

**CNH**

**IDD25**  
INVESTOR DAY 2025

**TRANSCRIPT**

May 8, 2025

## OVERVIEW

### CNH SPEAKERS

[Jason Omerza](#); Vice President, Investor Relations

[Suzanne Heywood](#); Chair

[Gerrit Marx](#); Chief Executive Officer

[Scott Harris](#); President, North America

[Jay Schroeder](#); Chief Technology Officer

[Stefano Pampalone](#); Chief Commercial Officer

[Chun Woytera](#); Chief Quality & Customer Advocacy Officer

[Humayun Chishti](#); President, Construction

[Jim Nickolas](#); Chief Financial Officer

### ID25 PARTICIPANTS

[Daniela Costa – Goldman Sachs](#)

[Steven Fisher – UBS](#)

[Kyle Menges – Citi](#)

[David Raso – Evercore ISI](#)

[Kristen Owen - Oppenheimer](#)

[Tim Thein – Raymond James](#)

[Tami Zakaria – J.P. Morgan](#)

[Angel Castillo – Morgan Stanley](#)

[Ted Jackson – Northland Securities](#)

[Rob Wertheimer – Melius Research](#)

## PRESENTATION

[VIDEO 1 - [link](#)]

### Jason Omerza

[SLIDE 1]

Good morning, everyone. Welcome to CNH's Investor Day 2025. My name is Jason Omerza, Vice President of Investor Relations. We're grateful to all of you for joining us here this morning, both here in-person in the New York Stock Exchange and joining us online for our live webcast.

[SLIDE 2]

Before we get started, there are a few housekeeping items to cover. First, today's webcast is copyrighted by CNH. Any recording, transmission, or any other use of any portion of the webcast without the express written consent of CNH is strictly prohibited.

Next, please note that any forward-looking statements that we make during today's presentation are subject to the risks and uncertainties mentioned in the safe harbor statement included in the presentation material, which is available for download on our website.

Additional information pertaining to factors that could cause actual results to differ materially is contained in the Company's most recent annual report on Form 10-K, as well as other reports and filings with the U.S. Securities and Exchange Commission.

Our presentation includes certain non-GAAP financial measures. Additional information regarding these measures is included in the presentation material. Now, let's go over today's agenda.

[SLIDE 3]

We'll start with an address from our Chair, Suzanne Heywood. Following this, Gerrit Marx, our CEO, will provide an overview of the Company and our forward-looking strategic priorities. Following Gerrit, we'll hear from Scott Harris, Jay Schroeder, Stefano Pampalone, and Chun Woytera, who will provide additional details on our Agriculture segments, product portfolio, Precision Tech roadmap, go-to-market strategies, and quality initiatives.

Following Chun's presentation, we will take a 10-minute break, after which, we'll hear from Humayun Chishti on our Construction segment, and then from our new CFO, Jim Nickolas, who will cover the Company financials. Gerrit will then provide some closing remarks before we open the floor for the Q&A.

With that, let me welcome our Chair, Suzanne Heywood, to the stage.

## Suzanne Heywood

[SLIDE 4]

Good morning. Thank you, Jason, and good morning, everyone. Today, I'm delighted to introduce our CEO and executive team. Before I do that, I'd like to share with you how our long heritage and deep expertise has positioned CNH as the partner of choice for farmers and builders around the globe.

For more than 180 years, our legacy has been built on the pioneering spirit of innovators such as Jerome Case, the founder of Case, and Abe Zimmerman, the Founder of New Holland. Their early work set the foundations for what would become an enduring tradition of innovation.

Throughout our history, we have pushed the boundaries of excellence in engineering. Over the past five years, our Company's annual revenues have ranged between \$15 billion and \$25 billion. We have over 36,000 employees, and we maintain an extensive dealer network across every major market worldwide with a commercial presence in approximately 170 countries.

This combination of scale, expertise, and innovation uniquely positions us as both a traditional equipment powerhouse and a leader in technology. Our long history is the story of the relentless pursuit of excellence. The innovations and values established in our early days still resonate in every product we develop and in every market we serve.

[SLIDE 5]

Let us take a moment to reflect on that journey. We trace our roots back to the pioneering efforts of Jerome Case, whose ingenuity laid the foundation of what would ultimately become Case IH and the Case Construction Brands.

Over the decades, critical milestones have shaped our identity. The acquisition of International Harvester, for example, expanded our product portfolio and global presence. The landmark merger of Case Corporation and New Holland marked a new era in global agricultural manufacturing, marrying two strong global brands.

Each milestone in our journey has contributed to a culture that values engineering excellence, customer trust, and continuous improvement. With every strategic acquisition and every expansion into new markets, we have grown stronger and more versatile.

For example, when we welcomed Raven into the CNH family in 2021, it wasn't just an acquisition. It was a powerful enhancement of our technological capabilities. This addition accelerated our innovation efforts and expanded our product offering, ensuring that we remain at the forefront of industry developments.

Our heritage also reflects the diversity of our experience. Through market cycles, we have adapted to changing conditions and technological shifts, always emerging stronger. This ability to evolve is what gives us the confidence to look ahead with optimism.

[VIDEO 2 - [link](#)]

To illustrate the richness of our journey, I'd like to share a short video that captures the essence of our history.

That video not only highlights key milestones but also reinforces the values that have guided us for generations. It serves as a reminder of our commitment to innovation, customer focus, and quality, a commitment that continues to drive us today.

[SLIDE 6]

CNH is a proud global Company. However, I want to take a moment to emphasize our strong presence in North America, a region that has been a cornerstone of our innovation since 1842. North America is not merely a market.

It's a vibrant hub of manufacturing excellence and technological leadership, with over 10,000 skilled and manufacturing employees dedicated to producing world-class equipment. And with 40% of our Ag net sales generated in this region, North America remains central to our identity today and will continue to be so in the future.

Furthermore, our engineering expertise in North America is deep, with a significant portion of our total engineering hours dedicated to developing breakthrough technologies. Over the years, we've introduced more than 20 first-to-market products that have redefined industry standards. This record of innovation underscores our belief that we don't wait for trends to set a course, we lead them.

Our North American operations serve as both a foundation and a launch pad for global innovation, reinforcing our commitment to quality and excellence in every market we enter.

[SLIDE 7]

In recent years, we've embarked on an ambitious journey to simplify and focus our Company, both from an operational standpoint and a capital market standpoint.

Strategic moves such as the Iveco Group spin-off and our transition to a single listing in New York have redefined our focus on the core activities that drive our business. These changes have set the stage for more agile decision-making and a sustainable long-term performance.

Our operational simplification isn't just about cutting bureaucracy, it's about building a leaner and more responsive organization. With fewer layers and a clearer focus, we are better equipped to adapt to market changes.

It's also allowed us to invest more decisively in innovation, which in turn creates a stronger value proposition for our customers. This transformation is a key part of our journey, ensuring that we continue to shape a highly competitive global market.

[SLIDE 8]

And finally, I'm proud to highlight our tradition of delivering on our commitments. In 2019, we committed to spin-off Iveco and to double the sales of our Precision Tech components in our Ag business. We have achieved both milestones.

In February 2022, we committed to a cost reduction initiative. By the end of 2024, we'd achieved run rate savings of more than \$550 million from our cost of goods sold. This is not just a financial success. It's a testament to our disciplined execution and commitment to efficiency.

Our ability to deliver a strong Ag EBIT margin in 2023 reflects the effectiveness of our strategies and the dedication of our teams on the ground. These achievements demonstrate our capability to meet our commitments.

Today will be another day of commitments. I'm excited about the journey ahead and the opportunity this gives us to build on our proud legacy. Thank you for your attention, and I look forward to the rest of today's conversation as we work together to secure a bright future for CNH.

Now, I'll turn it over to our Chief Executive Officer, Gerrit Marx.

## Gerrit Marx

[SLIDE 10]

Thank you, Suzanne, and good morning, everyone. I'm delighted that you are here with us today at the New York Stock Exchange.

[SLIDE 11]

My career began as a mechanical engineer, and I have a great appreciation and certainly understanding of the machines we make.

In fact, I have a driver's license for almost anything on wheels, and I make it a point to operate our equipment in real conditions everywhere I go. I've had the opportunity to serve in various leadership roles at a number of companies where I have always put the team first. This journey has taught me a great deal about what it means to set and deliver bold and ambitious goals.

When I had the opportunity to return to CNH in 2024, I made it a point to establish clear priorities for our entire organization. I firmly believe that every employee should aim for breakthrough performance, and my priorities are built on pushing boundaries and challenging ourselves to excel at every level.

"Breakthrough" is defined every day by new technologies and competitive moves, and that is what keeps me going and awake at night. My key priorities are straightforward, yet crucial. We must broaden management alignment across our global operations, especially on transformation and delivery, drive simplification and clarity in all our processes, and ensure that every team is empowered and challenged to unlock its full potential. There's no comfort zone.

This mindset is fundamental to how we will improve our margins, boost the earnings, and generate free cash flow. I will share with you how we are setting new standards, driving operational excellence, and positioning CNH as a leader in our industry. And all our colleagues and partners are at the heart of making this happen.

[SLIDE 12]

A critical component of our future success is our new, rebalanced, and focused global leadership team. We have de-layered our organization so that our Ag regional leaders report directly to me.

This new structure is more than just an organizational change. It will enable us to swiftly respond to changing market conditions and to capture opportunities as they arise around us. Clear P&L ownership at the regional level means no more distracting brand silos. A winning CNH is the key design criteria while leveraging our precious and iconic brands, Case IH, New Holland, STEYR, Raven, and many more.

The Ag regions are supported by central teams on critical processes. This ensures that global standards are met and we capture the advantages of our global scale properly. Additionally, I convene our global leadership team once a month in-person at one of our sites around the world. This brings the team closer to our colleagues on the frontline and in our factories. It ensures that the voices from the regions are heard directly at the top.

Coupled with our Construction and Financial Services segments, our new leadership team embodies a blend of experienced professionals, both homegrown and exceptional external hires. Their collective expertise ensures that we are not only reacting to market shifts, but proactively shaping them.

[SLIDE 13]

CNH's business is built around three segments: Agriculture, Construction, and Financial Services. First, I would like to focus on the Agriculture segment, the primary driver of CNH's performance.

[SLIDE 14]

Agriculture is our core business and we are a true full-liner. Our portfolio includes everything, from tractors and harvesters to crop production and crop protection equipment. We have one of the broadest agriculture and machinery distribution networks in the industry.

And we are also shaping the industry with our technological developments and integration of iron and technology. We delivered integrated solutions that feature cutting edge and that enable farmers to boost productivity and profitability at every stage of the crop cycle. Whether it's through enhancing productivity during the planting season or increasing yield during harvest, our goal is to deliver real measurable value.

We are also using AI to reshape our operations by making our equipment smarter, our processes more efficient, and our decisions more data-driven. From autonomous machinery and predictive maintenance to Precision farming and optimized fleet management, AI is helping us to deliver greater productivity, quality, and reliability to our customers.

I will now provide a preview of our Agriculture strategy.

[SLIDE 15]

Our path to 2030 is built on three strategic pillars that form the backbone of our long-term vision. Our first pillar, breaking new ground on iron and tech, is about expanding our product leadership. We are committed to offering a full-line portfolio and vertically integrated Precision Tech products.

We will also further develop a strong dual-branded network that leverages the strengths of both Case IH and New Holland globally, together with Steyr in Europe. Our second pillar focuses on achieving higher mid-cycle adjusted EBIT margins. We will achieve that by driving a non-linear improvement in quality and continuing to execute on the operational efficiency program we initiated in 2022. In case you wonder what non-linear means, it's not just better than yesterday, it's a step change in performance.

In addition to the \$550 million in previously achieved cost of goods sold savings, we will deliver at least another \$550 million in cost savings by 2030. These efficiencies will enable us to boost our through-cycle margins by 2030.

Our third pillar is centered on creating value for our shareholders. We are dedicated to returning substantially all industrial-free cash flow to shareholders through the cycle while keeping our options open for potential M&A. These three pillars are interconnected and mutually reinforcing.

They ensure that our strategic decisions are well-balanced. And this roadmap guides all our actions and investment decisions, providing us with a very clear path towards sustainable growth and long-term shareholder value.

[SLIDE 16]

So, how are we going to get there? Let's first turn to our product portfolio. We are one of only two agricultural OEMs that offer a true full-line portfolio around the crop cycle. Our portfolio covers tractors, harvesters, and crop production and crop protection equipment across all major crop types.

This is a critical advantage as it allows us to develop iron and tech as integrated purpose-fit solutions. It also allows us to support our dealers and customers as a trusted brand, no matter the crop type or application.

Moreover, the past few years have seen us continuously refreshing our product lineup. For example, our newest tractors offer improved fuel efficiency and higher horsepower, while our latest combines incorporate breakthrough technologies that increase capacity and automation. These machines truly are the best of the best.

This full-line leadership is not only a competitive advantage, but also demonstrates our ability to innovate continuously. Scott Harris, President of North America, will present our progress on this shortly.

[SLIDE 17]

Now, let's delve into Precision Tech. Precision Tech is transforming agriculture by enabling farmers to increase efficiency and yield. Over the past few years, we have made significant inroads on this front.

As Suzanne mentioned, we have doubled our Precision sales since 2019, while bringing much more of this technology in-house and introducing innovative new products that meet real farmers' needs.

The first chart highlights how our strategic acquisitions have played a crucial role in this transformation. These moves have allowed us to reduce our reliance on third-party suppliers, giving us greater control over our technology.

By internalizing these core systems, we have enhanced our ability to deliver reliable, efficient, and integrated solutions that drive operational efficiency and profitability. Looking ahead, we expect to double the Precision Tech contribution to Ag net sales to 10% by 2030, a testament to our commitment to innovation and continuous improvement. Jay Schroeder, our Chief Technology Officer, will provide a more detailed overview shortly.

[SLIDE 18]

Next, our go-to-market transformation is a key component of our overall growth plan. We have often talked about this in the past, and now, we have concrete plans to heavily invest in our dealer network to ensure that our products and services reach every farmer. We are tailoring our approach regionally so that each market's unique needs are met with a customized go-to-market strategy.

This new deal with dealers involves incremental investments to build superior service capabilities, integrated technology platforms, and common back-office support. The result is an exceptional customer experience that translates into long-term customer loyalty.

Our dealers are our partners, we want them to be successful, profitable, and proud. There is no us without them, and a stronger CNH requires a mindset shift to see us as one. One team, sometimes challenging each other, yet never losing sight of our farmers. And through closer collaboration, we can better support our customers and drive sustainable growth. Stefano Pampalone will provide you with further insights on this strategy shortly.

[SLIDE 19]

One thing we want to spend some time on today is quality. For over 180 years, we have been a Company that has prided itself on innovation, many industry firsts, and the core quality of our products.

However, when I rejoined CNH, I was not satisfied that we had done enough to deliver the quality that our customers deserves. We can do much better, and average will not be good enough.

For this reason, we have transformed how we think about quality within CNH. We are taking a 360-degree view of quality, spending product development, manufacturing,

supply chain, and dealers. To drive this mindset, we have reorganized our governance so that every quality employee globally now reports into the quality organization led by Chun Woytera.

This shift elevates the criticality of quality at all levels, cutting across regions and functions. We now focus the entire Company, all 36,000 employees on quality. For example, in our monthly onsite global leadership team meetings, we review each plant's quality performance and constructively debate ways to improve.

Our holistic approach to quality allows us to identify opportunities for improvements across our entire value chain as one team, delivering results that matter to our customers and farmers. It will take time to embed these improvements, but we expect to see the benefits in four different ways.

First, by improving customer loyalty and growing market share. By reducing the often hidden cost of non-quality, by realizing better net pricing on new machines, and by achieving higher trade-in values of used machines.

On the cost of non-quality alone, we will drive 200 to 250 basis points by 2030. This commitment to quality reinforces the trust our customers have in our brands. Ultimately, every machine does what it is supposed to do for as long as it is supposed to do it, often in ways that exceed expectations. I'll leave it to Chun to elaborate further on these initiatives.

[SLIDE 20]

Let's now consider the broader context in which we operate. Our markets are fundamentally attractive. Our products continue to drive farmer productivity and yield gains. This enables us to help feed a growing global population with an even higher demand for farmed and animal proteins.

However, the agriculture market is cyclical in nature. Thus, our industry is inherently affected by factors such as commodity prices, weather patterns, government policies, and technological advances. These external influences can cause significant fluctuations in our industry volumes.

The chart on this page lays out commodity prices and Ag industry volumes over the past 17 years. You can see that our most recent peak is less pronounced on a constant pricing basis than the 2012-2013 boom. While we can't predict the future, we believe this indicates a less pronounced trough ahead.

We do see the market bottoming this year at around 85% to 90% of the 10-year average. From there, the rebound will be shaped by the uncertainty around the evolving tariff environment, commodity prices, and industry-wide destocking.

That said, our 180-year history demonstrate that we are positioned to navigate these cycles and our strategy is designed to work independently of the cycle conditions. And again, this united team will tackle these challenges head-on. People and team play will make the difference.

[SLIDE 21]

With that established, let's review our historical margin performance. This chart shows our 2021 reported Ag adjusted EBIT margin of 12.3%. After normalizing the mid-cycle volumes, we see a margin of 10%.

Between 2021 and 2024, we drove 370 basis points of improvements from commercial initiatives and another 360 basis points from operational efficiencies. That was a tough job well-delivered. These gains were then somewhat offset by quality challenges on the back of COVID, supply constraints, start-stop situations, and a sudden uptick in demand. We ramped up our R&D investments, especially in Precision Tech for long-term returns as well in parallel.

Finally, we experienced some SG&A growth related to headcount and corporate charges that we partially offset through our 2023 and 2024 restructuring program. While this was tough, it was much needed. The net result was a 250-basis point improvement in mid-cycle margins by 2024.

These figures are a testament to our disciplined execution and our ability to deliver through-cycle margin growth via commercial actions, operational efficiencies, and SG&A discipline. We have proven we can deliver, and we will do it again.

[SLIDE 22]

Looking forward to 2030, our target is ambitious yet achievable. We will deliver a mid-cycle margin of between 16% to 17% in ag. To reach this target, we will continue to invest in growth initiatives such as new product launches, further integration of our iron and tech, and strengthening our dealer network and after-sales team.

We will also continue driving operational efficiencies through strategic sourcing, enhanced planned efficiency, and optimized manufacturing processes. These programs and the non-linear quality improvements are already underway and delivering impact.

These gains unlock investment for additional product launches, continued Precision Tech development, and strategic investments in our dealer network and global sales force.

[SLIDE 23]

Given the cyclical nature of our industry, we wanted to provide you with a view on how our margin profile will evolve in different volume environments.

To summarize our progress, starting from a mid-cycle margin of around 10% in 2021, we reached 12.5% by 2024. Looking ahead, we will drive another 350 to 450 basis points expansion, reaching a target of 16% to 17% by 2030. Jim will provide additional details.

While fluctuations due to industry cycles are inevitable, we will maintain a robust and sustainable margin profile independent of the cycle. This is a key indicator of our operational strengths and of our commitment to deliver long-term shareholder value.

[SLIDE 24]

While Agriculture is our primary driver of our success, our Construction and Financial Services segments also contribute to our overall performance. Our construction business, which accounts for roughly 20% of our Industrial net sales, operates as a standalone cash-generating entity.

We have previously commented on our efforts to create mutually accretive partnerships that will help our construction business capture its full potential. Given the current uncertainty around global trade, we will have to be patient while evaluating our options here. There is no burning platform.

Our Financial Services segment provides stable, efficient capital support, helping to ensure that our industrial operations have the necessary financial resources to thrive. Together, these segments create a diversified and resilient business model that not only supports our growth but also mitigates risk in an ever-changing market environment.

[SLIDE 25]

To conclude, I want to share our strategic commitments that are tied to our three key pillars that I introduced earlier. On our first pillar, breaking new ground on iron and tech, we commit to being the number one or number two player in all major markets.

On our second pillar, we will deliver 16% to 17% mid-cycle adjusted EBIT margin in Agriculture. Finally, we will generate greater than 25% more cash from our Industrial Activities driven by our improved margin profile.

The three pillars are interconnected and mutually reinforcing. They ensure that our strategic decisions are very well-balanced. This roadmap guides our investment decisions, providing us with a clear path towards sustainable growth and long-term shareholder value.

In closing, I want to express my deep confidence in our strategy and in our team. The progress we have made so far is remarkable, but our journey has just begun. Our commitment to innovation, operational excellence, and strategic growth is unwavering. This is how we will continue to drive CNH forward into an exciting future.

Thank you for your attention, and now, I would like to welcome Scott Harris, the President of North America, to the stage.

[VIDEO 4 - [link](#)]

## Scott Harris

[SLIDE 26]

Well, thank you, Gerrit, and good morning, everyone. I've spent nearly 20 years at CNH in various leadership roles, starting with CNH Capital in North America, North America Parts and Service, our Construction brands in North America, Case IH in North America, and then globally, and now, leading the Ag segment for this great region.

Over the years, I've developed a deep passion for our industry, but perhaps more importantly, our mission and purpose, which hasn't changed in more than 180 years. We exist to serve farmers, period. The center and genesis of everything I'll share with you this morning begins and ends there, and to me, professionally, that's incredibly powerful, but personally, really rewarding.

I've never been more confident in our future, the strength of our iconic brands and the powerful combination of agronomically superior iron and technology, all fully supported by our incredibly passionate and committed dealer partners.

Today, I'll quickly walk you through our full-line product portfolio, highlighting our leadership in tractors, combines, crop production, and crop protection equipment. You'll quickly see the depth and breadth of our product lineup and how it separates us from most competitors. I'll also explain how our product design centers on one clear objective, improving farmer productivity and profitability.

[SLIDE 27]

So, let's start there, our approach to product design.

Every machine we design is engineered to improve farmer productivity and as a consequence, their profitability. Whether it's smart, intuitive controls, agronomic design, or a digital ecosystem that connects every piece of equipment, our focus is on delivering tangible benefits for farmers.

So, here's a few proof points on how our products support every stage of the crop cycle. In field preparation, our Steiger 715 Quadtrac will deliver an increase of more than 10% horsepower over its previous model. This means it goes faster and pulls larger implements more efficiently.

Our 2160 corn planter can yield an improvement of \$35,000 per thousand acres planted. In the growing and protecting phase, our smart sprayer technology can result in an over 60% reduction in herbicide use and in harvesting.

Our Class 11 combines offer a 30% increase compared to our earlier models, meaning increased speed and efficiency. These are just a few examples to illustrate how our designs translate into real bottom-line results for farmers.

And then couple this with a connected digital ecosystem in FieldOps that consolidates critical performance data throughout the crop cycle, meaning farmers can make more informed decisions, and the value becomes quite clear.

[SLIDE 28]

You can see here that we offer a comprehensive full-line portfolio that covers every stage of the crop cycle. The rings on the page show our offering across all major types of farming from specialty and livestock markets to growers of hay, forage, corn, soybean, rice, sugarcane, cereal grains, and, of course, livestock.

As Gerrit noted, we are one of only two Ag OEMs to offer such a complete range. This enables us to develop integrated solutions purpose fit to specific crop types while ensuring our seamless iron and tech integration across the offering.

And our dual brand strength enables us to serve every stage of the farming cycle across a wide range of crops and applications, making us a preferred partner for nearly every customer segment.

[SLIDE 29]

Now, in red here, we've highlighted where we'll refresh or launch new products. Across all segments, when you add it up, that becomes an extraordinary number between now and 2030. Here are just a few examples.

Our new generation combines deliver a 15% improvement in total cost of ownership. Our four-wheel drive tractors, purpose-built for pulling high productivity implements, are ideal for large-scale seeding and planting operations. We'll also complete our refresh of the entire tractor lineup, which spans from 20 to over 700 horsepower.

In the specialty segment, we introduced the specialty standard in 2022, followed by the specialty value model in 2024, with more releases coming this year. In the mid to high horsepower range, we launched the heavy duty in 2021, the long wheelbase in 2022, and a 340-horsepower model in 2024, with more coming at Agritechnica later this year.

Our objective is clear, to address the most significant profit pools with best-in-class comfort, uptime, and performance. Our comprehensive offering ensures we have solutions for every farmer, every crop, and every season.

[SLIDE 30]

So, let's go just a little deeper into our combine solutions, a cornerstone of our product leadership.

In every western market, we consistently rank as the number one or number two provider. Our broad combine lineup empowers our dealers with the right tools to serve diverse farming operations around the globe.

So, regardless of farm size, class, or horsepower need, we've got combines for a wide variety of farmers with machines ranging from 130 to 775 horsepower. This benefits CNH, our customers, and, of course, our dealer partners.

[SLIDE 31]

And I'm particularly proud of our latest advancements in combine technology. I mean, last year, we expanded our flagship combines by launching the New Holland CR11 and the Case IH AF11 machines, the highest capacity combines in our lineup.

These Class 11 combines deliver several meaningful improvements for large farms where the cumulative benefits of higher capacity, greater durability, and faster unload rates make a big difference in productivity and profitability.

[SLIDE 32]

And then there's the technology. So, let me paint this picture for you to try to demonstrate the impact of this technology and bring it to life. So, imagine a farmer is in the heat of harvest. He's running his combine 18 hours a day or more to get his crop in fast at the perfect time to optimize yield.

As the morning dew or frost begins to lift, crop conditions change. He can make some adjustments to his machine to limit grain loss and improve grain quality, but there's some weather coming in and he needs to get this crop off now.

So, prior to our combine automation, he had to decide, "Do I stop and make the necessary adjustments to the machine to control grain loss and ensure the highest quality grain sample, or do I accept the grain loss and the lower grain quality and ultimately, lower yields and profit?"

With our combine automation, the machine continuously monitors conditions and optimizes machine settings accordingly on the fly, ensuring top performance and optimal efficiency without missing a beat during a very critical window. This is powerful.

[SLIDE 33]

This seamless integration of iron and tech extends well beyond harvesting. Consider our planting mission system, which provides a unified in-cab interface and real-time

data integration via our FieldOps platform. This system ensures precise seed placement while delivering actionable agronomic insights to improve field performance.

Our integrated system enables farmers to sync machine data with agronomic inputs to improve productivity and ultimately boost return on investment. For example, our smart planters adjust for microenvironment set factors such as soil type, moisture, temperature, residue, to maximize seed-to-soil contact and ultimately, yield potential. Farmers using our automated planting technology are already realizing productivity improvements at twice the traditional planting speed without sacrificing accuracy.

Additionally, our system allows up to six planters connected to operate as one, sharing real-time data such as guidance lines, boundaries, and coverage maps. This connectivity minimizes skips and overlaps, again, increasing productivity and delivering immediate savings.

With remote viewing and real-time alerts, farmers can ensure proper seed placement. They can coordinate logistics for refueling and seed tank refilling and maintenance during tight planting windows. Our automation solutions offer our customers up to a 26% increase in crop yield with a savings of up to 12% in seed and fertilizer use.

[SLIDE 34]

Okay, that was a lot.

So, to give you an idea of just how incredible these implements are, think about this for a second. A typical 36-row corn planter with 30-inch spacing targeting 36,000 seeds per acre, running at 10 miles per hour, that machine is putting down more than a thousand seeds per second and placing each one at sub-inch accuracy in the furrow. That's literally on a dime, mind-blowing. We love it, our customers love it, and this success has been validated by 10 consecutive years of ASABE AE50 Awards for our planters.

[SLIDE 35]

Innovation is a constant at CNH. Over the last two years, we've launched 12 key products ranging from the CR11 combine and the 50 series Patriot sprayer to the Steiger 715 and four-wheel drive tractor. Our new generation combines are already sold out for 2025, a testament to the trust and confidence our customers place in our brands.

In looking ahead, the pipeline is equally robust. We're using rising technologies such as Gen AI to increase the velocity of our product introductions. We're planning more than 15 new tractor launches, 10 combine launches, 19 crop production launches, and over 30 Precision Technology releases between now and the end of 2027. This

fact underscores our commitment to continuous improvement and purposeful innovation.

[SLIDE 36]

In conclusion, our integrated approach marrying world-class iron with industry-leading technology allows us to deliver integrated solutions that enhance farmer productivity and profitability. We remain committed to purposeful, farmer-focused innovation and to being a full-line equipment leader in agriculture.

And as we continue to expand our portfolio and push the boundaries of innovation, I'm confident that CNH will remain a provider of choice for equipment across every stage of the crop cycle. Thank you.

And now, I turn the discussion over to Jay Schroeder, our Chief Technology Officer, who will delve even deeper into our Precision Technology advancements. Jay?

[VIDEO 5 - [link](#)]

## Jay Schroeder

[SLIDE 37]

Good morning. I'm excited to share with you today our Precision Tech progress and our path forward. I've been with CNH for over 30 years with all of that time in product development and product management.

I started with the Company before the first Precision Technology was applied to our combines back in 1996. And I remember the rollout of our original advanced farming system products for tractors and planters just two years later. Through the years, I've seen and been a part of bringing to reality a number of products. And now, we're developing technology we didn't even dream of 30 years ago.

Today, I'll share with you our Precision Tech vision and how our approach to product development has evolved for more consistent delivery. I'll highlight our integration of in-house technology and explain how our machines are increasingly fitted with the solutions our farmers need most.

Equally important is the talent we attract. Our team includes some of the brightest minds in the industry. Some have been with us for years. Others joined us recently through acquisitions. And now, we're one R&D team, iron, precision, and technology, all focused on delivering solutions for farmers.

Every Raven team member, others who have joined our precision team through acquisition, and our veteran CNH team of expert engineers make a difference every day in how we navigate this transformation as one team.

[SLIDE 38]

When we think about the road ahead and we all know that who's farming and how they're farming is changing. We continue to adapt to the changing landscape by ensuring our work in technology is shaped by a strong sense of what's useful for farmers.

The farm of the future starts with smart connected machines that do more than just work the land, they learn from it and adapt to it. Connected machines collect data to help farmers make better decisions and get more out of every acre.

Farmers will have seamless access to their advisers and experts, enabling informed database decisions and a simple consistent user interface across digital systems that connects all aspects of the farm.

Machines will talk to each other in real-time creating a fully connected ecosystem. With always on connectivity, every piece of equipment will work seamlessly together, making farming more efficient and a whole lot simpler.

And finally, we're moving closer to true autonomy with machines that can actually make real-time decisions and adjustments on their own. So, even when things change in the field such as shifting weather or crop conditions, our equipment adapts to deliver the best agronomic outcome.

For farmers, that means less hands-on oversight, a higher quality job, and more productivity. This is the future we're building, a farm that's more productive, more efficient, and more sustainable.

Now, let's get into the how.

[SLIDE 39]

To maximize our Precision Tech R&D, we've evolved our approach to development. First, we've renewed our focus on building products that truly deliver value to farmers.

At every step, we look through the lens of farmers real world needs by sitting down, talking to them, understanding their business, and seeing how our products operate in the field. This enables us to identify what they need today and in the future.

Second, we develop fully integrated iron and tech solutions. We've broken down organizational silos and shifted our way of working to ensure technology is seamlessly designed into our products. This way, farmers get a full suite of technologies that work together to meet all their needs.

Third, we make sure our connected products cover the entire crop cycle. Because we own the core parts of our tech stack, we can cut down on complexity and make the farmer's experience smoother and smarter.

And finally, we're building an open end-to-end digital ecosystem. We're teaming up with top Precision Tech innovators to deliver the best technology to farmers and faster.

Now, let's turn to our Precision Tech portfolio.

[SLIDE 40]

We provide farmers with Precision Tech solutions through the entire crop cycle. Take field prep and planting, for example. We've seen real yield gains with agronomic by design tools such as tillage automation and high-speed planting.

At harvest, our combine and baler automation can boost throughput by up to 25%, all while reducing crop losses and improving the quality of the grain sample and the quality of the finished bales.

And the best part? Well, every step is connected through our digital ecosystem. With our new FieldOps platform, farmers get real-time insights they can access anytime, anywhere, from the palm of their hand.

[SLIDE 41]

Several years ago, we realized we were relying too much on external suppliers for core technology. So, we made a strategic shift and started bringing our foundational parts of our Precision Tech stack in-house.

That move has helped us close key gaps and speed up our product roadmap. Acquiring Raven was a big step. It gave us access to talent and IP that has enabled us to internally develop critical technologies such as guidance, connectivity, and Precision farming.

We've also adopted elements of the Raven culture and approach, and these are accelerating and enhancing our innovation. As a result, today we're building about 80% of our Precision Tech in-house. And we're not stopping there.

As we integrate Hemisphere and augmented technology into our current product lineup, we're on track to push that number to 90%. Why does this matter? Well, it matters because having control of our core technology and being one engineering team means we can roll out new tech faster, offer more reliable user experience, and drive more profitability.

[SLIDE 42]

Our goal is simple. We want Precision Tech to be fully embedded in our machines, not an add-on. That's why we're pushing hard on factory-fit adoption. Let's bring this to life. We think about Precision tech across machine types, large, medium, and small.

The black bars represent our current factory-fit levels, while the red bars show where we plan to be by 2030. For our large machines, we're nearing 100% factory-fit adoption over foundational tech. When farmers invest in our large equipment, they know they're getting premium tech that performs consistently in the field.

For medium-sized machines, we're actively increasing our factory-fit rate with a target of about 65% by 2030. It's worth noting that not every medium or small machine is using applications that need Precision Tech.

To highlight this fact, we show the adoption potential, and with the shaded gray areas, we indicate the retrofit opportunity. So, factory-fit remains our focus across all

segments. It's a major driver of our Precision Tech growth, and we're committed to make it happen.

[SLIDE 43]

Now, let's look at our Precision Tech roadmap.

When we talk about Precision Tech, we think about it in five key segments. It all starts with foundational technologies, things like displays, connectivity, positioning, and guidance.

From there, we move up the tech stack to coordination and optimization. These solutions let farmers handle multiple simple automated tasks at once. The next level is highly automated machines. These machines can do complex tasks at the same time and with much less supervision. They're smart enough to make real-time decisions on their own while the operator remains in the cab.

And finally, we reached supervised autonomy and full autonomy where unmanned vehicles operate across the crop cycle with little to no human involvement. As you can see, we've got products that we're already delivering in each of these segments, and we've got exciting new ones in the pipeline.

Now, let's take a closer look at a couple of these, starting with the capabilities of our farm management system, FieldOps.

[VIDEO 6 - [link](#)]

So, clearly, FieldOps is having a significant impact on our farmers' operations.

[SLIDE 44]

Let's now turn next to our next-generation smart spraying solutions. We recently launched SenseApply, and we're excited to showcase it at Agritechnica later this year.

SenseApply is our smart spray solution for green-on-brown applications. It uses a multi-spectral camera to detect plant health and locate weeds. It then uses AI and machine learning to apply herbicide only where it's actually needed, only where it detects weeds. That means not spraying bare ground, resulting in less waste and lower chemical costs.

In fact, it can cut herbicide use by up to 60% with a payback period of less than one year. And we're also taking it one step further with One Smart Spray. This system handles green-on-green applications, which means it can identify and treat weeds even when the crop is already growing.

With boom-mounted cameras, it delivers even more precise spraying, reducing herbicide use by up to 80%. And beyond the cost savings, these solutions help

farmers improve sustainability, something that's increasingly important to everyone in agriculture.

[SLIDE 45]

Let's take a step back for a second and look at the big picture, our Precision Tech growth. Today, it makes up about 5% of our net sales. By 2030, we expect that to double to around 10%. What's driving that growth? It's a mix of things, more factory-fit adoption, a stronger aftermarket business, and new technologies such as smart spray and automation.

And because Precision Tech carries higher margins, this growth will add 50 to 75 basis points to our aggregate margin by 2030. Between our internal innovation and strong external partners, we're set up to make Precision Tech an even bigger part of our portfolio and a bigger driver of our success.

[SLIDE 46]

I have to say, I'm more excited than ever about what we're offering and where we're going. We have a renewed energy and focus on innovation bolstered by our acquisitions. We've got a clear game plan, keep building new products and features that boost farmer productivity, maintain ownership of our core tech stack, expand factory-fit adoption, and grow an open ecosystem by partnering with the best in Precision Tech. And we have a pipeline that's competitive with the best in the industry.

Stefano Pampalone, our Chief Commercial Officer, will now walk us through how we're driving go-to-market excellence through a strengthened dealer network and a focus on delivering these power solutions to our farmers.

[VIDEO 7 - [link](#)]

## Stefano Pampalone

[SLIDE 47]

Thank you, Jay, and good morning, everyone. In my role, I oversee our commercial efforts, including brand and dealer network management, as well as our portfolio and aftermarket service offerings.

I've had the privilege of serving CNH for over 26 years, most recently, as President of our Construction Equipment segment, and before that, as Chief Operating Officer of our APAC region. These experiences have given me deep insight into our business, our customers, and the opportunities ahead.

And I must say, at CNH, growth is about more than just numbers. It's about fostering strong relationships, it's about delivering meaningful value and building a legacy of excellence for all stakeholders.

Today, I'm excited to share the foundation of our go-to-market strategy, a strategy designed to enhance the customer experience, drive sustainable growth while strengthening our dealer network, and bring new value creation opportunities to customers and to dealers.

[SLIDE 48]

As Gerrit briefly mentioned earlier, our go-to-market strategy is built on three key pillars. The first one is our strong brand identity and industry-leading products. Our global brands, Case IH and New Holland, are recognized worldwide for their clear value propositions and the defined target customer segments.

A strong brand, though, is only as powerful as the people and the partnerships behind it. And that's where our second pillar comes in, and that's why we continuously enhance our brand identity and empower our dealers.

And with nearly 6,000 points of sale globally, our dealer network is the real backbone of our success. By strengthening this network, we ensure that our customers receive the products, the services, and the support they need when they need it and where they need it. We're not just doing business, we're building through partnerships. We are creating a new deal with our dealers where we actively invest in their growth, capabilities, and long-term success.

Then the third pillar of our strategy is our unwavering commitment targeting 0% unplanned downtime. In our industry, every moment of downtime affects our customers' productivity and their profitability.

We are laser-focused on enhancing dealer service capabilities through advanced diagnostics, predictive maintenance, and state-of-the-art technologies to ensure that our customers' operations run smoothly.

[SLIDE 49]

Our portfolio is anchored by two iconic brands, Case IH and New Holland, each one with a distinct identity and tailored offerings. Case IH is the brand of choice for large-scale grain and cash crop producers. It's synonymous with powerful, reliable, rugged machines and outstanding customer support.

New Holland is the brand of choice for small grain farmers, hay, livestock, and specialty crops. New Holland delivers high-value-for-money products that combine reliability with efficiency, making it indispensable for specialized agricultural operations. Together, these brands enable us to serve a broad spectrum of customers, ensuring that regardless of crop type or scale, our customers have an ever-trusted partner.

[SLIDE 50]

We are taking bold steps to deliver faster, more efficient service to customers while enhancing dealer competitiveness and reach. Our integrated dealer network combines a unified backend system with a regionally tailored front-end strategy. This balance allows us to use the data, the insights, and the local expertise to make the best possible decisions for each market and reality.

And here is how we strike this balance. First, customer segment mix. In regions with diverse specialty crops, multi-brand dealers are more effective, offering a broader range of products and services under one roof.

Second, dealer strength. In competitive markets, strong dealers serving different customer segments with separate brands, such as Case IH and New Holland, can thrive independently, maximizing brand potential and fostering healthy competition.

And third, territory coverage, reach. In new or emerging markets, single-brand dealers are ideal for establishing a strong foothold with less risk and greater focus.

As markets mature, we can transition then to multi-brand models to meet evolving requirements. We have heard from some of our initial multi-brand dealerships that they have had significant success in improving customer satisfaction and market coverage.

This strategy boosts customer loyalty, drives sales performance, and creates a win-win-win for customers, for dealers, and for CNH.

[SLIDE 51]

Our vision is simple, delivering the best customer experience while empowering our dealers to thrive.

We recognize that there is no one-size-fits-all solution. That's why our dealer network strategy is regionally tailored, balancing single-brand and multi-brand models to meet unique demands of each market.

As an example, in Latin America, where farmers often focus on specific crops and farm types, the preferred go-to-market approach is to maintain two separate single brands. It allows us to deliver equipment perfectly suited to local needs, while fostering strong, specialized dealer relationships.

In North America and in Europe, where farming operations vary widely, a mix of single-brand and multi-brand dealers works best. Multi-brand dealers are particularly effective at serving both small-scale and large commercial farms by offering a wider range of equipment under one roof.

This tailored approach enhances customer proximity and loyalty. And with an up to 90% customer loyalty rate, we're proud of our strong brands, high-performing products, and dedicated dealers. But we aim to go further.

By adapting our dealers' network to regional needs, we build trust. And finally, this strategy ensures a balanced revenue portfolio. By serving a broad spectrum of customers, from small farmers to large producers, we maximize market potential, opportunities, we better navigate fluctuations, and deliver consistent value to our stakeholders.

Our dealer strategy is built on a simple yet powerful principle, not one size does fit all.

[SLIDE 52]

Our dealers for us are not merely partners. They enable us to best serve our customers, to drive innovation and growth. And success, as Gerrit said, is always mutual.

This is why we are investing in a new deal with our dealers. First, we have established a dedicated commercial organization to manage our relationship with dealers globally and define our go-to-market strategies. This structure will align with dealers' requirements, provide consistent support and investments, and share best practices, fostering stronger relationships.

Second, we are investing in an AI-driven solution to enhance dealer operations. We are committing to an additional 100 basis points of annual margin to initiatives such as advanced tools to streamline operations, enhance service and product training,

and align incentive schemes that reward performance and customer satisfaction. These investments will help dealers to operate efficiently, serve customers effectively, and grow sustainably in an increasingly competitive market.

Third, we are accelerating the deployment of digital and AI-driven tools to strengthen integration with our dealer network and elevate customer service. This solution will streamline communication, ensure strategic alignment, and deliver faster, more personalized support to customers.

Through these initiatives, we expect to drive over 500 basis points of average improvement in dealer returns and increase the contribution of parts and service to more than 35% of dealer revenues, supporting a more favorable business mix.

[SLIDE 53]

At CNH, we understand that time is one of our customers' most valuable resources, and not renewable. Every moment a machine is down, that means lost productivity and revenue. That's why we aim to deliver machines with 0% unplanned downtime and ensure issues are fixed right the first time. This is not just a goal, it's a plan in action transforming how we serve customers and how we support dealers.

First, we are boosting service contract maintenance to create a proactive approach to machine care, delivering peace of mind for customers and driving loyalty and recurring revenues for dealers.

Second, we are increasing the number of connected units, and we target 100% factory-fit for larger machines. Connectivity enables real-time monitoring, alerts, predictive maintenance, and seamless communication between customers, dealers, and CNH.

Third, we are deploying AI tools to enhance integration between dealers, CNH, and customers. And that's a game-changer, setting new standards for service excellence and for operational efficiency. These measures not only improve customer satisfaction, but will also translate into tangible financial improvements as our aftermarket performance will strengthen.

[SLIDE 54]

As we look to the future, integration and connectivity are key. Our vision is to create a fully integrated connected dealer network that benefits customer, dealers, and CNH alike. For customers, this means to reduce downtime, faster repairs through predictive maintenance and real-time diagnostics.

For CNH, a connected network provides better visibility into customer demand, improved forecasting, and optimized inventory management, ensuring that the right parts are available as and when needed.

This integrated approach not only drives operational efficiency, but enhances our overall financial performance. And furthermore, through these actions, we aim to support our farmers and dealers as they transition to more sustainable farming practices.

[SLIDE 55]

In closing, I want to leave you with a few key thoughts. Our network transformation is about more than operational improvement. It's about building a unified vision for the future. With two strong global brands, a regionally tailored network, and a commitment to superior customer experiences, we are creating the foundation for long-term success.

Our vision is to build one CNH network, a unified, regionally tailored dealer network supported by a common backend architecture. This transformation empowers dealers, enhances customer experience, and drives sustainable growth.

We are committed to delivering a superior customer experience, not just to improve. And through tools such as the predictive maintenance, faster diagnostics, and smarter decision-making, we are setting new standards for service excellence.

Our investment in AI power is central to this strategy. These tools will improve inventory management, customers' demand insights, and industry cycle predictions and resilience while equipping dealers to thrive, for customers, faster service, reliability, greater reliability, and personalized solutions that can set CNH apart as an industry leader. And all in, these actions will add an additional 50 to 75 basis points to the Ag adjusted EBIT margin by 2030.

Thank you, all, for your time, and especially for your trust in our vision. I will hand it over to Chun Woytera, our Chief Quality and Commercial Advocacy Officer. Thank you very much.

## Chun Woytera

[SLIDE 56]

Thank you, Stefano. Good morning, everyone. Today, I'm going to take you on CNH's quality journey from an end-to-end 360-degree perspective. I will share our key initiatives and their results. And you will see that for all of us in CNH, quality means delivering industry-leading performance to every customer in every crop and every season.

I am privileged to have worked at CNH for over 25 years with varied roles. I started my career as a combine engineer, and most recently served as the President of our Agriculture Operation in Asia Pacific.

Customer advocacy is the driving force behind our quality journey. That's why quality and customer advocacy are combined in my duty. We see them as inseparable. At CNH, we're committed to delivering the highest quality products and services to ensure our customers' success.

[SLIDE 57]

We will start our quality journey with our philosophy at CNH. Quality is a mindset. This is reflected in how we think, how we organize, how we define accountability, how we communicate, and how we train.

We lead with quality every day, no matter job description. A quality mindset means quality is a shared responsibility. Every one of our 36,000 employees is an empowered customer advocate. Equipped with this mindset, we can then extend this view to every aspect of our operations to discover and drive non-linear improvements from every interaction to the farm, to the dealership, throughout manufacturing, product development, and supply chain.

So, why do we do that? We do that so that we deliver true value to our customers by achieving two main objectives. First, maximize uptime. Second, fix right the first time.

[SLIDE 58]

Let's continue our quality journey with our dealers. We believe a close partnership with our dealers is essential to ensuring the best possible customer experience. We have seen strong results from four initiatives.

By engaging proactively with our dealers, we identify emerging issues early. This approach has shortened our feedback loop by over 50%, allowing CNH and our dealers to focus on delivering value rather than putting out fires.

When issues do arise, an accelerated response system, ensuring solutions are implemented quickly, this has delivered a 250 basis point improvement in machine

uptime in 48 hours. At dealer sites, we have achieved fill rate of over 95% by increasing stocks of high turnover service parts. This means the right parts are available at the right time and in the right place so farmers can focus on farming.

AI Tech Assistant, our diagnostic tool now provides dealer technicians with real-time insights at their fingertips. This has helped to deliver a 200 basis point improvement in fix right the first time.

As we scale up these initiatives across our network, we will increase our responsiveness to our dealers, build tech capability along with them to deliver the best possible services to our customers.

[SLIDE 59]

Let's continue our quality journey inside of our manufacturing facility to see quality in action. At our plant in Racine, Wisconsin, we have implemented several initiatives that embodies the philosophy, quality as a mindset. I want to highlight two of them here today.

First, no fault forward. On the assembly line, if any issue arise, they will fix immediately where they occur regardless where the issue originated. This empowers the operators to identify and correct faults on the spot, use technologies such as black light, air pressure testing, and vision-based AI. This approach sustains our quality improvements and reinforces a culture of accountability and pride among our workforce.

The second initiative is dynamic vehicle validation testing. Beyond the assembly line, we put our products through rigorous testing in real world dynamic scenarios to ensure they stand up to farming challenges.

All these measures have enabled Racine to deliver the highest quality, high horsepower tractor it has produced in the last decade. And dealer quality score and machine reception are now above 95%.

We are expanding these best practices systematically across all sites through CNH by leveraging CNH Business System Plus, which includes a companywide quality cup, which recognize quality excellence, and we will announce our winner in 2025.

This short video showcase the progress we've made at our plants in New Holland, Pennsylvania, and Racine, Wisconsin.

[VIDEO 8 - [link](#)]

[SLIDE 60]

Let's continue our quality walk to the product development and supply chain. We have made substantial progress embedding quality during product development and throughout our supply chain by focusing on three areas.

First up is designing for serviceability and manufacturability. Our engineering team collaborates with manufacturing and supply chain experts right from the start. For example, our engineers spend time on the assembly line using the same tools as the operators to understand how design impact assembly, materials and production timing. This hands-on approach builds appreciation and empathy across functions to ensure our products not only innovative but also easy to produce and service.

Secondly, to advocate for our customers, we bring farmers' voice into our global product development process across each gate from design to validation. For example, on the Magnum from Racine and the iconic four-wheel drive from Fargo, we apply reliability targets based on real-world scenarios to boost performance of key components. These real-world targets increase the rigor of our product development and translate into our customers' bottom line with improved uptime.

And finally, as I mentioned, quality as a mindset is not limited to job description. We are embedding quality into every interaction with our suppliers and logistic partners. Our strategic sourcing program will evaluate and re-quote 100% of our annual purchase volume, ensuring we form long-term partnership with suppliers who meet our stringent quality standards.

These collaborative partnerships yield more reliable, durable parts that will directly enhance our machines' performance. Altogether, we aim to deliver a 25% improvement in quality of our new product launches.

[SLIDE 61]

As we come to the end of our quality journey today together, let's discuss multi-dimensional impact of the quality improvements I've shared. They translate into tangible benefits for our customers, higher reliability, fewer disruptions, and better overall performance, and ultimately, a stronger bottom-line for them.

And for CNH, these quality initiatives include improved customer loyalty, growing market share, a lower total cost of non-quality, and higher net price of both new and used equipment. We do, however, need to keep in mind the lead time to realize all these improvements. Most of our current non-quality is generated by pre-model year 2024 vintage.

So, the seeds we're sowing today, that will require some time to grow as our fleet growing through the existing their product life cycle. Although these savings require time to fully manifest, we are committed to deliver 200 to 250 basis point improvement in the cost of non-quality by 2030.

[SLIDE 62]

I will leave with you three key takeaways today. First, we've embedded quality as a mindset across CNH, leveraging the success at our Racine and New Holland plant to empower our dealers, suppliers, and logistics partners.

Two, this quality mindset touches every aspect of our operations. It enables us to adopt an expansive 360-degree view of quality, grounded in a customer-centric product lifecycle approach.

And three, our quality efforts are delivering measurable financial results, driving 200 and 250 basis point of margin expansion. Thank you for your attention. Let's take a short 10 minute break.

[10 MINUTE BREAK]

[VIDEO 9 - [link](#)]

## Humayun Chishti

[SLIDE 63]

Good morning, everyone. I'm Humayun Chishti, President of Construction. I've been with CNH for over 20 years and in a variety of roles, from finance to strategic sourcing to sales planning and operations. Over the last few years, I have helped lead the segment first as CFO, and now, as President.

It's a privilege to be here today and to share with you the progress that we have made in our construction segment.

[SLIDE 64]

Our Construction segment is deeply rooted in the industry with over 180 years of history.

We are proud to be one of the America's leading brands where we generate 70% of our sales and rank among the top five players by market share. And we're also expanding our businesses in APAC and the EMEA regions.

Our history and legacy are built on groundbreaking innovations. In 1869, Case built the first portable steam engine, an iconic machine that led the foundation of modern agriculture and construction. It is now on display at the Smithsonian.

In 1957, Case introduced the industry's first factory-integrated tractor loader backhoe, the Model 320 that revolutionized the construction industry. And now, continuing with this legacy, in 2024, we launched the industry's first electric tractor loader backhoe.

Today, we offer a full-line of earth-moving equipment featuring 13 product lines, including loader backhoes, excavators, and compact wheel loaders. Our products have a wide range of applications from urban projects, landscaping, and agriculture, to large-scale infrastructure developments.

We operate under three distinct brands, CASE Construction Equipment, New Holland Construction, and Eurocomach. Each brand with its unique identity and combined with CNH's scale delivers unmatched solutions for its customers.

Our extensive distribution network of partners, with over 1,600 dedicated global points of sale, ensures that we remain close to our customers and enables us to provide and deliver exceptional product support.

[SLIDE 65]

The Construction segment is now a steady contributor to CNH's financial results, generating positive EBIT and cash flow through the cycle. This financial stability allows us to invest in innovation and pursue strategic partnerships that maximize value for our shareholders, customers, and dealers.

And we're committed to maintaining a healthy and consistent level of innovation to generate organic growth. By investing some \$300 million in R&D in the last three years, we have been able to launch more than 30 new products and entered three new product categories.

At the same time, we have been advancing our Precision Technology solutions for our users. We have done this by progressively integrating this technology with our equipment to meet the evolving customer needs. I'll dive deeper into our product and technology roadmap shortly.

[SLIDE 66]

But before I look ahead, I want to review with you our recent turnaround journey.

Compared to 2021, we have improved our EBIT margin by 260 basis points by making some structural changes to our business. These have been delivered by three key levers. We've improved sourcing by optimizing raw material costs, diversifying our supply base, and streamlining our supply chain.

This alone has resulted in 260 basis points of margin improvement. And this is even more impressive as it was achieved during a time when there was considerable disruption in the supply chain.

In our manufacturing operations, we have optimized our footprint and capacity while streamlining and simplifying workflows. This has helped us reduce waste and rework, which drives manufacturing efficiencies. For example, we have invested in a flexible manufacturing center at our site in Contagem in Brazil. This is delivering increased process reliability and is driving down costs.

And then our strategy in aftermarket parts and connectivity and digitization is starting to yield benefits. A growing number of our machines are now connected. And this increased penetration of parts and connected services is driving higher adoption rates across our portfolio.

We've also reinvested some of our margin expansion in R&D to support product updates, range expansions, and customer-centric initiatives. We have also strengthened our marketing efforts and made targeted workforce investments. This will ensure that we have the right talent and skills to support our growth strategy.

[SLIDE 67]

Now looking ahead, our strategy continues to build upon the same levers to drive further margin expansion. Our product portfolio is our focus. We have a robust pipeline of new product launches with seamlessly integrated technology.

Our new generation of small dozers and compact wheel loaders are designed to deliver greater versatility, improve fuel efficiency, and enhance operator comfort. Integrating iron and technology is leading to benefits such as operator efficiency and productivity, job site safety, and a digital ecosystem of connected machines.

We are delivering solutions such as perception, object detection and avoidance, machine control, and semi-autonomous tasks, all geared to generate a higher return on investment for our customers.

Now, along with products, a strong customer service network is crucial to our success. We are making targeted investments with high potential dealers, partners, especially those leveraging digital tools to improve customer service levels.

And we're also strengthening our New Holland Construction distribution channel in North America and Europe, focusing on the agriculture and landscaping segments. This is to drive synergies and expand our reach.

And our people are a cornerstone of our growth. We are investing in and committing to recruiting and developing talent with the skills required to leverage these evolving technologies. A clear example of this is our partnership in a massive program with three leading universities in the United States, Italy, and Brazil, which is designed to bring in high-performing students to build and harness new solutions.

At the same time, we continue our journey to further grow our aftermarket business and drive additional cost optimization initiatives. It is also worth noting here that we will continue to look at opportunities and be opportunistic in terms of finding accretive M&A opportunities.

[SLIDE 68]

As I mentioned, we are increasing our investments in our products. Here on this page, we lay out our product roadmap in three phases. Over the last three years, our launches have enhanced our ability to meet evolving customer demands and address a broader range of applications. We have also launched many electric models, as mentioned, the industry's first electric tractor loader backhoe.

Another standout example is our mini track loader, a compact, highly maneuverable machine that is generating traction across multiple end markets. Its versatility makes it well-suited for urban construction projects as well as landscaping, gardening, and other light infrastructure applications.

Over the next couple of years, we will be doubling down with the integration of Iron and technology. For example, the auto-dig and dump functions on our wheel loaders enhance efficiency and precision for repetitive jobs while reducing operator fatigue.

We are also capitalizing on the opportunity to incorporate our in-house Hemisphere GNSS solution and technology. This is making job sites more efficient by helping further advance semi-autonomous capabilities.

Now, looking ahead to 2027 and beyond, we are preparing to deliver our next generation of compact and heavy lines. This includes a new generation of wheel loaders tailored for the developed markets and a next generation lineup of skid steer and compact track loaders. These products will offer tangible benefits leading to superior productivity and lower operating costs.

[SLIDE 69]

These are the key pillars of our strategy. Now, let's look ahead how these initiatives will drive our financial performance.

We expect mid-cycle EBIT margins to further improve to between 7% and 8% by 2030. The investments we discussed in new products, technology integration, and network will drive additional volume. This will enable us to capture market share and achieve through-cycle top-line growth.

Additionally, our strategic sourcing program launched in 2022 continues to deliver the best total value across price, supply chain costs, reliability, quality, and technology by developing partnerships with our suppliers.

And our mission on manufacturing optimization is ongoing. We will continue to invest in upgrading our plants and to produce consistently high-quality products with increasing efficiency.

And now, I will show you how to think about our margin profile across the cycle.

[SLIDE 70]

Here, as you can see here on this chart, our hard work to execute initiatives is already showing results. All told, our actions are expected to deliver a further margin growth of about 150 to 250 basis points in mid-cycle EBIT margins by 2030.

This is in addition to the 260 basis points of EBIT margin improvements we have already delivered from 2021 to 2024. This continued margin expansion is an indicator of the resilience of our business and the structural improvements that we have put in place and implemented.

[SLIDE 71]

So, finally, I'd like to leave you with three key thoughts. We are proud to be a top full-line player in the earth-moving equipment space in the Americas with steady growth in EMEA and APAC, supported by our trusted brands, a strong global network, and a comprehensive product portfolio.

We have successfully turned around the business, driving meaningful margin improvements through operational and sourcing efficiencies, while increasing the aftermarket parts and connected service activities.

And we are not done yet. Clear opportunities exist to further expand sustained profitability by launching new innovative products, advancing digital integration, growing our aftermarket business, and strengthening our distribution network.

Thank you for your time. I will now hand it over to Jim, our new Chief Financial Officer, and he will walk us through our financials.

## Jim Nickolas

[SLIDE 72]

Thank you, Humayun. Good morning, everyone. I am Jim Nickolas. As you may know, I've been with the Company for about a month now. I'm very excited for this new chapter, returning home to the Chicago area, and the new opportunity. I bring over three decades of corporate finance experience, most recently as Chief Financial Officer of Martin Marietta. Prior to that, I was segment CFO at Caterpillar.

Today, I'll provide some additional detail around our margin expansion strategy and targeted efficiency actions. I will also cover our Financial Services segment, our cash generation, and our capital allocation priorities.

[SLIDE 73]

Let's start with an overview. CNH is a \$20 billion Company operating in three segments, Agriculture, Construction, and Financial Services. Agriculture serves as the cornerstone of our business.

As the world's second largest Ag OEM, we leverage scale, innovation, and a deep understanding of farmers' needs. The Ag segment has consistently delivered resilience and profitability with adjusted EBIT margins ranging from 8% to 15%. This reflects our operational efficiency, a robust product portfolio, and our adaptability to market conditions.

As Humayun mentioned, Construction is a top five player in the Americas. Following a successful turnaround, it has achieved a solid EBIT margin. Construction is a cash generator that contributes to our overall performance and competitiveness.

And finally, with approximately \$29 billion of managed portfolio, Financial Services offers tailored financing solutions to our customers and our dealers. It is both an enabler of growth and a driver of profitability.

Now, I'll dive into the performance of our Ag segment.

[SLIDE 74]

As you will recall, Gerrit presented our historical margin earlier today. Let me take you through some of the underlying details. This chart illustrates our Ag segment adjusted EBIT margin from 2021 to 2024. For comparability, we are providing this walk at the industry mid-cycle by netting out any industry volume impacts. The takeaway is that our mid-cycle margins improved from 10% in 2021 to 12.5% in 2024.

I'll now elaborate on each step of the bridge, starting with the commercial actions. As part of our integration of iron and tech, we improved the average sales price of our machines, reflecting the enhanced value of our solutions. Together with new product

launches, these actions lifted margins by 370 basis points, showcasing our focus on commercial excellence.

Next, we drove 360 basis points through operation efficiencies. Think of things such as logistics, plant efficiencies, and strategic sourcing. By executing these operational efficiencies, we delivered around \$500 million of cost reductions in the Ag segment. The best part here is we are not done. These in-flight initiatives have scope to continue to drive margin expansion, and they will.

Next is quality, which was a financial headwind. Given some historic quality issues, we launched a series of targeted campaigns to address product quality. These actions helped contain the quality issues to a 200 basis point margin impact. Then we show R&D, which was an investment in our future. We ramped up our investment in R&D, especially for Precision Tech and pipeline updates to drive future organic growth.

Finally, we saw a decrease in our SG&A efficiency driven by labor inflation and dis-synergies related to the Iveco de-merger. However, we offset these headwinds by launching a restructuring program to manage discretionary expenses and recover the prior SG&A increases.

All in all, our strategic initiatives have delivered meaningful financial improvements and positioned CNH for sustainable growth. We're proud of this 250 basis point of through-cycle EBIT margin expansion, however, we are not done.

Now, let's look at the go forward.

[SLIDE 75]

As Gerrit described, we're targeting another 350 to 450 basis points of margin expansion by 2030. Let's begin with our growth initiatives where we aim to achieve 100 to 150 basis points of margin improvement.

We achieved this expansion by launching higher margin products such as the next-generation combines that incorporate our advanced Precision Technology. And by the way, I drove one of those last week and it was incredible. As Stefano mentioned, expanding aftermarket sales and strengthening our dealer network will also drive margin accretive revenue growth and improve customer loyalty.

Next, operational efficiencies. Our in-flight operational initiatives have runway to continue to drive margin expansion. We'll unlock another 200 to 250 basis points of margin through strategic sourcing, plant efficiencies, and by optimizing our manufacturing footprint.

As Chun explained, quality is one of our most important focus areas. Enhancing product reliability, refining manufacturing processes, and strengthening dealer partnerships will contribute an additional 200 to 250 basis points. We will see the

impact of these actions in lower warranty costs and increased efficiency. Ultimately, this will drive improved customer satisfaction scores.

Next is R&D. Innovation remains central to our strategy and we have allocated 50 to 75 basis points related to R&D investments. We continue to increase R&D investments so that we can develop the technologies that will drive farmer productivity.

Moving on to commercial, as Stefano discussed, we're making 100 to 125 basis points worth of investments in our dealer network to strengthen partnerships and enhance performance. This includes product and service training, incentive programs, and AI-powered tools such as our AI Tech Assistant. These tools will enable smarter, faster decision-making at the dealer level.

Finally, general and administrative expenses. While we anticipate some absolute dollar growth in G&A to support expanding revenues, we will remain disciplined in managing these expenses. In terms of timing, we expect these benefits on an overall basis to flow in a pretty linear fashion, with roughly 40% of the benefits expected to flow through in the first half of the period, the first three years, and the remaining 60% during the second half. Our approach ensures that we are allocating resources efficiently to support our strategic priorities and drive long-term value creation.

[SLIDE 76]

Now, I want to talk about what this margin expansion means in the context of our cyclical industry. Let me explain this chart in detail. As we've seen before, on the Y-axis, we have seen Ag segment adjusted EBIT margins. Then on the X-axis, we have Ag industry 10-year average sales. So, at the 100 point, that's the mid-cycle point. Specifically, we're showing industry sales at retail. We've also further normalized for the impact of pricing and FX.

In light [blue], we have plotted our margin profile for 2021. Industry volumes were at 115% of the 10-year average. If we normalized to mid-cycle volumes, our margins would have been around 10%.

Now, add in 2024, the red line. While we achieve structural improvements to our margin profile, volumes were at around 95% of cycle, mid-cycle, and that doesn't tell the whole story because that's calculated based on retail volumes. But if we adjust for dealer destocking, our volumes were closer to 90%.

Finally, add the impact of our forward-looking improvements. This 350 to 450 basis points of margin expansion gets us to the target range you see in the light brown dotted lines. The key takeaway is that while cyclical fluctuations due to industry cycles are inevitable, our disciplined execution and continuous improvement initiatives give us confidence that we can continue to drive margin expansion over the long term.

[SLIDE 77]

Next, I want to take a moment to talk about our in-flight operational improvement initiatives. In 2022, we launched a multi-way program to optimize sourcing for parts across our supply chain. And to-date, we have some 80,000 parts in flight.

This initiative uses data-driven insights and supplier partnerships to improve cost efficiency while maintaining quality and reliability, meaningful results that will start flowing through the P&L this year, with long-term margin improvement estimated in the order of 100 to 150 basis points.

Next, we're advancing around 100 lean manufacturing projects. These projects will boost productivity, reduce downtime, and streamline workflows. By embedding lean principles into our processes, we are creating a more agile and resilient production system.

By 2030, we expect an additional 50 basis points of margin uplift. We also have more than 15 active plan optimization initiatives focused on aligning our operations with market demand and enhancing cost competitiveness. We expect these projects to deliver an additional 50 basis points of run rate margin uplift.

[SLIDE 78]

Now, let's turn our attention to our investment strategy. Our focus on product development and technological advancement remains central to our strategy. Since 2019, we've almost doubled R&D and CapEx spend. This reflects our dedication to future innovation and affirms a commitment we made at our 2022 Capital Markets Day. As you can see, Precision Tech investments are the biggest driver of that growth and now represent 25% of our total investment.

Looking ahead, we will maintain similarly robust levels of investment in both R&D and CapEx spend. This will enable us to continue developing innovative products and technologies, strengthen our competitive position, and support long-term growth.

[SLIDE 79]

Pulling back up, I'll provide some detail now on our Financial Services segment. Financial Services makes our products accessible and affordable by offering tailored financing solutions to our customers and our dealers.

It also provides dealers with financing support to maintain inventory and meet demand, creating a cycle of growth and customer satisfaction. Beyond driving sales, Financial Services reduces earnings volatility and improves margin consistency. It also ensures steady returns for investors, even in dynamic markets.

[SLIDE 80]

Now, let's discuss our cash generation. Through the cycle, we expect industrial activities to generate 25% more cash as compared to the prior period from 2021 to 2024. This higher cash generation is due to higher margins, both in our Ag and Construction segments. This increase in earnings is coupled with strong free cash flow generation greater than 70% through the cycle.

[SLIDE 81]

Now, I want to get some color in how we think about our capital allocation priorities. Our strategy is built on four pillars. First pillar is supporting organic growth and driving margin expansion. We will invest in areas critical to long-term growth, such as our commercial actions, efficiency initiatives, and quality improvements.

The second pillar is preserving CNH's financial strength and maintaining an investment-grade credit rating. Prioritizing financial resilience ensures access to cost effective capital.

The third pillar of our strategy is maintaining the option for value-enhancing, disciplined M&A. This enables us to strengthen our portfolio, expand into new markets, and accelerate innovation. M&A will be executed with a focus on long-term value creation.

The fourth and final pillar of our strategy is delivering consistent and meaningful returns to our shareholders. After debt repayment and M&A, we will return substantially all free cash flow to shareholders through a consistent dividend and share buybacks. This balanced approach rewards shareholders while preserving financial flexibility for growth investments.

[SLIDE 82]

To close, I want to leave you with three thoughts. First, we will drive continued margin expansion, achieving a 350 to 450 basis point improvement in Ag EBIT margin by 2030. Second, we'll continue to invest in organic growth, maintaining annual R&D and CapEx through the cycle. And finally, after debt repayment and M&A, we will return substantially all free cash flow to shareholders. Now, I'd like to welcome Gerrit back on the stage to offer some closing remarks.

## Gerrit Marx

[SLIDE 83]

Thank you, Jim. And to conclude our formal remarks today, I want to bring us back to our strategic commitments. As you will recall, our path to 2030 is built on three pillars. First is breaking new ground on iron and tech. This means we are committed to being the number one or number two Ag player in all major Ag markets.

To achieve this objective, we will continue to expand our product leadership, offering a full-line portfolio vertically integrated with Precision Tech products. We will also maintain a strong dual branded network that leverages the strength of both Case IH and New Holland.

On our second pillar, we will deliver 16% to 17% mid cycle adjusted EBIT margins in Agriculture. This will involve a nonlinear improvement in quality and the continued execution of the operational efficiency programs we initiated in 2022.

In addition to the \$550 million in previously achieved cost savings, we will deliver at least another \$550 million by 2030. Finally, we will generate greater than 25% more cash through our industrial activities, driven by our improved margin profile, and return substantially all industrial free cash flow to shareholders over the cycle. We will have the ability to return more than we have in the past to shareholders in the form of dividends and share repurchases.

These three pillars are interconnected and mutually reinforcing. They ensure that our strategic decisions are very well-balanced. This roadmap guides our investment decisions, providing us with a clear path towards sustainable growth and long-term shareholder value.

In closing, I want to express my deep confidence in our strategy and in our team. The progress we have made so far is remarkable, but our journey is only just beginning. I now look forward to addressing your questions and discussing how we will continue to drive CNH forward into an exciting future.

I will shortly invite my team back on stage with me for the Q&A, but first, Jason will walk you through some housekeeping matters while we prepare the stage. Thank you very much.

## Q&A

### **Daniela Costa – Goldman Sachs**

Thanks very much. Daniela Costa from Goldman Sachs. So, I'll try to keep to one question. But just going back, you've articulated that from past initiatives, I understand before Gerrit's time, you've done 250 basis points structural improvement trough-to-trough, but if we look at the through the cycle.

If we look at trough-to-trough, what you're targeting for this year, like mid 7%-9% in Ag is not so far away from what you had in 2019 on the slides. So, can you talk through, like, why the retention on trough was so much lower than the through cycle retention and what is different this time if we assume the cycle stays depressed for long, like, what changes did you do, compensation schemes, other things that guarantee the retention is better this time?

### **Gerrit Marx**

Thank you, Daniela. So, look, the guidance we gave for 2025 for the Ag segment is 7% to 9% for 2025, depending on how, let's say, the uncertainties that are now getting a little bit more certain, at least when it comes to the U.K. play out, and I think this is the range of outcome that we see for 2025.

Our ability to increase also trough margins goes hand in hand with mid-cycle margins, obviously. In particular, because in 2025 our manufacturing footprint is working through a reduction in production hours of about 50% versus 2023.

So, we do that consciously because we are working very hard to deplete the dealer inventory. So, at this point, we are, let's say, cutting production a little deeper than maybe usually in these troughs because we had a bit of an excess inventory in the dealers, which is depleting as per the plan. So, we feel very-well positioned on our trajectory to achieve these numbers and to also improve the trough margins.

### **Steven Fisher – UBS**

Thank you. Steven Fisher, UBS. So, good to see another \$550 million of potential savings. Can you just talk about how this next \$550 million is going to be different than the first \$550 and how much easier or harder it's going to be to achieve those, and will that all go to COGS?

## Gerrit Marx

The first \$550 million that we talked about today, and I'll have the team members chip in as well to give a bit of a color that actually what happened in the last couple of years and what is going to happen in the next couple of years.

We came off the period of COVID. There was quite some stop and go. We had quite some accumulated unnecessary structural costs here and there. We had certain inefficiencies in supply chain. We had urgent freight. We had expenses that were needed to keep the operations going in a period of discontinuity.

And I think all of those were taken out plus some structural savings were added. I mean, that was basically how the \$550 came together. Structurally, we grinded through sourcing savings, manufacturing savings, but we also took out a lot of the inefficiencies that crept in during the period of stop and go.

And the next \$550, a big chunk is what Chun talked about is about quality cost, and quality cost or cost of nonconformity, if you will, is hidden throughout an organization in many different pockets.

It's end of line hours to rework. It's in the dealerships to rework. It's warranty, extended warranty field campaigns. So, it's sitting everywhere. And by squeezing this, we have a great potential to hit the 200, 250 margin expansion by 2030, maybe a little more. But that is one key piece.

And lastly, the strategic sourcing piece that was kicked off, as Jim also emphasized, in 2022, it was basically only setting the stage in '22, '23. First savings came through in '24. And now, as we kick off wave three and four, this is going to accelerate and build over the planned period over the next five to six years.

So, it's quite different in type. And as Jim said, it builds almost linear over the planned period. But, Chun, do you want to say something about quality?

## Chun Woytera

Thank you. During the break, I think one of you already gave me a heads up on the question, said half of the 500, you're going to be 200, 250, so I was ready for this question.

I think, as Gerrit said, where the cost of non-quality came from is different than what we're going to put back. So, what we are building back is structurally to sustain the quality improvements we're doing.

So, you don't see just at the end of the customer hands, we're improving cost of non-quality because in order to take care of that at the customer hand, we need to start from the beginning of product development. That's why today we laid out this end-to-

end view and the delayed nature of our industry of the seeds that we're planting today that will generate effects throughout till 2030.

## **Kyle Menges - Citi**

Thank you. Kyle Menges from Citi. You, guys, have hinted at exploring partnerships within the Construction business. Could you just elaborate on that a little bit and what the partnership might look like? And then how could that potentially impact the dealer network and some of the things you're looking at doing with the dealer network?

## **Gerrit Marx**

Thanks for the question. And Humayun will complement my answer. Look, Case Construction is a stronghold of construction machinery in the compact class, top fives in the Americas with an OEM partnership for adding Heavy excavators all the way up to become an [earthmoving] full-liner.

The partnership discussions we have had and we keep having are all built around how do we develop Case Construction to its best, highest potential, not only in the Americas, but everywhere?

So, there are product partnerships under discussion. There could be even sales distribution partnerships under discussion, equity partnerships under discussion. So, we have a wide range of possible partnerships around Case Construction.

All of them will strengthen Case and will strengthen the dealer network as well because we will widen and broaden the offering, not only for the Case Construction dealer network, but also for the branded then New Holland, for the Ag network, because these machines are quite important, not only for basic duties on the farm but also for landscaping in order to make sure that the roads between the 10,000s of hectares and acres are actually properly paved.

So, there is a role to play for Case, and there is a huge potential to go after and to grow jointly with our dealers that business. But Humayun?

## **Humayun Chishti**

Like Gerrit said, I think we've got a strong network of dealer partners in the Americas in particular. And Case Construction is a full-line brand. And like Gerrit said, with New Holland Construction, our strategy is to capture the market in the agriculture and landscaping segment, which is huge. It's about 30% of the total market potential.

So, we have a strong network for independent Case Construction dealers. And then we leverage the Ag network for our New Holland Construction brand with Ag dealers,

independent dealers, and that's how we plan to penetrate and grow more share in those segments.

## **Gerrit Marx**

And maybe to just close up the current uncertainties around tariffs, global trade, etc., given that it's a global business, we're sourcing our components globally, we're selling our products globally.

These uncertainties right now will settle over the next couple of quarters. And once this is settled, it gives us a renewed and refreshed view at how partnerships could best fit the full potential of Case.

## **David Raso – Evercore ISI**

Thank you. Two questions if I may, one more for Gerrit and one more for Stefano. You were willing to say '25, you believe, is the bottom. Your thoughts on '26, understandably, a little uncertain right now, a little bit tepid the way you described it.

Can you give us your thoughts around the tariffs, government support for U.S. farmers, Brazilian farmers benefiting maybe from less US-China trade? Just the things that you're looking for that- we're not that far away from early order programs, start thinking about pricing and everything else. So, I'm just curious how you're thinking about the cycle beyond '25.

And then, Stefano, the dealer initiatives are interesting. I'm just curious, when you look at the money that you're looking to spend every year, about \$150 million a year on average over the next five years, it's not a small amount of money.

So, what are you looking for from the dealers ratcheting up metrics they have to hit to stay a dealer? Because even in North America, Deere does over \$10 million of revenue per location, and you're doing less than four. So, I'm just curious, how do you close that gap? Is that part of the long-term investor question, "Hey, why can't Case-New Holland's margins be closer to Deere's?"

## **Gerrit Marx**

Thanks for those two questions. Just calling you out on that, we set rules, but, okay. So, look, when the tariffs came and they were becoming more clear, it was clear that they would come. We were very well-prepared, running scenarios on the tier 1 and the tier 2 sourcing of components and machines for the U.S., and also what comes out of the U.S. being exported, for example, to China, which is a very small amount in terms of finished machines from the U.S. to China, I mean.

So, we did run all these different scenarios, and we looked at our supply chain quite closely. And given that we have the strategic sourcing program all going on already since two years, the entire supply base was already on their feet.

And knowing that we will challenge and change and reshape a few things, so we just folded that dimension into the equation when making certain decisions. So, that was very well addressed and we have taken already quite a bunch of decisions that are no regret moves. There are some other decisions that are more structural that will require more certainty.

Again, we are welcoming more certainty coming now. We had a bit of certainty this morning. There's probably more coming over the next couple of quarters. And with those, we might look more closely at the structural decisions that need to be taken.

I might ask Scott Harris to respond to the pricing point of how do we reflect that in our commercial actions.

### **Scott Harris**

Yes, as you may know already, we did take a very modest pricing action for the balance of our '25 model year, fully protecting all current customer orders, which are actually quite robust, particularly in the cash crop segment.

And then as Gerrit mentioned, we'll continue to monitor the actions. We've got our mitigating actions in place already and feel very comfortable with the pricing that we had to take, but are comfortable with the actions that were in flight today and that we're taking, that we'll be well-prepared for model year '26 pricing, as you just alluded to, we'll begin in the coming weeks or we'll begin our early order programs.

### **Stefano Pampalone**

On the second question. The point is I think there is an opportunity that technology is giving us today to do much faster what has happened in the last 20 years. And I think that technology opportunities will grow exponentially as AI models will become more commonly available and tune to prompt utilization.

What we want to have is a win-win-win situation for customers, dealers, and us, and using technology to the extent that is possible. So what we will do with the money that we spend going back to the question is to incentivate growth, efficiency, and efficacy in terms of KPIs that we will measure at customer point.

Today, in the recent past, we rely on NPS and etc. I think that the technology today, especially with the connectivity, which we insisted upon, allows us to know exactly what is going on and when, at what point in time for each customer.

Rendering available in a statistically usable way this to all our dealers, normalized, and making best case and good uses of that, I think will give a tremendous boost to their profitability and growth. And this is what we want to incentivate.

Then, as I said, one model doesn't fit all. We have a variety of situations, customers, crops, realities regionally. So, we will have to develop a few models that will adapt to the different situation. And we're going to do this, let me say, scientifically, more than in the traditional way that has been transactional most of the time. This is the transformation we want to go through.

### **Kristen Owen - Oppenheimer**

Good morning. Thank you for the presentation. I'm Kristen Owen from Oppenheimer. Since David stole my second question, was my first question, I'll move to my second question, which is on the technology front.

When I looked at your chart of technology penetration, what you build in-house on most of your brands, it seemed as though the chart suggested that your growth opportunity is actually in some of those mid and small factors, so I'm wondering as well as your aftermarket opportunity.

So, I'm wondering how much is aftermarket today in terms of your Precision Technology, and how much of that growth from 5% of revenue to 10% of revenue is coming from the aftermarket versus your own internal penetration?

### **Gerrit Marx**

Maybe, Jay, why don't you answer the tech part of that question, and I take the commercial part?

### **Jay Schroeder**

Sure. From the tech part, yes, we are looking to expand the adoption of our small and medium products. There's also an opportunity that there's the entry-level technology, but there's also the advanced.

We talked about the core tech stack, basic connectivity, displays, positioning, but there's also more automation that's available and coming as we develop those technologies across the full crop cycle. That's going to be a big element of the growth.

We talked about our smart spraying solutions. That's another element of new growth opportunities on both the large, maybe a little on the medium, but most on the large. So, there's definite opportunities to upscale or uplift even the large to get more dollars out of those vehicles.

## Gerrit Marx

And the aftermarket potential, I mean, we're going to drive factory fit into the high machines. It's already there. And on the medium range machines, we're going to push this as well quite hard, make sure the customers demand it, so the farmers want it, so we deliver it.

And there's another uptick, as we had on the slides, that is dealer retrofit. Dealer retrofit is basically a new machine that is auto guidance or Precision Tech readymade, shipped to the dealership. And then when the farmer comes and wants to pick that machine, they actually tailor it in the shop, in the dealership to the farmer's need, which is retrofit.

The aftermarket potential, which is retrofitting these types of technologies on all the machines, I mean, that pool is going to dry up because every OEM is pushing ex-works, ex-factory equipment, and there is always a potential for aftermarket fits on, let's say, machines that are six, seven, eight, nine years old.

And on this end, I can also confirm, particularly in regions like in Europe or in Latin America, there are now players entering in the aftermarket space that offer pretty okay, nothing great, but very cheap aftermarket kits and solutions that is basically run in that area, which I call basically a pot of margin that is going to dry up towards 2030 because the aftermarket, there will be none because all of it is factory-fit over the next 5 to 10 years. And so, that's why we have invested, that's why we internalized it.

And with that, we also consider options. And we are pretty prudent on that one, whether or not we're going to turn some of those aftermarket or those, sorry, Precision Technologies into run rate businesses, the famous paper whatever, paper acre, paper this and that.

I mean, I can tell you the farmers I talk to, and we were just last week, the Board, the GLT, we spent a week with Suzanne and Board members, we spent a week in Nebraska having the Board meeting, taking a lot of decisions on new products, by the way. So, we invest, we come.

And we met farmers and we met also dealers. And there is a very strong conviction that farmers want to have a choice. They don't want that others choose for them what they buy or what kind of prescription they're going to put on the field. They want to choose.

And we are, as we presented an open ecosystem, the global number two or the global ecosystem mindset that allows them to choose, when they want to have a paper or whatever, we are technologically ready to provide that, but we're not going to push that because it's against the farmers' will.

## **Tim Thein – Raymond James**

Great. Tim Thein from Raymond James. Thanks again for putting on a great event. The question I have, I think, is most relevant probably for Suzanne. And it's, as I talk to dealers, this will be a North American comment, but there's a lot of optimism and positive feedback with the strategy and the initiatives that Gerrit and his team are putting in place.

But at the same time, I also get, there's a bit of skepticism on their part and a little hesitancy to invest because they've endured a number of senior management changes. And each person has a different tweak to the strategy. So, what, if anything, can be done to kind of ensure a little bit longer consistency at the senior management level? Thank you.

## **Suzanne Heywood**

Yes. Thank you very much for the question. And, of course, I'm conscious and the Board is conscious that we have had quite a lot of leadership change. However, the Board is very much behind both Gerrit and the team.

When Gerrit came in, we had a number of changes that have been made, some from inside the Company, as Gerrit said, and I think that's very important. We've grown up talent over many, many years.

And as you heard in this presentation, many of the people on this team have been in this Company for a long time, and that's really important. But it's also been important to bring some people in from outside who can bring a new look at the Company, but also some real talent. And most recently, as Jim said, I think you're the newbie on the team, Jim, all of a month. We decided to bring him into the Investor Day on your kind of one month anniversary.

I think the Board is very, very comfortable with the team that we have. We see no need to make any change to this team. We were very keen to get this team in place and then [due] today. So, this is an Investor Day and a set of commitments that is owned by Gerrit and the team and very much backed by the Board.

The Board has had three, if not four, detailed sessions going through this Investor Day. So, it's very much been backed by and endorsed by the Board. And the team you see here today is the team that is going to be delivering these as far as -there's no reason why we would change that. So, I think we're now looking at a lot of consistency, hopefully, over the next few years, and looking forward to seeing the Company deliver on what it said today.

## **Tami Zakaria – J.P. Morgan**

Hi, good morning. This is Tami Zakaria from JPMorgan. Thank you for the detailed presentation. So, this EBIT margin target for Ag at mid-cycle volume, is there a scenario where your volume outpaces the industry growth so your mid-cycle target could come in faster even if the industry doesn't get back to mid-cycle volume per se? In other words, do you have any market share targets through 2030 in any region?

## **Gerrit Marx**

Well, we have basically here assumed in a fairly conservative way that market shares will be more or less the same. But if we deliver on what we said, and we do deliver, on the quality side, on the product side, on all the other ends, and particularly also on the FieldOps firm management system that Jay alluded to, that gives us a package that almost redefines where CNH can go.

What we presented today is based on what is today, and we have basically just taken self-help actions, things that are in our hands and our controls, and we projected these margins. There are obviously here and there are also risks in execution. There are here and there might be also headwinds and setbacks, but there is an equally attractive set of upsides.

And one of those is that we might get a bit more of the quality side done towards the end of the plan. But market share and market share grabs or gains would certainly build and help changing the timing, if you will, of the earnability, but also the order of magnitude.

Yet, those actions that we have presented, like sourcing, they just need time. So, they build over time. Today is a reason that we have chosen these five to six years as a timeline. But there are upsides, there are also headwinds and risks. But we feel it's well-balanced.

## **Angel Castillo – Morgan Stanley**

Thanks and good morning. Angel Castillo from Morgan Stanley. I was hoping, Gerrit, if you could talk a little bit more about M&A. When you think about the priorities that you kind of laid out, there's a lot of focus that you're doing internally, and you mentioned self-help.

But maybe if you could just talk about kind of where the areas of opportunity for M&A are in terms of size, areas of interest, is it more Precision Ag, is there other aspects that you might be looking at? And then also timing of maybe, does that make sense once you're further along in your quality and other initiatives or is it something we can expect near term?

**Gerrit Marx**

Yes, so look, M&A, it always takes two to tango. So, there's on one side maybe a wish, on the other side, let's see. But on the M&A side, we can basically distinguish maybe three, four different types or areas of M&A.

We have a venture fund. So, we do continuously invest small checks into young companies that we believe have disruptive ideas, quite interesting, different ways of looking at our industry and bringing solutions to farmers. And that is we have been doing this and we keep doing this on a constant basis. We're not releasing press releases on those because these equity checks are option; they carry a certain option value obviously, and this is going to continue with the supervision of the Board.

The second area are smaller tuck-ins where we believe that are pieces that we need, areas that like Humayun mentioned when we acquired Sampierana for Construction, this was a larger acquisition, to be honest. For CNH, overall, it was a small acquisition. But it was very well-executed. And Sampierana, I would say, and Suzanne and I, we visited it in my early days last year.

**Suzanne Heywood**

You insisted on driving.

**Gerrit Marx**

I insisted on digging some holes with Sampierana equipment.

**Suzanne Heywood**

Also, if you go with Gerrit to any of the plants, he then tries to race you...

**Gerrit Marx**

I want to see how these things move. Anyway, so that was a posterchild or a post-merger integration that gave us a nice case of how we do make these new companies, these new cultures, feel at home at CNH to augment the lineups. This could be something around maybe attachments on the Construction side. This could be around maybe some implement additions on the Ag side, really depends.

The third layer, and there's not much going on at this point because we feel very well-equipped. You can call it like transformational M&A. Raven was a transformational M&A. There's no such order of magnitude in the planning or inside. That was very, very relevant and it was very well done and it had happened at exactly at the right point in time to give us this jump in Precision Tech, which is now basically fully embedded in the Group.

So, category three, call it transformational M&A, is not at the horizon, but I would never rule anything out. I mean, if there's an opportunity coming along, particularly now with these uncertainties around us, with certain interest rates slowing a few players in the market rather down, we might look at some opportunistic, yes, options here and there.

But none of that is in the plan. The plan is completely M&A-free, okay? Whatever we're going to do on the inbound or the outbound, we'll change the plan. But this plan is M&A-free. And we obviously stay open-minded. I mean, Jim headed the M&A at a yellow company before. So, we have certainly the firepower and intellectual curiosity to explore things. But at this point on category three, there's nothing in the plan or in the pipeline.

## **Ted Jackson – Northland Securities**

Thank you. Ted Jackson, Northland Securities. I want to jump over and talk a bit about the go-to-market or question about the go-to-market. You put up a slide talking about the dual branding, if you would, within the dealer network and some areas were single and some were double.

Is there an effort, a strategic effort made to further consolidate your network and bring more of your brands under single groups? How about that with regards to Ag versus Construction? Basically, I guess where I'm going with it is, do you see that there's room for more efficiency within your dealer network by further combinations? Is that something where you're farther along in some regions than for others?

And then behind that, maybe a little more detail about some of the tools that you talked about putting in place behind the network, the dealer network, to drive efficiency for them and make them more productive. Thanks.

## **Gerrit Marx**

Yes. And, Stefano and I will share the answer. I mean, on the tools, Stefano had just launched a bunch of tools so he'll take the backend of the question. So, I can say yes, yes, and yes.

So, yes, we are going dual brand in Europe, maybe here and there, even triple brand, because there we have also Steyr in play, because we had a drag at the point of sale for CNH that our network was, at times, in certain regions, considering each other as the main competitor.

So, where the blues fought the reds, and the reds fought the blues, and that is being ended now, and we are not going to tolerate any more of these situations, and we're going to move things under one roof so that we can finally focus on the real color of

the competition, which is green and different types of green. So, that is going to happen.

So we're going to consolidate, for sure. We're going to make it not everywhere the same, but we will have multi-brand dealerships in order to focus everyone on the execution and create the critical mass of a dealership in order to perform, have efficient back office functions, etc., and lead to the marginality that we have presented here as a targeted uplift for our dealer network on average, it's the average of the average, of 500 basis points, better marginality for our dealers by focusing them more, growing them more, and assisting them with tools.

Stefano, do you want to work a bit on the tools?

### **Stefano Pampalone**

Yes. The tools, I mean, I think everybody knows what's going on with the technology today. And I think there are multiple tools that our network can benefit. Because of size and the way it is today, I think none of the dealers can afford as a single dealer to engage in this type of venture.

So, I think as a company and as a major OEM, we have the duty and the opportunity to do it. Our network will benefit. We will share the benefit and they will share the benefit with us, and most of all, with our customers because I think some of the tools can provide services that were unimaginable just a short time ago. And I think this is what we are working for.

This is not going to be something that we do in a short period of time because I think there will be a strong evolution. And the world will be transformed by the way that this will be deployed in the next 5 to 10 years.

We have opportunities to do things that yesterday, we were not thinking of. And that will offer additional business opportunities for us, for the network, but most of all, for our customers that are looking for integration.

### **Rob Wertheimer – Melius Research**

Hi, it's Rob Wertheimer, Melius Research. Thank you for the presentation. You gave several examples throughout of different value-added now versus maybe the past on yield improvement, on cost savings.

There's probably many more that you could think of just today on risk reduction for farmers, and they can market differently all sorts of things. And I'm sure that expands more in the future. So, to get back to your comment, Gerrit, on revenue models, do you have over time the ambition to sort of quantify some of these benefits you're giving to farmers and charge for them, either through recurring

revenue models or elsewhere? I mean, do you have a different revenue model envisioning, whether at 2030 or 2032 or 2035? And how do you kind of, not extract, but capture some of the value you're adding differentially?

## **Gerrit Marx**

I think at this current stage, when we launch FieldOps and we keep upgrading FieldOps, we keep upgrading our digital capabilities onboard as well as off board. These are enablers for us to sell the machines and to provide them with a compelling digital ecosystem that makes their life easier and their operations more profitable.

As we further evolve over time, and as the pickup rate and as the take rate is growing, we will continue to focus on the farmers first and to see that their business is more sustainable, financially more sustainable, more stable, and then we will see whether there is a business model opening up for us, always having an open ecosystem in mind.

But we are not forcing revenue subscription-based or run rate businesses onto a farmer that can basically not run away anymore because they've chosen a single color for their fleet. So, we are focusing on the farmer, on taking the farmer very, very serious, and focusing on the choice that they have.

And if there is a great system that we provide where we believe there is a value for it, we obviously are not shy to charge for things. But in the end, first farmers first, and then the equipment and the technology inside the machine, and obviously also on the offboard side, that is what carries our Company, that would carry our wholesale, and that carries our top and bottom-line. So, that's where we are. We are not ruling it out, but then we don't make it a headline, okay? Although we could, but we don't.

## **Gerrit Marx**

Thank you very much. Now, I'm supposed to wrap it up. So, anyway, thank you again very much for joining us for our Investor Day 2025. We postponed it from November. I think you appreciate that we didn't do it in November. I think we would have a bit of a bumpier presentation, and the team would have not been complete.

This is the team. There are more global leadership team members, but this is the core team that I wanted to bring with me today on stage, and you will see much more of us. And I very much invite you to join us at the Tech Day at the Agritechnica at the end of November in Hanover, the world's largest covered Ag show. And that is where we're going to show you a nice lineup of new tractors coming. There's a few new features on the combines as well and we have quite some industry firsts there as well.

So, I'll happily look forward to see you there. So, apologies for not putting machines in front of the stock exchange. You will see a lot of machines over there and you can touch them, you can drive them, you can play around, whatever you want to do.

So, again, thank you very much for your time and see you around, okay? Thank you.