

LETTERS TO STAKEHOLDERS

Dear stakeholders,

In 2013 our Company marked another historic milestone with the merger of Fiat Industrial and CNH to form CNH Industrial, a global leader in the capital goods sector.

That transaction represented the completion of a long process of simplification initiated around 3 years ago and a step fundamental to the future growth, autonomy and efficiency of the Company.

It marked the beginning of a new era.

The merger has unlocked the potential that comes from operating as a fully-integrated multinational, capable of competing at the very highest level and appealing to a broad base of international investors.

CNH Industrial now has the flexibility to pursue the most advantageous strategic options and to capitalize on opportunities for growth and consolidation consistent with its ambitions as a leader in the sector.

Our Company has a well-defined course ahead and it will continue to pursue its mission with responsibility and integrity, guided by the principles of sustainable development.

Climate change and food insecurity are just two of the challenges that the global community has to address in the near future and CNH Industrial is committed to making its contribution through a targeted offer of advanced products and solutions and environmentally-responsible operating practices.

Over the years, our research activities have been geared toward ensuring our products continue to achieve ever higher standards in terms of safety and eco-compatibility. Now that we have succeeded in reducing polluting emissions of our products, we are concentrating on further improvements in energy and fuel efficiency.

Rather than limiting customers to a choice between low operating costs or eco-efficiency, our strategy is to offer products that deliver both.

Scarcity of food resources is another issue that those who, like us, work in close contact with farmers in every region of the world are very well aware of. We have developed machines and equipment that help maximize crop yields and achieve more abundant harvests.

The decision to be an official partner of Expo Milano 2015 is consistent with our Clean Energy Leader strategy, which is an important element in our commitment to the global environment, as well as local communities and eco-systems. CNH Industrial will also participate as an exhibitor at the Expo – whose theme is “Feeding the Planet, Energy for Life” – where we will present concepts for sustainable farming that combine solutions for efficient production with the rational and sustainable use of resources.

Remanufacturing is another area where CNH Industrial is very active. The recovery and regeneration of components extends product life and sets in motion a virtuous circle that helps contain the extraction and use of raw materials, reduce waste and, at the same time, offer customers quality spare parts at competitive prices.

Our commitment is to significantly increase the quantity and range of remanufactured parts available to customers in all regions.

In the same way that we operate our plants with respect for the local ecology, we also participate actively in the development of local communities. For example, CNH Industrial provides vehicles and know-how to vocational schools, to help young people, particularly in disadvantaged areas, prepare for future employment as mechanics. By making those tools available, we are contributing to the creation of a virtuous circle that also involves the dealer network.

The Company also continued initiatives to transfer its culture of safety to those outside the organization which range from training on the safe use of our products to campaigns on road safety.

Although 2013 marked the beginning of a new era for our Company, it was also a year of continuity in several key areas.

Our proven track record in the sustainable management of our activities at all levels was once again recognized with CNH Industrial's inclusion in the most prestigious sustainability indexes, which admit only those companies judged best-in-class in the sustainable management of their businesses.

All these results are attributable to robust innovation and development processes, as well as major reductions in the environmental impact of our manufacturing and logistics processes.

However, I believe that the greatest merit goes to everyone in the Company for embracing the culture of sustainability and translating it day by day into concrete action. We are extremely proud of their contribution.

Sergio Marchionne



Chairman of CNH Industrial

Dear stakeholders,

Through the pages of this year's Sustainability Report, we are renewing our commitment to operating sustainably. Although there has been a change in corporate structure, our long-standing commitment to employees, the environment, customers, suppliers, local communities and all others with whom we interact on a daily basis remains unchanged.

The annual Sustainability Report provides an opportunity for us to describe the actions taken and results achieved during the year and to demonstrate our commitment through the targets for continued improvement we have set for the future.

This year's Report adopts a new structure that goes beyond the traditional three dimensions of sustainability to focus on the life cycle of our products (from concept to end-of-life) and those aspects having the greatest relevance for CNH Industrial, based on the results of our first materiality analysis. That analysis, which led to a ranking of sustainability-related aspects as a function of their importance for both stakeholders and business strategy, clearly showed that the areas of greatest importance are those directly related to our business activities: innovation related to the safety and environmental performance of our products, product quality, and customer engagement and support. Other aspects identified as material were: health and safety in the workplace, attention to the environment, management of the supply chain and dealer network, professional development of employees and local community initiatives. The analysis process involved the entire organization and the resulting materiality matrix was reviewed and approved by the Group Executive Council.

In addition to ensuring alignment of sustainability priorities with our strategic guidelines, the analysis has also led to more effective reporting driven by a focus on materiality.

In line with this materiality-based approach, we have also adopted the Global Reporting Initiative's new G4 guidelines for this year's Sustainability Report.

During 2013, our proven commitment to sustainable development led to significant results in several areas. CNH Industrial was reconfirmed as Industry Leader in the Dow Jones Sustainability Indices World and Europe. We reduced the accident frequency index for employees by 24%, which also reflected the benefits of some 386,000 hours of training. Our focus on R&D – which has consistently enabled the Company to meet emissions performance targets well in advance of regulatory requirements – continued in 2013 with €934 million invested and our intellectual property portfolio now totaling more than 7,000 patents. We continued to offer new, more efficient products in all segments that consume less and pollute less. In addition, continued efforts to reduce the environmental impact of our plants led to improvements in several key performance indicators, in line with our targets: -5% in energy consumption, -9% in CO₂ emissions, -16% in water withdrawal, -22% in the generation of hazardous waste. Contributing to these improvements were the World Class Manufacturing initiatives and some 375,000 suggestions from workers at plants worldwide. Engagement with stakeholders is also fundamental to the process of continuous improvement and, to date, 98 supplier plants have implemented WCM with the support of CNH Industrial's experience and know-how.

We are fully aware that these results are not an end in themselves. We consider them a challenge to set our sights even higher knowing that we can count on the commitment and passion of everyone at CNH Industrial in the fulfillment of those objectives.

Richard Tobin



Chief Executive Officer of CNH Industrial