



A SUSTAINABLE YEAR 2020

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*Sustainability at
CNH Industrial
is a way of doing
business that
involves every
area, function,
and employee*

COMMITTED TO A BETTER FUTURE

CNH Industrial is committed to operating in an environmentally and socially responsible manner, boosting its global growth and profitability while maintaining high standards of sustainability, and delivering even greater long-term value for all its stakeholders. Sustainability at CNH Industrial is a way of doing business that involves every area, function, and employee within the Company, as demonstrated by its purpose “Powering sustainable transformation.” This reflects the Company’s ability to drive internal transformation and create new and increasingly innovative solutions, while considering the impact of its activities on planet and people.

The Company commitment is spelled out by four sustainability priorities (Carbon Footprint, Occupational Safety, Life-Cycle Thinking, and People Engagement) and four aspirational goals; namely, to become a zero-carbon organization, achieve zero serious injuries, fully recover waste and components, and fully

engage with all stakeholders as we create shared value.

To make these aspirational goals even more tangible, senior management included challenging targets for year-end 2024 in the Company’s Strategic Business Plan. They are consistent with the UN Sustainable Development Goals (SDGs), providing a universal and visionary framework to address the challenges of global co-operation and action.

Despite the difficulties of the last year, due to the pandemic, CNH Industrial continued, if not strengthened, its path to sustainability, improving processes and making progress in line with the identified priorities. Some noteworthy examples are the increasing focus on diversity and inclusion within the Company and the support to communities and individuals particularly impacted by COVID-19, through the \$2 million Solidarity Fund allocated to food, health, and education projects all over the world.

ABOUT CNH INDUSTRIAL

“The Company aims to be a global leader in all its business segments”

Overview

CNH Industrial has a wealth of globally respected brands dating back to 1842, which have shaped the industries of agricultural and construction machinery, commercial and specialty vehicles, and the powertrain sector. Today, it is one of the leading capital-goods companies in the world.

The Company provides farmers with industry-leading technologies to help them feed a growing world population, it assists in building and rebuilding cities and infrastructure, and it delivers sustainable transport solutions for goods and communities, all with future-proof powertrains.

Its customers can also count on a comprehensive suite of financing solutions and a dedicated range of aftermarket services.

With a presence in 180 countries, CNH Industrial is uniquely diversified across segments and geographies.

The Company aims to be a global leader in all its business segments. It is a pioneer in efficient machinery that enables other sectors of the global economy to operate at maximum potential, and it achieves this by harnessing new technologies and through its vast market reach and solid enterprise culture.

Key figures

Brands

12

Consolidated revenues

\$26bn

Plants

66

Employees

64,016

R&D centers

57

R&D spending

\$932m

Note: all figures provided herein are on a US GAAP \$ basis, updated at the end of 2020.

CNH Industrial shares are listed on the New York and Milan stock exchanges.

Borsa Italiana

NYSE

COMPANY STRUCTURE

Segments

We operate across five global segments: Agriculture, Construction, Commercial & Specialty Vehicles, Powertrain, and Financial Services. They are supported by global functions addressing key

synergies and development areas: an increased customer focus and further expansion in evolving key market trends such as alternative propulsion, digitalization, automation and servitization.



CASE III
AGRICULTURE

STEYR
TRAKTOREN

NEW HOLLAND
AGRICULTURE

CASE
CONSTRUCTION

NEW HOLLAND
CONSTRUCTION

IVECO

IVECO
ASTRA

IVECO
BUS

HEULIEZBUS

MAGIRUS

IVECO
DEFENCE VEHICLES

FPT
POWERTRAIN TECHNOLOGIES

CNH
INDUSTRIAL

CAPITAL

SNAPSHOTS2020



Zero-emissions trucking

The first battery-electric heavy-duty truck jointly developed by IVECO and FPT Industrial in partnership with Nikola Motor Company is undertaking testing in the U.S. The Nikola TRE prototype, the first step toward a fuel-cell electric production model, will be built at the IVECO factory in Ulm, Germany, a center of heavy-duty truck engineering excellence that aims to become a hub for fuel-cell mobility. The first models to enter production will be the battery-electric 4x2 and 6x2 articulated trucks, with modular and scalable batteries with a capacity of up to 720 kWh. They will also feature an electric powertrain that delivers up to 480 kW of continuous power output.

The vehicle is based on the IVECO S-WAY heavy truck and integrates Nikola's advanced technology and infotainment systems. The Ulm facility receives module supplies from IVECO's manufacturing locations in Valladolid and Madrid, Spain, which enable a rapid ramp-up to meet expected customer demand. The battery-electric version will be introduced to the market in 2021, while the fuel-cell electric versions, built on the same platform, will be tested under the EU-funded H2Haul project for an expected market launch in 2023.

Digital agriculture evolution

CNH Industrial is one of the founders and leaders of ConectarAGRO, a non-profit association in Brazil that aims to bring easily accessible internet to remote regions across the country. Increasing connectivity is expected to fuel a significant improvement in rural agricultural productivity in a nation that is already a world-leading producer of grain and responsible for approximately 40 percent of the global production of sugarcane. In 2019, ConectarAGRO expanded connectivity to more than 5.1 million hectares of rural areas via 4G LTE 700 MHz broadband, covering 575,000 individuals and 218 towns. The ambition is to expand this to 13 million hectares during 2021.



Factory of the future

At the FPT Industrial Driveline plant in Turin, Italy, robots are partnering with humans to improve production processes and make them more efficient. AURA (Advanced Use Robotic Arm), a robot designed and built by Comau, worldwide leader in delivering advanced industrial automation products and systems, is used in the HuManS (Human-centered Manufacturing System) project to help assemble spindles for heavy equipment axles. Almost three meters high, and weighing about three tonnes, AURA is a collaborative industrial robot designed to work alongside humans, sharing space with them safely. It performs the heavy work of retrieving parts, then is guided by a human in the more delicate assembly stages.



Reuse, recycle, replay...

The Ricrea (Recreate) project first launched in Lecce, Italy, in 2019 continued in 2020 with the creation of Il Giardino di Lorenzo (Lorenzo's Garden) in Bologna, Italy. A park in the province was redeveloped with new furniture and equipment made from discarded wood packaging from the New Holland Agriculture plant in Modena. The revamped area will benefit the local community, including the non-profit AGEOP Association, which supports children undergoing cancer treatment. The project is designed to promote urban redevelopment and inclusion, as well as reduce environmental footprint through the recycling and reuse of wood.



Fighting wildfire damage

CNH Industrial employees are committed to making a difference in their local communities, often with a focus on the environment. In response to the devastation caused by the October 2020 wildfires in Córdoba, Argentina, 50 local employees came together to make a reforestation plan to help the environment recover from the extensive damage. Together with the environmental advisory company Ambiente Argentino, they supported the planting of 500 native trees in the mountains.

Reducing packaging waste

Plants worldwide, including Fargo, Saskatoon, and Wichita in North America, Annonay, Foggia, and Zedelgem in Europe, and Córdoba, Curitiba, and Sete Lagoas in South America, have been taking measures to reduce – and particularly reuse – packaging waste. The main improvements included replacing wooden and/or cardboard shipping pallets and disposable packaging with reusable materials, reusing wood waste from packaging to make planters and supports for parts and vehicle shipment, and adopting reusable metal containers. Overall, these measures led to an approximate 1,720-tonne reduction in packaging-related waste and more than \$200,000 in savings.



These measures led to an approximate 1,720-tonne reduction in packaging-related waste



Protecting biodiversity

The Fargo plant in the U.S.A. repurposed part of its property, which was formerly used to store parts, to create a pollinator plot, planting a mix of flowers that provide nectar and/or pollen for bees and butterflies. Thanks to this and other initiatives, such as tree planting, the facility was certified by the National Wildlife Federation as a Backyard Wildlife Habitat – a space capable of supporting healthy and diverse animal habitats and ecosystems.



Children's COVID-19 creativity

Educating and engaging younger people is an important Company value that took on greater urgency during the pandemic. Bearing this in mind, employees at Vysoké Mýto, in the Czech Republic, developed an innovative, educational and fun competition for children of workers to help engage them creatively. The competition, called "In the lead role IVECO Bus," involved 60 children, who were asked to use art supplies to create a bus of the brand. Ultimately, 25 winners were chosen, each receiving a scooter – a fun reward for participating that also helped them exercise and stay active during the pandemic.

2024 SUSTAINABILITY TARGETS

CNH Industrial’s ambition is to become carbon neutral, to ensure zero serious injuries, to deliver fully recoverable life-cycle thinking, and to be fully engaged with its people. To substantiate this ambition and illustrate its strong commitment to sustainability, the Company has included 11 challenging targets for 2024 in its five-year 2020-2024 Strategic Business Plan.

Active engagement with stakeholders worldwide is crucial for creating shared value over the long term. Short-term targets are updated annually to report the progress of existing projects and establish new targets to ensure continuous improvement and value creation.

CNH Industrial’s strategy is aligned with the 17 Sustainable Development Goals set by the UN for 2030. The Company has chosen to concentrate on six of these as the most relevant to our businesses. This is how the Company intends to continue to work for a better, sustainable future.



CARBON FOOTPRINT

The Company is actively engaged in reducing CO2 emissions associated with manufacturing processes, logistics, and the usage of its vehicles. A decarbonization strategy is being developed to shift toward more environmentally friendly solutions.



OCCUPATIONAL SAFETY

CNH Industrial takes a preventative and proactive approach to occupational safety, to minimize the risk of injury in the workplace.



LIFE-CYCLE THINKING

The Company recognizes the importance of minimizing its impact on the environment, through a life-cycle approach. The aspirational goal pursued is that of its waste becoming fully recoverable.



PEOPLE ENGAGEMENT

The full engagement of all its people is one of the Company’s sustainability priorities.

For 2024, the Strategic Business Plan includes the following targets:

- A 50 percent reduction in CO2 emissions per production unit compared to 2014 at Company plants worldwide
- 80 percent of total electricity consumption to come from renewable sources at Company plants worldwide
- A 20 percent reduction in kilos of CO2 emissions per tonne of goods transported (including spare parts) compared to 2014
- 25 percent of the product portfolio available with natural-gas powertrains
- A 50 percent reduction in the frequency rate of employee injuries compared to 2014
- 100 percent of new products to include sustainability/recyclability design criteria
- 95 percent of waste recovered at Company plants worldwide
- 100 percent of employees involved in engagement surveys
- A 50 percent increase in the number of women managers compared to 2019
- 100 percent of Tier 1 suppliers involved in sustainability self-evaluations
- 100 percent increase in the number of people benefiting from CNH Industrial’s local community initiatives compared to 2017

RECOGNITION AS A SOCIALLY RESPONSIBLE COMPANY

Member of Dow Jones Sustainability Indices
Powered by the S&P Global CSA

CDP
SUPPLIER ENGAGEMENT LEADER
2020

STOXX
Member 2020/2021
ESG Leaders Index

MSCI
ESG RATINGS
AAA

EURONEXT
VIGEO EIRIS
INDICES EUROPE120

EURONEXT
VIGEO EIRIS
INDICES EUROZONE120

ECPI
Sense in sustainability

Sustainability Award
Gold Class 2021
S&P Global

Corporate ESG Performance
Prime
RATED BY ISS ESG

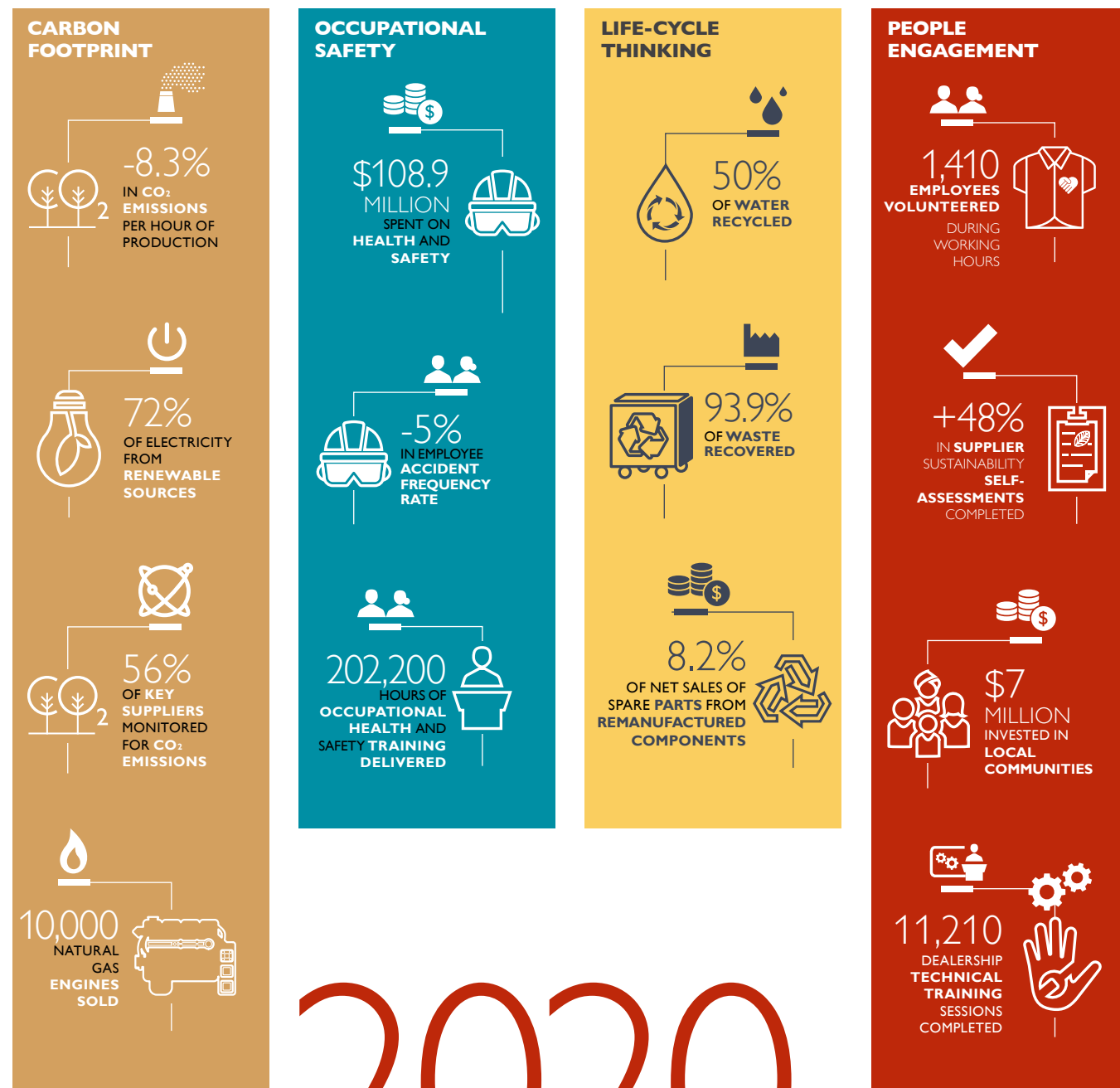
REFINITIV
TOP 100 COMPANY 2020
Diversity and Inclusion Index

Inclusion in sustainability indexes, and the ratings received from specialized sector-specific agencies, further reflect the robustness of CNH Industrial’s commitment to sustainability. In 2020, the Company was reconfirmed as Industry Leader in the Dow Jones Sustainability Indices (DJSI) World and Europe for the 10th consecutive year, receiving a score of 89/100.

In 2020, CNH Industrial was included in the prestigious A List of the CDP Climate Change program, in recognition of its actions to optimize energy consumption, reduce CO2 emissions, and mitigate the business risks of climate change. It also scored A- in the CDP Water Security program, won the SAM Gold Class Sustainability Award 2021, and was awarded ISS ESG Prime status.

As at December 31, 2020, CNH Industrial was included in the following indexes: Euronext Vigeo Europe 120, Euronext Vigeo Eurozone 120, ECPI Global Agriculture Liquid Equity, ECPI World ESG Equity, ECPI Euro ESG Equity, ECPI Global Developed ESG Best-in-Class, STOXX Global ESG Leaders Index, STOXX Global ESG Environmental Leaders Index, STOXX Global ESG Social Leaders Index, STOXX Global ESG Governance Leaders Index, STOXX Global ESG Impact Index, STOXX Global Low Carbon Footprint Index, STOXX Global Reported Low Carbon Index¹, Refinitiv Diversity & Inclusion Index, and Integrated Governance Index (IGI). Furthermore, in 2020, CNH Industrial received an MSCI ESG² Rating of AAA and was a responder to the 2020 Workforce Disclosure Initiative (WDI).

Note:
¹ Those listed are the main global STOXX indices in which CNH Industrial is included.
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2020

SUSTAINABILITY HIGHLIGHTS

Note: the 2020 highlights are in line with the Company's four sustainability priorities: Carbon Footprint, Occupational Safety, Life-Cycle Thinking, and People Engagement; variations are vs 2019

CARBON FOOTPRINT



CNH Industrial is actively engaged in reducing CO₂ emissions associated with its manufacturing processes, logistics, and the use phase of its vehicles. This approach is fundamental to the continuous improvement of the Company's performance and the protection of the environment in which it operates. CNH Industrial's plants use systems and processes for reducing energy consumption and limiting the use of fossil fuels, favoring electricity from renewable sources. Initiatives to promote ever-more sustainable logistics processes focus on technologies, procedures, and activities aimed at increasing low-emissions transport, adopting intermodal solutions, and optimizing transport capacity. Furthermore, the Company is developing its own decarbonization strategy to shift toward a more environmentally friendly product portfolio, increasing the use of biofuels and electrification, and continuing research into hydrogen fuel and clean diesel.



CNH Industrial supports the SDGs



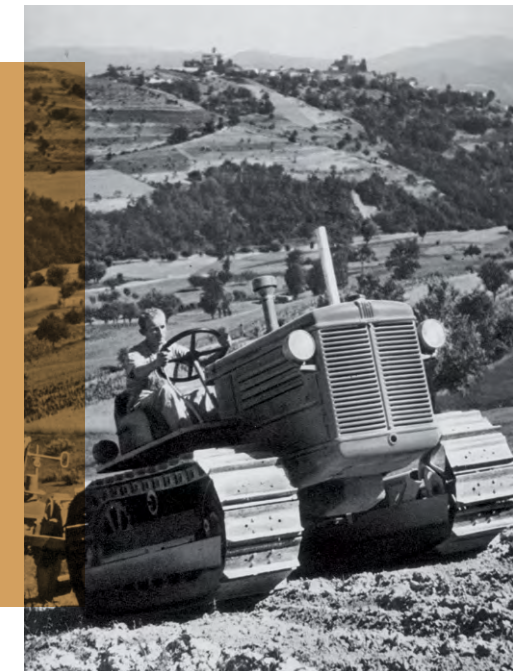
RAISING A GLASS TO A ZERO-EMISSIONS BAROLO HARVEST

A biomethane engine for specialist vineyard crawler tractors will enable the 'King of Wines' to cut its CO₂ emissions to zero



"We try to anticipate what our customers will need as the energy transition picks up"

Marco Gerbi, Head of Global Compact & Specialty Tractor Line-up at New Holland Agriculture



For CNH Industrial's agricultural customers, cutting carbon emissions and making their processes more sustainable is no longer simply an environmental imperative, it is good business, too. Consumers are increasingly conscious of the impact the food and drink they buy has on the environment, and they are willing to pay more for products that are grown and made sustainably.

According to wine industry body IWSR, sales of organic wine globally are expected to increase at a compound annual growth rate (CAGR) of 9.2 percent between 2017 and 2022 compared with wine sales generally, which are expected to remain largely flat over the same period. While organic wines still represent a small share of the overall market, they command a premium price – in the UK, for example, research shows consumers are willing to pay 38 percent more for a bottle of organic wine.

First CO₂ emissions-free harvest

Fontanafredda, the celebrated vineyard founded by the first king of Italy, Vittorio Emanuele II, put sustainability at the heart of its winemaking more than a decade ago, and now has 120 hectares

of certified organic vineyards in the Piedmont region of Italy. The winemaker is working in partnership with FPT Industrial, CNH Industrial's powertrain brand, to carry out the first zero CO₂ emissions harvest of Barolo grapes this year, in order to produce 100 percent sustainable wines ready for drinking in 2025.

To achieve this, FPT Industrial's F28 NG (natural gas) engine will be used in the New Holland TK Methane Power, a specialist vineyard crawler tractor, which is narrow enough to fit between the rows of vines but sufficiently powerful to navigate the steep slopes of the Langhe winegrowing region where Fontanafredda is located. The engine can run on biomethane, which is produced using anaerobic digestion of organic matter such as animal manure or crop residue. It has been in development since 2018, and Fontanafredda, FPT Industrial and New Holland Agriculture have been working together on the vineyard tractor since 2019.

"The smaller the tractor, the more difficult it is to integrate the fuel system on board," says Sergio Giordana, Head of Alternative Fuels at FPT Industrial.



Top: the New Holland TK Methane Power has been designed to fit between vines and navigate steep slopes.

Above: Fontanafredda's La Rosa Barolo is the fruit of the partnership.

Far right: Fiat Trattori, through the subsidiary Officine Costruzioni Industriali of Modena, launched the first mass-produced crawler tractor in Europe in 1932, the Fiat 700 C.

Right: FPT Industrial's F28 NG engine can run on biomethane, which is produced from organic matter



"We needed space for the compressed gas bottles, too, but the F28 NG is part of a new generation of engines for smaller tractors which are particularly compact, and that made it easier."

The natural gas engine fitted to the tractors provides the same power and torque as its diesel equivalent in specialty applications. However, FPT Industrial will soon be able to gather more detailed data about its performance in different conditions once the two tractors developed for Fontanafredda are delivered in early 2021, and used to bring in the grape harvest this autumn.

Collaborating with local businesses

The three-year partnership between the companies is supported by both Piedmont's regional government and other local firms that have contributed to the development of the vehicle, including the body of the prototype, which was designed with a futuristic look by CNH Industrial's design center.

"It has given us the opportunity to build a network with other businesses in the region that are involved with biomethane and the green economy," says Giordana. "They gave us a lot of ideas and added to the experience that we already have within the Company."

The partner companies have also helped with the supply of compressed biomethane to Fontanafredda. In fact, the biomethane that powers the New Holland TK Methane Power tractor can be produced by the anaerobic digestion of agricultural waste, thus creating a virtuous circular economy loop.

A heritage of innovation

New Holland Agriculture is the market leader in the specialist narrow tractors used to work in vineyards and orchards, and the Company also has a long pedigree in crawler tractors, which use tracks rather than standard tires, to navigate difficult terrain without slipping or getting stuck. The first crawler tractor to be mass-produced in Europe was built in 1932 by Fiat, which merged its industrial business with Ford New Holland in 1991.

Fiat produced a methane-powered tractor as early as 1939, but it is in the 21st century that alternative fuels have become a priority for CNH Industrial as a whole. New Holland Agriculture has been working on methane-powered tractors since 2013. In 2017, the brand unveiled the New Holland T6 Methane Power concept tractor and the production version, first shown in 2019, will be commercialized in 2021. The most recent New Holland TK Methane Power features the F28 NG engine, which offers the choice of a zero CO₂ emissions version to farmers using smaller tractors for orchards and vineyards. The F28 NG engine is built according to an innovative modular approach so it can also be produced as a diesel engine or a diesel-electric hybrid.

"We try to anticipate what our customers will need as the energy transition picks up," says Marco Gerbi, Head of Global Compact & Specialty Tractor Line-up at New Holland Agriculture. "For Fontanafredda, the ultimate aim is zero CO₂ emissions, and to be able to take one of the best wines in the world to market without producing carbon dioxide."

LNG-POWERED TRUCKS KEEP GATHERING MOMENTUM

Sales of trucks run on liquefied natural gas rise even in the pandemic year, as lower running costs, environmental benefits, and a wider refueling network attract new customers

Last year was a tough one for the automotive industry, and the market for trucks was no exception. Overall, heavy commercial vehicle registrations fell by 27 percent in Europe, however there was a bright spot – methane-powered truck sales increased by 11 percent over the year, despite the impact of the pandemic. This was due to more customers recognizing the fuel-efficiency of natural gas engines, as well as their positive impact on air quality.

“In a pandemic year, this demonstrates the strength of the growth path the sector is on,” says Fabrizio Buffa, Head of Gas Business Development for IVECO and Alternative Propulsions Manager for Italy. “Demand is being driven by the fact that

natural gas is more economical, making monthly running costs lower. Customers seeking to improve the sustainability of their entire supply chain, including transport and logistics, are increasingly asking for biomethane.”

IVECO S-WAY natural gas truck sales increased by 15 percent in 2020, outpacing the overall market. This represents a good result for the Company, which has also set the Sustainability Target for 2024 to make 25 percent of its product portfolio available with natural gas powertrains. The Company has been developing liquefied natural gas (LNG)-powered vehicles as an alternative to diesel for two decades, with a particular focus on heavy-duty long-distance trucks, while electrification is

best suited for short missions, due to the limited power range of batteries. For example, with the current battery technology, the longest distance that electric trucks can travel before recharging is around 400km (248miles), whereas methane-powered trucks have a range of 1,600km (995 miles) before needing to refuel.

With 460 horsepower, the LNG version of the IVECO S-WAY has been the most powerful natural gas engine on the market since its launch in 2018. It has been a game-changer for the Company and the market because it can compete with diesel engines on performance, as well as offering lower total cost of ownership. Fuel consumption is between 5 and 15 percent lower than diesel, estimates Buffa.



The biggest environmental benefit of LNG trucks – and smaller trucks that run on compressed natural gas (CNG) – is that they produce around 95 percent less particulate matter (PM) than diesel and 90 percent less nitrogen dioxide (NO₂). Particulate matter is one of the biggest contributors to air pollution in cities, and exposure has been linked to heart and lung problems, while NO₂ and other nitrogen oxides (NO_x) can also cause respiratory issues. As a result, most traffic bans in cities have been focused on older diesel vehicles with high levels of PM and NO_x emissions.

A mix of technologies to meet emissions goals

When it comes to carbon emissions from LNG trucks, the picture is more complex. Biomethane, which is produced using anaerobic digestion of organic matter, such as animal manure or crop residue, is a carbon neutral fuel. Although it does produce a small amount of CO₂ when used, the biogas is derived from plants, which, in turn, remove carbon from the atmosphere as they grow, creating a balance. In Europe, biomethane currently makes up around 17 percent of the market, while the rest of the methane used as LNG and CNG comes from fossil fuels. The carbon emissions of fossil methane are around 5 to 10 percent lower than diesel.

However, biomethane production is increasing in several European countries. In Italy, for example, by 2022 enough will be produced to refuel 2,000 trucks a day. Crucially, biomethane refueling points are being added at filling stations across

the continent. This means the fuel undoubtedly has a role to play in decarbonizing long-distance freight transportation in Europe, necessary to meet the EU's goals of cutting emissions by 55 percent by 2030 and reaching carbon neutrality by 2050. IVECO's long-term goal is for hydrogen to form the major part of the heavy-duty transport fuel mix, but production technologies are still at an early stage, so costs remain high.

“The limitation on biomethane is availability, but that is improving,” says Buffa. “Leaving the path of diesel is very long and complex, and the market will go through different alternatives. Biomethane offers both environmental and economic sustainability, and costs are just as important because if vehicles are unaffordable, truck owners will not make the switch.”

Methane and biomethane can be used interchangeably, and even combined in the same fuel tank, and building up the LNG refueling network across Europe has been a key part of IVECO's strategy for expanding the market for alternative power sources. There are now around 400 LNG refueling sites across Europe, with good coverage in France, Italy and Spain, says Buffa. The Company is working in partnership with Shell to expand LNG refueling infrastructure in Germany and central Europe.

Sustainable high performance

IVECO has also focused on another aspect of sustainability with its LNG truck fleet: greater connectivity to ensure vehicles take the best route and save fuel, as well as predictive maintenance to ensure they function at their best. All S-WAY trucks are connected to an IVECO control room 24 hours a day, where staff monitor the condition of the vehicles and communicate with fleet managers if, for example, a planned stop for maintenance of the braking system is required.

Achieving the ambitious level of change needed in the transport industry to reduce emissions in line with the goals of the EU and the UN Paris Agreement, the international treaty on climate change, will require continuous progress. LNG, and particularly biomethane, has a key role to play in keeping that positive momentum going.



LOWERING LOGISTICS EMISSIONS IN BRAZIL

Transport logistics decisions are driven by sustainability and efficiency, with a focus on fewer journeys by road and cargo storage innovation

“Sustainability is one of our core values and for years we have been committed to implementing sustainable transport solutions around the world,” says Dror Noach, Head of Transport Logistics at CNH Industrial. For the Company’s transport logistics department there are three main areas of focus: adopting inter-modal solutions with a combination of rail or sea with truck transport; making the most of every journey by optimizing transport capacity; and using lower-emissions vehicles.

In Brazil, achieving these goals presents a particular challenge, firstly because of sheer size – at 850 million hectares, Brazil is the fifth largest country in the world – and secondly, because it is a market where freight transport is dominated by trucking and the rail network is limited. Nevertheless, CNH Industrial’s transport specialists have a range of on-going projects to reduce carbon emissions.

“We’re thinking all the time about how to reduce carbon footprint,” says João Schaicoski, Director of Transport Logistics for CNH Industrial in South America. “We constantly review modes of transport to find the most efficient solution, and emissions are one of the key considerations.”

On the inbound side, the transport logistics team has started using trains to ship components from the port in Rio de Janeiro to the IVECO commercial vehicles plant in Sete Lagoas. Shipping containers travel 540km (335 miles) by rail, then the final 14km (8 miles) by truck from the rail terminal to the factory. Around 338 containers a year arrive this way – at an average saving of 0.3 tonnes of CO₂ per container compared with road freight – saving 101.4 tonnes of CO₂ emissions.

On the outbound side, Schaicoski and his team work to make deliveries more efficient. In one recent example, to fulfill an order of 957 school buses for the national government more efficiently, the transport logistics team developed a device that allowed them to increase the number of bus chassis that could fit on each truck. Mounting the cargo differently meant five rather than three chassis could be transported in each journey, saving more than 316 tonnes of CO₂ emissions in total.

Despite the challenges, Schaicoski and his team are continuously working to balance the increasing market demands for faster deliveries and environmental issues, thus ensuring efficient and sustainable transport solutions.



Top: components are transported by train from the port in Rio de Janeiro to the IVECO plant in Sete Lagoas.
Center: a new device allows more bus chassis to be mounted on each truck, saving CO₂ emissions.
Above: IVECO BUS delivers 957 buses to the Minas Gerais Government to be used by state public school students



FIRST ELECTRIC BACKHOE LIGHTS THE WAY IN CONSTRUCTION

To meet demand from utility customers, CASE built the first-ever fully electric backhoe – and it matches its diesel counterparts on power and performance

The quiet swoosh of electric cars is becoming more commonplace on city streets, and a growing number of local deliveries are carried out by low-emissions electric vans and trucks. However, construction sites still reverberate with the sound of diesel engines powering large and heavy equipment.

So when two U.S. utility customers, National Grid and Avangrid, approached CASE Construction Equipment for help with adding electric backhoes to their fleet of vehicles, the Company took a big step into the future. The intent was to build a battery-electric powered backhoe with the same power and performance as the diesel equivalent, which could work a full day without having to be recharged.

CASE started working with partners Green Machine, which makes battery drive systems for industrial and construction vehicles, and Moog, which produces electric vehicle motion-control systems, in 2019. The vehicle they built, the 580 EV, meets all the performance requirements set out by National Grid

and Avangrid and produces zero emissions. Furthermore, the development process is going beyond simply replacing a diesel engine with a battery. It’s considering all the efficiencies and energy management opportunities that an electric powertrain (the engine, gearbox and clutch) offers, including fewer heavy components and less complex system integration.

The reaction in the construction industry has been overwhelmingly positive since the team launched the vehicle at the ConExpo trade show in March 2020, says Chris Andreuccetti, Head of Construction Technology Innovation at CNH Industrial. “Every utility company that saw it wanted to buy one, and we’ve had municipalities and local governments expressing interest,” he says. “The real advantages are in air and noise pollution as there are no issues with idling restrictions. When this vehicle is not in use, it goes to sleep.”

CASE estimates the 580 EV has the potential to reduce annual vehicle service

and maintenance costs by as much as 90 percent, taking into account the cost of diesel, engine oil, and regular maintenance. While the 580 EV will initially cost a client more to buy than diesel-powered backhoes, the Company believes average fleets will see a payback on that premium in around five years. All savings achieved after that will improve profitability and continue to lower the client’s carbon footprint.

Using electric construction equipment may also make contractors eligible for jobs they might otherwise have been unable to bid on, expanding their business opportunities, particularly in cities and states with higher emissions regulations and noise standards.

“The success of the 580 EV has sparked a whole new outlook for construction equipment within our organization,” says Bob Nute, Service Technical Manager at CASE. “The project has highlighted a great potential, and it’s opening the door for new opportunities across the Company.”



Amid the unprecedented disruption of COVID-19, CNH Industrial maintained its focus on energy management and on the use of renewable energy sources, taking new opportunities to further cut its emissions

CARBON REDUCTION AND RENEWABLES TARGETS REMAIN ON TRACK



Right: the Company's plant in Saskatoon, Canada, has installed solar panels to generate renewable energy

In 2020, CNH Industrial's commitment to reduce its carbon footprint in manufacturing processes remained strong: carbon emissions fell by 13 percent, the equivalent of 44,000 tonnes of CO₂. The longer-term initiatives of the Company contributed to this result, even though the lockdowns imposed by the pandemic played a significant role in reducing CO₂ emissions.

During the year, 287 technical and management improvement projects were realized, and the level of people engagement and awareness increased. In addition, 72 percent of the electricity used by its plants came from renewable sources, which allowed it to cut CO₂ emissions by 114,300 tonnes. This has kept the Company on track to meet its target of achieving 80 percent renewable electricity by 2024.

With production halted for weeks at a time due to the lockdowns, the Company had the opportunity to analyze the fixed energy consumption of machinery while idle at all plants, and consequently identify the areas in which specific energy-saving projects could be realized to optimize processes. This systemic analysis, performed by the plants' energy specialists in collaboration with the Central Energy Department, led to the identification of the correct start-up sequence needed to avoid over-consumption and minimize energy use in equipment, and enabled the Company to identify the machines that did not actually require to be put in stand-by mode but could be turned off instead.

Despite the difficulties caused by the pandemic, it was a unique opportunity for CNH Industrial to continue to pursue its commitment to continuous improvement in energy management.



"While we continued our efforts to reduce emissions further, we realized we must also look at offsetting the balance to reach carbon neutrality"

Giovanni Violano, Director of Testing Operations and Prototypes at FPT Industrial

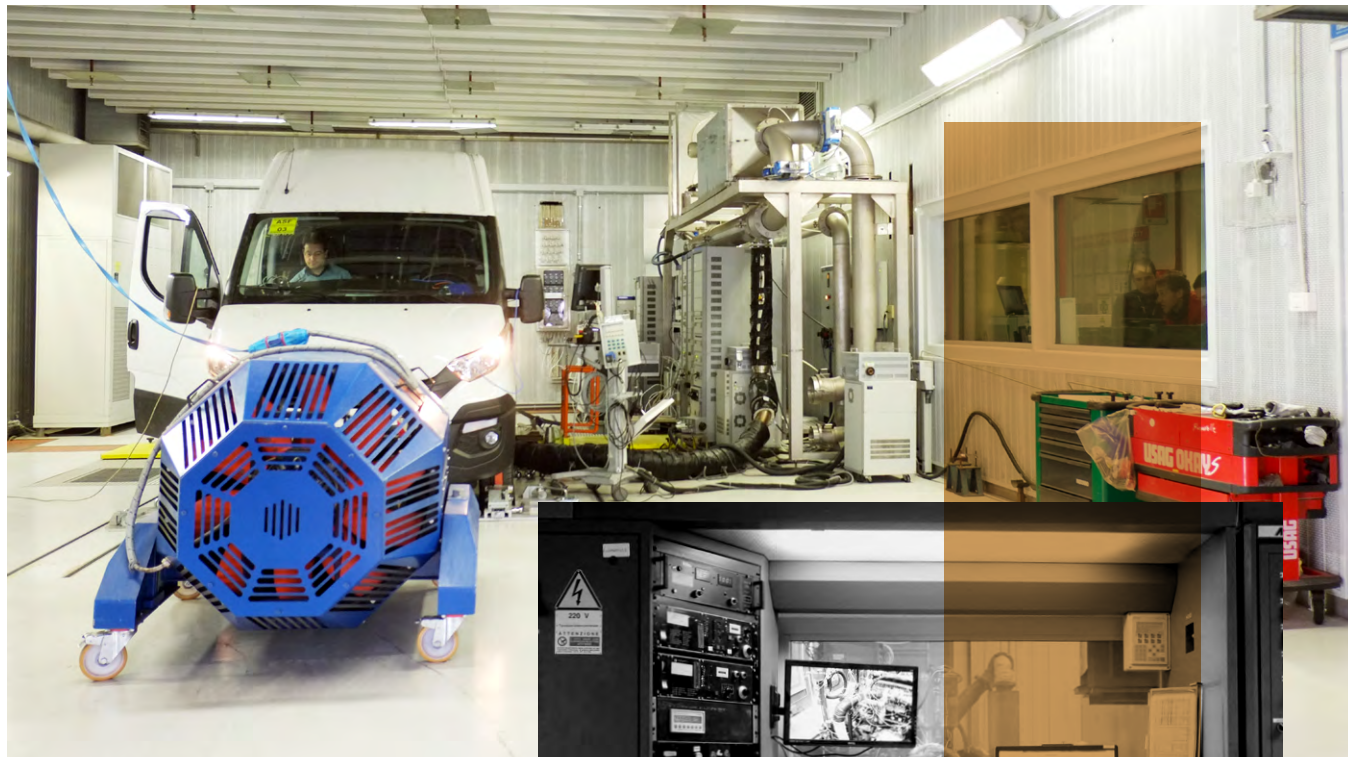
AIMING FOR A ZERO-CARBON FOOTPRINT

FPT Industrial's Strada Cascinette research and development center has cut its own carbon emissions and is offsetting the balance with projects delivering solar-powered cooking stoves in China, protecting the Peruvian rainforest, and building wind turbines in India

As a cutting-edge testing center in the CNH Industrial portfolio, the Strada Cascinette site in Turin is doing everything it can to minimize its own emissions and offset what's left.

Cutting carbon emissions

The center is responsible for developing and testing engines and drivelines. Its testing benches measure the engines' durability and performance under different simulated conditions. Inevitably, the engines emit greenhouse gases during this work. So does running the plant, where 440 people work.



Efforts to cut its carbon footprint started in earnest in 2016, when the plant was producing 18,000 tonnes of emissions. “We cut the amount of energy we used, installed solar panels, and captured the energy produced by the engines we test here and sold it to the national grid. We also improved our energy efficiency, installing LED lighting throughout,” explains Giovanni Violano, Director of Testing Operations and Prototypes at FPT Industrial.

By 2018, these projects had cut emissions by 4,000 tonnes. “While we continued our efforts to reduce emissions further, we realized we must also look at offsetting the balance to reach carbon neutrality,” he says.

Three initiatives toward carbon neutrality

In 2020, FPT Industrial decided to take shares in three projects to offset its carbon footprint. The first was a sustainable forest management project in the Madre de Dios region of Peru. Part of the pressure on the forest comes from a new, nearby highway that connects Brazil to Peruvian coastal ports. The road has opened a route for illegal loggers into the forest – and a way out of it for rural dwellers escaping poverty.

“It’s a global hotspot for biodiversity, but it is under immense pressure,” explains Violano. “The project focuses on managing the rainforest; we’re helping protect the rainforest and local communities,” he says.



Top and above: Strada Cascinette testing center in Turin is a cutting-edge facility, dedicated to minimizing emissions and offsetting what’s left

The second is a project in China helping rural populations in Zhenping, Henan, replace their traditional charcoal cooking stoves with solar-powered ones. “The charcoal stoves produce both a high amount of greenhouse gases and atmospheric pollution. This can make people ill. The project is distributing 50,000 solar-powered stoves to stop the pollution and help protect people’s health. It also relieves families of the burden of continuously buying fuel. It’s a triple win,” he says.

The final project, in Tamil Nadu, southern India, also involves taking a share in an initiative that promotes renewable energy. Over the 10 years for which FPT Industrial has pledged its support, a new wind farm with 396 wind turbines will generate 4,559,321 GWh of energy, replacing conventional energy that would have produced 4.17 million tonnes of CO₂.

“Taking our involvement in these important projects into account we, as a center, are now in carbon equilibrium,” says Violano. “But we are still thinking about adding more activities and are continuously working on new plans.”



Right: one of the solar-powered stoves distributed in China

OCCUPATIONAL SAFETY

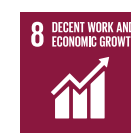


CNH Industrial’s approach to occupational health and safety is based on effective preventive and protective measures, implemented both collectively and individually, that aim to minimize the risk of injury in the workplace.

CNH Industrial endeavors to ensure optimal working conditions, applying principles of industrial hygiene and ergonomics to managing processes at organizational and operational levels. Its safety management system engages employees to create a culture of accident prevention and risk awareness, and involves them directly in identifying and reporting work-related hazards and potentially hazardous situations. This proactive approach is intended to promote common, ethical occupational health and safety principles, and enables the achievement of improvement targets using various tools such as training and awareness campaigns.



CNH Industrial supports the SDGs



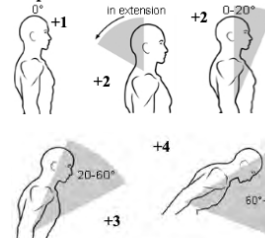


STREAMLINING THE MANUFACTURING PROCESS WITH VIRTUAL SIMULATIONS

Step 1: Locate Neck Position



Step 2: Locate Trunk Position



Top, above and far right: virtual testing tracks the Rapid Entire Body Assessment (the REBA scale) to calculate the risks of musculoskeletal disorders

Ground-breaking virtual testing systems allow CNH Industrial to anticipate and resolve design issues long before they affect manufacturing, optimizing the safety of workers on the factory shop floor

The process of designing a product is complex. Every step from planning through to implementation requires careful testing and analysis to ensure the safety and wellbeing of staff – a critical focus for CNH Industrial and a key part of its Industry 4.0 program. Sometimes during the product development process of a new vehicle, the design team discovers a small issue – for example, a worker needs to twist into a painful position on the assembly line. Discovering these kinds of issues at a late stage in the process can set back product development by months.

However, by introducing virtual testing at each step, these complications can be minimized. From the very start, the ergonomics of the interaction between factory worker and the machine can be thoroughly measured and checked

virtually, ensuring the safety of everyone involved with the product, from mechanic to engineer.

Testing with digital twins

Entering a CNH Industrial virtual room is nothing like visiting a traditional manufacturing environment. In the center of the room, a person wearing a fully immersive virtual-reality headset and a number of motion-capture sensors carries out various tasks. Large screens show the person's virtual "view" of their current assignment and simultaneously illustrate the different stresses and strains being put on their body as they carry it out. By creating this "digital twin" – a virtual mannequin of the person performing the task – all the data can be tracked and analyzed quickly and effectively.

"If you're installing a catalytic filter into an engine, for example, it's crucial that we understand the potential stresses on the worker's body," says Claudia Campanella, Manager of Ergonomics at CNH Industrial Technology department. "But obviously if a production line worker is doing the same task 30 or 40 times an hour, it could have a major impact on their body. Working with your arms above your head, for example, gets very painful quite quickly. We focus particularly on posture and safety, and we have to be sure it is equally effective for different body sizes."

Improving comfort scores

Virtual testing tracks the "comfort score" of various tasks, with a special focus on visibility and reachability. The scores are assessed using the European Assembly Worksheet (EAWS Method) and the Rapid Entire Body Assessment (the REBA scale) to calculate the risks of musculoskeletal disorders for the whole body.

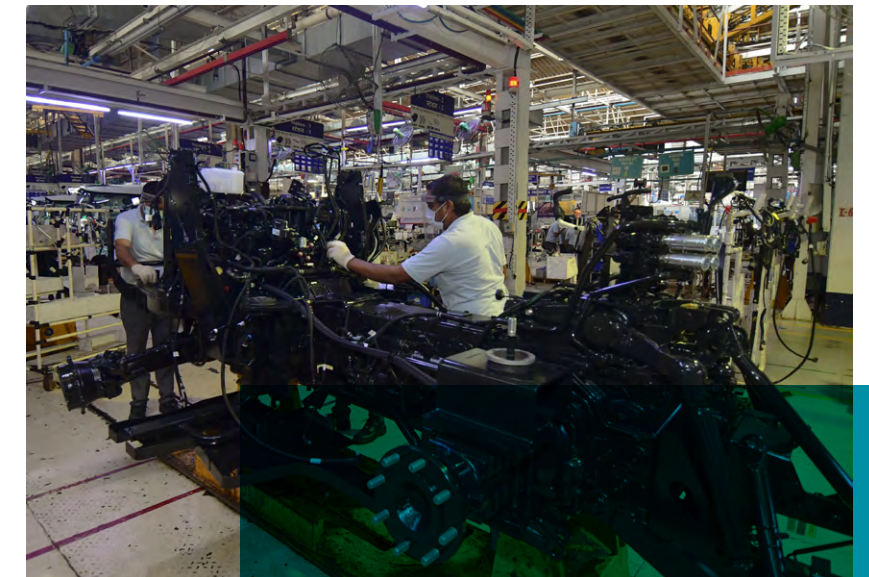
"We track the effect of the assignment on the operator's body, checking the joint angle and the effects on the back and limbs," says Makesh Rajendran, Manufacturing Engineer, Industry 4.0 Global Operations at CNH Industrial. "We can see when they have to reach an area uncomfortably to install, say, a screw on an engine, or when they have to twist to reach a button in a cab."

On one practice assignment, the use of virtual testing for installing an SCR (Selective Catalytic Reduction filter, which cuts down emissions) reduced the EAWS score from 64.9 points to 25 points with a few simple changes to the process.

"In the case of the SCR installation, we could specify that the worker would need a platform at a certain point in the operation in order to carry out the task with ease," says Rajendran. "It was a small change, but it made a huge difference to the stress put on the body."

Scaling the virtual systems across the Company

The virtual testing of the assembly line in Greater Noida has been developed, together with the University of Modena and Reggio Emilia, at CNH Industrial's Virtual Center in Modena, Italy, where a digital twin of the assembly line was created in a virtual testing room.



Above: assembly line in our manufacturing plant in Greater Noida, India

"We focus particularly on posture and safety"

Claudia Campanella, Manager of Ergonomics at CNH Industrial Technology department

Recommendations were then sent back to India for implementation in the Greater Noida plant.

"The virtual rooms allow us to work closely with colleagues across the world," says Ankush Harchand, Manager of Digital Manufacturing at CNH Industrial in Greater Noida. "We are able to collaborate at all points in the process, exchange information and feedback instantly, so it dramatically improves safety. We are now looking to roll out virtual testing across the whole of CNH Industrial, as it has comprehensively proved its effectiveness."

As well as optimizing employee safety, virtual testing helps design teams from different countries to mitigate problems from the very early stages of product development, with consequent benefits in terms of saving both time and expense. "It improves the sense of teamwork with our colleagues," says Campanella. "With virtual testing, we are much less restricted to being the 'Noida team' or the 'Modena team.' This way, we work as one Company."



Test-driving a vehicle has always carried an element of risk, but in design evaluation of agricultural equipment, the size of the vehicles involved substantially increases the potential for accidents. Maneuvering a 25-tonne combine harvester across an uneven field has its risks. CNH Industrial's development of virtual testing is changing that risk profile, as well as reducing the time, costs, and carbon emissions involved in testing agricultural machines.

The agricultural sector is evolving rapidly. Computer power is growing exponentially and there has been a vast increase in the amount of data available on everything from soil to humidity to weather conditions. Product testing has been evolving, too, and is now enabling a major leap forward for farming technology.

Currently, modern farming vehicles enhance the role of the operator by means of a user interface and sensing technology that allows the vehicles to locate themselves and avoid hazards. However, soon they will shift toward supervised autonomy, where the operator oversees an unmanned vehicle. Ultimately, CNH Industrial is aiming for full autonomy, where farming machinery will be able to carry out a wide range of tasks completely unsupervised.

For obvious reasons, real testing of autonomous vehicles is costly, time consuming, and requires a raft of safety protocols. By testing in a virtual environment, CNH Industrial will speed up the design process toward full autonomy, while simultaneously ensuring optimal occupational safety.

A safer approach to testing

Safety has always been a key focus throughout the development of the Company's vehicles. Everything from driver safety to uneven ground must be taken into consideration, and the potential dangers mitigated.

Normally, the product development team would run a series of "bump tests" for a piece of farming equipment, which monitors vibrations, analyzes the forces on specific elements of a design, and checks the pressures on hydraulic components. But by combining a variety of modeling techniques with physical components, CNH Industrial has created a simulation environment able to emulate standard testing, creating a "digital twin." By shifting to this virtual setting, design validation becomes far safer.

VIRTUAL TESTING IMPROVES PRODUCT SAFETY

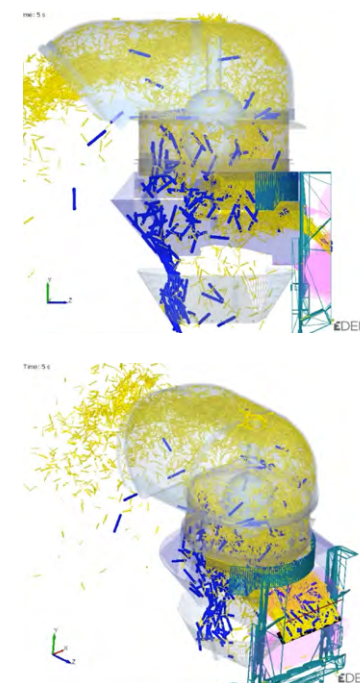
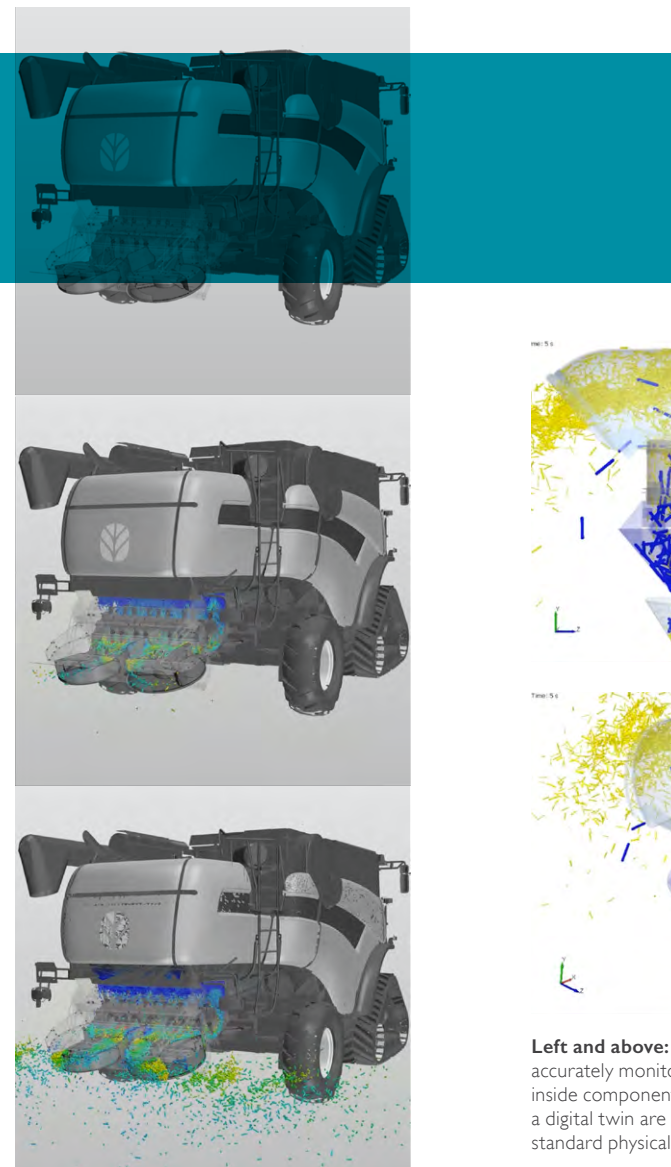
Agricultural equipment has to perform in a range of environments, which makes testing complex, expensive, and challenging. By introducing virtual testing, CNH Industrial can streamline the whole process

One area where virtual testing is particularly effective is in cab design, where issues around driver comfort and safety are addressed. Using virtual cabs, for example, driver postural comfort and the "reachability" of controls can be closely monitored. Whereas traditionally, a person would have to physically sit in the cab to test the ergonomics – possibly in some discomfort – the virtual system can fully assess the cab's design.

Virtual testing also allows customers to provide input and feedback into the design process. Using virtual cabs, they can view solutions, track design development, and see improvements to product design first-hand.

Cutting costs and time

Traditional testing requires farming equipment to be used in a wide range of environments, as well as trials on several varieties of crops. Gennaro Monacelli, CNH Industrial's Global Director of Design Analysis and Simulation, explains that this broad spectrum of evaluation



Left and above: crop modeling can accurately monitor the exact crop movements inside components. **Top:** virtual "bump tests" using a digital twin are highly accurate and far safer than standard physical testing



Virtual testing reduces carbon emissions and risks

Testing vehicles in a traditional manner involves significant carbon emissions. It is anticipated, for example, that the validation of an autonomous automobile will require between six billion and 14 billion miles of testing. Agricultural equipment will require a considerable number of hours and hectares to reach the necessary level of confidence. Running a virtual simulation substantially reduces those emissions.

Monacelli points out that prototype vehicles create a large carbon footprint. "When building a prototype, you know it is ultimately going to be scrapped," he says. "It's a big investment and not something you really need to do, as simulations are becoming more realistic and predictive."

To produce an autonomous vehicle, dozens of different elements – including cameras and LiDAR (Light Detection and Ranging, a remote sensing method that uses pulsed laser light to measure ranges) – must all be tested. Virtual testing can be used for every element of the design process, from assessing one small component of a tractor to the final product's function.

Farming equipment will become more and more sophisticated in the next few years. "CNH Industrial is accumulating a vast amount of data, which will transform what we know," says Monacelli.

"On larger farms, vehicles will soon be able to communicate with each other. In the future, we will be able to tell farmers the optimum time to harvest a crop, and the harvester will be able to carry out that task without the need for supervision."

However, at each step of development, safety will be paramount. Shifting the focus to virtual testing will reduce risks to personnel and ultimately provide the customer with an optimum – and comprehensively tested – product.

leads to a high product development cost. "If we need to test a tractor in a field, we might have to ship a prototype to a country far away and synchronize the development time with the right season to harvest the crop. Any delays in the product development mean the prototype may not be ready, thus missing a whole season of testing and resulting in almost a year delay to release the product to customers. We can manage this risk using soil and crop modeling, anticipating many tests on a computer and correlating them in the testing laboratory."

However, by running a virtual test, not only can the evaluation be carried out almost immediately, but it is also possible to learn more about the machine's operation than would be revealed by a standard physical test. "When we are harvesting a crop like sugarcane in real life," says Monacelli, "we aren't able to see what is happening inside the machine. But through virtual testing and crop modeling we can do exactly that."

Crop modeling – the analysis of the dynamics between the crop, the atmosphere, the soil and the machine – is becoming far more sophisticated at CNH Industrial. The Company can, for example, check the exact crop movements everywhere inside the machine, making the testing more accurate and allowing for further enhancements.

EMBRACING THE CHALLENGE OF THE PANDEMIC

CNH Industrial had to respond rapidly to the unprecedented crisis presented by the COVID-19 pandemic. With lives at risk, the Company changed almost every aspect of its working practices. Here's how it addressed the situation

As one of the biggest capital goods manufacturing companies in the world, CNH Industrial responded to the pandemic by rapidly embracing a hybrid approach.

Groundbreaking protocols were established to prioritize health and safety for all employees, and working from home was introduced for those who could work remotely.

Health and safety in pride of place

CNH Industrial's response to the pandemic allowed no room for error.

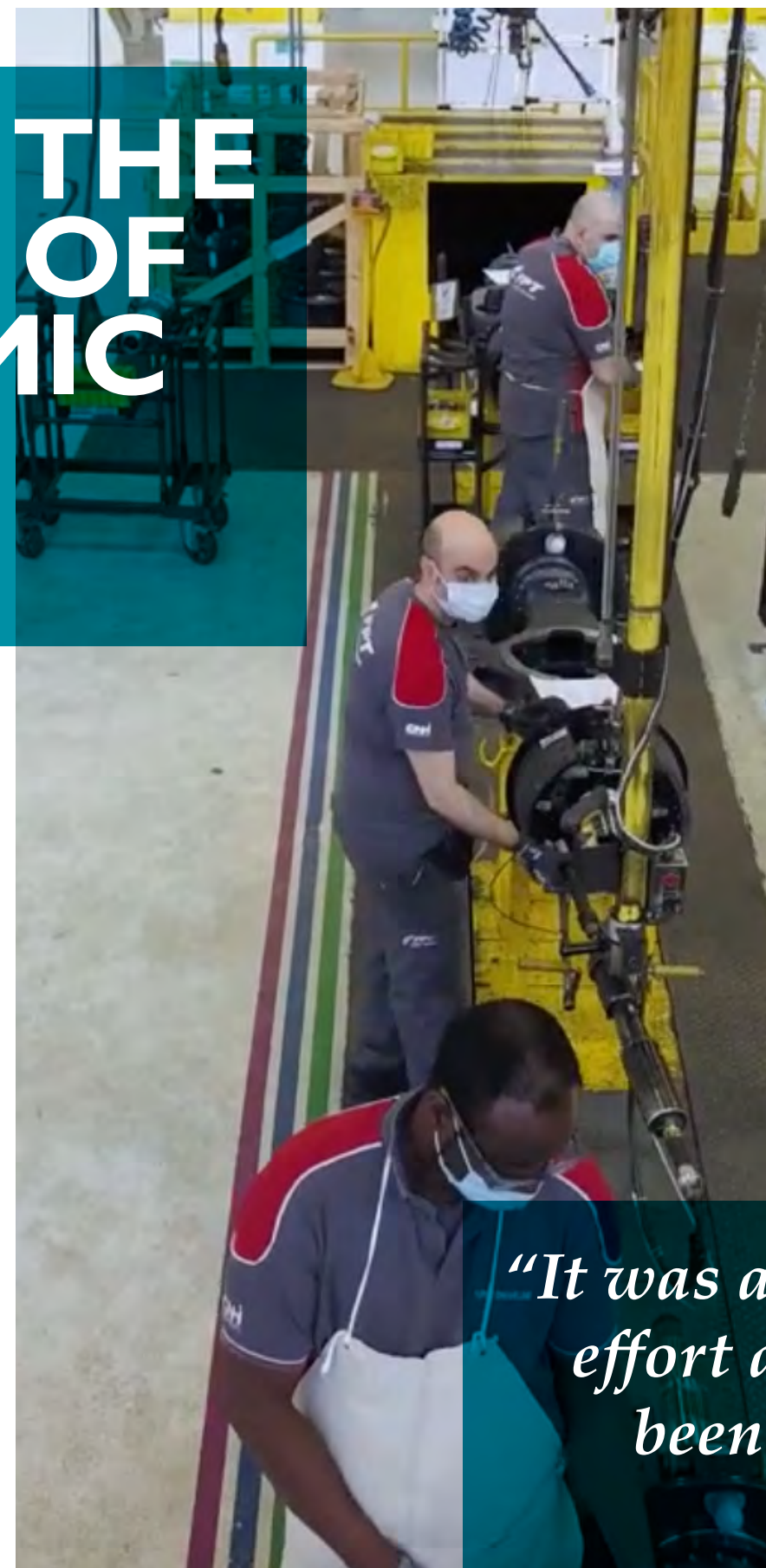
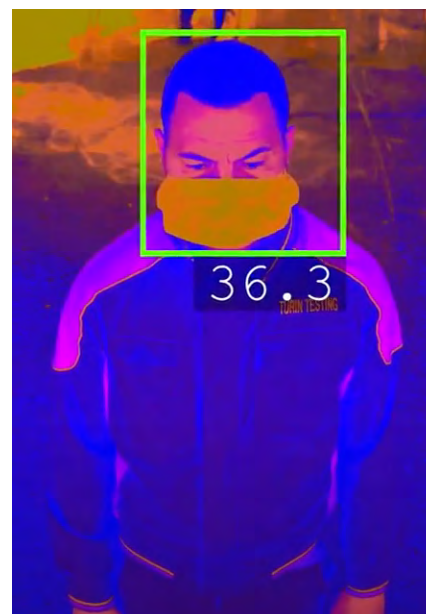
"From very early on, we were speaking to our Chinese colleagues, so we knew something huge was coming," says Aldo Menduni, Head of Manufacturing Engineering, Head of Environment, Health and Safety, and member of CNH Industrial's Restricted Operational Committee (ROC). "Even so, we didn't realize how quick and how serious this crisis would be."

At the beginning of February 2020, the Company established ROC, its crisis response unit, to react to and manage the situation as it developed.

Italy was the first Western country to be hit hard by COVID-19 and the Italian government was first to publish protocols for fighting the pandemic, on March 14, 2020. "CNH Industrial took that document and moved fast to create a protocol for the whole Company," says Menduni. "That was then adapted, translated, and sent around the world. We also took on

board recommendations from prominent virologists in Italy and the U.S.A. in order to implement the safety protocols; that meant we were very quickly in a position to establish safety systems."

By the beginning of April, protocols had been introduced, and were then set up at all international operations by July. These included detailed procedures about how to behave in every Company environment – temperature checks on arrival for staff and visitors, clear markings on the floors in plants to ensure social distancing, screens in canteens and at other bottlenecks where employees might interact closely.



Left and above: temperature checks and social distancing are part of CNH Industrial's COVID-19 protocols

Audits to share best practices

The COVID-19 protocols became part of CNH Industrial's commitment to employee safety with special emphasis on the sharing of best practices, thus promoting their standardization.

"After implementation, we moved very quickly to the auditing phase," says Menduni. "140 of CNH Industrial's sites, manufacturing and non-manufacturing, were audited by CNH Industrial's Health and Safety teams three times between July and December 2020, and at least once so far in 2021. We will keep on making these audits until the end of the pandemic, because we need people to be confident and safe at work."

As plant visits were not possible, site EHS managers used GoPro cameras or smartphones to show how the countermeasures had been implemented. A dedicated app was developed and used to record audit evaluations and outcomes.

"These walkthroughs with cameras enabled us to both evaluate conformity to the protocols and roll out best practice across the whole Company," says Menduni. "For example, we could see that one plant was managing the flow of personnel through the entrances particularly effectively, so we could highlight this to other plants and identify opportunities for improvement."

Reaching out to all stakeholders

As it developed its strategy, CNH Industrial passed on its protocols to suppliers and other stakeholders, ensuring that lessons learnt could be shared

widely. As a manufacturing company, it also helped mitigate the international shortfall of personal protective equipment (PPE) by producing its own masks.

"First we consulted our colleagues in China," says Menduni. "Then we began producing millions of our own masks at our factory in Harbin, China, which have been used at our plants in North and South America, and Italy. It has been very helpful to close gaps in our PPE procurement."

CNH Industrial COVID-19 protocols proved effective at stemming the spread of contagion. "We analyzed infection rates across the whole of CNH Industrial and we found that around the world our employees had significantly lower infection rates than other people in their communities."

A shift to working from home

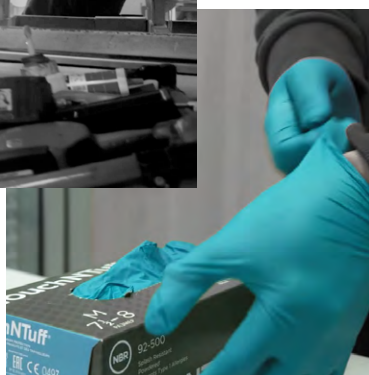
At the same time as the changes were being introduced to manufacturing facilities around the world, the Company managed the switch for thousands of people to working from home. Within days, a strategy was developed to ensure that everyone had access to the appropriate ICT devices (information and communications technology). Managers also had to change the way they led their teams.

"It was a huge logistical effort and people have been very flexible to make it work," says Guido Moscheni, Head of Human Resources, Construction Segment and member and coordinator of ROC. "The ICT department in particular has been great. Everyone came together to work apart."

"It was a huge logistical effort and people have been very flexible to make it work"

Guido Moscheni, Head of Human Resources, Construction Segment and member and coordinator of ROC





Top and above: regular cleaning and PPE are standard practice at CNH Industrial's sites. **Below:** CNH Industrial employees carried out a total of 2.5 million days of remote working in 2020

At present, Moscheni estimates that between 60 and 65 percent of CNH Industrial's white-collar employees are working from home, and he expects flexibility of work patterns to continue beyond the end of the pandemic. "Of course, like every company, we are currently working to identify and implement the ideal balance between home and office working," he says.

Fortunately, as Lorenzo Succio, Head of HR Service Delivery Europe, points out, the Company had been rolling out pilot schemes for remote working since 2016.

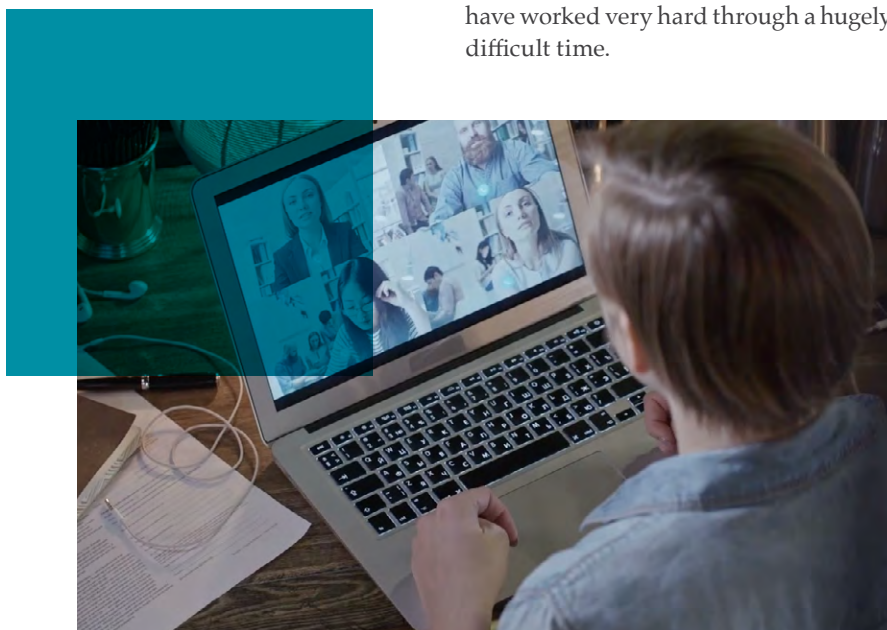
"It was much less of a jump for us than it was for other companies," he explains. "We knew that certain things would be a challenge, like ensuring everyone had the right computer equipment. But for us it was more a matter of scaling up rather than an entirely new experience."

The pros and cons of remote working

Despite the initial enthusiasm and teamwork that allowed home working to function well for CNH Industrial, the novelty has worn off after a combined total of 2.5 million days of remote working in 2020.

"At first, people saw working from home both as a necessity and an opportunity, but now it is starting to feel a little like a constraint," says Moscheni. "At the beginning of 2020, our employees were scared of the virus and they also enjoyed the novelty of working from home. But as time has rolled on, they have become keen to get back to the office."

On the plus side, working from home cut out commuting and the carbon emissions associated with traveling to work. In Europe alone, around 15,000 employees have avoided more than 26 million km (16.15 million miles) of commuting since the start of the pandemic. The Company estimated that each employee has saved 51 hours or six working days in commuting time and around 200kg of CO₂ in carbon emissions.



On the minus side, "people found it increasingly difficult to stay motivated," says Moscheni. "For some, it is because they have children at home, or they don't have enough space, or they share a house, so they have lots of people trying to work/study at the same time. Others live on their own and are feeling a little isolated."

CNH Industrial conducted several surveys to establish employees' priorities.

After analyzing responses to the employee surveys, a "New Normal" program was launched to look at the future of work in CNH Industrial, support flexible ways of working and boost employee motivation, wellbeing, and work-life balance. Under the program, several important projects were launched in 2020. In Italy, the new remote working initiative #ioLavoroAgile (I work flexibly) focuses on increased flexibility in terms of location, working hours, the right to disconnect, and the option to work remotely up to 12 days a month.

Similar programs were launched in other countries. Go the Distance, on the other hand, is an online learning program that offers CNH Industrial employees a variety of training resources across four topics: Virtual Work and Collaboration; Emotional Intelligence; Navigating Uncertainty; and Stress Management. New Normal projects and initiatives will continue to be launched in 2021 and beyond in preparation for the workplace of the future.

It is likely that the pandemic has changed the workplace and ways of working for good. Employees have been offered flexibility, and in return they have worked very hard through a hugely difficult time.

LIFE-CYCLE THINKING



CNH Industrial recognizes the real importance of promoting a circular product life-cycle in which resources are used fully and for as long as possible, and products and materials are recovered and regenerated at the end of their service lives. For this reason, the Company offers a range of products that can run on fuels derived from renewable sources, and is committed to adopting sustainability criteria from the design stage in order to develop more environmentally friendly products. To maximize product life, CNH Industrial also offers its customers a range of remanufactured spare parts, in line with its circular economy approach. In manufacturing processes, particular emphasis is given to improvements that increase waste recovery and reuse.



CNH Industrial supports the SDGs



LIFE-CYCLE STUDIES SHAPING THE ENGINE OF THE FUTURE



By accurately calculating the carbon footprint of the full life-cycle of its engines, FPT Industrial imagines a roadmap to reduce emissions and plan its sustainable transformation

When you know where you're starting from it's much easier to plan where you're going. This is the fundamental motivation behind assessing the environmental impact of FPT Industrial's diesel engines throughout their life-cycle, from the raw materials that go into making an engine, through manufacturing and shipping, to the emissions released during its useful life, and even engine disposal.

"Life-cycle assessment [LCA] studies are helping us fulfill our vision of powering sustainable transformation by quantifying the total environmental impact of the engines we make. This allows us to work out where we need to focus to reduce that impact most effectively," says Davide Rodonò, Chief Engineer for the Cursor range at FPT Industrial, who developed the Cursor 13 engine, built at the plant in Bourbon-Lancy, France.

Assessing environmental impact

LCA assessment started in 2014 as a pilot study with the 3-liter F1C diesel engine for IVECO's light commercial vehicles and the F1C NG engine, which runs on natural gas or biomethane. The new LCA study involved the Cursor 13 engine, which is mounted on the New Holland Agriculture CR9.90 combine harvesters. The assessment was run in strict collaboration with the New Holland Agriculture team in Zedelgem, Belgium, where CR combines are manufactured, and with the FPT Industrial team in Bourbon-Lancy, France. The teams contributed by providing all the necessary data – that related to both the manufacturing processes, and also that connected with field operations.

The Company already knew that the majority of an engine's carbon footprint derived from field use, but the assessments showed that this accounted for almost 100 percent. Clearly, if FPT Industrial was going to cut the carbon footprint it would have to concentrate on how the engines worked.

"Sustainability is a big enabler for CNH Industrial. It's a competitive advantage. These studies have allowed us to look at every component that makes up an engine. This way of thinking raises awareness with everyone involved in design, development and manufacturing about how to make our engines more efficient and environmentally friendly," explains Rodonò.

Collecting the necessary data is relatively straightforward when it comes to raw materials and manufacturing. Knowing exactly how the engines are used is a bit more complex.

"Some 90 percent of the combine fleet is monitored via telematics once it has left the plant. We get that data and analyze it to work out emissions levels. Then we extrapolate final use using worst and best-case scenarios," he explains. "We know that combine harvesters, for example, can work in very dusty conditions, on hard soil and with different loads. It's +10 or -10 percent for the different profiles. But even in the very worst-case scenarios we found that 100 percent of our monitored engines have emissions below target."

This kind of granular data is vital to get a clear overall life-cycle picture. "We look at all the options to try to reduce the carbon footprint. We try to involve everyone in the design and development," says Rodonò.

Certification and recognition

The first LCA on the 3-liter F1C diesel engine was instrumental in securing ISO/TS 14067 certification in 2014. Since then, further LCAs have estimated the CO₂ emissions impact of a product over its entire life-cycle. These calculations have strengthened the "life-cycle perspective" approach, first introduced in 2015 in response to the requirements of ISO 14001, which regulates environmental management plans. The resulting software is now being used to help plan how to reduce carbon footprints for engines and components produced at three FPT Industrial plants: Bourbon-Lancy; Turin Engine, for medium-sized engines; and Turin Driveline, for transmissions and axles.

Besides helping it obtain these important certifications, the LCA approach is helping the Company maintain its competitive advantage. "I believe we are ahead in setting [life-cycle footprint reduction] targets and having the best technology," Rodonò says.

Data from the LCAs has enabled the Company to pinpoint exactly where it needs to make changes to achieve its goal of sustainable transformation. Initially, that will be reduction in fuel consumption and lower emissions, but ultimately the Company plans to move toward cleaner alternative propulsions.

"Such studies are relevant in raising awareness about the impact that the carbon footprint has on organizations such as ours and for our businesses and customers. In addition, they highlight the role that each individual can play in contributing to the reduction of carbon emissions and in making a difference for the future of the Company and of the planet," says Rodonò.



Far left: FPT Industrial's plant in Bourbon-Lancy, France. **Top left:** FPT Industrial's Cursor 13 engine. **Top right:** the plant in Bourbon-Lancy where the Cursor 13 is built. **Above:** the New Holland Agriculture CR9.90 combine harvester

"We look at all the options to try to reduce the carbon footprint"

Davide Rodonò, Chief Engineer for the Cursor range at FPT Industrial

CNH Industrial's tech incubator AGXTEND™ helps bring to market new technologies that allow farmers to make the most of resources, reduce their environmental impact, and improve yields

Inside a slurry tanker, cutting-edge artificial intelligence (AI) and near-infrared (NIR) sensor technology can now assess the chemical composition of the manure held there, and ensure exactly the right amount is spread on the fields to fertilize the crop most effectively. Such precision benefits both farmers and the environment. For example, farmers use slurry as a source of nitrogen fertilizer. The main challenge is that nitrogen concentration in slurry is variable: if too much nitrogen is applied then the excess washes away and pollutes rivers and streams; if too little is used, crops will not grow to their full potential.

This is one of the technologies offered by AGXTEND™, the tech incubator set up by CNH Industrial in 2019. It helps start-ups and small companies scale up innovative products designed to make farming less resource-intensive, and to give them access to the broad customer base of CNH Industrial's Case IH, STEYR and New Holland Agriculture brands.

The precision fertilizer system uses two products offered by AGXTEND™. The NIRXact infrared sensor determines the proportion of dry matter, nitrogen, ammonia, phosphorous, and potassium contained in the slurry, and the ManureXControl system works out the right speed of distribution based on the composition of the slurry and what nutrients the farmer wants to add to the soil. Both are controlled via the ISOBUS terminal common to many tractors, which allows attachments made by any manufacturer to be connected to the vehicle and controlled via the same screen.

"The technology behind it is very complex, but what the farmer sees on the screen is really user-friendly," says Médéric Sornay, Product Manager Precision Farming Aftermarket Solutions at CNH Industrial. "They enter the exact quantity of the fertilizing element they want to apply, and then the ManureXControl system automatically adjusts the machine." The product was tested in 2020, officially presented in early 2021, and the first customers have given positive feedback about how simple it is to use



AI-ENABLED PRECISION FARMING PRODUCES BETTER RESULTS



Top: cutting-edge technology ensures the exact amount of slurry is spread on fields to fertilize crops. Above: the NIRXact infrared sensor

AGXTEND™ supported the Italian company Dinamica Generale, which manufactures NIRXact, to improve the algorithm used by the near-infrared sensor and helped it to collect more slurry samples via CNH Industrial's network of farming customers in Germany to train the algorithm further. AGXTEND™ also collected substantial customer feedback and defined ManureXControl product specifications to ensure customers get the maximum most out of their NIRXact sensors. These products are available through selected Case IH, STEYR and New Holland Agriculture dealers, who have been trained to support the technology.

"Our aim is to support our customers to use resources efficiently and sustainably, and we add value by helping suppliers to build customer-centric products," says Sornay.

PEOPLE ENGAGEMENT



Keeping people engaged in Company projects is the best way to reach set targets together. CNH Industrial considers its people an essential resource. When operating in dynamic and highly competitive industries, success is achieved first and foremost through the talent and passion of skilled individuals. Indeed, the Company strongly believes that business growth is made possible through personal growth, which is why it invests its business gains in the development of its people, creating a virtuous circle.

CNH Industrial adopts a responsible approach to the management of its entire supply chain, from small local companies to large multinational organizations, establishing relationships that go beyond commercial transactions, and fostering long-lasting and mutually satisfying collaborations with eminently qualified partners that share the Company's principles.

Living and working in synergy with the surrounding area, and collaborating on projects that benefit the community, contribute to enhancing the satisfaction of employees (who often live close to plants) and their sense of loyalty to the Company, while bringing economic advantages to both the Company and the community.



CNH Industrial supports the SDGs



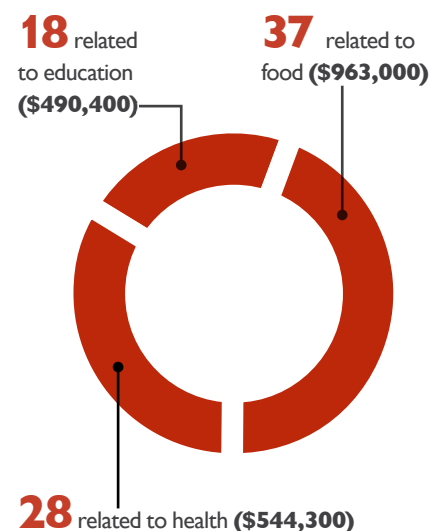
SHOWING SOLIDARITY IN THE FIGHT AGAINST COVID-19

As the impact of the pandemic spread across the world, CNH Industrial set up a \$2 million fund to help local communities in which it operates. The fund targeted initiatives in three key areas in line with both the Company's business drivers and stakeholders' priorities of food, health, and education

When the COVID-19 pandemic hit its stakeholders and local communities in spring 2020, CNH Industrial took swift action. As well as offering support for dealers, customers, and suppliers to meet liquidity needs and to access government funding, the Company set up a \$2 million Solidarity Fund in April to support initiatives in food, health, and education. These areas align with the UN Sustainable Development Goals: zero hunger; good health and well-being; quality education; and reduced inequalities.

The fund complemented other Company donations ranging from medical equipment, including ventilators, bottles of hand sanitizer, and personal protective equipment (PPE), to electrical generators and ambulances.

The \$2 million was allocated to 83 initiatives with a range of short, medium and long-term goals, as follows:



Measures aimed at tackling food shortages included help for food banks and setting up food delivery networks. Educational initiatives included support for students lacking resources for remote learning, and enhancement of the Company's TechPro² project, which trains students to become highly qualified technicians in the industrial vehicle sector.

CNH Industrial also supported the Telethon Foundation's research into SARS-CoV-2, to study the genetic makeup of COVID-19, and to understand its variants, face them and prevent new epidemiological crises.

Piloted by national and regional Company committees, the Solidarity Fund proved a flexible way to respond to specific needs around the world. What follows are examples of some of the initiatives undertaken:



Top: the Case IH plant in Benson, Minnesota, donated \$12,000 to the Discovery Kids daycare center. **Above:** New Holland Agriculture created the Rede do Bem, which distributes products from small farmers to local communities in Brazil



Top: the TechPro² project trains students to become highly qualified technicians in the industrial vehicle sector. **Center:** IVECO provided 72 tablets to students in Izmir, Turkey. **Above:** Case IH donated four ventilators to Ethiopia

EUROPE

From crime to crops – supporting sustainable farming in Italy

Two brand new, state-of-the-art New Holland tractors will soon be at work on land in Sicily that used to belong to criminal gangs. CNH Industrial and New Holland Agriculture have joined environmental organization Legambiente on their Evoluzione Terra (Evolution Earth) project, which aims to foster innovation in sustainable farming.

IVECO truck delivers boost to children's organization in Germany

When IVECO Nord, a dealership for the commercial vehicles brand, wanted to deliver a check for \$25,000 from the fund to a children's organization in Hamburg, Germany, an impressive IVECO S-WAY truck was the obvious transport choice. The organization, called ARCHEN (Arks), helps children and young people in low-income neighborhoods and relies on donations for 95 percent of their funds. Youngsters get a free lunch, help with homework, and take part in after-school activities.

The children had so much fun climbing into the truck, taking a close look and trying out all the controls, that some queued for a second – and even a third – chance to sit in the driving seat.



ASIA, MIDDLE EAST, AFRICA

Tablets for teaching in Turkey

As education went online in many countries during the COVID-19 pandemic, countless pupils lacked the technology to keep up with lessons. In partnership with the Aegean Contemporary Education Foundation, IVECO Turkey provided 72 tablets with internet access to students in Izmir, Turkey, and surrounding regions.

Breathing more easily in Ethiopia

Case IH donated four ventilators to Ethiopia, where the capital Addis Ababa had only 41 for the city's entire population of around five million people.

The donation included installation and training in the use of the life-saving machines, which were delivered in unopened pallets to reduce the risk of infection.

"Each community served by the Solidarity Fund has different needs, and we figured that in Ethiopia, life-saving medical equipment would be the best choice for a donation," says Marcin Ruppert, Case IH Marketing Manager for Africa and Middle East.

As part of the project, New Holland will supply tractors along with six auto-guidance systems for precision farming to four co-operatives in the Libera Terra Mediterraneo consortium, which uses land confiscated from organized crime for sustainable agriculture. The brand will also support the purchase of advanced equipment such as an innovative seeder for organic farming.

Carlo Lambro, New Holland Agriculture brand President, says the project is a perfect fit with the Company's strategy to help drive the transition to resource efficient and sustainable agriculture. "It is very clear to us that sustainability is the future. We have pioneered agriculture that respects and protects the environment, continuously pushing the boundaries of technology to enable our customers to produce more with less."



NORTH AMERICA

Rescuing food and reducing hunger in the United States

The CNH Industrial Foundation donated \$300,000 to Feeding America, the largest hunger-relief organization in the U.S.A.

Feeding America estimates that almost one in every six Americans could be forced to seek food aid as the



Above: the Comedores Y Merenderos initiative distributed groceries and cleaning products to 7,500 vulnerable people in Argentina

COVID-19 crisis continues, while around 21 percent of landfill volume is food waste. Up to 13 million children are experiencing food insecurity now, compared with 10 million before the pandemic.

Feeding America helps get food that would otherwise go to waste from farms, supermarkets and restaurants to food banks, and helps provide it to people in need. It rescues around 3.5 billion pounds of food every year.

“COVID-19 has sharply increased the number of American families facing food insecurity and we are proud to be able to support the vital work of Feeding America to help people in need,” says CNH Industrial Foundation President Brian French. “At the same time, we are contributing to reducing food waste and helping to create sustainable solutions that will benefit both the environment and our communities.”

Funds help Minnesota children's daycare center

The Company's Case IH agricultural manufacturing plant in Benson, Minnesota, donated \$12,000 to the Discovery Kids daycare center in the local community.

Discovery Kids offers before and after school care, giving much-needed support to parents trying to balance working from home with childcare needs, as many daycare centers and schools have been closed due to the pandemic.

“We are extremely proud to do our part to help our employees and our local community get through this pandemic by supporting Discovery Kids with this donation from our Company's Solidarity Fund,” says Case IH's Plant Manager Jason Hausauer.

SOUTH AMERICA

Emergency supplies in Argentina

CNH Industrial provided and distributed food and medical supplies to needy families, social organizations and public hospitals in Córdoba and Buenos Aires, Argentina.

One of the social organizations supported by the Company was Comedores Y Merenderos, which distributed boxes of groceries and cleaning products to vulnerable families, thus benefiting about 7,500 people.

Moreover, CNH Industrial also extended its help to four hospitals and five social assistance institutions, which received PPE, contributing to the safety of 400 medical professionals.

Linking farmers and families in need through Brazil's Network for Good

New Holland Agriculture worked with its network of over 200 dealers in Brazil to create the Rede do Bem (Network for Good), which buys products from small farmers and distributes them to local communities.

New Holland started by donating 17 food parcels a month to each of its dealerships, who then distributed them to the local communities who were most in need. Dealers liked the idea and decided to double that number to 34, filling the food parcels with fruit and vegetables purchased from small local producers.

Rede do Bem also partnered with the Brazilian Association of New Holland Distributors (Abraforte), which enabled it to distribute hygiene items and food donated by local people via New Holland dealerships. “We take advantage of the great capillarity of our network, which can receive these donations and distribute them to people in situations of food insecurity,” says Gustavo Taniguchi, Commercial Marketing Director at New Holland Agriculture for South America.

CNH Industrial's 2020 Suppliers Excellence Awards honor two companies in Brazil making a big contribution to their communities and the environment



Top: RecondOil recycles lubricating oil at SKF's ball-bearing plant in São Paulo state, Brazil. **Above:** the RecondOil process, which was first used in Sandvik, Sweden, can be employed in many industrial plants that use lubricating oils



SUPPLIERS AWARDS – FOUNDATIONS AND FOOTPRINTS

Every year, CNH Industrial celebrates its best South American suppliers with awards in a range of categories, including sustainability, technology, and quality. The Suppliers Excellence Awards were launched in 2018 to honor and strengthen the company's collaboration with its suppliers. CNH Industrial believes that strong relationships in the supply chain, sharing best practices and know-how, are essential for delivering more competitive and innovative products, ensuring availability to meet demand and top quality.

In 2020, two of the winners in the environment and social responsibility category were companies based in Brazil that were recognized for their outstanding sustainability initiatives. Fundimisa, owner of the largest foundry in the state of Rio Grande do Sul, in the south of the country, is helping employees build their dream home. SKF RecondOil is looking after the environment by recycling the lubricating oil it uses in the manufacture of ball bearings.

The Home of Your Dreams

A swanky modern house, all pale brick and metal with a flat roof, stands out among its more traditional neighbors with their white walls and terracotta tiles. What all the dwellings on this 50,000 square meter development in the agricultural town of Santo Angelo have in common is that they are dream homes for employees of Fundimisa. The foundry has launched an innovative funding project for affordable housing in this area just 1,100 meters from its plant.

The company offers employees a plot of land at a heavily subsidized price on which to build a house. Employees make a down payment of about \$1,000, paid over two years, in monthly installments that amount to about 15 percent of their salary. The design of their home is up to them. Some opt for hi-tech, others go traditional.

For employees, the cheap land brings the cost of a house down to around \$32,000, Fundimisa says, compared with the national average of \$100,000. Some 100 houses were built in the first project, which ran from 2007-17. And while you need to have worked for Fundimisa for at least a year to qualify, you don't have to continue working with the company to keep your home. Less than half of residents now are employees, Fundimisa says.

Fundimisa also wants to make sure residents enjoy a better quality of life all round, and to raise their awareness of environmental issues. So the development includes a soccer pitch, an organic garden full of home-grown vegetables, and an orchard with more than 100 fruit trees.

Fundimisa bought a second plot in 2012, about twice the size of the first. It will offer land for about 200 houses – enough for some 20 percent of current employees. Construction should be underway in 2021.

“We are setting an example. We thought housing was needed and it was the right thing to do,” says Paulo Ely, General Manager for Brazil at Fundimisa.



Left: Fundimisa's innovative funding project for affordable housing near its plant in Rio Grande do Sul in the South of Brazil. **Above:** Fundimisa employees are offered a plot of land at a heavily subsidized price

Recycling to cut CO₂ emissions

Thanks to an innovative recycling process developed by RecondOil, a start-up company that SKF acquired in 2019, the lubricating oil at the firm's ball-bearing plant in São Paulo state is regularly transformed from grungy sump oil to a purified lubricant the color of maple syrup.

The lubricating oil used in working the metal into ball bearings is recovered and run through huge steel containers, which use a double separation technology to purify it without stripping out the additives that smooth industrial production processes.

Recycling the oil brings huge benefits in three key areas. It reduces production of carbon dioxide (CO₂), cuts water consumption, and reduces the manufacturing costs of ball bearings, explains Claudinei Reche, SKF Group's President for Latin America.

Around 20,000 liters of oil are used daily at the plant and every drop is recycled. Recycling saves around 360,000 kg of CO₂ from being released in the atmosphere and it also saves on water use, as four liters of water would be used to produce one liter of oil. Treating the oil costs about 25 percent less than buying new oil and SKF RecondOil estimates it is saving about \$8 million a year.

In South America, the company piloted this new technology at its plant in Cajamar, São Paulo state, and is now expanding it into other plants in Brazil, Mexico, and Peru. The RecondOil process, which was first employed in Sandvik, Sweden, can be used in pretty much any industrial plant that uses lubricating oils.

“Winning a CNH Industrial award for the RecondOil project makes us very proud because it matches exactly our approach to the circular economy,” Reche says.



NO LET-UP IN LOCKDOWN

CASE Construction Equipment supports Team Rubicon in the U.S.A. as the veteran volunteers tackle destruction caused by storms, fires, and tornadoes that have rampaged across the country

CASE Construction Equipment's partnership with disaster-response organization Team Rubicon stormed ahead in 2020 despite a hit to training caused by the COVID-19 pandemic. Through the partnership, which started in 2015, CASE and its dealers provide heavy machinery and training to volunteers who work with experienced military veterans to speedily tackle large-scale disasters.

"Mother Nature certainly did not hold back just because there was a pandemic," says Athena Campos, Head of Market Development for CASE North America at CNH Industrial. "There were a number of disasters this year, in addition to COVID-19, which just added to the chaos of the new decade."

Record-breaking hurricanes

CASE provided excavators, skid steers and compact track loaders to Team Rubicon to

help with clearing routes into hurricane-hit communities and removing debris.

In Tennessee, Team Rubicon used CASE equipment when they went in to help clean up after a *derecho* – a whole series of hurricane-force storms – followed by a tornado, tore across the middle of the state in May. Some of the worst damage was around Nashville, where, according to the National Weather Service, winds of up to 80 miles per hour knocked out power to over 130,000 customers, making it the worst power outage on record.

Hurricane Laura hit records when it smashed across Louisiana in August 2020, then Hurricane Delta, close on its heels in October, matched its ferocity.

"The hurricane response in Lake Charles, Louisiana, was probably one of the longest deployments we've ever supported with Team Rubicon. We had equipment in place for almost three months," Campos says.



"Mother Nature certainly did not hold back just because there was a pandemic"

Athena Campos, Head of Market Development for CASE North America at CNH Industrial



Top and above: CASE Construction Equipment provides Team Rubicon with excavators, skid steers and compact track loaders to help hurricane-hit communities

"Whether in Louisiana or as far west as California, CASE has always shown up to support us," says David Burke, SVP of Programs and Field Operations at Team Rubicon. "CASE has been integral in the development of our Heavy Equipment Program and has been a consistent partner in every step of the disaster cycle from mitigation to rebuild."

COVID-19 hits training

CASE has run training sessions for Team Rubicon volunteers every year since the partnership began in 2015. In 2019, there were 16 formal training events. In 2020, CASE and Team Rubicon managed just one, early in the year.

"It's very difficult to do online training with equipment, so all of our training is in person," Campos explains. That, of course, had to be suspended as social distancing was introduced to stem the spread of the pandemic.

Nevertheless, some informal training took place when CASE dealers who were lending their equipment to Team Rubicon instructed volunteers on site while following the organization's pandemic safety guidelines. "Anytime there's a deployment of equipment, there's usually someone from CASE or one of our dealers available to help answer questions or guide," Campos adds.

Looking ahead to the future, Campos says training will again be a priority: "We want to do as much as we can."

Volunteer support

To mark the anniversary of Team Rubicon's first disaster response following the devastating earthquake in Haiti in 2010, the organization hosted a recruitment event called Go Day in January 2021, with corporate partners including CASE.

"We launched an internal and external campaign using social media channels to support that recruitment effort," says Campos. A link on CASE's website made it easy for employees to sign up. She spots a good fit between Team Rubicon's mission and the brand's initiatives to help build communities.

A valuable partnership

CASE sees real value in its partnership with Team Rubicon as both new and existing employees respond strongly to the camaraderie of community support.

"There is an intangible benefit and pride in working for a brand that does more than just sell machinery. It motivates many of us in a much bigger way to give this Company our all, because we know we are making an impact," Campos says.

The partnership inspires loyalty that has a real effect on the bottom line, Campos thinks, as there is a cost to recruiting, hiring, and retaining employees. Many dealers lend their equipment at no cost, in addition to volunteering time and "elbow grease."

CASE made a significant investment in the partnership by donating a special edition of its most powerful skid-steer loader – the SV340 – to Team Rubicon in 2017, which the organization nicknamed The Beast.

"This is also an employee attraction tool. Research shows that the next generations are even more compelled to work for organizations that can demonstrate a purpose beyond just turning a profit," says Campos.

STRENGTHENING COMMITMENT TO DIVERSITY & INCLUSION INITIATIVES

CNH Industrial has set clear diversity and inclusion targets covering training and employment across its operations worldwide. In India, for example, multiple initiatives were launched in 2020 to support female workers, and more will be developed in 2021

CNH Industrial is increasingly committed to creating a truly diverse and inclusive workplace where everyone benefits from equal opportunities based on their abilities and skills. Corporate policies on this topic are aligned with UN Sustainable Development Goals 3 (good health and wellbeing), 5 (gender equality), and 10 (reduced inequalities).

Diversity and inclusion are fundamental elements of our Company's success. They are vitally important to reach our goals of fostering an open and supportive culture, while continuously improving performance. By welcoming diverse perspectives, we can boost innovation and creativity, and better serve our customers.

Our people are committed to adopting behaviors that promote equity and pursue a workplace where all feel welcomed, included, and valued.

As a result, to further strengthen diversity and inclusion (D&I) efforts and outcomes, in 2020, the Company set its D&I targets across all operations to be achieved by the end of 2024. These include training on D&I for all employees and increasing the number of women managers by 50 percent compared with 2019. In addition, the Company aims at involving 15 percent more women in leadership initiatives year-on-year. In 2020, CNH Industrial set up a D&I task force consisting of four members of the Senior Leadership Team, the Head of Sustainability and the Head of Talent

Development, in order to frame the D&I strategy, Commitment Statements, set long-term results, and accelerate results.

Strong progress was achieved in 2020. The number of women participating in leadership and development initiatives increased by 40 percent compared to 2019, and all senior leaders and first-line managers took part in workshops focused on unconscious bias and inclusion.

Many Company initiatives were implemented throughout the year to promote and build awareness of the importance of a diverse and inclusive workforce.

Tackling gender imbalance in India

According to World Bank data, women account for little more than 20 percent of India's workforce, compared with 46 percent in the United States and 43 percent in China.

"We are essentially a male-dominated industry, but we are working day-by-day to increase the awareness of diversity and inclusion in our Company," says Priyanka Srivastava, Head of Talent Development for CNH Industrial in India.

CNH Industrial is taking action in its Indian operations to address this imbalance. The Company's human resources team in India was among those taking part in a Company-wide virtual summit on D&I on September 25, 2020. Several employees have now been identified as "D&I Champions" and more will be added to promote increased awareness on D&I.

"We are working day-by-day to increase the awareness of diversity and inclusion in our Company"

Priyanka Srivastava, Head of Talent Development for CNH Industrial in India



Above: CNH Industrial in India runs diversity and inclusion awareness training for staff.

Above right and left: International Women's Day celebrations at the Gurgaon office in March 2020



Championing female empowerment

Multiple initiatives have been launched to recognize women's contribution, both at work and in the home.

CNH Industrial in India set up a Prevention of Sexual Harassment (PoSH) committee, in accordance with Indian regulations. It listens to employee grievances and has an outside legal adviser. It also ran awareness training for staff.

Working women often struggle to meet the burden of expectations when simultaneously running a home and holding down a full-time job. One key corporate initiative was a virtual program for female employees and the spouses of workers called "Superwoman Syndrome," which helps them understand the importance of taking care of their own mental and emotional wellbeing. Women were encouraged to "take back" some of their power and were taught that being perfect in every role – office work, housework, childcare, cooking – could lead to burn-out.

"It is not necessary to be perfect in everything that you do. It's about managing your personal as well as your professional life," says Alok Gupta, Head of Learning & Development at CNH Industrial India.

The Company also ran a series of well-being initiatives, most of them as online workshops because of the difficult situation generated by the pandemic. They included yoga classes and webinars on mindfulness, stress management, unconscious bias, and more.

Supporting the next generation

In early March 2020, celebrations for International Women's Day were a big team effort. From the corporate office in Gurgaon, south-west of Delhi, to Pune, further south, women took part in sessions dedicated to health and exercise.

In early 2021, seven young women took up apprenticeships at CNH Industrial's plant in Greater Noida and a further six in Pune. In virtual sessions during International Women's Day this year, they were advised and mentored by long-standing female employees from both plants.

CNH Industrial is also working to combat gender and other social stereotypes among young people. Its Junior Achievers Awards recognize outstanding achievements accomplished by the family members of CNH Industrial's employees. The awards honored 59 young people for their skills in areas including sports, music, and education. In August 2020, the Junior Achievers Awards were held virtually in India for the first time, due to the COVID-19 pandemic. Among the participants honored were young girls with exceptional talents – Tanvi Kanodia, who is a certified coder at the age of seven, and Ashima Khanna, a young woman who received a scholarship for engineering studies.

CNH Industrial will build on these initiatives in 2021. A year-long program of D&I initiatives has been drawn up, which includes awareness sessions for all employees, fun sessions for children, and a host of wellness activities, including yoga, mental health, emotional wellbeing, and looking after yourself outside work.

"We are thinking differently in a changing world. You can see clearly the shift that CNH Industrial has made consciously and deliberately with its D&I initiatives," Srivastava says.



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