competitive product in the class 8 segment
  - » Regain class 8 market share
- 3



LEVERAGE DEALER AND SERVICE NETWORK

- » Increase dealer sales through largest dealer network in North America
  - » Reposition brand through uptime and connected services
  - » Aftersales uplift through industry-leading aftersales support
  - » Full-service business models
- 4



FINANCIAL SERVICES

- » Further strengthen Navistar’s financial services businesses
  - » Expand the financial services product offerings for Navistar’s customers to grow market share and improve profitability



# VISION AND STRATEGY

## OUR COMMITMENT

Future generations will look back and see that we did everything possible to create a better place in which they can thrive.

Our vision is to **accelerate the impact of sustainable mobility**. This is our guiding star and informs all future decisions.

## SUSTAINABLE IMPACT

Within the transport sector, our industry accounts for a significant percentage of total emissions. We accept responsibility for bending the curve on carbon emissions by driving change to advance sustainable solutions.



## FOUNDATION FOR FUTURE

We are investing wisely in digitalization, zero emissions and autonomous solutions. We are creating new business models where it makes most sense for our customers. We are leveraging our partnerships and resources, as a member of TRATON GROUP, to accelerate our progress on technologies that anticipate and help manage demands coming our way.

## PROFITABLE PERFORMANCE

Our number one priority is to become a healthy, well-rounded and profitable company. In partnership with our dealer network, we strive to offer the best holistic experience and solutions for our customers.



## CULTURE & LEADERSHIP

We will be known for our strong culture, which guides every decision, every day. Each employee is empowered and trusted to make the right choices, embracing accountability for our long-term success.



# EXPANDING OUR FOOTPRINT IN SAN ANTONIO

## BUILDING COMMUNITY

Navistar is proud to invest in the city of San Antonio, Texas, and its people. Throughout 2021, we’ve worked to build both our benchmark manufacturing plant and our Advanced Technology Center (ATC) in San Antonio, so they are both open and online in 2022.

Together, the facilities will employ over 750 community members and 37% of the manufacturing plant’s team is composed of people who live in economically distressed areas designated as Texas Enterprise Zones.

In partnership with Navistar, the Alamo Colleges District was awarded a \$1+ million grant from the Texas Workforce Commission. Together, the Continuing Education Department of Alamo Colleges and Navistar will use this investment to provide 512 new San Antonio plant employees with high-tech training to build careers and provide financial security.



OUR 900,000-SQUARE-FOOT PLANT  
BUILDS CLASS 6 THROUGH 8 DIESEL  
AND ELECTRIC TRUCKS



SAN ANTONIO ASSEMBLY PLANT STAFF



MARCH 23, 2022  
RIBBON CUTTING CEREMONY



EXPANDING OUR FOOTPRINT IN SAN ANTONIO

MANUFACTURING PLANT

Completed in 2021, the new San Antonio Manufacturing Plant held a ribbon cutting ceremony in March 2022, and is a benchmark facility that shows how Navistar is leading the charge for process optimization, real-time production management, and sustainability in manufacturing.

The nearly 1 million square foot plant builds class 6 through 8 diesel and electric trucks while improving quality, lowering costs, and providing capacity to serve as Navistar’s operational backbone launch facility for Industry 4.0 concepts.

Data and physical technologies work seamlessly together to reduce waste and allow the plant to make data-driven decisions in real time to improve quality and efficiency.

Once at full capacity, this facility will produce 52 vehicles per shift.

OUR FIRST VEHICLE OFF THE PRODUCTION  
LINE IN SAN ANTONIO WAS AN ALL ELECTRIC  
INTERNATIONAL® eMV™ SERIES TRUCK



ADVANCED  
TECHNOLOGY CENTER

San Antonio is also home to Navistar’s Advanced Technology Center (ATC) which focuses on research and development, and the testing and validation of zero-emissions components, software, and autonomous technologies.





# MOBILE ZEV EDUCATION



Recognizing a critical need for education around the zero-emissions vehicles (ZEVs) ecosystem, in 2021 Navistar’s NEXT Solutions team designed an all-inclusive, mobile educational experience tailored to ZEV sales or service training, to tour North America in 2022. The NEXT Experience Trailer highlights our commitment to leading ZEV technology for commercial vehicles and will teach stakeholders about the process of electric vehicle transition.

The mobile experience includes six interactive zones with augmented reality, 3D-printed models, videos and interactive demonstrations to share how Navistar supports the assessment and adoption

process of ZEVs. Participants walk through each zone to learn more about Navistar’s products and services, electrification, insight from Navistar engineers who create ZEVs, and the lifecycle of commercial vehicle batteries. The learning experience ends with an in-depth session and demonstration on ZEV integration.

A multi-stop tour throughout the U.S. and Canada is planned for 2022 with scheduled stops at more than 50 International® Truck and IC Bus® dealers and select trade shows.



The NEXT Experience Trailer is outfitted to provide the following ZEV experiences:

- Sales training
- Customer meetings and events
- Dealer and customer high voltage safety and lockout tagout training
- Introductory sessions for dealer service technician certification
- Local community zero emissions and safety training
- Driver training
- Vehicle charger training
- Educational programs tailored for students

**Navistar is committed to partnering with our dealer network and all stakeholders, to reduce carbon emissions through electrification.**





WHAT'S INSIDE

- Engaging with All Our Stakeholders
- People & Culture Transformation
- Embracing Diversity, Equity, and Inclusion
- Employee Resource Groups
- Promoting Supplier Diversity
- Contributing to Our Communities
- Support for Training and Education
- Volunteering Our Time
- Workplace Safety

PEOPLE

Paying it forward in communities where we live and work



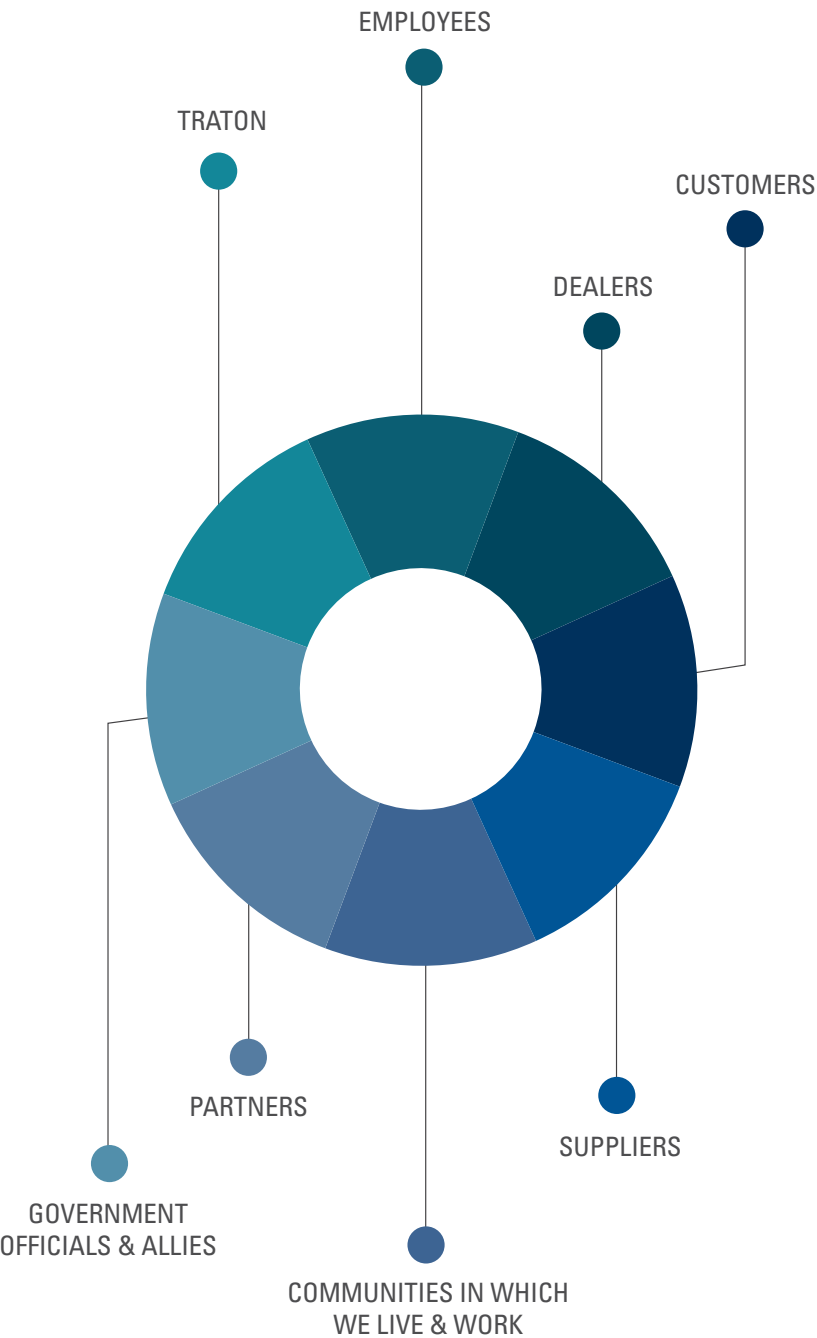
# ENGAGING WITH ALL OUR STAKEHOLDERS

Navistar is collaborating across our entire interconnected ecosystem of stakeholders, and holding ourselves accountable to lead the biggest revolution in sustainable, reliable, and cost-effective transportation we have ever seen.



“Together, we are all leaders of this transformation, and we have the collective power to accelerate the impact of sustainable mobility to bend the curve of carbon emissions as quickly as possible and make a significant, positive effect on our bottom line, our customers, and on the generations who come after us.”

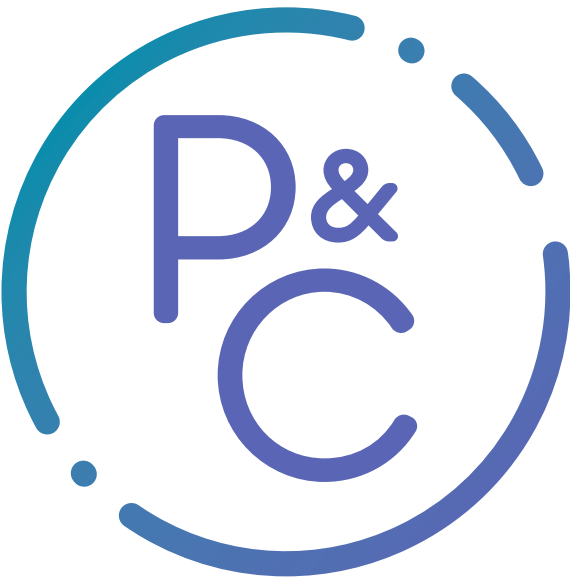
Mathias Carlbaum  
President and Chief Executive Officer





# PEOPLE & CULTURE TRANSFORMATION

At Navistar, we believe that the passion and potential of people is unleashed when they bring their best selves to work and life every day. Our teams are encouraged to cultivate diversity, embrace change and innovation, live our values, and lead with purpose.



## REIMAGINING HUMAN RESOURCES

Recognizing the need to modernize and reimagine the traditional functions of Human Resources (HR), Navistar tasked our HR team with activating strategies that improve the overall employee experience.

**We empathize with everyone’s individual background, experience, and daily life** — understanding how these attributes influence happiness, satisfaction with our culture, and successful performance.

**We seek to foster an environment that makes it easy for employees to prioritize their total well-being.**

By focusing on the “whole person,” we combine career development opportunities with the four pillars of healthy well-being that affect both work and life: emotional, financial, physical and social.

This evolution required our HR team to reconsider how they support an inclusive employee experience — from attracting and recruiting top talent through to retirement — that aligns with our business purpose and expands beyond what is commonly thought of as work-life balance. Suddenly, the name Human Resources no longer fit the scale, scope, and ambition of our initiative, so in 2021, we named our team People & Culture (P&C).





PEOPLE & CULTURE TRANSFORMATION

The process of evolving our P&C organization began by listening to our team members. In surveys and conversations, we gathered feedback, asked questions, and listened intently as common themes and actionable needs made themselves clear.



TO ESTABLISH A FOUNDATION FOR THE NEW P&C, NAVISTAR HAS DEVELOPED A SIX-PART CHANGE LEADERSHIP STRATEGY:



Business Partnership

Support our high-level business managers by helping them identify the right talent, build their teams, and develop everyone’s knowledge and skills

Data Analytics and Technology

Engage with state-of-the-art resource management technology to assist with staffing, restructuring, resource allocation, and identifying meaningful training opportunities

Staffing Strategy

Build our teams with intention based on our Talent Acquisition Strategy that identifies the right profiles for the right projects based on experience, knowledge, and skill

Global Mobility

Facilitate international opportunities for development and growth that leverage the TRATON GROUP to share expertise and experience across four continents and 16 countries

Employee Experience and Change Leadership

Focus on providing the best experience for our teams through active listening, empowerment, and by developing programs to support and nurture every person

Solution Delivery and Project Support

Assemble a team of talented, flexible, and skilled P&C specialists who serve our people, our projects, and our business

Our shared values and supporting behaviors create a foundation for how we treat each other.

IN 2021, OVER 500 EMPLOYEES PARTICIPATED IN VIRTUAL LISTENING GROUPS, AND 3,122 COMPLETED OUR SURVEY.



# EMBRACING DIVERSITY, EQUITY, AND INCLUSION

Navistar is deeply committed to diversity, equity, and inclusion (DEI). Our vision is to empower an inclusive and engaged culture that drives a sense of belonging and celebrates and respects our differences.

For employees, we create an inclusive work culture by recruiting, hiring, training, developing, and retaining team members from diverse backgrounds. For customers and suppliers, we maintain and grow Navistar’s supplier diversity program. For our communities, it means partnering with local organizations that support Navistar’s social justice values.

## WHAT DEI MEANS TO NAVISTAR

In 2021, we defined exactly what each word means:

### DIVERSITY

We embrace all expressions of diversity — race, ethnicity, gender, gender identity, age, national origin, religion, disability, sexual orientation, socioeconomic status, education, marital status, language, physical appearance, and diversity of thought (ideas, perspectives, and values).

### EQUITY

We help all employees succeed by acknowledging their unique needs; providing fair treatment, access, opportunity, and advancement; and eliminating barriers to their full participation in all aspects of the employee experience.

### INCLUSION

We create an environment that is both diverse and inclusive, that gives every individual and group space to be themselves at work because they feel welcomed, respected, supported, and valued. At Navistar, we succeed when we actively involve everyone’s ideas, knowledge, perspectives, approaches, and styles.





EMBRACING DIVERSITY, EQUITY, AND INCLUSION

MOVING THE NEEDLE IN 2021

We created a diversity demographics dashboard to help us drive changes in diversity representation across the company. Accessible by all people managers, this tool indicates real-time demographics including gender, race, and age, among other details.

To support our people managers’ DEI learning journeys and foster an environment of continuous learning and growth, we launched a three-part workshop called *The Role of a Leader: Power, Privilege, and Bias*.

Our DEI team hosted a virtual chat series for employees called *Shifting Gears*, to promote staying connected and to cultivate a stronger sense of belonging.

President and CEO Mathias Carlbaum pledged to support CEO Action for Diversity and Inclusion. This initiative is the largest CEO-driven business commitment to advance diversity and inclusion within the workplace, and society at large.<sup>1</sup>

As the newest member of the TRATON GROUP, we collaborate with our cross-brand DEI counterparts to share best practices and brainstorm as a global initiative. One common goal within all brands is to increase women in management positions. **In 2021, 20.6% of our management positions were filled by women and our goal is to increase female leadership to 30% by 2029.**



Navistar stands united with people of all races, cultures, identities, sexual orientations, ages, religions, abilities, languages, experiences, and expressions. We condemn all forms of injustice and violence and hold ourselves and each other accountable for building an equitable and inclusive workplace in which diverse teams thrive.



1. Source: ceoaction.com



# EMPLOYEE RESOURCE GROUPS

Employee Resource Groups (ERGs) are voluntary, employee-led groups that foster a diverse, inclusive workplace aligned with our organizational mission, values, goals, business practices and objectives.

Navistar’s seven ERGs provide a sense of community, personal and professional development, volunteer opportunities, allyship and more. Everyone at Navistar is welcome and encouraged to join.



**ICAAN**  
International Community of African Americans at Navistar

ICAAN fosters a culture where African Americans can develop professionally in a workplace that encourages diversity and inclusion, providing a competitive advantage that strengthens employee satisfaction and advocacy for Navistar.



**MVAN**  
Military Veterans at Navistar

MVAN promotes camaraderie and mentorship, and creates a networking forum for veterans while enhancing Navistar as an employer of choice for veterans and their families.



**NAPA**  
Navistar Asian Professional Association

NAPA shares Asian culture, language and history with all of Navistar through food, celebration and social events. We believe sharing Asian values can help Navistar achieve its global business goals through understanding and learning from one of the world’s fastest growing economies.



**NPA**  
Navistar Pride Alliance

NPA represents Navistar employees and contractors who are gay, lesbian, bisexual, transgender, questioning and/or queer (LGBTQ), as well as their supporters and allies.



**NYP**  
Navistar Young Professionals

NYP empowers and develops young professionals, leverages strengths through a multi-generational workforce, and contributes to Navistar’s profitability and growth initiatives.



**PLAN**  
Professional Latino Association at Navistar

The mission of the Professional Latino Association at Navistar (PLAN) is to provide professional development, community involvement, and cultural awareness opportunities that align with Navistar’s values.



**WIN**  
Women in Navistar

WIN empowers and inspires women at Navistar by providing opportunities to foster professional success, mentor, network, and build on both product knowledge and organizational savvy.



# PROMOTING SUPPLIER DIVERSITY

In 1981, Navistar created the very first supplier diversity program of any U.S. truck manufacturer. Our goal for the program was to build a sustainable supplier base that reflects the diversity of the marketplace and fosters an increased year-over-year diverse spend, cost savings, and a best in class mentality that financially strengthens communities where we live and work.

# AWARDS



In 2021, Navistar celebrated the 40th anniversary of our supplier diversity program with an event to recognize exemplary suppliers and procurement leaders. With the theme *Undivided: Remembering our Past, Celebrating our Present, and Looking Forward to our Future*, we gathered virtually on October 21 and presented awards in seven categories:

- Above & Beyond Award** – Alex Bansal
- Catalyst for Change Award** – Empowering Women Network (EWN)
- Collaborator Award** – Chrysan Industries
- Excellence Award** – BluFish Productions
- Helping Hand Award** – Lisa McLuckie
- Outstanding Procurement Leader Award** – James Spaulding
- Trailblazer Award** – THORS

To further recognize our diverse suppliers, in 2021 we held bi-monthly Supplier Spotlight virtual events, where one potential or current diverse supplier was invited to present their capabilities, activities, and successes to the Navistar Procurement team.

As a result of our efforts to sustain a robust and diverse supplier base, Navistar finished 2021 having spent:

~\$281 million on purchases from Minority Business Enterprises (MBE) and Women Business Enterprises (WBE)

~\$577 million with Small Business Enterprises (SBE)

\$80 million with Veteran Business Enterprises (VBE)

\$12 million with enterprises in Historically Underutilized Business Zones (HUB)



PROMOTING SUPPLIER DIVERSITY

DIVERSITY PARTNERSHIPS

Navistar’s Supplier Diversity Program is an important component of our global strategy. We are committed to including diverse businesses in all communities where we live and work.

CHICAGO MINORITY SUPPLIER DEVELOPMENT COUNCIL (CMSDC)

Navistar is a member of CMSDC and has held a seat on its Board of Directors for over 30 years. CMSDC is a nonprofit corporate membership organization that advances opportunities for Asian, Black, Hispanic, and Native American businesses by connecting them to corporate members who may need their services. CMSDC partnerships include over 250 private- and public-sector buying organizations and nearly 1,000 minority businesses. Minority enterprise members report the employment of more than 20,000 workers annually, and buying members report over \$3 billion in annual purchases from minority firms.

AUTOMOTIVE INDUSTRY GROUP

Navistar is proud to be one of 10 major OEMs who participate in the Automotive Industry Group (AIG). Hundreds of diverse suppliers attend AIG events and conferences to connect with OEMs and create awareness of their products and services. In 2021, Navistar and AIG began planning an inaugural virtual trade show, *Driving Diversity into Tiers*, which will bring together diverse companies and a hand-picked group of Tier 1 suppliers who have existing diverse supplier programs and/or are looking to increase their diverse spend. The event is scheduled for July 2022.

HOWARD UNIVERSITY

Howard University in Washington D.C. is a historically Black university with a strong Supply Chain program. Navistar has built an ongoing relationship with leaders and professors of this academic program, with a goal of recruiting diverse team members. Leveraging our experience with Howard, we will cultivate relationships with other historically Black colleges and universities to expand our talent base.

VOLKSWAGEN USA

Navistar is in the early stages of developing a relationship with Volkswagen USA, currently meeting on a regular cadence to mentor and share best practices from our Supplier Diversity Program.







# CONTRIBUTING TO OUR COMMUNITIES

In 2021, we continued to positively impact the communities where we live and work, while temporarily scaling back contributions to create a more strategic approach to giving.

During the year, we defined three impact areas of focus, developed our giving strategy, and determined which tools would best support this work. The role of Social Impact Manager was introduced to grow our charitable giving into a social impact strategy and to champion Navistar’s impact on people and planet in lockstep with broader communications strategies.

## IMPACT AREAS OF FOCUS

Education

Equity

Environment





CONTRIBUTING TO OUR COMMUNITIES

DONATIONS

While 2021 contributions were temporarily scaled back, some monetary and equipment donations continued: \$375,000 and 112 pieces of equipment to 45 schools and charitable organizations across the U.S. Canada, and Brazil. Additionally, Navistar continued funding these existing partnerships:

|           |                           |
|-----------|---------------------------|
| \$250,000 | North Central College     |
| \$25,000  | YWCA Metropolitan Chicago |
| \$11,800  | Role Model Movement, M3   |
| \$15,000  | The Morton Arboretum      |

NORTH CENTRAL COLLEGE

Navistar made a multi-year pledge to North Central College in Naperville, Illinois, to support scholarships for under-represented engineering students, undergraduate research, a learning lab, and outreach to high school students. North Central College is a comprehensive liberal arts institution with new programs in mechanical and electrical engineering that serve nearly 50% first-generation college students.

YWCA METROPOLITAN CHICAGO

The YWCA Chicago has been one of Navistar’s community partners for decades. In 2021, our donation helped them found a Racial Justice League to advance programs and services for areas of the Chicago region that are experiencing significant effects of racism, and seeking to reverse the impact.

THE MORTON ARBORETUM

Navistar has supported the Morton Arboretum, located within 5 miles of our corporate headquarters, for nearly six years. The organization’s mission is to plant and conserve trees for a greener, healthier, and more beautiful world. Funds from Navistar are used to maintain their Children’s Garden, which gives youth open-access to connect with nature in a safe, kid-friendly environment.

DOLLARS FOR DOERS

Navistar’s “Dollars for Doers” program allows employees to earn Navistar monetary donations to charities of their choice by volunteering their time. Full-time, salaried Navistar employees who volunteer 15 or more hours to a nonprofit organization are eligible to earn a \$250 donation to that organization. In 2021, three organizations received a donation from Navistar because of this program.

**Metropolitan Family Services**  
(DuPage Co., Illinois)

**Northern Illinois Food Bank**  
(Geneva, Illinois)

**Oswego Citizen’s Police Academy**  
(Oswego, Illinois)

DEPARTMENT DONATIONS

Departments within Navistar also support local, charitable organizations with contributions provided from within their own budgets. 2021 donations include:

|            |   |
|------------|---|
| \$10,000   | The Army Historical Foundation                          |
| \$5,000    | Junior Achievement                                      |
| \$10,000   | Harvester Homecoming Inc.                               |
| \$2,500    | Friends of The Moncton<br>(International® Truck Canada) |
| \$1,980.51 | Friends of The Moncton<br>(International® Truck Canada) |
| \$40,000   | Automotive Service Excellence<br>Education Foundation   |
| \$1,209.12 | Union Força Sindical<br>(Brazil)                        |





# SUPPORT FOR TRAINING AND EDUCATION

As Navistar works toward its vision of accelerating the impact of sustainable mobility, our commitment to STEM education has only strengthened. We’re proud to offer multiple programs to address a growing need for engineers and qualified technicians, while providing career opportunities for high school graduates of every demographic and background.

## TECH EmPOWERment

Partnering with the National Institute for Automotive Service Excellence (ASE), and SkillsUSA, Navistar built the TECH EmPOWERment platform to support our dealer network in their efforts to recruit, train, and retain qualified personnel. TECH EmPOWERment helps facilitate donations of heavy equipment, training aids, and supplies to technical programs for the purpose of training students to service International® Truck and IC Bus® vehicles upon graduation.

In 2021, Navistar increased its equipment donations significantly due to the closure of the Melrose Park, Illinois, engine manufacturing plant. In total, 36 equipment donations were made in 2021 to 32 schools across the U.S. and Canada.

## 2021 Equipment Donations

- 10 TRUCKS
- 29 ENGINES
- 13 TRANSMISSIONS
- 60 TRAINING AIDS





SUPPORT FOR TRAINING AND EDUCATION

TECH EmPOWERment



In 2021, Navistar defined four primary work streams within the TECH EmPOWERment initiative:

- Uptime Academy
- Dealership/School Partnership
- Service Allies
- Retention Strategy



UPTIME ACADEMY

This 12-month, OEM apprenticeship program for high school graduates offers hands-on training to prepare for a career in Navistar vehicle service. Candidates are recruited locally by dealers who then sponsor them in the program, with Navistar offsetting part of the tuition. The apprenticeship includes 3,200 hours of real-world experience along with 800 hours of classroom time and lab work. Dealers customize training units to match their specific needs, and graduates are then prepared to service multiple Navistar vehicle types — including electric and fuel cell technologies. In 2021, the first year of this initiative, we onboarded nine apprentices. Our goal moving forward is to scale this program throughout the U.S. and into Canada.

DEALERSHIP/SCHOOL PARTNERSHIP

The Navistar Service Essentials Program pairs dealers with local technical schools to build a pipeline of trained technicians within their communities. In 2021, we initiated partnerships between 67 dealerships and 67 local schools, while contributing over 120 multilingual training courses at no expense to either the dealer or the school. Since the initiative was created in 2019, a total of 196 dealers and schools have enrolled in the Navistar Service Essentials Program.

SERVICE ALLIES

Navistar continues to support military veterans with our Service Allies initiative, a program that connects International® Truck and IC Bus® dealers to veterans for internships and direct placement jobs. In 2021, Service Allies helped 25 participating dealers hire 25 individuals with different military backgrounds. This initiative also helps to address the shortage of qualified service technicians and other trained professionals.

RETENTION STRATEGY

In 2021, the commercial transportation industry was affected by an average 38% attrition in service department jobs. In an effort to increase retention, Navistar met with over 80 technicians and managers across our dealer network and asked them to confidentially discuss their work environment, resource needs, motivations, and career development. Many dealer employees said they enjoy their work and feel like a part of a family, while others did not receive any thanks or appreciation for their efforts.

As a result, Navistar introduced the monthly *Technician of Influence Award* to recognize excellent performance and encourage dealers to foster a culture that celebrates individual accomplishments. Each month, four rookie technicians (two years of service or less) and two veteran technicians (two or more years of service) are presented with certificates of achievement, gift cards, a *Technician of Influence* patch for their work shirt, and magnet for their toolbox. This program has been well received by technicians to managers and dealer principals.





# VOLUNTEERING OUR TIME

## JUNETEENTH COMMEMORATION

In the week leading up to Juneteenth, the International Community of African Americans at Navistar (ICAAAN) employee resource group held a series of events celebrating the anniversary of the Union Army enforcing the Emancipation Proclamation in Texas, freeing the last enslaved people on June 19, 1865.

2021 was the first year the United States recognized Juneteenth as a federal holiday and — as part of a whole-company initiative — our ICAAN team hosted and participated in several activities including an educational trivia contest, inviting a guest speaker to share the history of the holiday as well as their personal experiences, and the following in-person events:

**Chicago, Illinois** – Navistar held a whole-company initiative and partnered with local community-focused organization, *My Block, My Hood, My City*, to organize a corporate volunteer event in Hamilton Park on the South Side of the city. Our team of employees spent the day helping to beautify the park by gardening, painting, and cleaning up litter.

**Huntsville, Alabama** – A team from Navistar’s Huntsville Powertrain Plant attended an event to support Black-owned businesses, network with the community, and promote our DEI efforts.

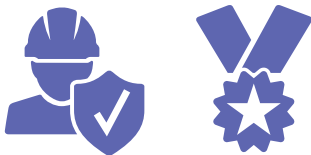
Navistar’s week-long celebration of Juneteenth is just one of the ways that we honor our employees and our commitment to DEI. Navistar continuously looks to create a work environment where employees feel safe, heard, included, and equal.

In keeping with our vision to empower an inclusive and engaged culture that drives a sense of belonging and that celebrates and respects our differences, Navistar will observe Juneteenth as a corporate paid holiday effective with the 2022 holiday schedule. We encourage employees to consider this a day of both celebration and service to our communities, and will provide opportunities for group volunteer activities in honor of the day.





# WORKPLACE SAFETY



The health and well-being of employees continues to be an utmost priority at Navistar. The executive leadership, plant leadership and employees across the corporation are dedicated to ensuring a continuous focus on our individual and collective safety performance.

In 2021, our Safety teams continued to focus on ensuring a safe workplace at all facilities during the continuing pandemic. However, as we continue to grow, we focused on construction of our new San Antonio facility, and ensured that it was built with every aspect of safety in mind. We coordinated efforts and helped identify and procure necessary safety equipment like machine guarding, ergonomic setups, tooling, and floor layout, and necessary personal protective equipment.

Our Safety teams were also concentrating on our electric buses and trucks, ensuring that training and safeguards were in place from Engineering to Assembly. As new technology changes and adapts, we are currently reviewing the use of hydrogen fuel cells to increase the distance capabilities of our cutting-edge electrical vehicles, allowing them to increase their range and allowing our customers to travel long distances safely.

Annual targets for a reduction in the recordable Incident Frequency Rate (IFR) and the Lost Time Case Rate (LTCR) are continuously set, and progress toward these goals is monitored monthly by location. Any time there is risk of being off-goal, plans are put into place to get back on target. All incidents are immediately investigated, and corrective actions are communicated throughout the network to prevent similar incidents from occurring at other locations.

2021 results continued in a positive direction for the fifth year running. Our trend in reducing recordable injuries and reducing the number of cases that resulted in days away from work was achieved. Navistar’s IFR of 0.74 was attained against a target IFR of 0.89. This means that for every 100 employees, less than one recordable injury occurred, representing a 21.3% improvement over 2020. Navistar’s Lost Time Case Rate (LTCR) for 2021 was 0.22 against a target of 0.35, which reflects a reduction of 26.7% over 2020.

The electric vehicles safety policies, procedures and considerations for our production employees, as well as our service technicians and our engineers, will be a primary focus as we grow forward into this cutting-edge technology sector. Training for all levels of Navistar employees is primary to ensure not only the safety of those who manufacture these vehicles but also our service technicians and our customers. Our goal is to remain One Navistar when it comes to the health and safety of our workforce and to provide the safest possible vehicles on the market.



Less than one recordable injury occurred for every 100 employees, a 15% improvement over 2020

2021 IFR

Navistar’s Lost Time Case Rate (LTCR) for 2021 was 0.26 against a target of 0.35, which reflects a reduction of 13.3% over 2020

2021 LTCR





# PLANET

Charting a Path to Sustainable Mobility

WHAT'S INSIDE

**Decarbonization**

- Climate Change and Science-Based Targets
- Scope 1 and 2 Emissions
- Scope 3 Emissions
- Zero-Emissions Vehicles
- Efficient Powertrain
- Energy Use

**Circular Business**

- Reduce/Reuse
- Remanufacture
- Recycle
- Conserving Water Resources

**Environmental Compliance**



# DECARBONIZATION

Our main area of strategic focus is decarbonization. That is, the move away from fossil fuel use both in our operations and in our products.

## CLIMATE CHANGE AND SCIENCE-BASED TARGETS

Navistar takes seriously our responsibility to address the challenges of climate change and to do our part to accelerate the movement toward a sustainable mobility transportation system. Recent reports from the Intergovernmental Panel on Climate Change lay out the challenges and show the significant contributions the transport sector makes to greenhouse gas (GHG) emissions.

We generate GHG emissions directly through our operations (Scope 1), through the energy we purchase (Scope 2) and as a result of our activities upstream and downstream in our value chain (Scope 3). A keystone initiative toward decarbonization, moving away from fossil fuels, began in 2021. We are developing targets to be submitted to the Science-Based Targets Initiative (SBTi). SBTi is an independent organization that validates

corporate targets. We expect to develop a target encompassing Scope 1 and 2 emissions and a target for Scope 3 emissions from the use of products. The result of this effort will be near-term targets that will show the emissions reductions from our baseline necessary to align us with the Paris Agreement. This involves building on the existing Scope 1 and 2 data to develop upstream and downstream Scope 3 emissions estimates. This work continues in 2022 and will lead into the development of targets which will be submitted to SBTi for validation. Our plan is to develop and submit targets for validation in early 2023.

Climate change presents both risks and opportunities for Navistar. Risks include the potential for adverse climate-related impacts to operations; although risks to specific operations are difficult to assess, they broadly include

the potential for additional heat-related events and more frequent and intense storms. They also include regulatory risks in the form of rules mandating CO2 emissions limits in jurisdictions where we operate and sell our products. Given our historic use of fossil-fueled diesel engines, we also face reputational risk as more customers, and society in general, demand zero-carbon alternatives.

At the same time, we are also presented with significant opportunities. These opportunities include increased demand for low- and zero-emissions vehicles. We believe we are well-situated to leverage our relationships with our customers and deep knowledge of the industry to provide these solutions.





DECARBONIZATION

SCOPE 1 AND 2 EMISSIONS



**2.4%**  
Scope 1 & 2  
overall GHG  
reduction  
from  
our 2020  
emissions

In 2021, our Scope 1 and 2 GHG emissions were 64,816 and 106,286 tonnes CO<sub>2</sub>e, respectively. This represents a 2.4% overall reduction from our 2020 emissions of approximately 64,500 tonnes CO<sub>2</sub>e in Scope 1, and 111,000 tonnes CO<sub>2</sub>e in Scope 2. Company facilities reduced Scope 2 GHG emissions by 4% in 2021, while Scope 1 slightly increased by 0.5% over 2020. Given the increased production, the sites’ reduced overall GHG emissions demonstrates the continuous improvement commitment.

Navistar includes all corporate-wide associated emissions in the inventory where we have operational control and base our calculations on the World Resources Institute

GHG Protocol for the accounting and reporting of GHG emissions. For Scope 1, we collect data on fuels used or dispensed and all combustion sources for our facilities and company-owned vehicles. We then apply appropriate emissions factors for the particular fuel to arrive at the emissions. For Scope 2, our data is derived from invoicing data from energy providers to which appropriate emissions factors are applied, by region or country.

Navistar facilities use grid-supplied power, which is generally comprised of a mix of renewable fossil fuel and nuclear power. A continual steady increase in renewable generated power had been seen each year in the past and the proportion of nuclear generated power also

increases as fossil fuel generated grid electricity use slowly diminishes across the U.S.

In 2021, approximately 61% of our purchased power was generated from fossil fuels, a 3.5% decrease in fossil fuel from 2020. The amount of nuclear grid-supplied power increased 2%, driven by one of our key market grid operators reportedly increasing overall nuclear generation from nearly 18% in 2020 to 32% in 2021, reducing fossil fuels generation in that market by the corresponding amount. In 2021, zero-emissions provided power increased by 3.5% to about 39%. The renewable content corporate-wide average was 22.1%, and energy supplied by nuclear power was 16.9% in 2021.



DECARBONIZATION

SCOPE 3 EMISSIONS

EMISSIONS

We are currently calculating our full carbon footprint, including upstream and downstream Scope 3 value chain emissions. This is a key part of the SBTi effort. Once calculated, we intend to disclose our full material carbon footprint including for the year 2021. We are again reporting the past three years of Scope 3 data covering corporate travel. In this report, we use company and supplier travel data for rental car usage and air travel. 2020 and 2021 data was impacted by COVID-19, with the impacts seen beginning in March 2020. The pandemic greatly limited travel due to various restrictions. In 2019 pre-pandemic, 5,826 tonnes CO2e were attributed to Navistar travel, plunging 67% to 1,915 tonnes for 2020. In 2021 travel emissions totaled 3,320 tonnes, a 73% increase over 2020, but still a 43% drop from pre-pandemic 2019 data. The data implies travel has resumed at about 50% of pre-pandemic, noting 2021 increased rental car emissions versus air travel.

For our industry, the Scope 3 category of emissions from products during use is, by far, the largest portion of our total carbon emissions footprint, including all three Scopes.

There also were some key regulatory developments for product emissions in 2021. Approximately 23% of the total GHG emissions in the transportation sector are related to medium and heavy vehicles. 2021 saw the implementation of the first tier of Phase 2 of the Environmental Protection Agency’s (EPA) and the National Highway Traffic Safety Administration’s (NHTSA) rules governing GHG emission controls. According to the EPA, the Phase 2 rules will achieve GHG reductions of approximately 25% for tractors and 24% for vocational vehicles as compared with the 2017 Phase 1 standards when they are fully implemented in 2027. The rules apply throughout our product line, to both engines and vehicles. In order to certify each engine, the company is required to use the GHG Emission Model developed by the EPA. This software creates a model of each product’s GHG emissions which is then compared with a GHG emission and fuel economy standard across vehicle or engine categories. We successfully certified all of our engines and vehicles to these standards for model year 2021.





DECARBONIZATION

ZERO-EMISSIONS VEHICLES

Our products are currently the greatest source of our Scope 3 emissions. We expect that to change as the mix of zero-emissions vehicles (ZEVs) and traditional diesel-powered vehicles changes. We accelerated our progress toward developing a range of zero-emissions solutions for our customers in 2021. We launched two key products for our zero-emissions fleet in 2021, a medium duty vehicle and a school bus, which are particularly favorable applications for electrification. These fully electric ZEVs can, depending on the emissions profile of the electricity used to charge them, enable a fully zero-emissions footprint.



IC BUS® CE ELECTRIC SERIES AND INTERNATIONAL® eMV™ SERIES



DECARBONIZATION

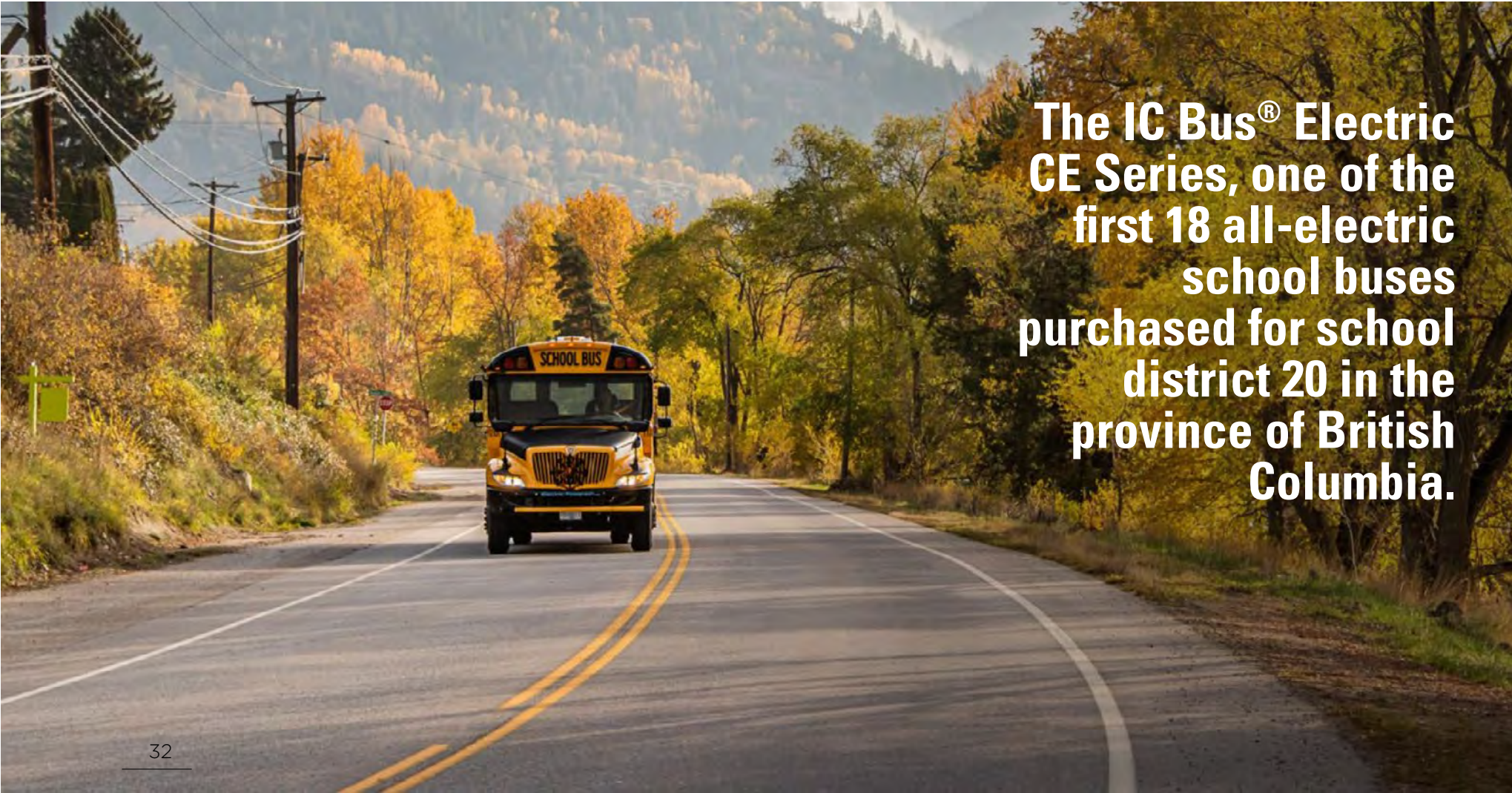
ZERO-EMISSIONS VEHICLES



The first IC Bus® Electric CE Series models were delivered in May 2021. The CE Series comes with three battery options to meet customer needs, ranging from 70 miles to upwards of 200 miles on a single charge. IC Bus also offers three levels of regenerative braking, allowing the bus to gather kinetic energy created from braking and use it to recharge the battery.



The International® eMV™ Series, launched in August 2021, is a battery electric medium duty truck that can be used in a number of applications, including delivery and landscaping, among others. The eMV Series builds on the diesel MV™ Series in terms of many controls and interior features making the move to electric seamless for operators. An eMV Series was the first vehicle off the line in our new San Antonio facility.



**The IC Bus® Electric CE Series, one of the first 18 all-electric school buses purchased for school district 20 in the province of British Columbia.**

We also expanded our capability to manufacture ZEVs. In 2021, we largely completed our San Antonio plant, which will be capable of making both traditional and alternative power vehicles on the same line.

In April 2022, Navistar announced plans to build an integrated powertrain at its recently expanded Huntsville Powertrain Manufacturing Plant in Huntsville, Alabama. Navistar broke ground on a 110,000-square-foot expansion of the Huntsville plant in February 2020, continuing throughout 2021 and recently completing construction. These manufacturing investments enable the efficient manufacture of zero-emissions and efficient traditional powertrains.



EXPANSION OF HUNTSVILLE POWERTRAIN MANUFACTURING PLANT IN HUNTSVILLE, ALABAMA



DECARBONIZATION

EFFICIENT POWERTRAIN

Navistar is positioned to introduce an all-new integrated powertrain to the North American market. This TRATON GROUP collaborative development program will be a global demonstration of the Group’s common modular system for trucks and buses. A Group-wide modular system enables efficient cross-brand development and production, while still allowing for regional adaptation and validation of the integrated powertrain for the North American market.

Navistar collaborated with Group brands for more than five years on the development of the integrated powertrain. Additionally, Navistar has committed thousands of hours of research and development, and test miles to the validation of the integrated powertrain for the North American market.





DECARBONIZATION

ENERGY USE

For Navistar’s Scope 1 and 2 carbon emissions, the largest portion of emissions are driven by Scope 2 emissions: those related to purchased energy usage.

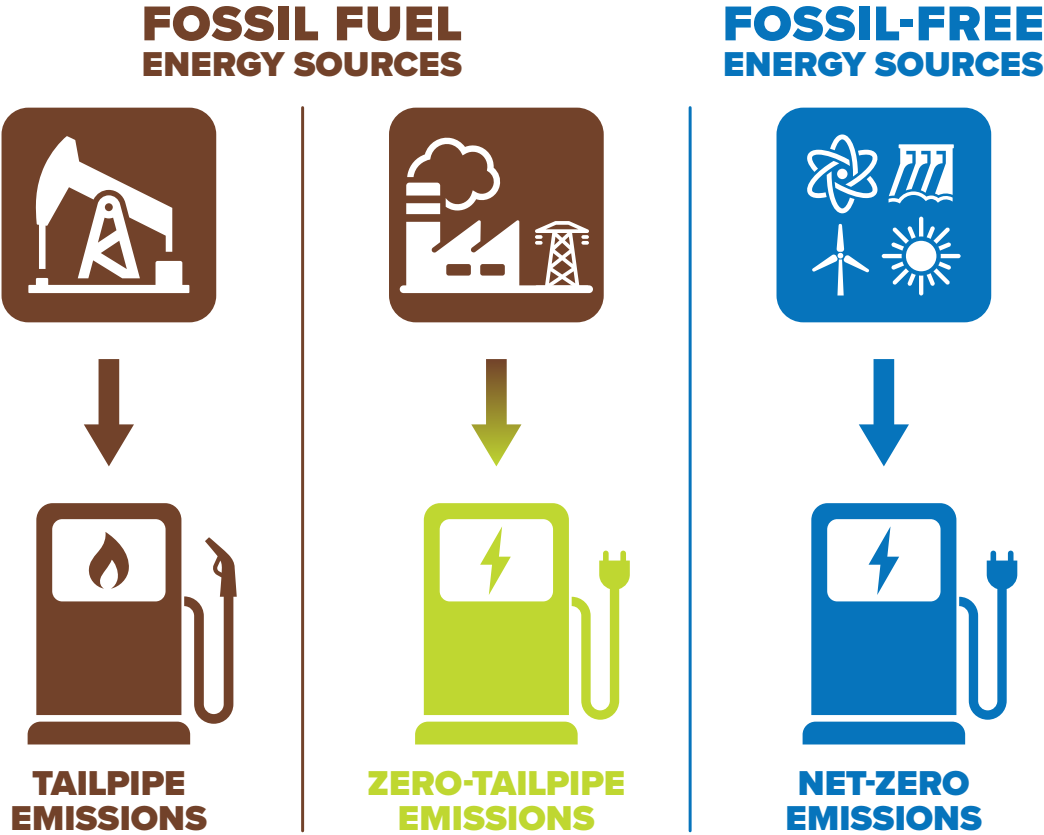
**Concentrating on energy usage has two benefits:**  
1) reduced energy usage directly reduces costs; and 2) increased efficiency also directly reduces carbon emissions both from our operations and upstream. Electrical energy usage is, therefore, a key area of focus. Our production increased by 4.4% in 2021, yet the absolute energy use by our facilities increased only slightly, 0.7% over 2020; evidence of the energy efficiency gains and reduction of wasted energy in our operations. Our energy management strategy has several elements. We perform energy audits and energy “treasure hunts” at our facilities, although those activities were impacted by the pandemic in the past two years. In addition, we have partnered to perform energy reviews including under sponsorship of the U.S. Department of Energy (DOE). Our Environment and Sustainability office tracked certain metrics and reports to the U.S. plants on a regular basis. The team also completed ISO 50001-ready energy management standard implementation training with DOE in March 2022. The ISO 50001 energy standard elements are expected to be incorporated into the corporate ISO programs in 2023.

Navistar continues our relationship with the DOE’s Better Buildings, Better Plants program.

In 2021 Navistar committed to our second voluntary DOE goal to further reduce energy intensity through the DOE national partnership, **pledging an additional 20% by 2030 (1.7% reduction per year) using the 2018 baseline.** This goal includes four of our larger U.S. facilities. It does not yet include our new San Antonio facility. DOE tracks our progress toward this voluntary goal after analyzing our data each year. In 2021, the data indicated that we achieved an additional 1.7% annual improvement in efficiency. This brings the total improvement to 11% from the new 2018 baseline year.



Some of the efficiency increase seen in 2021 may be attributed to artificially low energy use during the pandemic in 2020. We do expect future intensity improvements to moderate as production levels continue to fluctuate. Nonetheless, we are making solid progress on our intensity goal, as our facilities continue to improve energy use efficiency, driving down Scope 1 and 2 GHG emissions. Using energy efficiently is the foundational step in our decarbonization plans.



NAVISTAR IS COMMITTED TO ACHIEVING NET-ZERO EMISSIONS.



# CIRCULAR BUSINESS

Our second area of strategic focus for environmental sustainability is circular business. A circular business practice is one that focuses on lifecycle impacts, resource use reduction and waste minimization.

**A CIRCULAR MODEL LOOKS FOR WAYS TO REUSE, SHARE, REFURBISH, REMANUFACTURE AND RECYCLE PARTS AND MATERIALS.**

This not only saves raw resources from being used in the production of a new product, but uses less energy, causes less emissions and creates less waste than a new product. We are early in our journey toward a circular business model but committed to moving in that direction. This model supports our decarbonization strategic focus area as well as conserving resources. As we progress further down this path, we intend to find more ways to design products so that circular business practices are built-in from the inception.

Navistar has been making strides to improve our waste management practices to minimize waste generation, reuse goods and packaging, remanufacture parts, and strengthen our recycling program. We are exploring solutions for cost savings, selecting proper waste handling equipment, and setting metrics and sustainability goals. We are actively looking for ways to eliminate more waste and pollution from our packaging and manufacturing. It is fair to say that we are at the beginning of our circular business journey, but we are committed to it and can see the opportunities it affords.



lifecycle impacts | resource use reduction | waste minimization



CIRCULAR BUSINESS

REDUCE

In 2021, total waste generation increased by 36.6% compared to waste generated in 2020. However, waste generation in 2020 was significantly diminished due to the impact of the pandemic. Compared with 2019, the 2021 total waste generation decreased by 2.7%. Similarly, the total waste generation from manufacturing facilities increased in 2021 by 31.6% compared to 2020 but it decreased by 8.7% compared to 2019. Additionally, total waste from manufacturing facilities per vehicle increased by 26.1% compared to 2020 and by 28.3% compared to 2019.



Our Huntsville, Alabama, facility implemented an improvement project that significantly minimized generation of industrial wastewater and stormwater. The improvements included wastewater evaporation technology and enclosure structures for a storage tank area and loading dock ramps. The evaporator reduces the volume of wastewater, whereas enclosures eliminate stormwater runoff flowing into the facility’s industrial wastewater collection system. The project resulted in an annual 99.3% reduction in the amount of wastewater disposed and 97.2% of cost saving for waste hauling and disposal.



REUSE

Navistar refurbishes and repurposes its IT equipment internally wherever possible. If the equipment cannot be refurbished or reused, it is separated by materials and only recyclable materials are sent to R2 Certified recyclers to make sure that we maintain a low impact on the environment. In 2021, Navistar sent for reuse through its recycling contractor between 46% and 100% of IT equipment, depending on its category, including personal computers, laptops, LCD screens, servers, printers, tablets and other miscellaneous equipment. This effort resulted in 14,618 pounds of e-waste processed, 420 pounds of toxic metals diverted from the environment, and reduction of approximately 20,400 pounds of GHG emissions as compared with disposal as estimated by our recycling contractor.





CIRCULAR BUSINESS

REMANUFACTURE

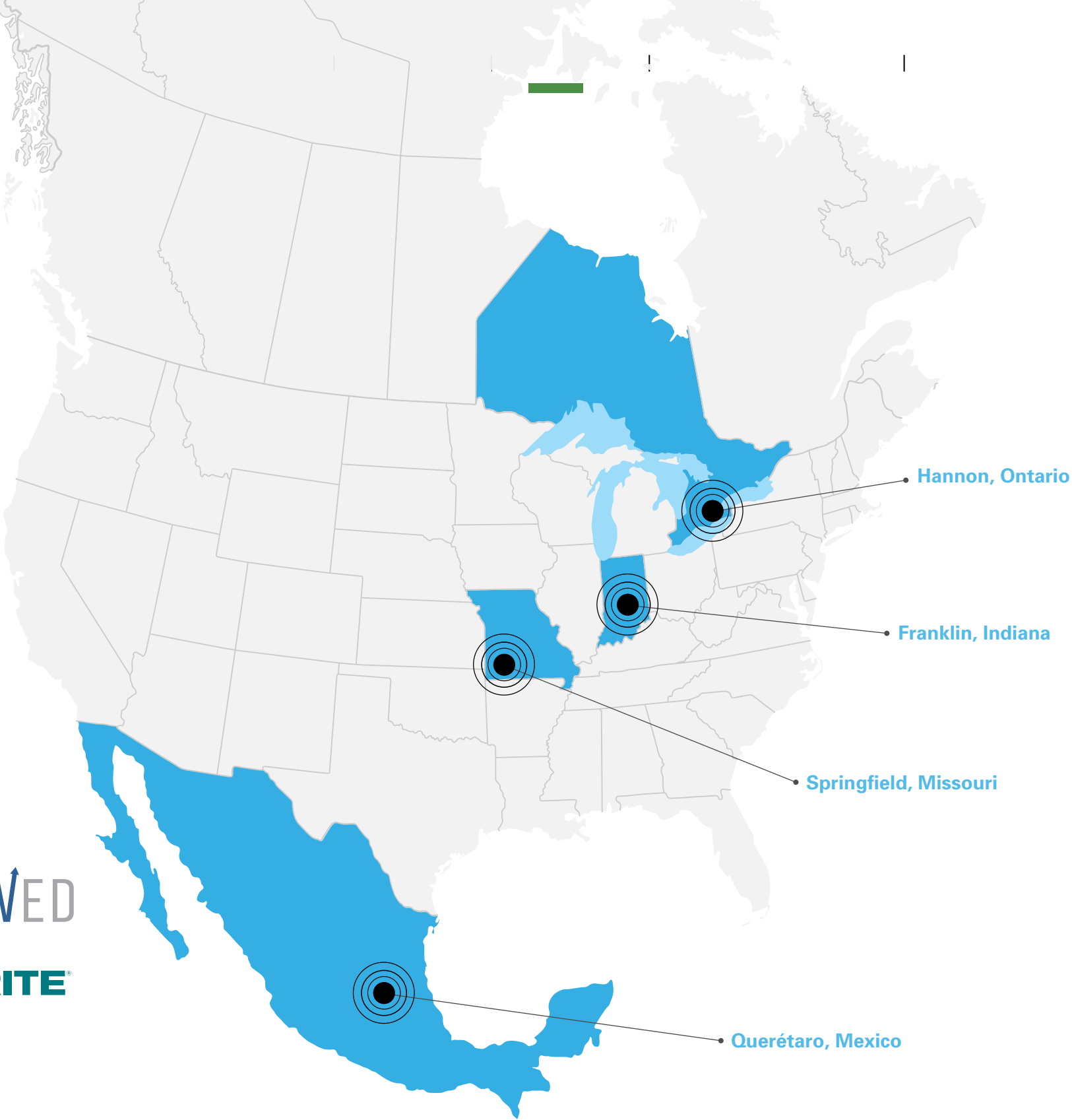
The energy and emissions impacts of a remanufactured vehicle part can be on average as low as 35% compared with a new part and the waste impacts can be less than 10% compared with a new vehicle part according to a 2018 United Nations Environment Program report.<sup>1</sup> As a result, remanufacturing can have a significant impact. Navistar sells and distributes remanufactured parts under the ReNEWed® and Fleetrite® brands, with approximately 3,000 different parts regularly remanufactured.

Our remanufacturing program is based on a system where customers return a used component, known as core, which is then remanufactured into a product that meets the identical specifications of a new part. Certain parts can be remanufactured more than once. Navistar utilizes four central core return facilities located in Springfield, Missouri; Franklin, Indiana; Querétaro, Mexico; and Hannon, Ontario — which gives us an infrastructure designed to make it easy for dealers and customers to return used truck parts. The core is then distributed to various partner companies that remanufacture the parts to original specifications. The result is a like-new part option for the customer and can carry significant emissions, energy and waste advantages compared with a completely new part.

The returned parts are used in our remanufacturing programs or for recycling if they cannot be remanufactured. This system is flexible, and newly eligible parts can be brought into the system. One way Navistar was able to react to supply chain constraints was to expand the parts that could be remanufactured, offering a source of replacement parts in short order to help offset supply chain issues, including those for microchips.

We are working on programs to expand remanufacturing opportunities. Our ambition is to have at least 20% of our parts revenue come from remanufactured parts. This makes sense from both a commercial sense and on the impact of our activities.

**OUR GOAL:**  
**20% of parts revenue comes from remanufactured parts**





CIRCULAR BUSINESS

RECYCLE

In 2021, 67% of all waste generated was recycled, compared to 56% in 2020 — which represents an improvement toward our goal of a 75% recycling rate. We have programs to recycle cardboard, pallets and other packaging material. It is our goal to shape the circular economy, creating a less resource-intensive company.

Our assembly plants in Springfield, Ohio, Tulsa, Oklahoma, Escobedo, Mexico, and our newest plant in San Antonio, Texas have been recycling paint solvent used in paint operations. The purged solvent is 100% collected, recycled, and reused, reducing the amount of new solvent required, thus nearly eliminating purged solvent as waste. The San Antonio and Escobedo plants also use pigging systems that are capable of measuring the precise amount of paint and solvent needed for each painting process, thereby further reducing waste and cleaning chemicals.

As additional states continued to adopt the new aerosol-universal waste rule in 2021, we have increased recycling at several of our facilities by properly puncturing aerosol cans onsite and recycling the punctured and drained cans as scrap metal. We have also avoided disposing of aerosol cans as hazardous waste, while managing the residual liquids appropriately.

67% of all waste generated was recycled, compared to 56% in 2020





CIRCULAR BUSINESS

CONSERVING WATER  
RESOURCES

WATER

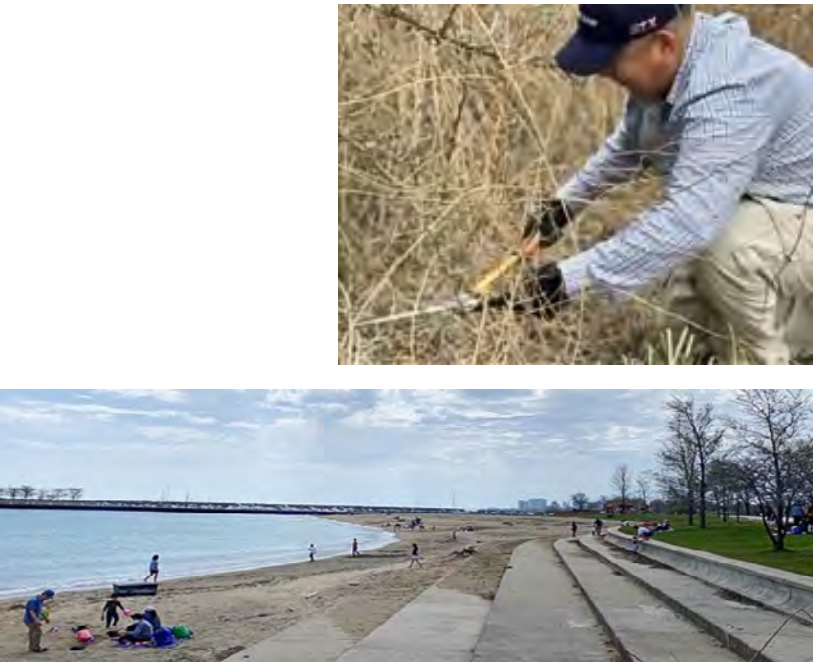
Navistar relies on water resources supplied by third parties for 99% of its water needs. We use water for general facility activities such as drinking, sanitation, building heating and cooling, and industrial purposes such as cooling, washing and paint operations. As part of our environmental training programs, we make sure our employees are aware of the importance of conserving water resources, and continually seek ways to reduce our water use. In 2021, we used 0.47 million cubic meters of water in our operations, an increase from 0.45 million cubic meters in 2020. Our overall water usage has been trending lower over the past several years, but increased slightly as many government restrictions due to the pandemic were lifted, allowing many employees to return to work in person in 2021. Total water usage in our manufacturing plants also increased slightly while water consumption at our parts distribution centers remained the same compared to the previous year.

Within our manufacturing locations, 41% of the water withdrawal in 2021 was from our plants in Escobedo, Mexico, and Sao Paulo, Brazil. The Escobedo plant gets its water indirectly from the San Juan River in Monterrey, Mexico, and the Sao Paulo plant withdraws water indirectly from the Cantareira and Alto Tiete systems in Brazil. These plants are in places where water stress is high because there is greater competition among users for renewable surface and groundwater supplies. We define water stress through the World Resources Institute Aqueduct

Water Risk Atlas tool. None of the water sources where facilities are located are significantly affected by our water withdrawals as they account for less than 5% of the annual average volume of these water bodies. Furthering our efforts to minimize water use, a pipeline is being installed which will allow our San Antonio plant to utilize gray water from the local utility.

Additionally, many of our facilities discharge wastewater to the local wastewater treatment utility. Some of our plants have wastewater pretreatment systems, which bring the wastewater to local standards prior to discharge into the system. Our Springfield plant operates its own wastewater treatment plant, fully treating routine wastewater to applicable EPA standards before returning it to local waters, part of the Mad River Buried Valley Aquifer in Ohio. Our plant in Escobedo, Mexico, is a zero-wastewater discharge plant. Our New Carlisle, Indiana, proving grounds, in conjunction with local jurisdictions, invested significantly to expand stormwater retention such that the site is zero-discharge for stormwater.





COMMUNITY INVOLVEMENT  
EARTH DAY APRIL 23, 2022  
CHICAGO, IL



## ENVIRONMENTAL COMPLIANCE

Environmental compliance remains a baseline value for us. Our manufacturing facilities are certified by outside auditors to comply with the ISO 14001 environmental management system standard except for the new San Antonio plant, which is planned to achieve certification in 2023. In addition, we perform internal audits of each of our major facilities for environmental compliance. These audits are led by our corporate Environment and Sustainability office with participation of personnel from other facilities. This cross-plant participation gives us the ability to ensure that best practices are spread across the company. We have a Product Regulatory Compliance group that ensures product compliance with emissions regulations and that our products obtain appropriate emissions certifications.

Our products are certified for emissions compliance by EPA and the California Air Resources Board. In addition to GHG emissions, they are also certified to other pollutants like nitrogen oxides, particulate matter and other emissions. Our products can also be certified to optional idle emissions standards.

In 2021 we had no significant environmental enforcement actions at our facilities. In 2021, we resolved an enforcement matter with the EPA involving our products. This matter involved

allegations that we sold engines that were completed in 2010 but were required to have been completed in 2009. In settlement with the EPA we paid \$52 million as a penalty, retired our existing bank of NOx credits and agreed to perform a project to offset 10,000 tons of NOx within four years of the settlement.

We take our environmental legacy seriously. We have a history of successfully redeveloping our former properties, using environmental remediation techniques to address environmental risks and bring those properties back into reuse by others. We currently have funds in reserve for various environmental remediation obligations and are actively addressing a number of former sites as well as cooperating with other parties to address sites where hazardous substances were historically sent.





WHAT'S INSIDE

Governance

Ethics and Compliance

Risk

Government Relations

Innovation: Connectivity and  
Autonomous Solutions

# RESPONSIBILITY

Being accountable to all our  
stakeholders



# GOVERNANCE

Navistar merged with TRATON SE effective July 1, 2021. Navistar is now fully a member of TRATON GROUP, along with Scania, MAN, Volkswagen Truck & Bus and RIO. After the 2021 merger, we began the process of integrating into the TRATON GROUP organization. Our governance structures continue to ensure effective policies to evaluate risk and ensure compliance.

TRATON







SOCIAL RESPONSIBILITY



TRANSPARENCY



INTEGRITY



GOVERNANCE

# ETHICS AND COMPLIANCE

Navistar strives to create a culture of trust, empowerment, and accountability in which employees from all walks of life can thrive. Our Code of Conduct represents a code of ethics that applies to all our directors, officers and employees. The Code, which is available in its entirety on our Governance webpage, establishes the overriding principles, policies and standards that apply to all professional behavior in the workplace. Concerns can be reported directly to the Audit Committee of the Board by hotline, the internet, regular mail, or email.

In addition, we have robust mechanisms to investigate any ethics or compliance issue. Our VP of Internal Audit and Corporate Compliance leads a team which investigates allegations of noncompliance with our code or other standards. In addition, our legal department is available as a contact for employees with ethics concerns.

Navistar also has a supplier code of conduct that sets out our expectations. This code, available on our supplier website, outlines expectations for the conduct of all suppliers who provide goods and services to the company.

# RISK

The highest level within Navistar at which risk is assessed is at the Board level. Information on risk is also developed and communicated at other levels of the company. The various committees of the Board assess risks within their areas. Management is responsible for day-to-day risk management and has implemented an Enterprise Risk Management Process to identify, assess, manage and monitor risks faced by our company. The Enterprise Risk Management Process operates within the Internal Audit and Corporate Compliance Department. Various functions within the company monitor and assess risks such as those from regulatory developments. Among those are our Government Relations, Legal, and Integrated Product Development functions. On at least a quarterly basis, these functions review potential risks that may arise from regulations including those that may impact the company’s products. Those risks include those posed by safety and environmental regulations and climate change and its impact on regulatory developments. Navistar is also integrated in TRATON GROUP’s risk management process, which assesses risks within the context of the larger organization.



# GOVERNMENT RELATIONS

We actively engage with policymakers and regulators in various levels of government on policies that impact our business and customers. We have historically advocated and supported regulations that provide a national focus and product certainty to deliver benefits for our customers. With this grounding, we supported the adoption of both Phases 1 and 2 of the EPA's and the NHTSA's heavy-duty GHG rules that provides national fuel efficiency standards for trucks. In 2021, we engaged extensively with California in its adoption of two rules setting new standards for commercial trucks. The Advanced Clean Trucks rule, which establishes a minimum sales requirement for zero-emissions vehicles, and the Heavy-Duty Omnibus Low NOx regulation, which sets new NOx tailpipe emission standards, warranty provisions and test procedures. While Navistar is committed to growing our zero-emissions vehicle (ZEV) product portfolio, we oppose regulations that mandate minimum sales requirements that are not accompanied by equivalent adoption requirements or infrastructure build out. To focus policymakers and regulators on the importance of charging and alternative refueling infrastructure, we have founded a coalition, Partnership for a Zero Emission Vehicle Future, with other leading truck OEMs to promote infrastructure and purchase vehicle incentives in support of accelerating the adoption of ZEVs in the United States. We also encourage regulators to balance emissions reductions in diesel products with the need to continue investment in ZEVs, including with adequate lead time for any new emission standard.

In addition to supporting carbon reductions for trucks, we also support the EPA's work to reduce NOx levels from the tailpipe. We have engaged directly with the EPA, and through our trade association, on the benefits that zero-emissions trucks can provide to inventory emissions. We support a uniform national framework for emission rules that will support early adoption of zero-emissions trucks in commercial applications best suited for longer charging periods as the infrastructure is built out. We encourage regulators to balance emissions reductions in diesel products with the need to continue investment in ZEVs, including with adequate lead time for any new emission standard.

We support the passage of the Bipartisan Infrastructure and Investment Act that provided federal funding for charging infrastructure and grant funds to support alternative fuel and electric school buses. This program will support turning over the school buses with cleaner alternative fuel or electric technology.

To successfully advocate for our public policy agenda, we are members of a handful of organizations that support or amplify our goals.

A list of our 2021 memberships greater than \$50,000 is below:

American Truck Dealers

American Trucking Associations

CALSTART

National Association of Manufacturers

Partnership for a Zero Emission Vehicle Future

Truck and Engine Manufacturers Association





GOVERNMENT RELATIONS

We actively participate in the political process. We have an internal government relations team that is comprised of two federally registered lobbyists as well as a Washington, D.C.-based lobby consultant organization to advocate for our priorities.

For 2021, our political lobbying spend was \$840,000, which was a 105% increase in spend from 2020.

We offer our employees the opportunity to engage directly in the political process through our political action committee, NAVPAC. NAVPAC is funded solely by voluntary donations from our employees. NAVPAC is bipartisan and supports candidates that meet the giving criteria established each congressional cycle. NAVPAC’s Board, which includes representatives from Navistar’s diverse business units, provides oversight and approval on the giving strategy and criteria each election cycle. NAVPAC’s candidates’ priorities are the following:

Representation of a Navistar facility or employees

General support of Navistar’s public policy agenda

Leadership on a committee of jurisdiction or oversight for legislation or agencies important to Navistar’s operations of business

Political leadership in establishing the policy agenda

NAVPAC publicly discloses all political contributions through the Federal Elections Commission. There has never been an enforcement action against the PAC. NAVPAC does not contribute to 501(c)(4) organizations or party committees. NAVPAC gives directly to candidates to support their election and reelection efforts.



# INNOVATION: CONNECTIVITY AND AUTONOMOUS SOLUTIONS

Navistar is leveraging partnerships and internal competencies to create smarter, more efficient vehicles. Our investment in opportunities for connectivity and autonomous transport accelerated in 2021. We believe this area presents tremendous opportunities to enhance efficiency and safety of our products.

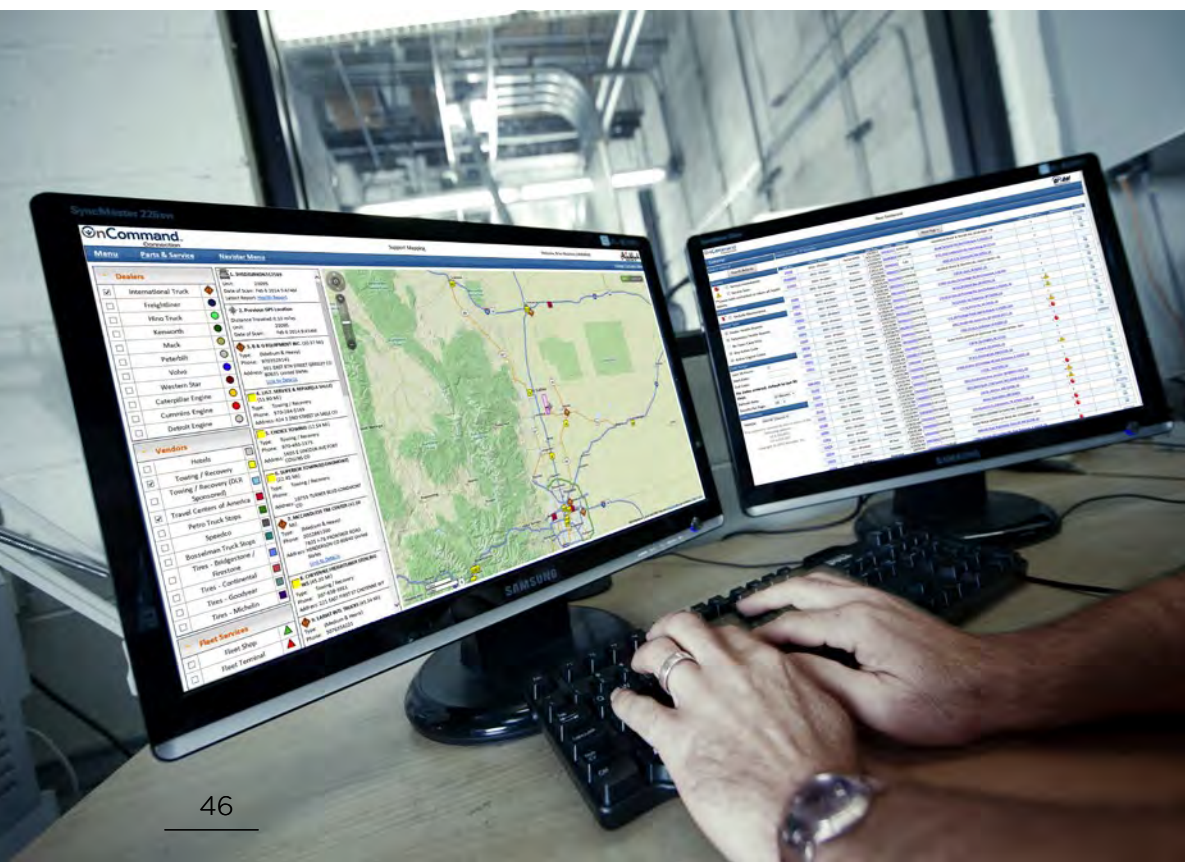
We expect autonomous trucks will bring a number of benefits:

Autonomous trucks will aid in efficient transportation of goods through route optimizations including the time at which goods depart and arrive, significantly reducing dwell time at hubs.

Autonomous vehicles can be closely optimized for their driving tasks and be efficiently configured to account for a variety of tasks.

We expect that autonomous trucks will have the ability to operate more hours per day moving more total freight per year than traditional vehicles, therefore you can move the same amount of freight with fewer total vehicles.

Because the autonomous trade cycle and vehicle lifecycle will shorten due to the anticipated increased per day/year usage, we expect there will be fewer old vehicles on the road. Autonomous vehicles can then help accelerate the replacement of older trucks with newer, more efficient, safer vehicles in the ~3-5-year time frame vs the ~5-10-year time frame.





INNOVATION:  
CONNECTIVITY AND AUTONOMOUS SOLUTIONS

In 2021, we continued our partnership with and investment in TuSimple, a global self-driving technology company. This strategic partnership will co-develop an SAE Level 4 self-driving truck. The partnership will allow customers to purchase fully autonomous trucks through Navistar’s traditional sales channels in the U.S., Canada, and Mexico.

We upgraded the standard Bendix® Wingman® Fusion™ system on the International® LT® Series and RH™ Series trucks again in 2021. This system delivers enhanced collision mitigation and stationary vehicle braking, multilane automatic emergency braking, highway departure braking and enhanced adaptive cruise control among other safety features. In 2021 we added the additional options of Lane Keep Assist and Active Steering.

2021 saw the wide availability of Intelligent Fleet Care, a comprehensive suite of connected vehicle solutions standard for new on-highway vehicle orders originally launched in late 2020. This solution builds on our existing OnCommand® Connection advanced remote diagnostics and the International® 360 service communications and fleet management platform. Intelligent Fleet Care adds a number of solutions driven by vehicle performance and telematics data, including advanced preventive maintenance, advanced fuel analytics, tire pressure monitor reporting and over-the-air (OTA) programming.

In May of 2021, we introduced the capability for customers to conduct OTA approved engine calibrations and programmable parameters for LT Series and LoneStar® models equipped with Cummins X15 engines with Navistar’s second-generation factory-installed telematics devices. This builds upon existing OTA capabilities in the International® A26 engine and makes International the only OEM to use a single, factory-installed device to equip multiple models with remote programming. These solutions give customers the ability to keep fleets running at top performance by calibrating and optimizing engine control modules remotely, including the option to optimize where and when to make OTA updates based on application.

In early 2021 IC Bus® expanded their partnership with Kajeet®, a leading provider of IoT connectivity, software and hardware solutions, to make Kajeet SmartBus™ hardware and service bundle available to all new and existing buses from IC Bus. This solution includes a comprehensive Wi-Fi solution including hardware, software, data, and support. Kajeet SmartBus and one year of free service will come standard on all IC Bus electric buses.

Gateway Integrations, a set of software integrations with the leading telematics and fleet management providers, allows any new International® Truck or IC Bus® vehicle to subscribe, beginning in 2021, to any of seven partners through Navistar’s telematics device. Gateway Integrations is designed to reduce fleet costs and streamline access to fleet management and compliance solutions using Navistar’s factory-installed telematics device as a gateway to streamline software solutions without needing additional hardware.







WHAT'S INSIDE

Sustainability Performance Metrics  
GRI Index and Disclosures

IMPACT

GRI Index and Summary  
of Metrics



# Sustainability Performance Metrics

## Environmental Performance 2019-2021

| Total   | 2019           | 2020           | 2021           |
|---|----------------|----------------|----------------|
| <b>Vehicles<sup>1</sup></b>   | 116,211        | 79,221         | 82,728         |
| <b>Energy use</b> (gigajoules) <span>Total</span>                   | 2,447,147      | 1,912,110      | 1,924,702      |
| <b>Direct Energy Consumption<sup>2</sup></b>                        |                |                |                |
| Natural Gas   | 968,233        | 778,456        | 767,212        |
| Transport Fuels   | 574,796        | 352,084        | 357,169        |
| <b>Indirect Energy Consumption<sup>3</sup></b>                      |                |                |                |
| Electricity   | 904,118        | 781,570        | 800,321        |
| <b>Water use</b> (cubic meters (m3) in millions) <span>Total</span> | 0.576          | 0.446          | 0.469          |
| Purchased city water  | 0.572          | 0.442          | 0.465          |
| Groundwater   | 0.002          | 0.002          | 0.002          |
| Rainwater   | 0.002          | 0.002          | 0.002          |
| <b>Greenhouse gas emissions</b> (tonnes CO2e)                       |                |                |                |
| <b>Scope 1 &amp; Scope 2</b>  | <b>216,823</b> | <b>175,262</b> | <b>171,103</b> |
| Scope 1 emissions / Direct  | 91,094         | 64,515         | 64,817         |
| Scope 2 emissions / Indirect  | 125,729        | 110,747        | 106,286        |
| <b>Scope 3</b>  |                |                |                |
| Scope 3 emissions / Company travel                                  | 5,826          | 1,915          |                |

| Total Per Vehicle   | 2019  | 2020  | 2021  |
|---|-------|-------|-------|
| Energy use (gigajoules)                                   | 21.1  | 24.1  | 23.3  |
| Water use (cubic meters (m3) in millions)                 | 5.0   | 5.6   | 5.7   |
| Greenhouse gas emissions, Scope 1 & Scope 2 (tonnes CO2e) | 1.9   | 2.2   | 2.1   |
| Waste (lb)  | 458.2 | 478.8 | 626.3 |
| Hazardous waste <sup>4</sup>                              | 35.6  | 43.5  | 36.1  |
| Nonhazardous waste <sup>5</sup>                           | 422.6 | 435.2 | 590.1 |

| Total  | 2019              | 2020              | 2021              |
|--|-------------------|-------------------|-------------------|
| <b>Waste</b> (lb) <span>Total</span>                           | 53,243,990        | 37,929,733        | 51,809,210        |
| <b>Hazardous waste<sup>4</sup></b>                             | <b>4,133,999</b>  | <b>3,449,003</b>  | <b>2,989,408</b>  |
| Recycling  | 2,209,472         | 1,489,589         | 1,789,647         |
| Energy recovery  | 1,572,578         | 1,310,115         | 777,787           |
| Incineration (mass burned)                                     | 54,303            | 69,575            | 22,308            |
| Landfill   | 4,299             | 2,094             | 56,450            |
| Other (Wastewater treatment)                                   | 293,347           | 577,630           | 343,215           |
| <b>Nonhazardous waste<sup>5</sup></b>                          | <b>49,109,991</b> | <b>34,480,729</b> | <b>48,819,802</b> |
| Recycling  | 30,211,691        | 19,866,285        | 33,041,175        |
| Energy recovery  | 278,151           | 241,640           | 468,740           |
| Incineration (mass burned)                                     | 12,893            | 314,689           | 17,935            |
| Landfill   | 17,937,471        | 13,181,764        | 14,092,743        |
| Other (Wastewater treatment)                                   | 669,785           | 876,351           | 1,199,210         |
| <b>Non-compliances with environmental laws and regulations</b> |                   |                   |                   |
| Total monetary value of significant fines                      |                   | \$1,013,400       | \$52,000,000      |
| Total number of non-monetary sanctions                         |                   | \$1,013,400       |                   |
| Cases brought through dispute resolution mechanisms            |                   |                   |                   |

### NOTES

<sup>1</sup> “Vehicle” includes truck and bus production data during the calendar year. Vehicle data does not include engine units produced for internal use or third-party sale. Emission, energy, waste and water impact data includes all corporate-wide operations data for the calendar year. Emissions and other impact data for engine production during the calendar year are included in emissions, energy, waste and water data. Direct energy consumption reflects non-renewable energy sources consumed at all Navistar manufacturing plants, parts distribution centers, offices, used truck centers, company-owned dealership locations and fuel consumed by leased vehicles.

<sup>2</sup> Direct energy consumption reflects non-renewable energy sources consumed at all Navistar manufacturing plants, parts distribution centers, offices, used truck centers, company-owned dealership locations and fuel consumed by leased vehicles.

<sup>3</sup> Indirect energy consumption reflects non-renewable energy sources consumed at upstream power plants to generate the electricity consumed by Navistar facilities.

<sup>4</sup> Hazardous waste generation is the amount of hazardous waste sent off-site for recycling, disposal or treatment from the company’s manufacturing, engineering and parts distribution operations. Wastes are considered hazardous based on the regulatory requirements applicable.

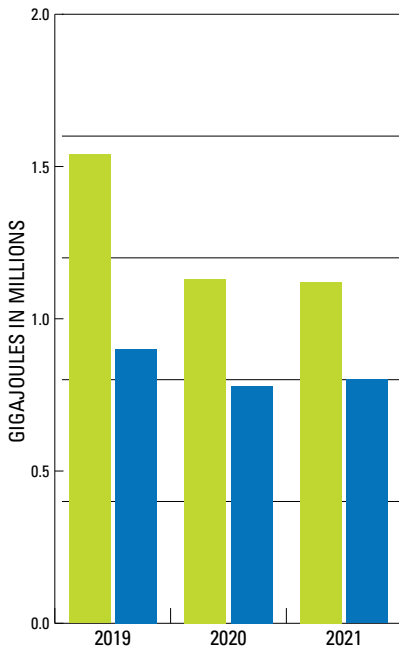
<sup>5</sup> Non-hazardous waste generation is the amount of non-hazardous waste sent off-site for recycling or disposal from the company’s manufacturing, engineering and parts distribution operations.



# Sustainability Performance Metrics

## Summary All

### ENERGY CONSUMPTION

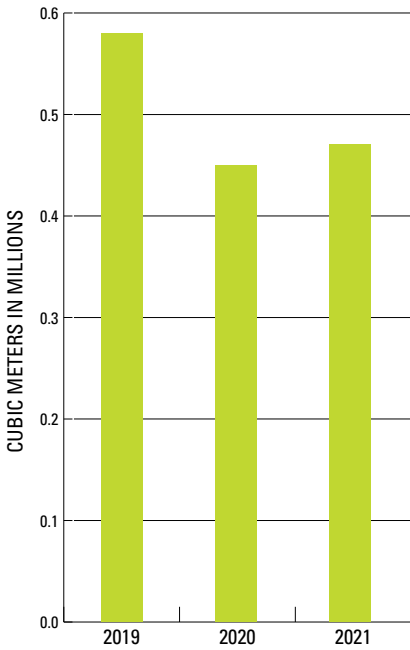


- DIRECT ENERGY USE
- INDIRECT ENERGY USE

Direct Energy Consumption reflects non-renewable energy sources consumed at all Navistar manufacturing plants, parts distribution centers, offices, used truck centers, company-owned dealership locations, and fuel consumed by leased vehicles.

Indirect energy consumption reflects non-renewable energy sources consumed at upstream power plants to generate the electricity consumed by Navistar facilities.

### WATER WITHDRAWAL

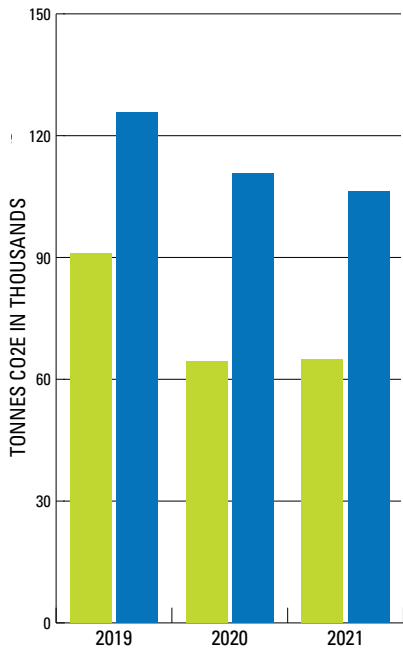


- WATER CONSUMPTION

Water Withdrawal is the sum of all water used by the company's manufacturing, engineering, and parts distribution operations.

99% of the total water withdrawal comes from municipal water supplies or other public or private utilities.

### GREENHOUSE GAS EMISSIONS (SCOPE 1 & SCOPE 2)

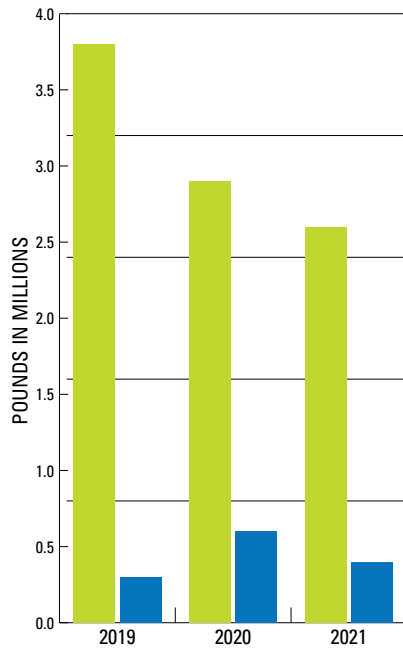


- SCOPE 1 EMISSIONS
- SCOPE 2 EMISSIONS

GHG Emissions are the six greenhouse gases listed in the Kyoto Protocol: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

Direct GHG emissions (Scope 1) come from sources that are owned or controlled by the company. Indirect GHG emissions (Scope 2) are a consequence of the operations of the company, but occur at sources owned or controlled by another company, such as purchased electricity.

### HAZARDOUS WASTE GENERATION

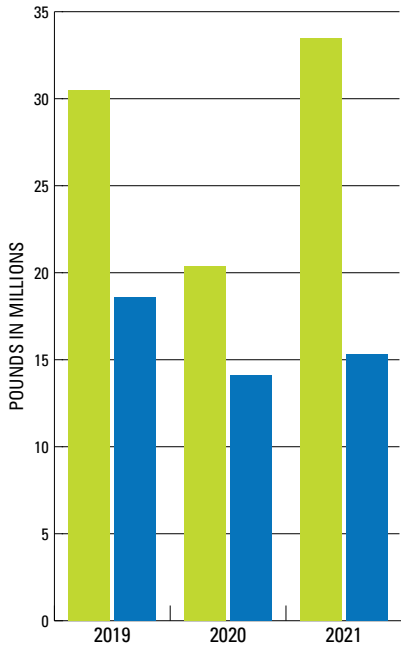


- RECYCLED
- DISPOSED

Hazardous Waste Generation is the amount of hazardous waste sent off-site for recycling, disposal or treatment from the company's manufacturing, engineering and parts distribution operations.

Wastes are considered hazardous based on the regulatory requirements applicable to each operation.

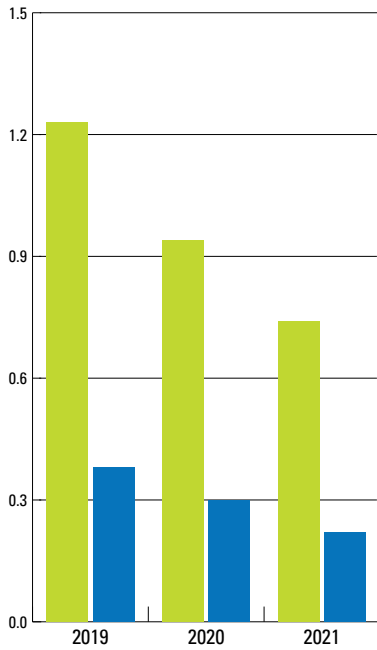
### NONHAZARDOUS WASTE GENERATION



- RECYCLED
- DISPOSED

Nonhazardous Waste Generation is the amount of nonhazardous waste sent off-site for recycling or disposal from the company's manufacturing, engineering, and parts distribution operations.

### SAFETY PERFORMANCE



- INCIDENT FREQUENCY RATE
- LOST TIME CASE RATE

OSHA incident rates are benchmarks for evaluating workplace safety. Tracking this allows large and small companies to fairly compare their safety performance; low incident rates are indicative of an effective safety program.

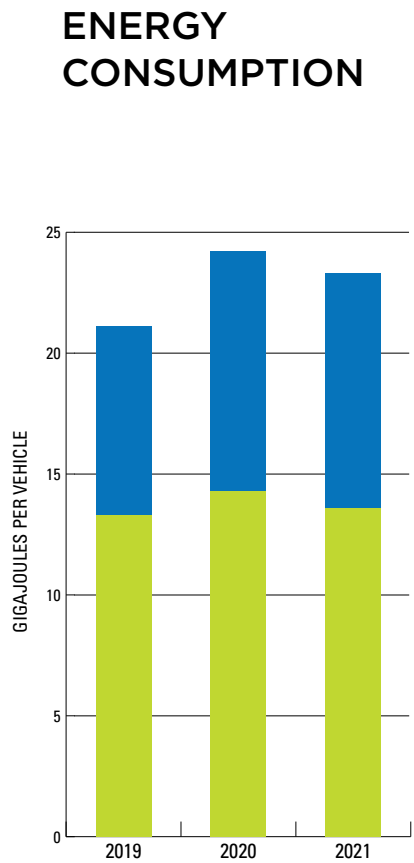
Incident Frequency Rate (IFR) is the number of OSHA recordable injuries or illnesses per 100 full-time employees (200,000 hours). OSHA recordable cases are those work-related incidents that require medical treatment beyond first aid, lost time or job reassignment.

Lost Time Case Rate (LTCR) is the number of work-related injuries or illnesses per 100 full-time employees where individuals are unable to perform work for a period of time and lose time from the job.

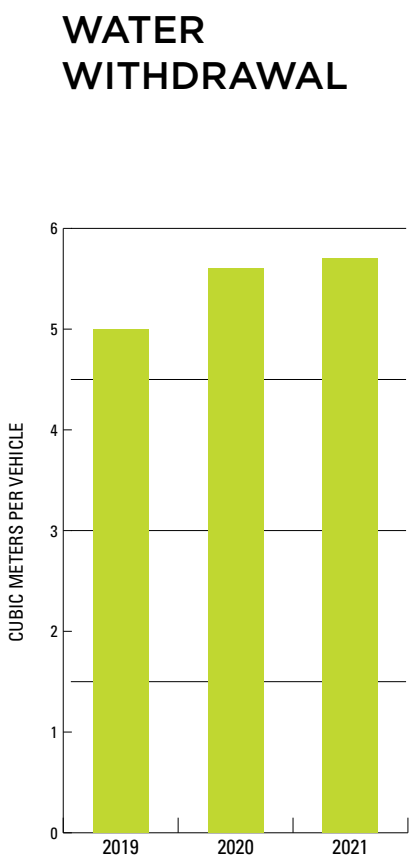


# Sustainability Performance Metrics

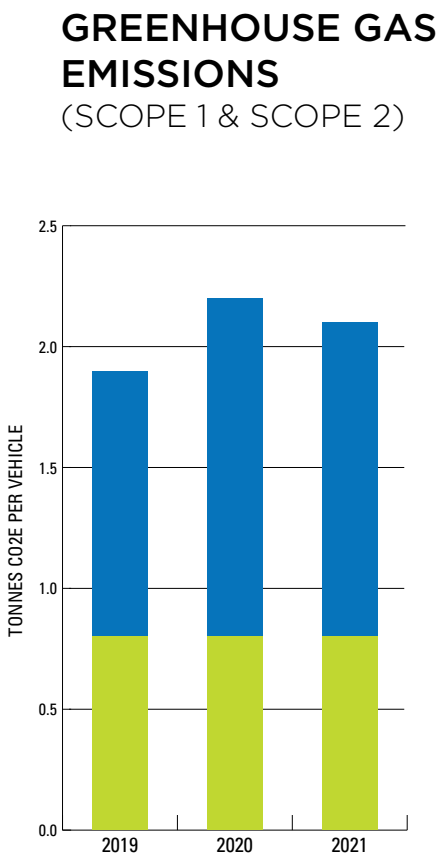
## Summary per Vehicle<sup>1</sup> (Trucks and Buses Produced during the Period)



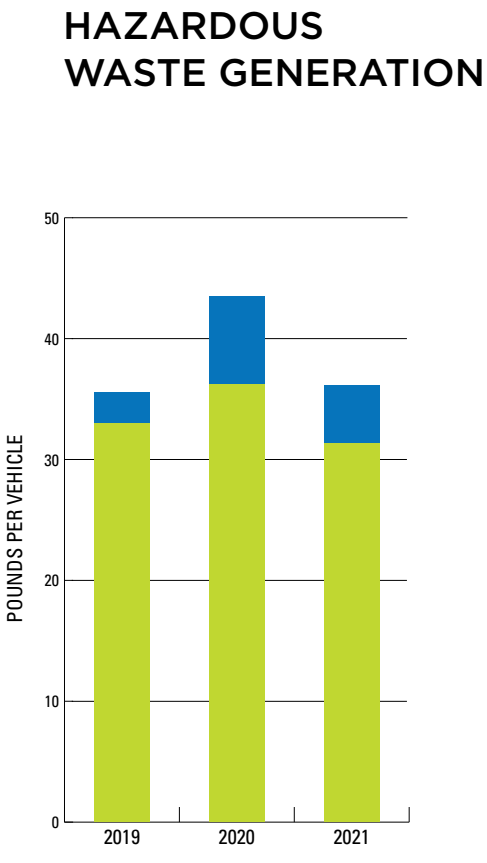
● DIRECT ENERGY USE  
● INDIRECT ENERGY USE



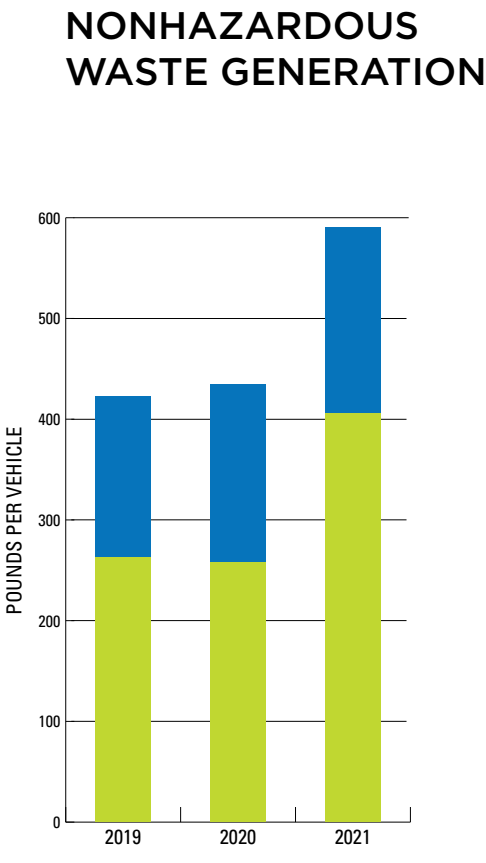
● WATER CONSUMPTION



● SCOPE 1 EMISSIONS  
● SCOPE 2 EMISSIONS



● RECYCLED  
● DISPOSED



● RECYCLED  
● DISPOSED

<sup>1</sup> "Vehicle" includes truck and bus production data during the calendar year. Vehicle data does not include engine units produced for internal use or third-party sale. Emission, energy, waste and water impact data includes all corporate-wide operations data for the calendar year. Emissions and other impact data for engine production during the calendar year are included in emissions, energy, waste and water data. Direct energy consumption reflects non-renewable energy sources consumed at all Navistar manufacturing plants, parts distribution centers, offices, used truck centers, company-owned dealership locations and fuel consumed by leased vehicles.



## GRI Content Index and GRI-Specific Disclosures

## General Approach

| Disclosure                   | Disclosure Requirements                                      | Location of Disclosure in TRATON Group Combined Management Report (CMR) 2021 and Navistar Sustainability Report 2021 (SR) |
|------------------------------|--|---|
| General Standard Disclosures |  | Content   |
| 102-1 to 102-8               |  | Refer to TRATON Annual Report for 2021.   |
| 102-9                        | Supply chain   | CMR p. 67, 72, 78, 97   |
| 102-10                       | Significant changes to the organization and its supply chain | CMR p. 32. SR p. 6-7  |
| 102-11                       | Precautionary principle or approach                          | CMR p. 69-72  |
| 102-13                       | Membership of associations                                   | SR p. 44  |
| 102-14                       | Statement from senior decision maker                         | SR p. 2   |
| 102-15                       | Key impacts, risks, and opportunities                        | CMR p. 67   |
| 102-16                       | Values, principles, standards and norms of behavior          | SR p. 43  |
| 102-17                       | Mechanisms for advice and concerns about ethics              | SR p. 43  |
| 102-18                       | Governance structure   | CMR p. 82-89  |
| 102-23                       | Chair of the highest governance body                         | Mathias Carlbaum is President and Chief Executive Officer of Navistar, Inc.   |
| 102-24                       | Nominating and selecting the highest governance body         | CMR p. 84   |
| 102-25                       | Conflicts of Interest  | CMR p. 84   |
| 102-26                       | Role of governance body                                      | CMR p. 84   |
| 102-28                       | Evaluation   | CMR p. 245  |
| 102-35                       | Remuneration Policies  | CMR p. 95, 245  |
| 102-36                       | Process for Remuneration                                     | CMR p. 245  |
| 102-37                       | Stakeholders involvement in remuneration                     | CMR p. 245  |
| 102-38                       | Annual compensation ratio                                    | CMR p. 269  |
| 102-40                       | List of stakeholder groups engaged by the organization       | SR p. 13  |
| 102-42                       | Identifying and selecting stakeholders                       | SR p. 13  |



| General Standard Disclosures  |  | Content  |
|-------------------------------|--|--|
| 102-43                        | Approach to stakeholder engagement   | SR p. 13   |
| 102-45                        | Entities included in the consolidated financial statements                     | CMR p. 214 (this report only includes Navistar entities).  |
| 102-46                        | Defining report content and topic boundaries                                   | This report addresses the material economic, environmental, and social impacts of the organization, within the context of the boundary of the report as described in 102-45. |
| 102-48                        | Restatements of information  | None   |
| 102-49                        | Changes in reporting   | None other than described in this Report.  |
| 102-50                        | Reporting period   | Calendar year 2021   |
| 102-51                        | Date of most recent report   | The previous Sustainability Report was issued in calendar year 2021 for the 2020 fiscal year.  |
| 102-52                        | Reporting cycle  | Annual   |
| Specific Standard Disclosures |  | Content  |
| 201-2                         | Financial implications and other risks and opportunities due to climate change | CMR p. 72-79, SR p. 28   |
| 205-2                         | Communication and training about anti-corruption policies and procedures       | SR p. 43   |
| 206-1                         | Legal actions  | CMR p. 79 (includes Navistar matters)  |
| 207-1                         | Approach to tax  | CMR p. 77  |
| 302-1                         | Energy consumption within the organization                                     | SR p. 49-50  |
| 302-2                         | Energy consumption outside of the organization                                 | SR p. 49   |
| 302-3                         | Energy intensity   | SR p. 34, 51 [better plants discussion and energy per truck data]  |
| 302-4                         | Reduction of energy consumption  | SR p. 49-51  |
| 302-5                         | Reductions in energy requirements of products and services                     | SR p. 32-33  |
| 303-1                         | Water withdrawal by source   | SR p. 39, 49   |

|       |   |                 |
|-------|---|-----------------|
| 303-2 | Water sources significantly affected by withdrawal of water   | SR p. 39        |
| 303-3 | Water recycled and reused   | SR p. 39        |
| 305-1 | Direct (Scope 1) GHG Emissions  | SR p. 29, 49-51 |
| 305-2 | Energy indirect (Scope 2) GHG emissions   | SR p. 29, 49-51 |
| 305-5 | Reduction of GHG emissions  | SR p. 49-51     |
| 306-2 | Waste by type and disposal method   | SR p. 49        |
| 306-3 | Significant spills  | None            |
| 306-4 | Transport of hazardous waste  | SR p. 49        |
| 306-5 | Water bodies affected by water discharges and/or runoff   | SR p. 39        |
| 307-1 | Non-compliance with environmental laws and regulations  | SR p. 40, 49    |
| 403-2 | Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | SR p. 26, 50    |

For more information, please see:





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