

# JOHN DEERE INVESTOR DAY BRAZIL



## Event Details

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## Company Participants



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# MANAGEMENT DISCUSSION SECTION

**Josh Beal**  
*Director of Investor Relations*

Hello and good afternoon to everyone here in person at our Research and Development Center in Indaiatuba, Brazil! And a good morning, good afternoon and good evening to all those joining us live via webcast from around the world.

Welcome to John Deere’s Investor Day Brazil! My name is Josh Beal and I’m the Director of Investor Relations for Deere & Co.

We are so excited to have you here today! And thank you for taking the time to join us for this event.

In celebration of our 25th anniversary here in Brazil, we are excited to showcase the vast capabilities of this amazing country and all it has to offer – not just for John Deere, but for the region and the world!

Today, you’ll hear about the incredible opportunity that exists in this thriving agricultural region. We’ll walk you through the strong foundation that we’ve built over the past quarter of a century. And finally, we’ll highlight how this uniquely positions us to drive differentiated value and sustainable growth for our customers and John Deere.

But, before we begin, a quick reminder... today's commentary and discussion may include forward-looking comments concerning the future of the company that are subject to important risks and uncertainties. These include the company's plans and projections relating to the company's products and services, capital allocation, strategy for customer retention, Leap Ambitions, growth and market position, acquisitions and/or subsequent integrations, dealer network, and manufacturing footprint. Any assumptions regarding factors that could cause actual results to differ materially are contained in the company's most recent Annual Report on Form 10-K and subsequent quarterly reports on Form 10-Q filed with the Securities and Exchange Commission.

Except, as required by law, the company undertakes no obligation to update or revise its forward-looking statements. This event may include discussion of financial measures that are not in conformance with accounting principles generally accepted in the United States of America GAAP. Additional information concerning these measures, including reconciliations to the most directly comparable GAAP measures, is included in the company's most recent Annual Report on Form 10-K and posted on our website at [johndeere.com slash earnings](http://johndeere.com/slash/earnings) under quarterly earnings and events.

Now, without further ado, let's begin...

## Video

We are about to begin a journey through a land blessed with abundant resources in nurturing climate and unique geographic advantages has grown into one of the world's largest ag superpowers. Its best lands allow for year round production with such regions harvesting up to three times a year. A unique advantage it drives its agricultural strength. Welcome to Brazil, where the potential of the land tells a story of growth and opportunity.

Over the past 40 years, grain production in Brazil has experienced exponential growth, while the cultivated area grew in a much more moderate way, a contrast that highlights efficiency and innovation as key drivers of agricultural transformation in the country. Soybean production has played a fundamental role in the continuous advancement of agricultural practices, from pioneering on double cropping practices to no till farming, which reduces erosion and increases productivity across 80% of the cultivated areas and advancements in all new areas such as genetics adapted to tropical climates. Optimizing yields in diverse environments, progress technology and hard work have transformed Brazil from a food imported into one of the world's largest producers worldwide, standing among the top producers and exporters of soybean, cotton, corn, coffee, sugar and meat. Agri business now accounts for 22% of Brazil's GDP, generating over \$400 billion annually and positioning itself as a pillar of the national economy. But it's not just about scale. It's also sustainable growth. As the global demand for foods grows, Brazil is poised to meet it with the potential to double its production over the next decade, including grains, meat, fruits and vegetables, through restoring 22 million hectares of degraded pastures. We can increase planted areas by 27% over the next 10 years, all while protecting conservation areas. This path forward is built on technology and the resilience of the Brazilian farmer with a pioneering spirit.

Farmers adopt innovations that foster more efficient, sustainable and productive agriculture. John Deere has been a vital part of the agricultural journey on the past 25 years, starting with his own John Deere has grown to eat factories for facilities and a new research and development center dedicated to innovative solutions that will be developed in Brazil for tropical agriculture to serve Brazilian customers first. In Brazil John Deere history was born in 1999, and it stands out through significant milestones that have reinforced its presence and role in advancing the country's agriculture. Always guided by a forward-looking vision and a deep commitment to serve our customers and really strong and pre-eminent channel. This accomplishments reflect our dedication to supporting the growth of Brazilian agriculture, driving innovation in the field.

Every day, John Deere, over 7,000 employees and more than 275 stores joined forces with Brazilian farmers to take agriculture to new heights. This means that the synergy between Brazil and John Deere transcends the green and yellow and aligns with the greater purpose. Brazil and John Deere are transforming together so life can leap forward.

## John May

*Chief Executive Officer*

Good afternoon! I'm John May and it's my great pleasure to serve as Chairman and CEO of John Deere. Thank you very much for joining us today. Whether you're in person or connecting with us virtually, I hope the next 90 minutes leaves you as excited and enthusiastic about the future of Brazilian agriculture as I am.

It was almost five years ago to the day that John Deere launched its Smart Industrial strategy, a strategy grounded in helping our customers do more with less through the integration of best-in-class equipment with advanced technologies and digital solutions. Knowing that today's customer increasingly faces significant challenges like labor scarcity, limited time, and rising costs, the ultimate goal of this strategy is to make our customers more productive, more profitable, and more sustainable across their operations.

Over the last five years, we've been laser-focused on executing our plan to make this goal a reality. In practice, that means identifying opportunities to maximize value for our customers in the repeatable job steps they execute each and

every season across production systems like corn, soy, cotton, and sugar. It means centralizing our tech stack to accelerate the development of solutions that can be used and extended across multiple products, industries, and geographies. It means better supporting our customers throughout the lifecycle with equipment by enabling more machine connectivity and providing precision upgrades that bring the latest technology to their operation faster than ever before. And it means deploying disciplined approach to capital allocation where we focus our investments on the opportunities that we believe will deliver the greatest and most differentiated value for our customers. At the end of the day, we are not starting from scratch, but rather, we are building on a 188-year foundation of product and manufacturing excellence – as we strive to design and develop the most customer-focused, technology-driven, and value-enhancing solutions our industries have ever seen.

Which brings me now to Brazil... and the reason we're all here today at our recently opened research and development center here in Indaiatuba. This world-class facility is a tangible embodiment of our Smart Industrial strategy... deploying capital to those areas where we can unlock the greatest value for our customers by enhancing foundational product leadership with cutting edge technology. At the end of this session – and for those of you here in person with us... by the end of the next few days – I hope you walk away with the understanding that it is not just this facility, but rather the collective efforts we're making in Brazil... from product development to manufacturing expansion to dealer enablement and support... that uniquely positions Deere to transform agriculture in the region. Now, why are we so excited? As you can see on the screen, our enthusiasm is the culmination of three key factors. First, the immense opportunities inherent in Brazilian agriculture. Brazil's vast and diverse agricultural landscape offers tremendous potential for innovation and growth, making it a focal point for advancing agricultural practices and technologies.

Second, the solid foundation Deere has built through 25 years of investment in the country. Over the past quarter of a century, we have established a robust presence in Brazil, investing in infrastructure, developing local talent, and forging strong relationships with our customers and partners. This foundation has positioned us well to leverage our expertise and resources effectively.

Lastly, it's the synergy of these two elements that will unlock differentiated value and sustainable growth for our customers. By combining the opportunities in Brazilian agriculture with our established foundation, we can deliver innovative solutions that drive productivity, profitability, and sustainability. This unique combination allows us to create unparalleled value for our customers and contribute to the long-term growth and success of the agricultural sector in Brazil.

We'll spend the rest of our time today diving deeper into each of these three factors. Regarding the opportunity, you'll hear how agricultural production in Brazil is poised for continued expansion over the next decade and how precision solutions will play a critical role in delivering that growth.

Our exploration of Deere's foundation will focus on the investments that we've made in the region over the last 25 years to expand our manufacturing footprint, build an extensive dealer network, enhance our product and technology portfolio, and develop an exceptional local talent base.

When it comes to growth, you'll learn how Deere aims to unlock and deliver distinct value for our customers while achieving industry-leading performance for our company through continued product leadership, real-time connectivity, and adoption of advanced technologies.

As you listen today, I hope you come to the same conclusion I have... there is no one better positioned to drive differentiated value and sustainable growth in Brazilian agriculture than John Deere.

Now, I'd like to introduce Cristiano and Isabela, who will delve deeper into Brazil's agricultural opportunities and the challenges our customers face to deliver on them.

**Cristiano Correia**  
*Vice President Production Systems, Latin America*

Thanks, John. Over the past 40 years, Brazil has transformed from a net food importer to now the world's 4th largest food producer and top global producer and exporter of several major crops. Brazil's agricultural expansion has been driven by technological productivity improvements, supportive government policy, improved infrastructure, and rising global demand, all helping to cement its position as one of the preeminent farming countries of the world.



On the screen, you'll see highlighted a few of the key crops that represent Brazil's strong agriculture position. Today, Brazil is the leading global exporter of soybeans, sugar and cotton, and second only to the U.S. in corn.

But Brazil's agricultural production doesn't stop there. It extends well beyond the four crops you see behind me. In fact, Brazil is also the first or second largest exporter of ethanol, coffee, oranges, and beef just to name a few.

In the past year, agricultural exports represented nearly half of all Brazilian exports; further illustrating the importance of the agriculture sector in this region.

And despite Brazil's established status as an ag superpower, it is also forecasted to be the number one growth market in global agriculture for the foreseeable future.

As you can see by the 10-year growth projections for soybeans, sugarcane, corn, and cotton; Brazil has a tremendous opportunity to further expand crop production output.

And that production growth will be driven by increasing productivity and efficiency through further adoption of precision ag technologies, expanding double cropping practices, and cultivation of more acres as underutilized areas are incorporated for incremental crop production.

Nowhere else in the world are conditions better suited to support this level of production growth over the next decade. But, before we get too far ahead of ourselves on production increases, it's important that we cover the demand growth supporting it. To that end, the 10-year global consumption forecast for corn, soybeans, and sugar illustrates the rising demand we will see over the next decade.

The increased consumption expected across these three primary crops is driven by population growth in places like India and Africa, rising middle classes in many developing areas, and a growing biofuel industry supported by government policies and circular economics.

Now, I'd like to double click on the consumption growth related to increasing biofuel demand. As we think about the global evolution of renewable fuels, Brazil is poised to lead from both a demand and production standpoint.

Looking specifically at ethanol in Brazil, both consumption and production are expected to increase by ~40% over the next 10 years. This rapid growth is driven by several factors:

First is rising ethanol blending mandates – Brazil already leads the way with a 27% ethanol blend requirement in gasoline sales, the highest in the world. Even so, as part of Brazil's 'fuel for the future' initiative, proposals are currently underway to increase this mandate to as much as 30%. Rising ethanol use helps Brazil reduce gasoline prices, cut greenhouse gas emissions, and decrease the need for imported fuel.

Another key consumption driver is the continued expansion of Brazil's flex-fuel vehicle fleet. Flex-fuel cars were first introduced in Brazil over 20 years ago and now are a standard option throughout the country. In fact, today, over 90% of new vehicles are capable of running on 100% ethanol fuel.

And government support further strengthens renewable fuel production in Brazil through favorable tax policies and subsidies for growers.

The increasing demand for ethanol is real – and Brazil is uniquely positioned to meet it.

Brazil has the advantages of a well-established sugarcane industry and the ability to rapidly expand production of corn-based ethanol. Notably, the production of corn-based ethanol is expected to double over the next decade. The combination of production from these two critical crops will provide Brazil with the supply it needs to meet the rising demand for this important renewable fuel.

Beyond vehicles, the aviation sector is emerging as an industry with significant potential to accelerate renewable fuel adoption.

Current global sustainable aviation fuel demand is 3 billion liters annually, and the Sustainable Aviation Fuel industry is projected to increase eight-fold over the next decade due to increasing government mandates, especially in Europe

– an expansion that has the potential to significantly boost demand for grain-based feedstocks well beyond current projections.

To put this in perspective, if all of today's global SAF demand came from corn in Brazil, it would account for roughly a third of current production. Achieving the 10-year demand projection would require nearly 2.5 times the amount of corn produced in Brazil today.

Now that we've covered the demand drivers, let's talk about the regions that drive agriculture production in Brazil. There are three key areas, each with distinctive characteristics...

Let's begin with the Grains South region, shown in yellow on the map – this area covers roughly 25% of Brazil's total cultivated land. Here, the primary crops of corn, soybeans and wheat are grown across many smaller scale farms typically containing less than 1,000 acres.

Continuing north to the Center-South region – represented in white. This area accounts for nearly 15% of Brazil's total agricultural land. The Center-South is known as the hub of Brazilian Sugarcane production – making it the predominant crop for this region. Farms in this part of Brazil are generally larger in size, with many spanning more than 5,000 acres.

And finally, in the northern green area of the map lies the Cerrado region – Brazil's largest agricultural area – covering more than half of the country's total farmland. This area is dominated by large to extra-large farming operations. Notably, nearly a quarter of the Cerrado region is made up of farms that exceed 25,000 acres. As a tropical savannah eco-region, Cerrado has been the driving force behind Brazil's agricultural expansion.

Looking ahead, Cerrado is expected to remain Brazil's fastest growing agricultural region, driven by its unique ability to run double cropping farm practices – allowing growers to harvest more than one crop per year, significantly boosting productivity and land use efficiency.

Along with double cropping and advancements in farming practices, Brazil's production expansion will also be supported by additional planted acreage.

Brazil, unlike most other global producers, has the unique opportunity to expand cultivated land by converting underused or degraded pastureland into arable farmland.

Today 30% of the total land in Brazil is used for agricultural purposes, with approximately 10% used for crop production and 20% for livestock.

Over the next 10 years, Brazil is projected to convert over 50 million acres of underutilized pastureland into productive cropland – substantially increasing its capacity for grain production.

I want to emphasize the important fact that cropland expansion is projected exclusively from land previously identified for agriculture use. As you can see from the conservation map on the screen, roughly two-thirds of Brazil's land is strictly reserved for conservation and is considered untouchable area. What that means in the state of Goias, for example, is that 35% of the land on the farm needs to be conserved – essentially, uncultivated and native – while land closer to more protected areas requires as much as 80% conservation, reflecting the vital importance of maintaining many unique biodiverse ecosystems throughout the country.

Now going a click deeper, I'd like to break down the projected production growth by crop type, starting with corn and soybeans, which dominate Brazilian agriculture.

Today, corn and soy represent nearly 90% of all grain production in the country.

Over the past 25 years, Brazil has seen remarkable growth in these crops, with production increasing by more than four and a half times!

Looking ahead, that growth momentum is expected to continue, driven by expansion of planted areas, efficiency gains, and yield improvements as broader adoption of precision ag technologies occurs.

Turning to cotton – where Brazil plays a leading role on the global stage.

As the world's top cotton exporter, and third largest producer, Brazil has seen its cotton production grow nearly six-fold over the past 25 years. This growth is expected to continue, driven by rising global demand and a growing population.

As you can see on the screen, over three quarters of cotton is produced in the Cerrado region. Cotton is primarily a second rotation crop for Cerrado growers, allowing them flexibility to rotate production based on specific demand changes in any given year.

And finally, Sugarcane – a crop sector dominated by Brazil.

Brazil stands as the world leader in both production of sugarcane and export of sugar, accounting for over half of the global sugar trade.

Similar to corn, soy, and cotton, Brazil's sugarcane production has seen tremendous growth over the past 25 years – more than doubling in output.

This crop has been instrumental in supporting the growth of Brazil's renewable fuel industry and will continue to play a critical role in meeting future demand.

And so, I hope this leaves you with a deeper appreciation for Brazil's emergence as an agricultural superpower, and with an understanding of how Brazil is strategically positioned to meet the world's future needs for food, fiber, and energy.

Now I would like to invite Isabela onstage to talk about the challenges and opportunities our customers face.

**Isabela Aranovich**

*Manager Production Systems, Latin America*

Thanks Cristiano. Let's now go deeper into our customer landscape in Brazil.

Brazilian growers are focused on three critical elements as they work to realize the full potential of their land:

1st – Maximizing Yield & Cost Efficiency

2nd – Enhancing Operational Productivity

And 3rd – Establishing Real-Time Connectivity

Let's explore each of these aspects within the context of our various customer profiles.

In Brazil, we serve a wide range of grain producers, each with distinct operational scale and needs.

Take Rodrigo, for instance, who represents our customers managing large family farms. Rodrigo oversees roughly five thousand acres of land and operates more than ten machines. Customers of this scale are focused on increasing yield efficiency, valuing solutions that enable them to manage their operations remotely.

Now consider Roberto, who exemplifies an extra-large family-owned business, overseeing around twenty thousand acres and operating a fleet of over thirty machines. Customers like Roberto face greater complexity challenges and require tools that help them manage their operations at scale while ensuring job quality and consistency.

And lastly, we have Aurelio Pavinato, representing the extra-extra-large agribusiness group, cultivating nearly two million acres of soy, corn, and cotton, supported by more than six hundred machines. For operations of this magnitude, efficiency and scalability are critical, and precision solutions can deliver a significant impact.

By understanding and addressing the specific needs of each of our customer segments – from our large and extra-large family farms to corporate giants – we are able to meet our customers where they are and drive value for their operations.

As you saw on the previous slide, Brazil's agribusiness sector is a diverse landscape, containing both family-run farms and large-scale industrial operations.

The small- to mid-sized producers represent nearly 90% of total growers, yet cultivate only 20% of the harvested land.

In contrast, a small number of large-scale producers accounting for roughly 10% of growers manage the remaining 80% of the land.

Let's focus on the Cerrado, where many farms exceed 5,000 acres. Farms of this size account for more than half of the cropland in the region and over a third of the total cropland in Brazil.

At the very top end, extra-extra-large farms, which exceed over twenty-five thousand acres, account for a quarter of all acres in Cerrado but are managed by just 2% of the growers in the region. This highlights the vast landholdings and operational complexity concentrated within a small group of large-scale operations.

As you heard earlier, the Cerrado region, particularly Mato Grosso, plays a critical role in Brazil's agricultural landscape.

And as one of the most productive areas in the country, it is driven by large-scale farms.

This concentration of large operations creates both strategic opportunities and unique challenges.

Specifically, operations at this scale face the criticality of narrow planting windows between crops, high operational complexity, and limited access to reliable connectivity.

These factors make Cerrado the ideal region for implementing precision solutions that enhance efficiency, scalability, and real-time decision-making.

For John Deere, delivering innovative solutions to this high-impact region means helping our most productive growers optimize their operations and drive sustainable growth at scale.

Let's dive deeper into each of our customer challenges.

Starting with yield and cost efficiency... In the Cerrado region, the practice of double cropping is a common agricultural technique.

The tropical climate in Brazil enables farmers to cultivate two crops annually. This practice involves planting a second crop such as corn or cotton after harvesting soybeans in January.

In many cases, a planter follows closely behind the combine, planting seeds at the same time the field is being harvested.

This tight timeline in January – requiring both harvesting and planting – takes place in the heart of Brazil's rainy season, when unpredictable weather conditions make machine efficiency and job execution critical.

Take a second and try to imagine vast agricultural areas – and now visualize the intensity of the farm equipment traffic – where combines, planters, and sprayers are all operating together in a race against time.

In large-scale operations, this means coordinating hundreds, sometimes thousands of assets all at once.

Efficient execution within this tight timeline is critical. Research indicates that for every day of delay in planting the second crop post-January 15th, there is an average yield loss of 1% per day due to soil moisture availability. For our growers, time really is money!

Timely execution of operations is essential for maximizing yield potential and reducing production costs given the narrow planting windows which are further complicated by the challenges of limited labor and adverse, volatile weather conditions.

And then the last thing to consider...

In tropical agriculture conditions, there is constant high humidity levels, high temperatures, and mix of sunny days and rainy days... It's the perfect environment for insects, fungus, disease and weeds to flourish.

Different from many other agricultural countries, these biological inhibitors to crop productivity don't die because there isn't a winter – there's no natural frost to break the cycle.

Because of the tropical environment, the need for crop protection is much bigger in Brazil than other parts of the world...

For comparison, Brazilian sprayers work roughly 175% more hours in a season than sprayers in the US.

In fact, on average, farmers that produce soy and corn have as many as 14 spray passes per year, compared to just 3 for corn or soy in the US.

And for those that produce soy and cotton in the second season, they will typically do more than 35 sprayer passes annually.

As a result, chemicals such as herbicides, fungicides and insecticides represent roughly 28% of a Brazilian Cerrado customer's total crop production costs.

The intensity of spraying operations never eases for growers in Brazil, with these multiple passes spread throughout the entire year across all production steps.

Now, to explain in more detail how double cropping works, I would like to invite you to watch a short video:

## Video

What makes Brazilian agriculture unique? Brazil's position near the equator provides a unique advantage that farmers in the Northern Hemisphere simply don't have. Tropical agriculture.

The tropical weather is predominant in over 92% of Brazilian territory, especially in the region located in the heart of Brazil. This unique climate that allows for something remarkable - double cropping. This favorable conditions allows for more than one crop a year in Brazil. Farmers start with soybeans in September, harvest in January, and then plant a second crop like corn or cotton, giving the land almost never item. In countries like the US and Canada, colder weather limits farmers to just one season from April to October. Winter brings the cycle to a halt.

January is a critical moment for Brazilian farmers. At the same time, a window of opportunity. During the rainy season, harvesting and planting happen simultaneously and on large farms sometimes hundreds of machines move into action to make a second crop possible. This rush ensures the second crop receives enough rain before the dry season begins. In a tropical climate, crop protection must be intensified as fungi and weeds thrive year round with no winter to hold them. Brazilian farmers, for example, make around 14 sprayer passes for soy and corn, compared to only three in the US. Those growing soy and cotton as a second crop may spray over 35 times a year. Crop protection and tropical agriculture can represent up to 28% of production costs. The ability to grow two crops a year is a game changer, powered by nature and mastered by Brazilian farmers. John Deere plays an active role in tropical agriculture, providing technology and innovation to optimize practices. Double cropping drives, productivity and food security, with John Deere supporting farmers every step of the way.

## Isabela Aranovich

*Manager Production Systems, Latin America*

Now, that we've covered double cropping, let's move on to our second challenge. The size and scale of farms in Brazil brings unique and complex operational difficulties.

In the Cerrado region, on average, machines spend close to 70% of their operating hours performing core tasks such as planting, spraying or harvesting.

That means nearly a third of the time, machines are unproductive – whether idling, refueling, reloading, in transit, or being serviced.



Through proactive management of these non-core activities, we have a great opportunity to improve productivity on the farm.

To illustrate the operational complexity faced by our customers in the Cerrado region, I want to share a specific customer example:

On the map we have SLC Agricola, one of our XXL customers. They farm nearly two million acres spread across twenty-three farms in seven states.

With the scale of an operation like this, managing efficiency is paramount. Challenges like vast distances between farms make efficient transportability and logistics management even more critical. To ensure timely job execution and optimal fleet utilization, SLC needs to know what every piece of equipment in their operation is doing every minute of every day.

Which leads me to the last challenge...

Almost 70% of Brazil area lacks reliable cell coverage, limiting our customers' abilities to access real-time data in their operations.

What does connectivity mean for our growers? We believe it's a game changer.

Connectivity unlocks a customer's ability to...

Manage their farming operations anytime, anywhere.

Optimize logistics – through real-time visibility of their operations, our customers will have the ability to track job progress, and proactively manage fuel and input levels

Improve uptime through remote diagnostics and machine health alerts

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Boost productivity through in-field data sharing

And most importantly, equip them to make smarter, more data-driven agronomic decisions that lead to more optimal outcomes for their operations.

And connectivity is not just a solution for today – it's the foundation for the future of farming – setting the stage for solutions such as autonomy and other advanced technologies that will deliver even greater value to our customers.

To conclude, agricultural production growth in Brazil over the next decade will be essential to feed, clothe, and fuel the growing global population.

And precision solutions will play a key role in overcoming our customers' production challenges, ensuring greater efficiency, productivity, and real-time connectivity. With these tools, our customers will be prepared to meet rising demand and drive higher production and profitability across the country.

Now, I would like to invite Joaquin up to talk about John Deere's history and foundation in Brazil. Thank you!

**Joaquin Fernandez**

*Vice President Manufacturing, South America Ag & Turf*

Thanks Isabela, it's great to be here with you all today.

As you saw in the previous slides Cristiano and Isabela presented, the agricultural growth potential in Brazil is tremendous.

But capitalizing on that opportunity requires a foundation that takes years to build. Over the past quarter of a century, Deere has invested in and continued to refine the foundational elements that support existing customers as they grow while also attracting new customers to the value of our integrated solutions.

First, we have a vast manufacturing footprint, not only in Brazil, but in South America, which consists of state-of-the-art factories focused on delivery, quality and cost-effectiveness.

Second, we've built a comprehensive product portfolio spanning multiple production systems, paired with the most advanced tech stack to solve our customers' biggest challenges.

Third, our best-in-class dealer network provides exceptional support to our growing customer base while also continuing to invest for the future.

And finally, our exceptional employees, with deep local knowledge and world-class capabilities, are the driving force behind our continued success.

All these elements uniquely position us to capitalize on the growth potential of Brazil.

Over the past 25 years, we have made substantial investments to meet the growing demand of the region.

John Deere's presence in Brazil began in Horizontina with a joint venture, where we initially produced combines and tractors. In 1999, we fully acquired the JV, marking a key early milestone in our journey in the region.

That same year, we completed the acquisition of CAMECO, with manufacturing locations in the United States and Catalão, Brazil, enabling us to enter the sugar cane harvesting business.

In those early days, our tractor business grew rapidly and, with more growth projected, we made the strategic decision to expand our footprint, constructing a new factory dedicated exclusively to tractor production in Montenegro. Operations at this facility began in 2008, and the facility has grown ever since – scaling up to meet rising demand and our expanding portfolio.

Also in 2008, we launched our Parts Distribution Center in Campinas, a valuable asset from the start that has since grown more than three and a half times its initial size. And due to growth in the region, we've acquired additional adjacent land for more expansion... Today, Campinas serves as one of the most important logistic hubs in the country. Locating parts distribution there significantly enhances our supply chain efficiency, customer support capabilities, and overall operational resilience.

In 2012, we relocated our regional office from Porto Alegre to Indaiatuba, near the city of São Paulo. This move has provided a more central location to our customers across the country and greater access to talent as we have expanded our team.

Just two years later in 2014, John Deere completed the greenfield development of our Construction & Forestry manufacturing facilities in Indaiatuba. This investment marked another significant milestone in our market offerings as we expanded beyond agriculture into the construction equipment sector.

And most recently, in 2024, we established a Research & Development Center, also here in Indaiatuba, that we inaugurated just a few months ago. This new facility allows us to design, test, and implement new technologies and solutions tailored to local conditions at a faster pace than ever before.

And so, today, John Deere's footprint in Brazil spans over 12 million square feet, consisting of 8 factories, 4 facilities, and a cutting-edge research and development center.

The multi-year expansion of our Brazilian manufacturing operations provides John Deere with a competitive advantage not only locally, but globally, due to three strategic benefits.

First, our facilities deliver exceptional operational performance. Factories in Brazil share a strong safety culture and deliver remarkable safety performance. Our products are built with the highest level of quality, not only because of great manufacturing and training processes, but also due to outstanding employee engagement that inspires our team to do a better job every day.

Second is our production cost structure, which enables global competitiveness for products manufactured in the region. Our strong supply base works closely with our factory teams to deliver both cost effectiveness and high

quality. Our factories are leading in lean principles and digital tools to deliver exceptional outcomes.

And finally, our factories are prepared to deliver volume growth as we continue to expand our portfolio, incorporating large, high-capacity machines into our manufacturing footprint while implementing the latest technology, like our See & Spray solution.

But you don't have to take my word for it. Before I hand it over to Antonio to cover the rest of our foundational elements, I'd like to share a great video that showcases one of our state-of-the-art manufacturing facilities. Our Horizontina factory, located in the South of Brazil, produces combines, planters, and front-end equipment. The video provides an overview of our capabilities and offers a short virtual tour of the factory. Enjoy!

## **Video**

Welcome to the Horizontina factory, where our history in Brazil began. John Deere Horizontina has a total area of 205 acres, where combines, platforms, planters and cabins are manufactured. Our processes are standardized, integrated and automated to ensure the quality and safety of everything that leaves the factory according to design requirements. And all of this is only possible, because we have people who are passionate about what they do, dedicated to delivering the best product. Highly skilled and committed professionals work in an integrated and secure manner to ensure the efficiency of our processes and products. By connecting processes, equipment and most importantly, people, we aim to achieve a more predictable, efficient and sustainable process. Year after year, we create solutions that support communities worldwide by ensuring a more sustainable future for the forthcoming generations. We draw inspiration from the past to build the future ahead of us. We run so life can leap forward.

## **Antonio Carrere**

*Vice President Marketing & Sales, Latin America*

Hello everyone and thank you, Joaquin. I am excited to be here with you all today!

I'll continue to build upon the strong foundation John Deere has established in Brazil, beginning with the evolution of our product portfolio. Our offerings have expanded alongside the growth of the country's agricultural output, delivering increasingly more value as our customers grow in productivity and profitability.

But first, I would like to remind everyone of the relatively young age of the John Deere brand in Brazil, especially when compared to other markets around the world. Considering John Deere's nearly 200-year history in the United States, the foundation we have built in Brazil over such a short time period is truly remarkable.

Now, let's take a closer look at how our Brazilian market offerings have grown.

In the beginning, our main focus was supporting the largest and fastest growing crop at the time – soybeans.

As Joaquin noted, our journey started in Horizontina, where we produced 6 different combines and 12 tractor models supplemented by imported sprayers and planters from our sister factories around the world. With these product lines, we were able to provide a complete solution to soybean producers.

As agricultural production expanded over the next 20 years, so did our portfolio.

The depth and breadth of our offerings in the Brazilian market grew over this time, as we introduced new equipment and new technologies to meet the needs of growers covering increasingly more acreage while adopting evolving farming practices.

For example, we added new models across all steps of the corn, soy, and sugar production systems – including planting, spraying, and harvesting.

We broadened our customer reach, introducing equipment suited for high value crops such as coffee and citrus fruits.

Over that time, our focus has always been to earn “the right to invest and grow”... simply put, as agriculture evolved, and the demand for products and solutions grew, our sales and market share grew as well, and as a

result, John Deere invested in new factories and localized manufacturing capabilities.

From that start over 20 years ago, we now locally manufacture equipment for nearly all production steps across all the major Brazilian crop production systems – including sugarcane harvesters, combines, tractors, planters, and sprayers.

As Joaquin said, our local manufacturing presence gives us the strategic advantage of speed, enabling new solutions to come to market faster than ever before.

And we're not just talking about new machine forms – we are laser-focused on driving the most value unlock for our customers through advanced technologies as well.

A key part of our transformation has been the introduction of the John Deere Operations Center – our digital farm management platform that ties production systems together and enables machine optimization, logistics management, and agronomic insights. In just a few moments, my colleague Cristiano will share more about the Operations Center along with other cutting-edge technologies that we are bringing to our customers.

Ultimately, this combination of new products and integrated technology has enabled us to bring to market the most robust and complete portfolio in Brazil.

Our tractor history in Brazil provides a great example of how our portfolio has evolved over the past two decades. The expanded line-up has not only enabled us to better serve the needs of existing customers, but also extended our reach to new customers in new crop segments across the country.

In the beginning, we started with row crop solutions tailored to soybean growers. We initially manufactured tractors in a small corner of our Horizontina factory that we shared with combines. To meet rising demand, John Deere invested in a new factory solely for tractor production, which unlocked our ability to expand the product portfolio and deliver new solutions at a faster pace.

We began this expansion by bringing solutions for the primary crops in the region, such as sugarcane, corn, and cotton, while simultaneously improving our soybean offerings.

We then made significant strides to better support our high value crop customers with the introduction of specialty tractors, including the most recent addition to our portfolio – the 5 EN or 5 NARROW series tractor with an integrated cab – specifically designed for coffee and citrus producers in Brazil.

These new products have positioned us well to serve more customers across the region while delivering stronger, more resilient market share results.

Now I'd like to switch gears and highlight the work we have done to establish a preeminent dealer network.

To meet the rising needs of our customers, we have expanded our dealer channel – not only in total number of locations, but also in capabilities and infrastructure.

Today, I can confidently say that John Deere has the strongest dealer organizations within the Brazilian ag sector and they have reached the level of our North American channel, whether that be from a sales, parts, shop support or technology perspective.

The strong alignment between John Deere and our dealer organizations has allowed us to remain nimble in a market known for volatility and uncertainty, all while delivering solid financial results throughout the cycle.

But most importantly, our customers are experiencing this differentiated dealer support every day, regardless of location – whether they're located right here in Indaiatuba or at the farthest edge of Mato Grosso.

Our dealer organization is a competitive advantage in the marketplace.

John Deere's growth in Brazil – evident in revenue and in market share – has gone hand in hand with the evolution of agriculture and was made possible by the dedication and strength of our dealer network.



Today, our dealer organizations boast over 275 unique locations throughout the country, a number that has nearly tripled over the past 20 years.

In addition, average dealer revenue has grown at a rate of more than 11% per year. This increased scale has enabled our dealers to invest in world-class infrastructure, expanding their footprint while maintaining strong parts inventories.

In addition, our dealers are continuously developing their talent, building capabilities that ensure an exceptional customer experience. This is most apparent when you consider the technological transformation our channel has undergone in recent years.

Today, every one of our dealer groups has at least one connected solutions center supporting our connected and centralized support strategy.

These centers enable remote support of our customers in real-time, even when they are operating in the most far-reaching parts of their fields – reducing downtime, improving efficiency, and providing a next-level support experience.

The ability to service our customers anytime and anywhere is a differentiator for our dealers in the Brazilian market, and a key example of how we are unlocking value for our customers through our technology solutions.

Our dealer network is well-prepared, capable, and able to support our strategy, and more importantly, our customers for years to come.

So far, we have discussed our new and expanding manufacturing footprint, our latest product and technology solutions, and our world-class dealer network.

But none of those would be possible without the fourth pillar of our foundation – our exceptional employees throughout John Deere Brazil.

Brazil offers an outstanding university system and technical schools that build strong backgrounds for our students well before they ever join the workforce.

But, regardless of backgrounds, our diverse talent base all has one aspect in common... deep local knowledge of Brazil and its unique culture.

This diversity, sense of purpose, and passion for our business, industry and customers have all contributed to enabling a highly engaged team that continuously delivers best-in-class results.

Our employees are, and will continue to be, a core driver of Deere's success in Brazil.

As we reflect on our strategic decisions and execution over the last twenty-five years, we're encouraged by the results we've seen. Our investments over that period have yielded highly successful results – results that can be quantified in our market share growth over time.

Whether you take our combine market share growth which is up nearly 50% over the past 15 years, or you look at our tractor market share which has roughly doubled over the same period, we are incredibly proud of what we've managed to achieve in such a short timeframe and we're even more encouraged with what the future will bring.

And so, these four foundational elements – world-class manufacturing capabilities, coupled with the most robust product and tech portfolio, all supported by a best-in-class dealer organization together with exceptional employee base – have proven to be the winning formula for delivering success in Brazil.

Most importantly, we have established a strong foundation upon which we can grow and further expand our business for years to come.

I will now turn it over to Cristiano to tell us more about this future growth.

**Cristiano Correia**

*Vice President Production Systems, Latin America*

Thanks Antonio.

Earlier Isabela and I explained the opportunity for agricultural growth in Brazil.

Joaquin and Antonio talked about John Deere's strong foundation in the region.

And now Josh and I will walk you through our strategy to enable future growth for both our customers and John Deere.

Deere will unlock and deliver distinct value for Brazilian customers by focusing on 3 key pillars: product leadership, connectivity, and tech adoption. And as we unlock value for our customers, we'll earn the right to share in that value, delivering outstanding performance for Deere as well.

Let's start with Product Leadership. And I want to highlight 3 key elements:

First, we are investing in-country at record levels – starting with tech and product design – as we develop solutions in Brazil, for Brazil. Last December we inaugurated this R&D Center, where we're gathered today. This building marks a significant and tangible shift in our product development approach. Historically, most solutions in Brazil were developed outside of the region and then tailored to this market over the course of time. Developing solutions in Brazil, for Brazil will increase the speed of bringing new innovations to the region that are specifically designed to meet the unique needs of our Brazilian customers.

Advancing Product Leadership continues with investment in our manufacturing footprint – building on the operational excellence and cost leadership that Joaquin highlighted – while enabling more rapid delivery of our most advanced products and technologies. A perfect example is our Catalão factory expansion announced earlier this year, which will localize production of Deere's most advanced See & Spray solution, bringing this technology to the Brazilian market for the first time.

Ultimately, these investments result in products and solutions that provide ever-increasing value for our customers. This has never been more evident than during this year's Agrishow, where we had our largest new product reveal to date and introduced many of Deere's latest technologies to the local market.

The second pillar of our strategy is Connectivity:

As you heard earlier, gaps in real-time connectivity due to limited cell coverage remain one of the primary constraints to our customers realizing the full value of the Deere precision solution ecosystem. The importance of closing these gaps – both for value today and in the future – can't be understated. That's why we recently introduced the JDLink Boost solution in Brazil, which leverages satellite connectivity to deliver on our commitment of connecting all machines, all the time.

Commercially available since January, we've already sold over 4,000 JD Link Boost units. This is a testament to the real and immediate need our customers have for this type of solution. As more and more pieces of equipment get connected, our customers are expanding and enhancing the value per acre benefit they receive from precision technology.

The progress that we're making in this area has had, and will continue to have, a direct impact on Deere's global Leap Ambitions...specifically related to connected machines and engaged acres.

At the end of 2024, we had over 73,000 connected machines in Brazil, a 41% CAGR over the last four years. Today, that number is already over 80,000. And to support Deere's LEAP ambitions, we are targeting to deliver 2.5x times the number of currently connected machines in Brazil by 2030.

Similarly, Deere is on a journey to increase the number of engaged and highly engaged acres in the John Deere Operations Center as we grow the breadth and depth of precision technology being used across farms all over the world. Brazil has been a strong contributor to that goal, delivering a 15% CAGR in engaged acres from 2020 to

2024. Currently, 68 million acres in Brazil are engaged in the Operations Center, with roughly 25% of them highly engaged. By 2030, we expect to grow Engaged Acres by 50% and Highly Engaged Acres by 150%.

Finally, improvements in machine capabilities and connectivity are bringing to the Brazilian market the most advanced precision ag solutions in our tech stack. Which brings us to the 3rd element of our strategy: Tech Adoption:

We are deploying the same tech strategy as North America, right here in Brazil. This starts with meeting our customers wherever they are on their tech journey and helping them move along the path to eventually realize the full value of our latest sense & act and autonomous solutions.

This journey starts with our foundational tech, our precision ag essentials units, which we brought to the local market late last year. Since that time, we've already sold over 4,000 units. The majority of these units are going on equipment that previously had never been connected to a digital solution.

At the next level up on our tech stack, customers are experiencing the benefits of many of our flagship technologies, where most take rates have reached nearly 50% or more across the board. Even newer solutions like Harvest Settings Automation, which is in its first year of commercial availability, has already seen nearly 60% adoption at the highest option level which includes our adaptive ground speed automation feature. It's even more encouraging that these take rates are happening while the majority of Brazilian acres are unconnected. As we unlock more connectivity for customers, we expect to see even greater levels of advanced tech adoption.

Which brings us to the pinnacle of our tech stack: Sense & Act technologies like See & Spray and Autonomy. As we continue to tackle the unique challenges of Brazil's tropical environment, we are closer than ever to bringing these cutting-edge solutions to market.

And as we bring them to market, we are supplementing traditional factory fit options with a retrofit strategy that brings tech to the installed base more quickly, helping all our customers achieve more... with less... today.

Now I'll turn it over to Josh to explain what this all means financially for our customers and Deere!

**Josh Jepsen**  
*Chief Financial Officer*

Thanks Cristiano!

You've heard quite a bit today about the opportunities ahead for both Brazil and Deere. Let's break down how that translates into customer and shareholder value.

Our business is built upon a simple belief – shareholder value is predicated on our ability to create value for our customers. If our customers win, Deere wins.... it's that simple. And it sits at the core of our Smart Industrial strategy. And it has never been more apparent than right here in Brazil.

As you heard today, the agricultural landscape of Brazil enables a substantial opportunity for Deere to deliver real, tangible value. Whether it's our ability to provide connected solutions that help large-scale farmers solve logistical challenges, or bring advanced automation to Mato Grosso growers who harvest multiple times a year, the benefits of Deere's integrated technology solutions are magnified in this dynamic market.

By delivering more productive, profitable, and sustainable outcomes to customers, we earn the right to win additional market share, in terms of both more Deere machines and more Deere technology covering more acres. This allows us to reinvest in the business and propel the flywheel of future solution development, a virtuous cycle of value creation for all those associated with Deere.

And, just to be clear, this value proposition isn't just a long-term vision for the future. Let's break down exactly how a Brazilian customer benefits from Deere's existing technology available today.

We've modeled a typical farm in Mato Grosso that cultivates approximately 7,400 acres with a first crop of soybeans and a second crop of corn.

This farmer begins the soy rotation by preparing the soil. Given the prevalence of no-till practices, soil preparation means growers are focused on ensuring the right nutrients are available at the right time, delivered at the right rate.

Using Deere's Autotrac and section control for nutrient application ensures no overlap or wasted inputs.

Shortly thereafter, as the farmer begins planting, ExactEmerge technology enables faster speeds through the field with optimal seed singulation, driving cost savings and yield improvement.

As the planted crop begins to emerge, our farmer is back in the field battling weeds that propagate at accelerated rates in the tropical environment. Individual nozzle control along with See & Spray Select technology ensures the customer is only applying contact herbicide when and where it's needed. On average, See & Spray Select reduces herbicide usage by around 56%, not only helping save on input costs, but also improving productivity by decreasing the idle time associated with reduced stops to refill the tank.

Finally, our farmer is back in the field one last time to harvest the crop. That's when Harvest Settings Automation technology takes over. When utilizing predictive ground speed automation and active terrain adjustments, an operator can maintain optimal feed rates, increasing harvesting capacity while minimizing grain loss, ultimately boosting productivity by up to 20%.

But our grower's work doesn't stop there. In fact, this window represents some of the busiest and most congested time on the farm as our grower begins their second corn crop rotation mere hours after harvesting the soy. Here, real-time connectivity enabled by our JDLink Boost satellite solution ensures they can actively manage their entire fleet in real-time through the John Deere Operations center, minimizing downtime while applying agronomic insights from the first crop harvest to their planting prescription for the second crop. And so, the virtuous cycle repeats with no break as the farmer begins again with their ExactEmerge planter.

Our example here reflects the opportunity that Deere solutions – in the market today – enable to drive value for growers in every production step; value that is further compounded when these products and technologies are utilized in conjunction with one another.

And so, at the end of the year's production cycle, a farmer who has adopted all of Deere's solutions in the Brazilian market today, has the potential to realize over \$40 per acre in cost savings along with over \$70 in additional per acre revenue. That's nearly \$115 per acre in value creation for our customers. And notably, this total does not include some of Deere's most advanced technologies, which Cristiano mentioned are coming soon to this market.

Now that you have a better idea of the significant benefits that our integrated solutions provide for our customers, let's walk through how our value proposition in Brazil – from manufacturing to dealers to advanced products and technologies – has driven, and will continue to drive, further growth for Deere.

Our performance in Brazil over the past two decades reflects our strategy and execution in the region. From the earliest days, producing combines and tractors in Horizontina, to today, where we have an entire team dedicated to designing new solutions in Brazil, for Brazil; our vision has always been to create a structurally better and more profitable business. And to that end, we have outpaced industry growth over the past twenty years. Cycle over cycle, our Brazilian operations have undergone step function changes in profitability, including nearly doubling net sales and more than tripling operating profit over the past decade.

These improvements have resulted in North American-like operating margins, contributing to the structurally higher performance that the Deere enterprise is demonstrating versus the prior cycles. This has enabled us to continually reinvest in the business across the cycle while simultaneously returning capital to shareholders. It's what fuels our investment today for value creation tomorrow, and I am confident in our ability to outpace industry growth in Brazil over the next decade.

And so, as we reflect on everything we've talked about today, I want to come back to John's opening comments. Today was about three key things: Opportunity – Foundation – and Growth.

Cristiano and Isabela outlined the immense opportunity in Brazilian agriculture. They highlighted how significant production growth expected in Brazil will help satisfy increased consumption driven by a growing population and expanding use of biofuels. And given the challenges to realize this expected production growth, it's clear that adoption of precision solutions in Brazil is not a question of if, but rather how fast, can that adoption occur.

We then heard from Joaquin and Antonio, who walked through the incredible foundation we've built here in Brazil over the past quarter of a century... a foundation rooted in manufacturing excellence that delivers an expanded product and tech portfolio supported by an exceptional talent base and a dealer channel with the local knowledge and capabilities to drive customer success. And ultimately, you saw how this foundation has not only led to significant market share growth over the past 15 years, but also how it uniquely positions Deere for future success.

Finally, Cristiano walked you through our plan to leverage this foundation to drive future growth in Brazil, unlocking distinct customer value via product leadership, connectivity, and precision tech adoption. And by executing this strategy, not only will our Brazilian growers excel, but we will simultaneously enable stronger performance for Deere so that we can continue to fuel our investments – and, in turn, our growth – in Brazil, for years to come.

In closing, I'd like to reiterate a few of the commitments we made today as we strive for success over the back half of this decade. By 2030, we expect to accelerate growth and value in Brazil by:

Growing the number of connected machines by 2.5 times.

Increasing engaged acres by 50% and highly engaged acres by 150%.

And finally, by outpacing industry growth while continuing to deliver robust operating margins.



Brazil is truly an incredible and immensely diverse country that has established itself as a key player in the agricultural world. We are as excited as ever about the opportunities in front of us here and emboldened by what we, our dealers, and most importantly, our customers, have been able to accomplish over the past twenty-five years. Importantly, we are confident in the differentiated value and sustainable growth we can deliver for our customers and Deere. And we hope today gave you a better understanding of what the future will look like.

Thanks for joining all of us here today...

Obrigado e até mais!