Navistar is driving to deliver on a corporate plan that provides great products to our customers while offering clear value to our shareholders. While our approach is focused on delivering results in the near term, it is also aligned with driving economic, social and environmental benefits over the long term, which is the essence of sustainability. And to achieve long-term success in these dimensions, we are continuously finding better ways of doing things, both in our products and in the way we do business.

Our products are meeting emissions requirements today, utilizing proven technology. In recent months, we successfully launched International ProStar vehicles with the Cummins ISX15 engine and our own 13-liter engine, both using Selective Catalytic Reduction emissions technology. And while we’ve done that, we’ve also continued to look ahead to ways of meeting customers’ requirements for the future.

In our new Project Horizon concept vehicle, Navistar’s engineers and product designers have used advanced, yet available technologies to demonstrate the potential for future improvements in fuel economy, safety and ease of operation, while simultaneously reducing vehicles’ emissions of greenhouse gases (GHGs). This builds on our traditional leadership in aerodynamics, which has made our heavy-duty vehicles among the most fuel-efficient products on the road.

The company is working diligently to reduce the carbon footprint of our business and products, and to minimize our environmental impacts during the entire product life-cycle. Approximately 90 percent of the content by weight of our vehicles is recyclable, and we are looking for opportunities to increase the use of recycled and recyclable content in our products.

We’re also making progress on operational innovations, including new Lean processes, which reduce waste and energy use while keeping employees healthier and safer. Navistar’s truck and engine manufacturing facilities are ISO 14001 certified. We are on track to fulfill our commitment of reducing our facilities’ emissions of GHGs by 20 percent by the end of 2013, using 2008 as a baseline, and to increase the percentage of waste we recycle to 55 percent by 2015.

We’re proud of our record of innovation and of sharing our expertise with the communities where we live and do business. This includes supporting the education of the future engineers and diesel technicians who are so necessary to our industry, and looking out for the veterans who have kept us all safe and secure.

Please review some of our recent accomplishments in all these areas, both in these pages and at www.navistar.com.

Sincerely,

Troy A. Clarke
President and Chief Executive Officer
Navistar International Corporation
Navistar’s long history of product innovation includes pioneering steps in emissions reduction. Since the advent of federal regulation by the U.S. Environmental Protection Agency (EPA), emissions of nitrogen oxides (NOx) from diesel engines have been reduced by more than 90 percent; emissions of particulate matter (PM) have been cut by 99 percent; and emissions of carbon monoxide (CO) and hydrocarbons (HC) have been reduced to near-zero levels. Navistar has been in the forefront of these reductions.

We were the first North American engine manufacturer to release a smokeless diesel engine, and worked with the EPA to advocate reducing the sulfur content of diesel fuel to 15 ppm in order to cut emissions of NOx and PM. Navistar then became the first truck and engine manufacturer certified by the EPA as meeting 2007 standards for PM and HC—six years ahead of requirements.

In July 2012, Navistar announced its commitment to utilizing selective catalytic reduction (SCR) as a key component of its emissions solutions. We have worked closely with the EPA and California Air Resources Board (CARB) to assure that our engines with SCR meet emissions requirements, and have obtained EPA certification for our proprietary 13-liter engine in combination with Cummins’ proven SCR aftertreatment. Our heavy truck and engine combinations are SCR based and EPA certified.

Navistar also contributes to reduced emissions by offering many anti-idle solutions, including:

- Auxiliary power units, cooling systems and thermal recovery systems,
- A full line of diesel exhaust emission retrofit products, verified by EPA and CARB, that help customers achieve their state and local environmental goals for reducing PM and NOx.

All Navistar engines are EPA-certified for on-board diagnostics (OBD), a self-diagnostic and reporting capability that ensures emissions control components are working effectively. All of the company’s diesel engines can operate using biodiesel (up to B20), and Navistar also offers alternative-fuel vehicles, such as the International® TranStar® with the Cummins ISL-G natural gas engine.

As part of our formal Environmental Protection and Energy Conservation Policy, Navistar works to minimize the environmental impacts of our products throughout their life-cycle, from raw material selection to the end-of-life. Approximately 90 percent of the content by weight of our vehicles is potentially recyclable, based on the availability of recycling facilities. We encourage suppliers to include recycled content in their products wherever possible; and we are looking at alternative materials to improve recyclability wherever feasible.
The company continues to build on the inherent fuel economy advantages of diesel technology. Much of Navistar’s leadership in fuel economy is due to innovations in aerodynamics. Thanks to their leading aerodynamic design, our heavy-duty vehicles continue to be among the most fuel-efficient products on the road.

Our best-selling heavy-duty vehicle, the International® ProStar®, was designed to be the most aerodynamic and fuel-efficient Class 8 truck ever. Recent refinements include its patented new roof design, which optimizes slope, while its minimized bumper gap and a lowered hood have created an even more streamlined air flow. Another aerodynamic leader is the classic-styled International® LoneStar®.

In October 2012, the ProStar and our proprietary 13-liter engine won the fifth annual China International Truck Energy Conservation Competition, demonstrating that Navistar has a significant opportunity to help drive improved fuel economy in markets around the world.

Navistar’s product designers created the “Project Horizon” concept vehicle, demonstrating the potential for future improvements in fuel economy.

A LEADER IN AERODYNAMICS

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CONTINUED STRIDES IN GREENHOUSE GAS REDUCTION

In its “Project Horizon” concept vehicle, unveiled in March 2013, Navistar’s product designers used advanced, yet available technologies to demonstrate the potential for future improvements in fuel economy, safety and ease of operation, while also meeting the requirements of new federal GHG regulations.

The concept vehicle uses smart approaches to aerodynamics, such as an “active shutter” grille that opens and closes based on the vehicle’s cooling demands, reducing drag. It also deploys a new, molded-plastic chassis skirt system that improves aerodynamic flow, while allowing easy access for tire service.

In May 2013, the company became the first truck OEM to receive federal approval for an innovative clutched air technology it uses for reduction of GHGs emitted by its vehicles. The approval came from the EPA and the National Highway Traffic Safety Administration (NHTSA).

Navistar is also coordinating closely with the EPA regarding its products’ compliance with future GHG emissions requirements. In 2012, the Springfield, Ohio truck assembly plant hosted a group from the EPA’s National Vehicle and Fuel Emissions Laboratory in Ann Arbor, Mich., which is tasked with implementing the agency’s GHG standards for heavy-duty vehicles. The EPA team was impressed with both the complexity of the GHG compliance requirements, and with the strides Navistar has taken to develop a vehicle labeling and tracking process for each vehicle, using a software tool provided by the EPA.
FACILITIES MAKE PROGRESS ON GREEN PRACTICES

As part of its Environmental Protection and Energy Conservation Policy, Navistar is committed not just to operate in compliance with applicable legal requirements, but to prevent pollution and improve its operations. Our audit programs—both internal and third-party ISO 14001 audits—help us monitor how well we are fulfilling our commitments. Navistar’s truck and engine manufacturing facilities are ISO 14001 certified, and employees constantly find new ways to reduce facilities’ use of energy, trim greenhouse gas emissions and lower the production of waste. Over the years, the resulting improvements have yielded significant environmental benefits, and more than $100 million in savings.

EMPLOYEES PURSUE AMBITIOUS ENERGY AND GHG GOALS

Navistar has accordingly set and achieved ambitious goals for energy use and greenhouse gas (GHG) reduction. From 2008 to 2012, the company achieved a 17 percent reduction in GHG emissions, and is on track to achieve its goal of a full 20 percent reduction by the end of 2013, using 2008 as the baseline. This 20 percent goal is an absolute goal, and is not adjusted by production volume, revenue or other factors. The company also has reduced non-production electric load at its truck assembly plants to 45 percent of production load, down from 60 percent in 2008 and 50 percent in 2010.

Navistar employees utilize cross-functional “treasure hunts” and other approaches to identify operating solutions that reduce energy usage, often with little or no investment. Here are some of the opportunities our employees found this year:

- Our Indianapolis foundry identified $242,000 of annual savings in energy costs, along with annual savings of more than 12,000 gallons of water and nearly 25,000 pounds of GHG reductions. Ideas included repairing air leaks and turning off motors for the facility’s core oven when not in use.

- An investment of $420,000 worth of lighting retrofits at the Tulsa, Okla., IC Bus facility reduced the facility’s electric bill by approximately $75,000 a year, not counting an incentive check for $142,500 from the local electric utility.

- The company’s Escobedo, Mexico truck assembly plant received the Mexican government’s National Award for Electric Energy Saving for large industrial enterprises. Judges cited multiple steps that saved 4 million kWh per year, including new lighting, air conditioning improvements and replacement of four 100-ton cooling units for the paint booth.

- Navistar partnered with the U.S. Department of Energy and the University of Dayton to conduct an energy assessment of the Springfield, Ohio truck assembly plant that identified $405,000 in potential annual savings in energy costs.
Navistar is a member of the Better Buildings, Better Plants program of the U.S. Department of Energy, reflecting our commitment to reduce energy intensity (energy spent per unit of Gross Domestic Product) by 25 percent over 10 years. The company was the first truck OEM to be certified by the U.S. Environmental Protection Agency (EPA) as both a SmartWay shipper for its commitment to fuel efficiency, and a SmartWay manufacturer for meeting equipment specifications to reduce environmental impact.

**REDUCING WASTE THROUGH IMPROVED PROCESSES**

Navistar facilities are working hard to increase recycling and reduce the generation of both hazardous and non-hazardous waste. In 2010, the company set a goal of increasing recycling from 33 percent of waste to 55 percent by 2015. In 2011, the company reached a recycling rate of 38 percent, and in 2012, increased it to 48 percent.

The company’s parts unit finds many opportunities to save energy and reduce waste:

- During the last fiscal year, it recycled 1.67 million pounds of wood pallets and 1.23 million pounds of cardboard used for shipping.
- Navistar’s parts distribution centers (PDCs) reduce the use of packing materials by increasing use of returnable containers for the shipment of parts, saving more than $400,000 annually.
- The PDCs’ dedicated delivery program follows prescribed routes to reach multiple dealerships with the same vehicle—eliminating double-handling and cross-docking of parts while achieving earlier deliveries and saving fuel.
- Navistar has an extensive parts remanufacturing program, which in 2012 remanufactured more than 43 million pounds of parts materials.

The company also works to improve its use of water resources. This year, the Indianapolis foundry upgraded its once-through furnace-cooling water system to a recirculation system, cutting water usage by 25 percent and reducing the chlorine levels of the water that is ultimately released from the plant.

**GREEN IMPROVEMENTS CONTINUE AT DEALERSHIPS**

The company coordinates closely with its International and IC Bus dealerships to utilize green practices that are also good business. Navistar was the first company in the industry to equip its U.S. and Canadian dealers with new technology designed to detect leaks of refrigerant R134a and to recover, recharge and recycle the substance. In recent years, dealerships have added such innovations as geothermal heating systems, shop ceiling fans, T5 and T8 fluorescent lighting, and maximized use of natural sunlight. Dealers making major improvements this year included:

- Indy Truck Sales in Indianapolis, which added on-demand water heaters, increased insulation, completely new and energy-efficient lighting, and in-floor heat using the most efficient available natural gas boiler.
- Nelson Leasing in Dickinson, N.D., created a new building that is set up to accommodate natural gas and propane vehicles, and maximized R-values in its walls and overhead doors.
- Roberts Truck Center in Wichita Falls, Texas, improved energy efficiency through all-motion-sensor office lighting, argon-filled high efficiency windows and T5 fluorescent lighting, and a bubbler-and-drip underground irrigation system to save water.
- RWC International in Phoenix, Ariz. installed enough solar power generating structures in its new parking areas to power 81 homes.

**REMEDIATED SITES FIND NEW USES**

Navistar works closely and voluntarily with local communities to conduct brownfield remediations of closed or sold sites. Since 1996, Navistar has worked to remediate all 176 acres of the Wisconsin Steel Works site it formerly owned in southeastern Chicago. Thirteen of the site’s 14 parcels have received “no further remediation” (NFR) letters from Illinois EPA, and an NFR letter is expected for the remaining site this summer. All 14 parcels have been sold for industrial or commercial uses. And Navistar’s now-completed remediation of the former West Pullman Works site, also in Chicago, is now the site of the largest urban solar plant in the United States, which generates enough clean electricity to power up to 1,500 homes.
Since its launch in 1999, Navistar’s Vital Lives program has evolved from a prevention-based initiative to a data-rich, integrated program that reflects Navistar’s overall strategy to improve employees’ health and productivity. The program offers comprehensive health management programming, including telephonic and digital coaching, exercise and nutrition competitions and stress management programs. In addition, Vital Lives makes numerous resources available to help employees maintain healthy lifestyles, including onsite occupational health clinics and fitness centers, healthy cafeteria options, walking workstations and self-monitoring devices.

Employee ownership has been instrumental to the program’s success. Forty-two Vital Lives teams, made up of more than 300 volunteer union and non-union employees, plan and implement site-specific programs, supported by an executive sponsor and corporate health leaders. The volunteer model helps to foster employee engagement, keep overhead costs low, and customize programs to the needs, interests and cultures of individual facilities. It also supports a culture of health, and impacts employee recruitment, retention and overall job satisfaction. A 2012 survey found that 81 percent of employees feel Navistar supports healthy lifestyle behaviors, and 66 percent report participating in at least one Vital Lives program during the previous year.

Every year since 2005, the program’s wellness incentives have been linked to our benefit strategy. Today, employees can earn up to $1,220 in health care premium credits and healthcare Flexible Spending Account (FSA) dollars for verifying their non-smoker status, participating in an annual Health Risk Assessment (HRA), and completing health management programs. Incentives have influenced behavior change: HRA participation has climbed by 47%, and smoking rates have declined by 25 percent. Here are some examples of behavior change during the past year:

Navistar actively encourages a healthy and secure lifestyle that supports employees’ health and wellness, increases their productivity and improves their quality of life. This approach also helps to hold down health care costs for both employees and the company.

A SYSTEMATIC APPROACH TO WELLNESS

Navistar employees support good health and community needs by participating in activities like the J.P. Morgan Chase Corporate Challenge, a 3.5-mile race on Chicago’s lakefront.

Fitness centers like this one at Navistar’s world headquarters help employees maintain healthy lifestyles.

Exercise classes, like this Zumba® class in the Lisle auditorium, help employees learn new skills for fitness.
In the 12-week “Body Overhaul Challenge,” which focuses on weight loss, more than 2,000 pounds were lost, an average of seven pounds per participating employee. Three and six months after the program, 45 percent and 49 percent of participants, respectively, maintained 75 percent or more of their original weight loss goal.

88 percent of participants in the annual “Spring Tune-Up” nutrition program reported an improvement in their overall nutrition intake.

53 percent of telephonic health coaching participants lost weight; 45 percent of participants in a smoking cessation program quit smoking; and 28 percent of employees with a body mass index over 30 reduced their weight by 5 percent to 10 percent of their baseline body weight.

At a time when national health care costs have outpaced inflation, Navistar has managed to maintain flat healthcare costs since 2005. Here are several of the contributing factors in 2012:

- Disease management reduced medical spending by $415 per year per active participant.
- Hospitalizations were reduced by 19 percent and doctor visits by 8 percent.
- A flu campaign led to avoided costs of more than $250,000.
- Currently in its 19th year, the “Trucking Across North America” exercise program helped employees adopt regular exercise and contributed to estimated cost savings of $477,000.

For the past 10 years, Navistar South America has implemented a Live Well Initiative that encompasses workplace exercise and other health promotion programs, including a “Walking Group” program that is similar to Trucking Across North America.

Navistar’s wellness programs have been recognized with many awards, including the 2012 Illinois Healthiest Employer among companies with more than 5,000 employees and “gold plus” recognition from the Building a Healthier Chicago Healthy Worksite Initiative.

FACILITIES REACH NEW SAFETY MILESTONES

Navistar has aggressive programs designed to build a strong safety culture and effective safety processes. During 2012, several company facilities reached major new safety milestones, including:

- The assembly plant in Escobedo, Mexico, which reached two million hours without a recordable injury.
- The Escobedo plant and the Huntsville, Ala. engine plant reached six million hours without a lost-time case—that is, without an employee losing time off the job due to work-related injury or illness.

Navistar’s parts distribution centers (PDCs), which have a holistic safety campaign called “Drive Home Safety,” also posted remarkable safety records. The Canadian Central Core operation and Las Vegas PDC have gone more than six years without a lost-time case, and the Portland, Ore., PDC more than five years.

From 1999 to 2012, Navistar employees reduced their on-the-job injury rate by nearly 82 percent. In that same timeframe, the company reduced its incident frequency rate from 17.3 to 3.2, and its lost-time case rate from 4.0 to 0.7, a nearly 83 percent reduction. From 2001 to 2012, Navistar’s workers compensation costs decreased by 31 percent, while combined short-term and long-term disability costs decreased by 61 percent.

SECURITY TEAM KEEPS EMPLOYEES SAFE AROUND THE WORLD

Navistar works to assure that its employees receive effective healthcare wherever they are in the world, and that appropriate precautions are taken against terrorism, potential pandemics and other risks. The company’s global security center manages the challenges of international travel, linking travel booking to health and security systems; keeping travelers informed about in-country security, political and medical risks; and providing a historical trace in the event of natural disasters or other eventualities.
COMMITMENT TO STEM EDUCATION

Since the late 1990s, Navistar has supported diesel education in resource-challenged high schools, developing a three-year program that has been certified by the National Automotive Technicians Education Foundation. The company also supports the “Colleges to Careers” program of the City Colleges of Chicago. Other recent examples of Navistar’s commitment to STEM education include:

- Working with the Chicago Museum of Science and Industry and its Center for the Advancement of Science Education.
- Providing strategic advice and direction to the Hoeft Technology & Management program at the University of Illinois, which bridges instruction in business and engineering.
- Supporting FIRST (For Inspiration and Recognition of Science and Technology), a global math and science education initiative, which holds an annual robotics competition that attracts more than 2,000 teams. This year, a Navistar-supported team from Naperville (Ill.) North High School, which is in the same school district as Navistar’s headquarters, proceeded all the way to the global level of competition.
- Working with the Girl Scouts of Greater Chicago and Northern Indiana to help build girls’ interest in STEM careers.
- Supporting the DuPage Children’s Museum, which exposes children to the principles of physics and mechanics at an early age.

CONTRIBUTING TO A BRIGHTER FUTURE

Navistar is committed to community development initiatives that support the areas where we live and work and that reflect our special expertise, including STEM education (Science, Technology, Engineering and Math), troops’ and veterans’ causes, disaster relief and community development.

The company’s support for STEM education includes mentorship of the Naperville North Robotics team, shown demonstrating their Frisbee-firing robot.

Navistar’s support for STEM education includes support for diesel education in resource-challenged high schools.

Employees taking part in Navistar’s sustainability-focused employee initiative, PROMISE, provided hands-on involvement at the Northern Illinois Food Bank.
Navistar South America plays a leading role in mentoring young people through award-winning social programs. The company supports Projeto Crescer (Project Grow Up), which has provided on-the-job training for hundreds of underprivileged teenagers in São Paulo, Brazil and Canoas, Brazil. After completing a year-long training program, qualified interns are hired or recommended to other appropriate employers. Navistar continues to work with them for up to a year after they leave their internships. The company also supports the award-winning Formare School program, which introduces disadvantaged 16- to 18-year-olds to manufacturing, engineering and administrative careers. Employees at our facilities in Canoas and São Paulo and in Jesús María, Argentina, volunteer to teach and mentor the students, who receive industry-related training. More than 640 students have graduated from the Formare program, and a high percentage of them are now employed, many with Navistar.

These efforts are recognized in the community: For three years running, our Escobedo, Mexico assembly plant has been on the Mexico Philanthropy Center’s list of Most Socially Responsible Companies, and for four years in a row, Navistar South America has received the Great Place to Work designation, awarded by International Institute in partnership with ÉPOCA magazine in Brazil.

SUSTAINABILITY-FOCUSED VOLUNTEERISM

For four years, Navistar has undertaken an employee-focused sustainability initiative, Personal Recognition of My Individual Sustainability Efforts (PROMISE). Employees pledge to engage in safe and healthy behaviors, to choose options that save energy and are environmentally friendly, and to volunteer their time for community improvement efforts.

In 2012, more than 1,400 employees from 49 locations participated, and 59 percent kept their “promise” to recycle every day and practice weekly acts of kindness, among other goals that were set by the participants. By participating more fully in the program, employees have the opportunity to influence Navistar’s contributions to relevant charities.

PROMISE includes a Volunteer Day during which employees around the company volunteer at charities in their communities. This year, more than 400 employees engaged in volunteer activities that ranged from pitching in at food pantries to stuffing backpacks with school supplies.

Navistar also makes significant investments to promote environmental awareness at its operations, both through employee training efforts and other programs, including neighborhood cleanups, recycling initiatives, tree planting and vendor fairs.

HELPING WITH DISASTER RELIEF

In 2012, Navistar initiated Operation Assist, a program to help with recovery from Superstorm Sandy. In addition to quickly replacing vehicles lost or damaged by the storm, Navistar matched employee and dealer contributions to the American Red Cross.

SUPPORTING VETERANS’ CAUSES

Navistar finds many ways to show its commitment to our troops and military veterans:

❖ Since 2006, Navistar has supported the Wounded Warrior Project, supporting injured veterans’ rehabilitation and return to daily life.

❖ For the past two years, Navistar has been involved in Hiring Our Heroes, a program of the White House and the U.S. Chamber of Commerce. We have also pledged to the White House’s Joining Forces initiative, which serves America’s military families, that six percent of our new hires from August 2011 through December 2013 will be veterans.

❖ The company supports the driver recruitment initiative of the American Trucking Associations (ATA), which promotes careers in the trucking industry for returning military personnel. Navistar’s Drive for Jobs program generates donations to support members of the U.S. Armed Forces and to address the trucking industry’s need for qualified drivers.

❖ Navistar works with Employer Support for Guard and Reserves (ESGR) and other organizations to provide returning troops with easy access to Navistar job boards.

❖ Navistar hires through the Army PayS program, Partnership for Youth Success.

❖ Each year, Navistar contributes to Operation Support Our Troops – America, hosting a Rockin’ for the Troops concert, usually headlined by actor Gary Sinise, while employees donate thousands of dollars to troop-focused causes, along with hundreds of pounds of support items and hundreds of notes of encouragement.
Navistar employees put their sweat equity into volunteering for Honor Flight Network, which supports veterans’ trips to national memorials.

During the holiday season, Navistar employees participated in the American Red Cross Holiday Mail for Heroes program, sending more than 1,000 personal messages to members of the military serving around the world.

**DRIVING DIVERSITY IN THE COMMUNITY**

Navistar’s commitment to diversity brings the company a number of tangible benefits, including innovation, high-quality products and services, and improved customer relationships:

- For more than 15 years, employee-led Employee Resource Groups (ERGs) have enhanced our employees’ networking and development experiences, while contributing to community outreach. They include Women in Navistar, International Community of African Americans at Navistar, Professional Latino Association of Navistar, Navistar Asian Professional Association, and Navistar Young Professionals.

- Navistar works to support diversity in the community through partnerships with Historically Black Colleges and Universities, and alliances with such organizations as the DuPage County NAACP, the Quad County Urban League, the Society of Women Engineers, the National Society of Black Engineers, the Society of Hispanic Professional Engineers and the National Society of Hispanic MBAs.

- For three years, the company has served as the corporate sponsor of the “Influential Women in Trucking” award of the Women in Trucking Association, which recognizes women in the trucking industry who make or influence key decisions, have a proven record of responsibility, and mentor and serve as a role model for other women.

- For the second year in a row, Navistar Canada and Fernando Garcia, general counsel, director of human resources and corporate secretary for Navistar Canada, have been named Canadian Diversity Champions by Women of Influence magazine.

- In 2012, our spending with Minority Business Enterprises and Women Business Enterprises increased by three percent, reaching nearly $329 million.

- Navistar and its employees won multiple awards for leadership in diversity, and the company was nominated for the third consecutive year as Corporation of the Year by the Chicago Minority Supplier Development Council and the Minority Business Enterprise Input Committee for its commitment to supplier diversity initiatives.
Combined disability costs include total costs for all operations (manufacturing, engineering, office sales) for short-term (less than one year) and long-term (more than one year) disability.

Controllable absenteeism is often referred to as unscheduled absenteeism and includes absences for sickness, disability of less than 30 days, occupational injuries and unexplained no-shows. It is expressed as the percent of scheduled days missed. The other form of absence not shown here, uncontrollable absenteeism, includes scheduled or contractual absences such as vacation, jury duty, union business, military leave, disability over 30 days and FMLA leave.

Incident frequency rate 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 is the number of work-related injuries or illness where people lose time off the job per 100 full-time employees.

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.

The Toxics Release Inventory (TRI) is a publicly available US EPA database that contains information on toxic chemical releases and other waste management activities reported annually by certain covered industry groups. TRI releases is the amount of chemicals and chemical categories reportable under the Emergency Planning & Community Right-to-Know Act (EPCRA) released or recycled off-site from the company’s US manufacturing locations.

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.

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. Due to their large volumes, certain non-hazardous waste streams such as sand, slag and baghouse dust from the company’s foundries and metals from some of the assembly plants are not included in this chart.