

**NAVISTAR®**



## **Company Overview**

March 2024





# Accelerate the **Impact** of Sustainable Mobility





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01

# Company **Overview**



# Executive Board

As of March 1, 2024



**Mathias Carlbaum**

President & CEO



**Do Young (DY) Kim**

EVP & CFO



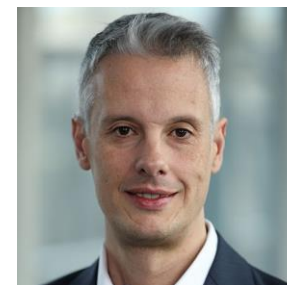
**Donna Grant Dorsey**

EVP, People & Culture



**Michael Grahe**

EVP, Operations



**Fabio Souza**

EVP, Service Solutions



**Stefan Palmgren**

EVP, Production & Logistics

# Board of **Directors**

As of March 1, 2024



**Mathias Carlbaum**

Navistar President &  
CEO



**Christian Levin**

TRATON SE CEO,  
Scania CEO



**Dr. Michael Jackstein**

TRATON SE CFO, CHRO



**Dr. Klaus Schartel**

TRATON SE General  
Council, Head of Legal



**Walter G. Borst**

Navistar BOD Member



**Jeffrey A. Dokho**

UAW Director  
of Research

# Navistar **Facts**

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**

**42%**

of all school buses on the road today are our IC Bus<sup>®</sup> brand



**#1** Brand in School Buses<sup>b</sup>

Headquarters:

**Lisle, Illinois, U.S.**

2023 total unit sales:

**88,890**

**21%**

of U.S. class 6 through 8 vehicles on the road today are an International<sup>®</sup> truck



**#2** Brand in Class 6/7<sup>b</sup>  
**#4** Brand in Class 8<sup>b</sup>

Worldwide employees:

**15,300**





# Operational Footprint Reflects **North American Focus**





# Navistar and TRATON

TRATON is the commercial truck & bus division of Volkswagen AG

Bringing  
Together  
Our Global  
Capabilities



- 400+ years of Engineering and Manufacturing excellence
- Leadership in innovative technologies across global markets
- Leveraging economies of scale, development resources and industry best practices

## Sep 2016

TRATON (Volkswagen Truck and Bus) announces alliance with Navistar

## Mar 2017

Strategic alliance begins

## Jul 2021

TRATON acquisition of Navistar completes

## Nov 2021

New management structure established

## Mar 2022

Navistar unveils new strategy

## 2023

Navistar begins production of new, global powertrain - International® S13 Integrated Powertrain

# Navistar and TRATON

Optimize Cost Efficiency and Group Technology



## Modularization

Reducing complexity through collaboration



## Production Footprint Optimization

Driving conversion cost improvement



## Shared R&D

Integrating lead-brand technologies



## Global Purchasing Scale

Transitioning effective component spend





# Navistar **Strategy**



# Strategy at-a-glance

## 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 leverage our resources to accelerate our progress in future technology development, with a focus on creating new business models where it makes the most sense for customers.



## 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.





# Sustainable Impact

Our commitment



Strive to achieve 50% zero emissions new vehicle sales by 2030, and 100% by 2040 for the U.S. market



Committed to **Science-Based Targets initiative (SBTi)** in 2023



Develop **circular business model** to maximize resources and minimize waste



## Total Social Impact

Positively impact education, equity, and environment

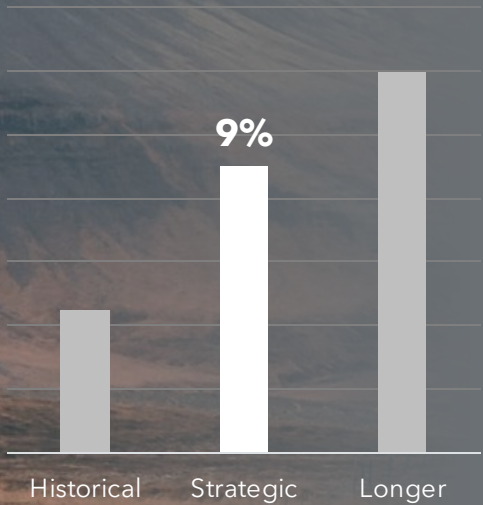
## Diversity, Equity and Inclusion

Empower an inclusive environment for all stakeholders



# Profitable Performance

## Return on Sales



## Building Blocks to Deliver Stronger Profitability:

- 01** New powertrain and zero-emissions offerings to grow customer satisfaction and profitability through value-based pricing
- 02** Dealer performance improvement through ownership rationalization and improved effectiveness
- 03** New service and solutions offerings that improve customer uptime
- 04** Cost efficiency improvement through leveraging the strength of the TRATON GROUP
- 05** Financial services expansion to meet demand for new technologies and business models
- 06** Market share recovery through offering new technologies, services and solutions



# Foundation for Future

## Unlocking New Business Models

### Digitalization

Key strategic principle



### Zero Emissions

50% new vehicle sales by 2030



### Autonomous Solutions

Future solution offerings



### Common Group Components

Group-wide modularization



# Culture and Leadership



**Colleagues are empowered and trusted** to make the right choices, embracing accountability for our long-term success.





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# Operating **Highlights**





# International<sup>®</sup> and IC Bus<sup>®</sup> Product Line-Up

LT<sup>®</sup> SERIES



RH<sup>™</sup> SERIES



HX<sup>®</sup> SERIES



HV<sup>™</sup> SERIES



MV<sup>™</sup> SERIES



eMV<sup>™</sup> SERIES



CV<sup>™</sup> SERIES



IC BUS<sup>®</sup> CE SERIES



IC BUS<sup>®</sup> ELECTRIC CE SERIES



INTERNATIONAL<sup>®</sup> S13  
INTEGRATED POWERTRAIN

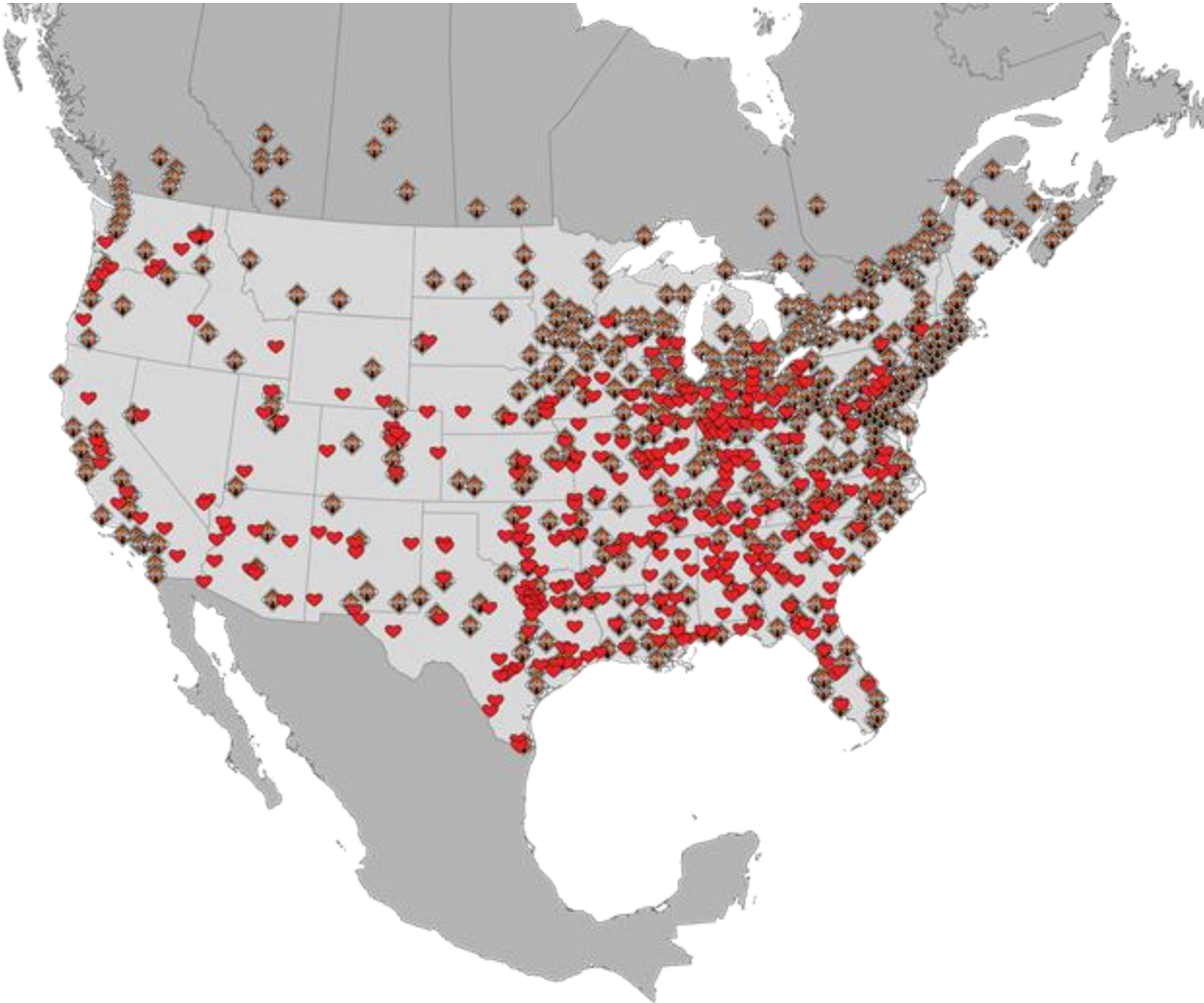


INTERNATIONAL<sup>®</sup> A26 ENGINE





# Largest Distribution and Service Network in North America



**600**

**Locations**

U.S./Canada combined



**400**

**Locations**

U.S./Canada  
combined

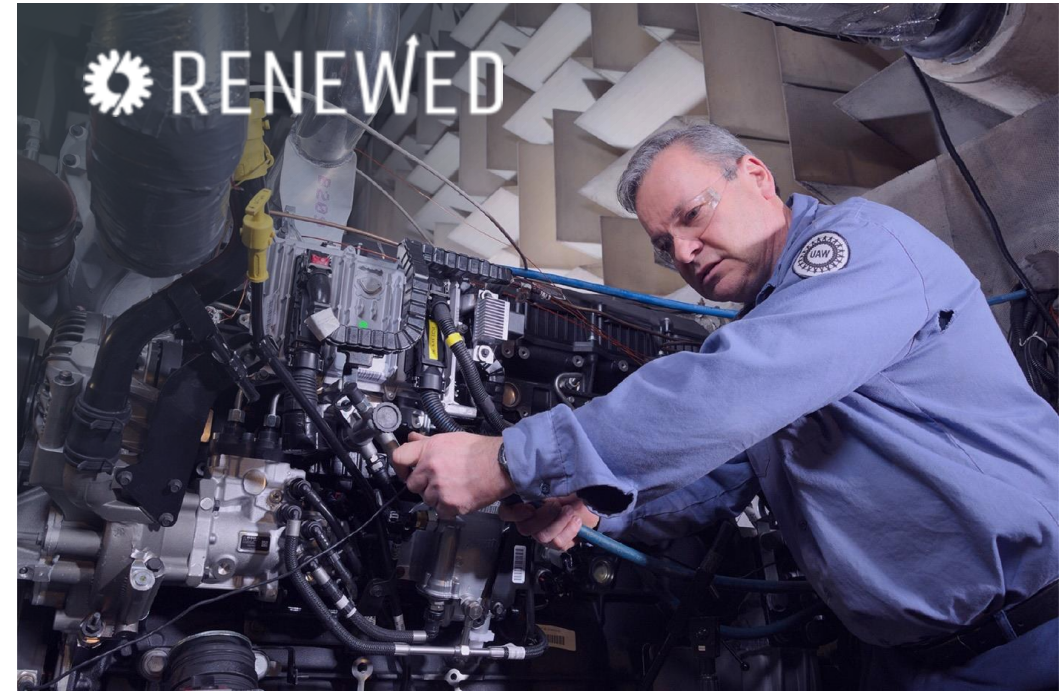
- ♦ Largest dealer network in North America
- ♦ 7,500 service bays and 8,500 technicians
- ♦ Love's service centers open 24/7

# Growing the **Parts Business**



## **Fleetrite® Parts**

- ♦ All OEM aftermarket parts are quality approved
- ♦ Trusted partner for 50 years with 30+ authorized retail locations across North America

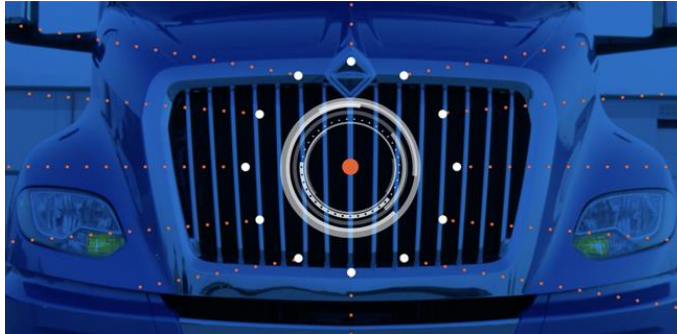


## **ReNEWed® Parts**

- ♦ Re-engineered OEM aftermarket parts are quality approved
- ♦ Supports a circular economy
- ♦ 10% of our parts revenue comes from remanufactured parts



# OCC & International® 360



## OnCommand® Connection - Advanced Remote Diagnostics

### Features:

- Improved uptime and lowered total cost of ownership
- Monitors health and status of all-makes fleets
- Allows for seamless communication with the International dealer service network
- Enables subscriptions to 3rd party fleet management and compliance providers through factory-installed telematics device



## International® 360 is our industry-leading service communications tool designed to accelerate the repair process, streamline communications within dealer service centers, and drive greater uptime

### Features:

- Seamless communications with dealers and up-to-date repair status
- Complete VIN-based information: asset specs, complete parts catalog, remote health data, and more
- Online service request initiation and estimate approvals
- Complete service history, up-to-date campaign information, and engine calibration status - Integration with parts inventory systems shows which dealer locations have the parts you need on the shelf now.

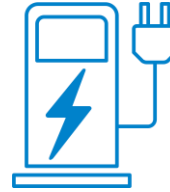
# Our EV Roadmap: **a path for a seamless transition**

Our dealers and zero emissions trusted advisors are always available to help customers move forward with electrification. All it takes is three easy steps:



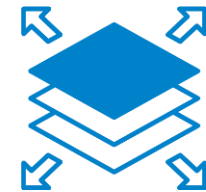
## **Step 1- CONSULTING**

Our discovery workshops dive into your fleet's electrification needs and concerns, building a customized EV roadmap for success.



## **Step 2 - CHARGING**

We assess the placement of hardware and infrastructure, finding the best ways to support your vehicle charging and uptime.



## **Step 3 -CUSTOMER ONBOARDING**

We ensure your charging locations, staff, and remote diagnostics are prepared for your electric fleet to hit the road.



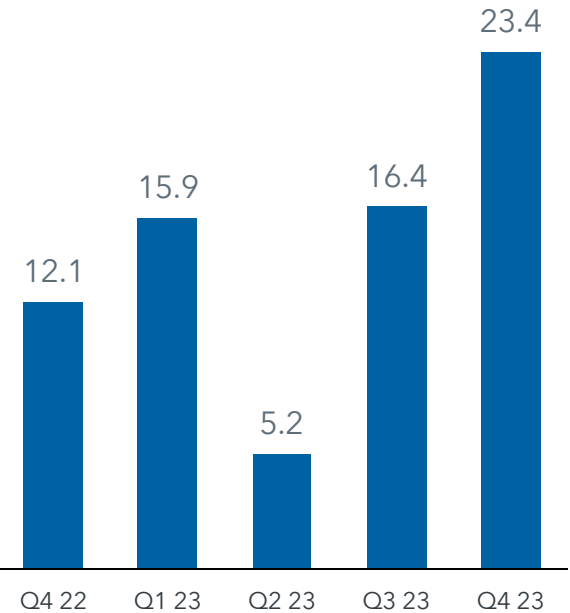
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# Financial **Highlights**

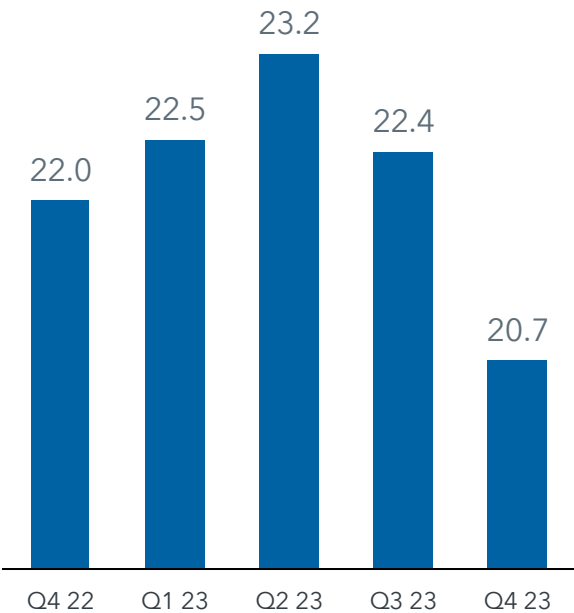


# Navistar Manufacturing Operations – Key Figures

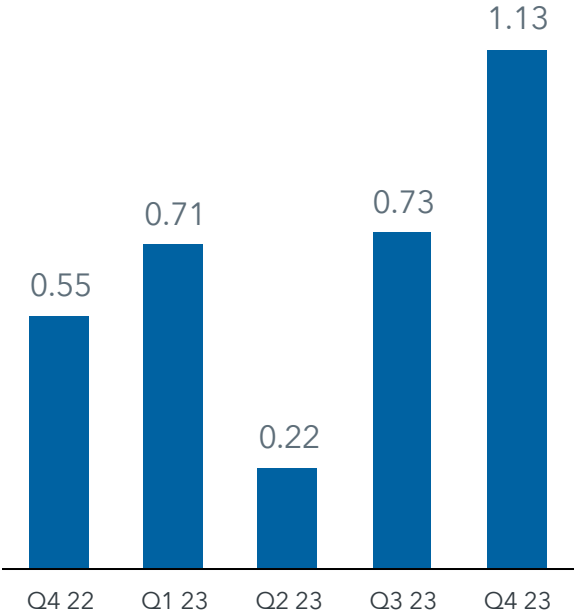
**INCOMING ORDERS**  
*(thousand units)*



**UNIT SALES**  
*(thousand units)*



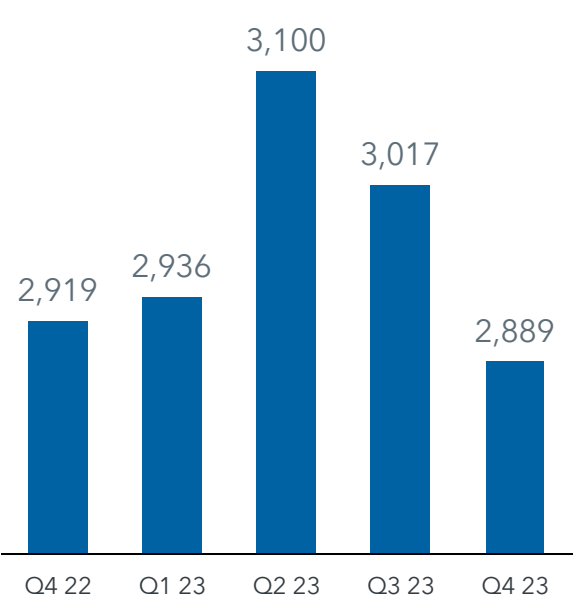
**BOOK-TO-BILL**  
*(ratio in units)*



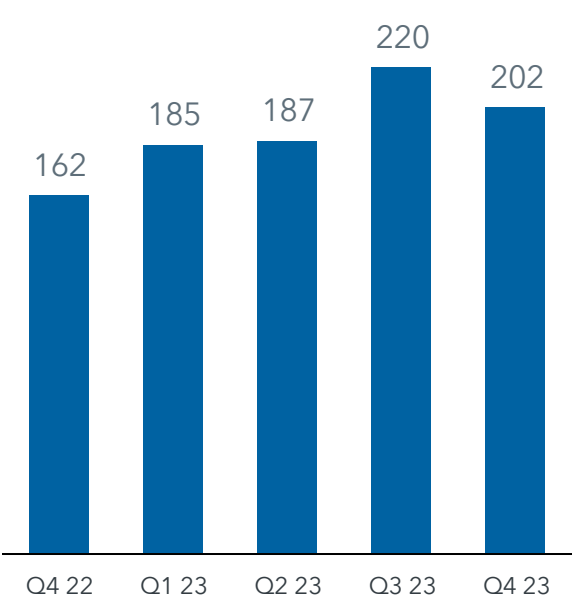


# Navistar Manufacturing Operations – Key Figures

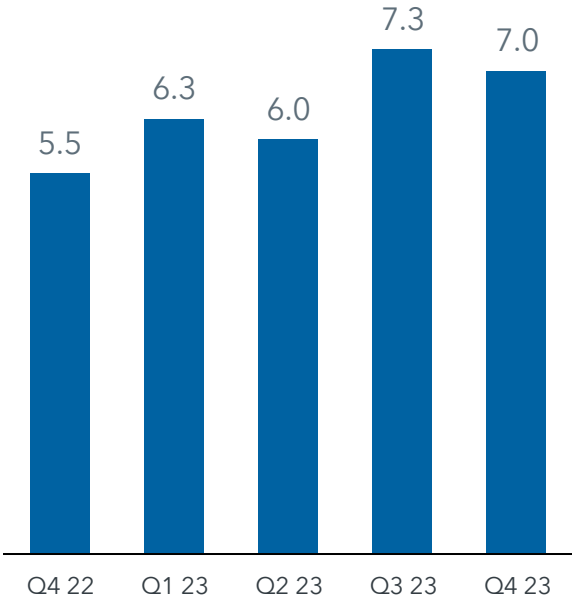
**SALES REVENUE**  
(\$ millions)



**OPERATING RESULT**  
(\$ millions)



**RETURN ON SALES**  
(%)





# Thank You

