

Risk Factors Comparison 2023-12-15 to 2022-12-15 Form: 10-K

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The following risks are considered material to **our** John Deere's business based upon current knowledge, information, and assumptions. This discussion of risk factors should be considered closely in conjunction with **the MD & A Management's Discussion and Analysis of Financial Condition and Results of Operations**, including the risks and uncertainties described in the Forward-Looking Statements, and the Notes to Consolidated Financial Statements. These risk factors and other forward-looking statements relate to future events, expectations, trends, and operating periods, ~~and~~. **They** involve certain factors that are subject to change and important risks and uncertainties that could cause actual results to differ materially. Some of these risks and uncertainties could affect particular lines of business, while others could affect all **our the Company's** businesses. Although the risks are organized by headings and each risk is discussed separately, many are interrelated. The risks described in this Annual Report on Form 10-K and the "Forward-Looking Statements" in this report are not the only risks faced by ~~us the Company~~. **STRATEGIC RISKS** **We may face risks associated with International-international**, national, and regional trade laws, regulations, and policies, ~~(particularly those related to or restricting global trade)~~ and government farm programs and policies **which** could significantly impair **our** John Deere's profitability and growth prospects. International, national, and regional laws, regulations, and policies directly or indirectly related to or restricting the import and export of **our** John Deere's products, services, and technology, or those of our customers, ~~including protectionist policies in particular jurisdictions~~, or for the benefit of favored industries or sectors, could harm **our** John Deere's global business. **We** John Deere's profitability and growth prospects are **subject** tied directly to **various regulatory risks including, but not limited to**, the global marketplace. **following:** ● Restricted access to global markets ~~could impairs~~ **impair our** John Deere's ability to export goods and services from ~~its~~ various manufacturing locations around the world ~~and~~. **Restricted access could limits** ~~limit~~ the ability to access raw materials and high-quality parts and components at competitive prices on a timely basis. **For example, expanding export controls or limits on foreign investment can impact global supply of key materials and components, and actions taken within the US- China trade conflict can impact business in China, as well as sales, import / exports, and / or business engagement with Chinese entities globally.** ● Trade restrictions, ~~including withdrawal from or modification of existing trade agreements~~, negotiation of new trade agreements, non-tariff trade barriers, local content requirements, and imposition of new or retaliatory tariffs against certain countries or covering certain products, including developments in U.S.-China trade relations, **export control** and sanctions against Russia, have limited, and could continue to limit, **our** John Deere's ability to capitalize on current and future growth opportunities in international markets ~~and impair John Deere's ability to expand the business~~. These trade restrictions, and changes in, or uncertainty surrounding, ~~global trade policies~~, may affect **our** John Deere's competitive position. ● Policies impacting exchange rates and commodity prices or those limiting the export or import of commodities could have a material adverse effect on the international flow of agricultural and other commodities that may result in a corresponding negative effect on the demand for agricultural and forestry equipment in many areas of the world. John Deere's agricultural equipment sales could be especially harmed by such policies because farm income strongly influences sales of agricultural equipment around the world. Furthermore, trade **Trade** restrictions could impede those in developing countries from achieving a higher standard of living, which could negatively impact **our** John Deere's future growth opportunities arising from increasing global demand for food, fuel, and infrastructure. **Additionally** ● **Policies impacting exchange rates and commodity prices, or those limiting the export or import of commodities, could have a material adverse effect on the international flow of agricultural and other commodities that may result in a corresponding negative effect on the demand for agricultural and forestry equipment in many areas of the world. Our agricultural equipment sales could be harmed by such policies because farm income influences sales of agricultural equipment around the world.** ● ~~changes~~ **Changes** in government farm programs and policies, ~~including direct payment and other subsidies~~, can significantly influence demand for agricultural equipment as well as create unequal competition for multinational companies relative to domestic companies. ~~Greater~~ **We may be unable to manage increasing** political, economic, and social uncertainty **in certain regions** and the evolving globalization of businesses **the world, which** could significantly change the dynamics of **our** John Deere's competition, customer base, and product offerings ~~and impact John Deere's growth opportunities globally~~. John Deere's efforts ~~Efforts~~ to grow ~~its~~ **our** businesses depend in part upon access to ~~and developing~~ **market share and profitability in** additional geographic markets, including, but not limited to, Argentina, Brazil, China, India, and South Africa. ~~There~~, ~~and its success in developing market share~~ ~~are~~ ~~and operating profitably in such markets~~. **various risks associated with our global footprint, including, but not limited to, the following:** ● In some cases, these countries have greater political and economic volatility, greater vulnerability to infrastructure and labor disruptions, and differing local customer product preferences and requirements than **our** John Deere's other markets. **In fiscal year 2023, as a result of the war in Ukraine, we suspended shipments of machines and service parts to Russia. The suspension of shipments to Russia reduced actual and forecasted revenue for the region and resulted in impairments of most long-lived assets, among other impacts. In addition, we initiated a voluntary separation program for employees in Russia in the third quarter of fiscal year 2022.** ● Having business operations in various regions and countries exposes **us** John Deere to multiple and potentially conflicting business practices, ~~and~~ legal and regulatory requirements that are subject to change. **These practices and legal requirements** are often complex and difficult to navigate, including those related to tariffs and trade regulations, investments, property ownership rights, taxation, repatriation of earnings, and advanced technologies. ● Expanding business operations globally also increases exposure to currency fluctuations, which can materially affect **our the Company's** financial results. ●

While ~~we~~ John Deere maintains ~~maintain~~ a positive corporate image and ~~its~~ ~~our~~ brands are widely recognized and valued in ~~its~~ ~~our~~ traditional markets, the brands are less known in some emerging markets, which could impede ~~our~~ John Deere's efforts to successfully compete in these markets. • In addition, changing ~~Changing~~ U. S. export controls and sanctions on ~~various~~ ~~foreign countries~~ China, as well as other restrictions affecting transactions involving China and Chinese ~~on various~~ parties ; could affect ~~our~~ John Deere's ability to collect receivables, provide aftermarket warranty support for ~~our~~ John Deere equipment, sell products, and otherwise impact ~~our~~ John Deere's reputation and business . The conflict between Russia and Ukraine could adversely impact our business and financial results. On February 24, 2022, John Deere suspended shipments of machines and service parts to Russia and Belarus. After assessing the impact of the Russia and Ukraine conflict on our operations within Russia, our senior management in the U. S. decided to initiate a voluntary employee-separation program, which reduced overall headcount in Russia. We may further reduce ~~be impacted by general negative economic conditions and outlook, causing weakened demand or for discontinue operations~~ ~~our equipment and services, limiting access to funding, and resulting in Russia higher funding costs. The demand for our products and services depending depends~~ on the ~~fundamentals in~~ continued evolution of the conflict, monetary, currency or payment controls, restrictions on access to financial institutions, supply and transportation challenges, sanctions and export controls and counter-sanctions, or other ~~the~~ ~~markets~~ circumstances and considerations. Our U. S. senior management continues to closely monitor all risks to John Deere operations in the region. The broader consequences of the Russia and Ukraine conflict such as, embargoes, regional instability, geopolitical shift, access to natural gas, higher energy prices, potential retaliatory action by the Russian government, including nationalization of foreign businesses, increased tensions between the U. S. and countries in which we operate , and the extent of the conflict's effect on the global economy, cannot be predicted, including the extent to which the conflict may heighten other risks disclosed herein. Ultimately, these or other factors could result in further loss or write-downs of other operating assets and working capital. Negative economic conditions and outlook can materially weaken demand for John Deere's equipment and services, limit access to funding, and result in higher funding costs. The demand for John Deere's products and services can be significantly reduced in an economic environment characterized by high unemployment, rising ~~high~~ interest rates, cautious consumer spending, ~~inflation~~ changes in consumer practices due to a possible recession , lower corporate earnings, and lower business investment. Negative or uncertain economic conditions that cause ~~our~~ John Deere's customers to lack confidence in the general economic outlook can significantly reduce their likelihood of purchasing ~~our~~ John Deere's equipment. The COVID pandemic, geopolitical instability, including the conflict between Russia and Ukraine, and other global events have significantly increased economic and demand uncertainty. Some of the results of these events include supply chain challenges, inflation, high interest rates, foreign currency exchange volatility, and volatility in global capital markets. Supply chain challenges, including delays caused by shortages of raw materials, shipping containers and labor, have increased production costs and reduced our profit margins. Additionally, the cost of raw materials used in John Deere's products and the cost of freight have increased due to heightened inflation. These adverse economic events have ~~adversely affected~~ and may continue to adversely affect ~~our~~ John Deere's operations. Sustained ~~general~~ negative economic conditions and outlook also affect housing starts, energy prices and demand, and other construction, which dampens demand for certain construction equipment. ~~Our~~ John Deere's turf operations and ~~its~~ ~~our~~ construction and forestry segments are dependent on construction activity and have also been affected by recent adverse economic conditions. In fiscal 2022, supply constraints, shortage of turf inventory, and softening customer demand have affected our production and sales of consumer products within these segments. Decreases in construction activity and housing starts could have a material adverse effect on ~~our financial~~ John Deere's results of operations. If negative economic conditions affect the overall farm economy, there could be a similar effect on ~~our~~ John Deere's agricultural equipment sales. In addition, ~~uncertain~~ ~~Uncertain~~ or negative outlook with respect to pervasive U. S. fiscal issues as well as general economic conditions and outlook, such as market volatility and ~~continued~~ ~~continuing~~ interest rate increases by the Federal Reserve, have caused and could continue to cause significant changes in market liquidity conditions. Such changes could impact access to funding and associated funding costs, which could reduce ~~our~~ the Company's earnings and cash flows. ~~We may~~ Additionally, the Company's investment management activities could be adversely affected by changes in the equity and bond markets, including the recent volatility of the United Kingdom's bond market, which would negatively affect earnings. ~~Changing~~ ~~changing~~ worldwide demand for food and different forms of ~~renewable~~ bio-energy , which could affect ~~impact~~ the price of farm commodities and consequently the demand for ~~our~~ certain John Deere equipment and . ~~This~~ could also result in higher research and development costs related to changing machine fuel requirements. Changing worldwide demand for farm outputs to meet the world's growing food and ~~renewable~~ bio-energy demands, driven in part by government policies, including those related to climate change, and a growing world population, are likely to result in fluctuating agricultural commodity prices, which directly affect sales of agricultural equipment. Lower agricultural commodity prices directly affect farm incomes, which could negatively affect sales of agricultural equipment and result in higher credit losses. While higher commodity prices benefit ~~our~~ John Deere's crop-producing agricultural equipment customers, ~~they~~ higher commodity prices also could result in greater feed costs for livestock and poultry producers, which in turn may result in lower levels of equipment purchased by these customers. ~~Furthermore~~ ~~In addition~~ , changing bio-energy ~~renewable~~ demands may cause farmers to change the types or quantities of the crops they raise, with corresponding changes in equipment demands. Finally, changes in governmental policies regulating bio- fuel utilization could affect commodity demand and commodity prices, demand for ~~our~~ John Deere's diesel-fueled equipment, and result in higher research and development costs related to equipment fuel standards. ~~We~~ John Deere may not realize the anticipated benefits of ~~its~~ ~~our~~ Smart Industrial ~~operating~~ ~~Operating model~~ ~~Model~~ and Leap Ambitions. John Deere's ~~failure~~ ~~Failure~~ to realize the anticipated benefits of ~~its~~ ~~our~~ Smart Industrial ~~operating~~ ~~Operating model~~ ~~Model~~ and related business strategies in production systems, precision technologies, and aftermarket support could adversely affect the Company's results of ~~our~~ operations and financial condition. Several factors could impact ~~our~~ John Deere's ability to successfully execute the ~~our~~ Smart Industrial ~~operating~~ ~~Operating model~~ ~~Model~~ , including, among other things ; • failure

Failure to accurately assess market **opportunities** and the technology required to address such **opportunities**; • **Failure** to develop and introduce new technologies or lack of adoption of such technologies by **our** John Deere's customers; and • **Failure** to holistically execute **provide** lifecycle solutions; and • **Failure**. In addition, if the Company is unable to optimize its **our** capital allocation in connection with the **Smart Industrial operating Operating model Model**, it may not be able to realize the full benefits, which could have an adverse effect on the Company's financial condition or results of operations. Similarly, **we** John Deere may not realize the anticipated benefits of its **our** Leap Ambitions and related goals **in within** the expected **timeline timelines**, or at all. As part of its **our** Leap Ambitions **we** framework, John Deere adopted various goals **we** that it expects **expect** to achieve by 2026 or 2030, as applicable. **We** John Deere may not be able to achieve these goals for a **variety** number of reasons, some of which may be **beyond our** out of its control. **For example Examples include:** • **Our**, John Deere's estimates and assumptions related to efficiency of our products and the adoption of precision technology may not be accurate; • **certain Certain** materials, such as quality battery cells **and cameras**, may become unavailable or too costly; or • **The** infrastructure required to achieve our goals, such as sufficient charging stations **or fuel availability**, may become too costly or may not **occur be developed** on the expected timeline; and • The actual or perceived failure to achieve our Leap Ambitions could negatively impact our ability to execute the Smart Industrial **operating Operating model Model**, and could harm our reputation and our business. **We** John Deere may not realize all anticipated benefits of acquisitions, joint ventures, and divestitures, or these benefits may take longer to realize than expected. From time to time, **we** John Deere makes **make** strategic acquisitions and divestitures and **participates participate** in joint ventures. In an effort to enhance its Smart Industrial operating model by adding technology and talent, during fiscal year 2022, the Company acquired majority ownership in Kreisler Electric Inc., which designs and manufactures high durability battery packs and high powered charging stations; a 40 percent equity method investment in GUSS Automation LLC, a producer of semi-autonomous orchard and vineyard sprayers; and LGT, LLC (Light), which specializes in depth sensing and camera-based perception for autonomous vehicles. Acquisitions and joint ventures **we have** that John Deere has entered, or may enter in the future, may involve significant challenges and risks, including that the acquisitions or joint ventures do not advance **our** John Deere's business strategy, or fail to produce satisfactory returns on investment. **John Deere Other risks include:** • **We** may encounter difficulties in integrating acquisitions with its **our** operations, applying internal control processes to these acquisitions, managing strategic investments, and assimilating new capabilities to meet the future needs of **our** John Deere's businesses; and / or combining business cultures; • **We may choose not to fully integrate businesses and may face regulatory or compliance exposure until appropriate processes and controls are put in place;** • Integrating acquisitions is often costly and may require significant attention from management. Furthermore, **John Deere and personnel;** • **We** may not realize all the anticipated benefits of acquisitions or joint ventures, or the realized benefits may be significantly delayed. **While our;** and • **Due diligence evaluation evaluations** of any potential **transaction transactions** includes **include** business, legal, and financial **reviews due diligence** with the goal of identifying and evaluating the material risks involved; **these These** due diligence reviews may not identify all of the issues necessary to accurately estimate the cost and potential risks of a particular acquisition or joint venture, including potential exposure to regulatory sanctions resulting from an acquisition target's or joint venture partner's previous activities or costs associated with any quality issues with an acquisition target's or joint venture's products or services. **We** John Deere may **also** decide to divest businesses if it determines any such divestiture is in the best interests of its **our** shareholders, and joint ventures may be terminated at or before their stated expiration. **For example**, such as the joint venture between the Company and Hitachi, which the Company agreed to voluntarily terminate in fiscal **March and October 2021-2023**, we sold our financial services and roadbuilding businesses in Russia following the outbreak of the war in Ukraine. Divestitures of businesses or dissolutions of joint ventures may involve significant challenges and risks, including failure to advance our business strategy, costs or disruptions to **us** John Deere, and negative effects on **our** John Deere's product offerings, which may adversely affect **our** John Deere's business, results of operations, and financial condition. Divestitures of businesses **or and** dissolutions of joint ventures may result in ongoing financial or legal involvement in the divested business through indemnifications or other financial arrangements, such as retained liabilities, which could affect **our** the Company's future financial results. **Our** John Deere's ability to understand its **our** customers' specific preferences and requirements, and to develop, manufacture, and market products that meet customer demand, could significantly affect its **our** business results. **Our** John Deere's ability to match new product offerings to **diverse** global customers' **anticipated** preferences for different types and sizes of equipment and various equipment features and functionality, at affordable prices, is critical to its **our** success. This requires a thorough understanding of **our** John Deere's existing and potential customers on a global basis, particularly in growth markets such as Argentina, Brazil, and India. Failure to deliver quality products that meet customer needs at competitive prices **ahead of competitors** could have **an** a significant adverse effect on **our** John Deere's business. **In addition**, **Customer customer** preferences in the markets **we served serve** by John Deere could change **are changing as a result of ongoing social and regulatory focus on sustainability** as these markets transition to less carbon-intensive business models. Ongoing social and regulatory focus on sustainability and the impact of policies and consumer preferences on the construction, forestry, and agriculture industries mean that change is imminent. As regulations and social pressure drive change, **we** John Deere must be **continue to proactive proactively** in monitoring **monitor** trends and **developing develop** alternatives and enhancements that **elevate and** complement our product offerings. For example, **the Company even though we plan to offer electric, hybrid- electric, and battery electric equipment solutions, we** may be unable to keep up with the rising demand for electric agriculture, turf, and construction equipment. **The 16 The** development of alternative farming techniques, carbon sequestration technologies, and new low-carbon biofuels **are changing**, could change farmers' business models and equipment needs. If **we** John Deere fails **fail** to properly **continue to** develop or invest in **new-emerging** technologies to meet changing customer demands, **we** John Deere will be at risk of losing potential sources of revenue, which could affect **our** the Company's future financial results. **If we** The inability to accurately forecast customer demand for

products and services, and to adequately manage inventory, could adversely affect our operating results. To ensure adequate inventory supply, John Deere must forecast inventory needs and expenses and place orders sufficiently in advance with suppliers and contract manufacturers. These forecasts are based on estimates of future demand for..... manufacturing efficiencies. If John Deere is unable to deliver precision technology and agricultural solutions to its our customers, it could affect its our business, results of operations, and financial condition. Our John Deere's approach to precision technology involves hardware and software, guidance, connectivity and digital solutions, automation and machine intelligence, and autonomy. Customers continue to adopt technology integrated in our portfolio of " smart " machines, systems, and solutions. We expect this trend to persist for the foreseeable future. To create and maintain a competitive differentiation through precision technology solutions, we John Deere needs need to successfully develop and introduce new precision technology solutions that improve profitability and sustainability for our customers through the production systems. We John Deere may make significant investments in research and development, connectivity solutions, data digital security for precision technology solutions, and dealer and employee training. These investments may not produce solutions that provide the desired results for customers' profitability or sustainability outcomes. We utilize automation and machine learning and intelligence in some of our products. While the use of these emerging technologies can present significant benefits, it also creates risks and challenges. Data sourcing, technology, integration and process issues, program bias into decision-making algorithms, security problems, and the protection of privacy could impair the adoption and acceptance of autonomous machine solutions. If John Deere the output from these solutions is deemed to be inaccurate or questionable, our brand and reputation may be harmed and we may be subject to legal liability claims. Automation and machine learning and intelligence may also become the subject of local, state, federal, and foreign regulatory efforts limiting the features and capabilities of the technology. If we are not able to deliver precision technology solutions with differentiated features and functionality, or these solutions are not effective, customers may not adopt technology solutions, which could have a material adverse effect on our the Company's reputation and business. We could be impacted by Changes changes to or reallocation of radio frequency (RF) bands which could disrupt or degrade the reliability of our John Deere's high precision augmented Global Positioning System (GPS) or other RF technology, which could impair our John Deere's ability to develop and market GPS- and RF- based technology solutions, as well as significantly reduce agricultural and construction customers' profitability. Our John Deere's current and planned integrated agricultural business and equipment management systems, as well as its our fleet management telematics solutions for construction equipment, depend upon the use of RF signals. These signals include, but are not limited to, GPS signals, other GPS- like satellite signals, augmented GPS services, and other RF technologies that link equipment, operations, owners, dealers, and technicians. These radio services depend on frequency allocations governed by international and national government agencies. Any international or national reallocation of frequency bands, including frequency bands segmentation and band spectrum sharing, or other modifications concerning the regulation of frequency bands, could significantly disrupt or degrade the utility and reliability of our John Deere's GPS- based products, which could negatively affect our John Deere's ability to develop and market GPS- based technology solutions. In addition, disruptions with GPS signals or the failure of telecommunications network operators to supply the bandwidth we need to support our products could interfere with the speed, availability, and usability of our equipment and services. If these GPS signals or RF signals become unavailable, our customers could be unable to use their equipment indefinitely. For our John Deere's agricultural customers, this the inability to use high- precision augmented GPS signals or other RF signals could result in lower crop yields, decreased operational efficiency, and higher equipment maintenance, seed, fertilizer, fuel, and wage costs. For construction customers, this disrupting GPS or RF applications could result in higher fuel and equipment maintenance costs, as well as lower construction design and project management efficiencies. These cost increases could significantly reduce customers' profitability, sustainability, and demand for our John Deere products. John Deere's As a result, our sales and revenue could significantly decrease, which would have a material adverse effect on our results of operations and our business. Our ability to adapt in highly competitive markets could affect its our business, results of operations, and financial condition. We compete John Deere operates in a variety of highly competitive global and regional markets - John Deere competes worldwide with a number of other manufacturers and distributors that produce and sell similar products. In addition, our John Deere's industry is attracting non- traditional competitors, including technology- focused companies and start- up ventures. We John Deere competes compete on the basis of product performance, innovation and quality, distribution, sustainability, customer service, and price. Aggressive pricing or other strategies of pursued by competitors, unanticipated product or manufacturing delays, or our John Deere's failure to price its products competitively could adversely affect its our business, results of operations, and financial condition. We rely John Deere relies on a network of independent dealers to manage the distribution of its our products and services. If dealers are unsuccessful with their sales and business operations, it could have an adverse effect on our overall sales and revenue. We rely John Deere relies on the capability of its our dealers to develop and implement effective sales plans to create demand among purchasers for the equipment and related products and services that the dealers purchase from us John Deere. If our John Deere's dealers are not successful unsuccessful in these endeavors, we then John Deere will be unable to grow its our sales and revenue, which would have an adverse effect on its our financial condition. In 17 In addition, the dealer channel's ability to support and service precision technology solutions and emerging power solutions may affect customers' acceptance and adoption rates of these products. The unavailability of specialized technicians to service our equipment may result in overburdening dealers' servicing capacity. Dealers may have trouble funding their day- to- day cash flow needs and paying their obligations due to adverse business conditions resulting from negative economic effects or other factors. Dealers may exit or we John Deere may seek to terminate relationships with certain dealers if they are unable to meet customer needs. The unplanned loss of any John Deere of our dealers could lead to inadequate market coverage, negative customer impressions of John Deere, and may adversely impact our John Deere's ability to collect receivables that are associated with that dealer. ENVIRONMENTAL,

CLIMATE, AND WEATHER RISKS Unfavorable RISKS Unfavorable weather conditions or natural calamities catastrophes that reduce agricultural production and demand for agriculture and turf equipment could directly and indirectly affect our John Deere's business. **The purchasing decisions of our customers, particularly the purchasers of agriculture and turf equipment, can be significantly affected by Poor poor** or unusual weather conditions, particularly during the planting and early growing season, can significantly affect the purchasing decisions of John Deere's customers, particularly the purchasers of agriculture and turf equipment. **Such conditions include:** • The timing and quantity of rainfall are two of the most important factors in agricultural production. Insufficient levels of rain, which prevent farmers from planting new crops and may cause growing crops to die or result in lower yields; • Excessive rain or flooding can prevent planting from occurring at optimal times and may cause crop loss through increased disease or mold growth; • Temperature affects the rate of growth, maturity, and quality of crops. Temperatures outside normal ranges, which can also cause crop failure or decreased yields and may also affect disease incidence; • Natural calamities disasters such as regional floods, hurricanes or other storms, droughts, diseases, wildfires, and pests, either as a physical effect of climate change or otherwise, which have had, and could in the future have, significant negative effects on agricultural and livestock production; • The resulting negative impact on farm income can strongly affect demand for agricultural equipment and the financial condition and credit risk of John Deere's dealers and customers. Adverse weather conditions in a particular geographic region, particularly during the important spring selling season; and •, may adversely affect sales of some turf equipment. Drought conditions can adversely affect sales of certain mowing equipment and unusually rainy weather can similarly cause lower sales volumes. **Each of these conditions could have a negative impact on farm income which can affect demand for agricultural equipment and the financial condition and credit risk of our dealers and customers.** Governmental actions designed to address climate change and based on the emergence of new technologies and business models in connection with the transition to a lower- carbon economy could adversely affect John Deere and its our customers. There is global scientific consensus that greenhouse gas (GHG) emissions continue to alter the composition of Earth's atmosphere in ways that are affecting and are expected to continue to affect the global climate. These considerations have led to new international, national, regional, and local legislative and regulatory responses. Various stakeholders, including legislators and regulators, shareholders, and non- governmental organizations, as well as companies in many business sectors, including us John Deere, are continuing to look for ways to reduce GHG emissions. The regulation of GHG emissions from certain stationary or mobile sources or the imposition of carbon pricing mechanisms could result in additional costs to us John Deere in the form of taxes or emission allowances, required facilities improvements, and increased energy costs, which. **These results** would increase our John Deere's operating costs through higher utility, transportation, and materials costs. **cost and could prevent us from selling products into certain markets.** Increased input costs, such as fuel and fertilizer, and compliance- related costs could also affect customer operations and demand for our John Deere equipment. **Further, our John Deere's financial services segment** is subject to additional international and national European regulations relating to climate and environmental risk, which are continually evolving and could affect the lending financing operations and climate- risk processes developed by the segment John Deere's financial services. Regulators in Europe and the U. S. have also focused efforts on increased disclosure related to climate change and mitigation efforts. **The EU recently adopted the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD) that will impose disclosure of the risks and opportunities arising from social and environmental issues, and on the impact of companies' activities on people and the environment. The CSRD will need to be transposed into Member State law before it becomes effective, which is expected to occur in 2024. Similarly, the State of California recently passed the Climate Corporate Data Accountability Act and the Climate- Related Financial Risk Act that will impose broad climate- related disclosure obligations on certain companies doing business in California, including us, starting in 2026.** The SEC has included in its regulatory agenda potential rulemaking on climate change disclosures that, if adopted, could significantly increase compliance burdens and associated regulatory costs and complexity. **Increasingly 18 Increasingly** stringent engine emission regulations or bans on internal combustion engines could may impact our John Deere's ability to manufacture and distribute certain engines or equipment, which could negatively affect business results. **Our John Deere's** equipment operations must meet increasingly stringent engine emission reduction regulations throughout the world, including the European Union's Stage V standard, which limits the amount of harmful certain substances in exhaust gases that off- road engines can emit into the environment. **In addition, governmental Governmental** agencies throughout the world are enacting more stringent laws and regulations to reduce off- road engine emissions. These laws and regulations are applicable to engines we manufactured- manufacture by John Deere, including those used in John Deere agriculture and CF construction and forestry equipment. **We have John Deere has** incurred, and continues- continue to incur, substantial research and development costs related to the implementation of these more rigorous laws and regulations. While we have John Deere has developed and is- are executing comprehensive plans to meet these requirements, these plans are subject to many variables that could delay or otherwise affect our John Deere's ability to manufacture and distribute certain equipment or engines, which could negatively impact business results. Additionally, in certain locations governments have banned, or may in the future ban, internal combustion engines for some types of products completely. To the extent these bans affect products manufactured and sold by us John Deere, our business, results of operations, and financial condition could be negatively affected. **FINANCIAL RISKS Sustained increases in funding obligations under the..... of operations, and financial condition.** Changes in government banking, monetary, and fiscal policies could have a negative effect on us John Deere. Policies of the U. S. and other governments regarding banking, monetary, and fiscal policies intended to promote or maintain liquidity, stabilize financial markets, and / or address local deficit or structural economic issues may not be effective and could have a material impact on our John Deere's customers and markets. **John Deere's Central bank policy interest rates continued to increase in fiscal year 2023. Most of our retail receivables are fixed rate, while wholesale financing receivables are variable rate. We have both fixed and variable rate borrowings. Historically, rising**

interest rates impact our borrowings sooner than the benefit is realized from the financing receivable and equipment on operating lease portfolios. Our operations and results could also be affected by financial regulatory reform that could, among other things, have an adverse effect on the financial services segment and on our John Deere's customers by limiting their ability to enter into hedging transactions or to finance purchases of our John Deere products. Government policies on spending can also affect us John Deere, especially the CF construction and forestry segment, due to the impact of government spending on infrastructure development. Our John Deere's operations, including those outside of the United States U. S., may also be affected by non- U. S. regulatory reforms being implemented to further regulate non- U. S. financial institutions and markets. Changes in tax rates, tax legislation, or exposure to additional tax liabilities could have a negative effect on John Deere our business. We are John Deere is subject to income taxes in the U. S. and numerous foreign jurisdictions. Our John Deere's domestic and international tax liabilities are dependent upon the location of earnings among these different jurisdictions. Tax rates in various jurisdictions may be subject to significant change. Our John Deere's effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, or changes in tax laws or their interpretations. If our John Deere's effective tax rates were to increase, or if the ultimate determination of taxes owed is for an amount more than amounts previously accrued, our John Deere's operating results, cash flows, and financial condition could be adversely affected. Our The Company's consolidated financial results are reported in U. S. dollars while certain assets and other reported items are denominated in the foreign currencies of other countries, creating currency exchange and translation risk. We John Deere operates in many areas are a global company with of the world, involving transactions denominated in a variety of currencies. We are John Deere is subject to currency exchange risk to the extent that its our costs are denominated in currencies other than those in which we John Deere earns earn our revenues. Additionally, the reporting currency for our the Company's consolidated financial statements is the U. S. dollar. Certain of our John Deere's assets, liabilities, expenses, and revenues are denominated in other countries' currencies, which are then translated into U. S. dollars at the applicable exchange rates and in the Company's reported in our consolidated financial statements. Therefore, fluctuations in foreign exchange rates affect the value of those items as reflected in our the Company's consolidated financial statements, even if their value remains unchanged in their the original currencies. While the use of currency hedging instruments may provide us with some protection from adverse fluctuations in currency exchange rates, by utilizing these instruments we potentially forego any benefits that may result from favorable fluctuations in such rates. Because John Deere's equipment operations and financial services segment In Argentina, we have employed mechanisms to convert Argentine pesos into U. S. dollars to the extent possible. These mechanisms are subject to interest rate risks short-term in nature, leaving us exposed to long- term currency fluctuations. Changes Changes in interest rates can reduce demand for or equipment, market liquidity conditions could adversely affect our financials and our earnings and / or cash flows. Central bank policy interest rates continued margins, and limit access to capital markets while increasing increase borrowing costs in fiscal year 2023. Rising interest rates could have a dampening effect on overall economic activity and / or the financial condition of our John Deere's customers, either or both of which could negatively affect customer demand for our John Deere equipment and customers' ability to repay their obligations to us John Deere. In response to increasing inflation, the U. S. Federal Reserve began to raise interest rates in March 2022 for the first time in over three years, and has signaled it expects to make additional rate increases. Rising interest rates could may cause credit market dislocations 19dislocations, that which could have an can impact on funding costs, which can affect are important to the financial services segment because such costs affect the segment's ability to offer customers competitive financing rates. While we the Company strives strive to match the interest rate characteristics of its our financial assets and liabilities, changing interest rates could have had an adverse effect on our the Company's net interest rate margin — the difference between the yield we the Company earns earn on its our assets and the interest rates we the Company pays pay for funding, which has could in turn affect affected our the Company's net interest income and earnings. In addition, actions by credit rating agencies, such as downgrades or negative changes to ratings outlooks, can affect the availability and cost of funding for us the Company and can increase our the Company's cost costs of capital and hurt its our competitive position. Further, due to the cessation of the London Interbank Offered Rate ("LIBOR"), the Company has entered into financial transactions such as credit agreements, receivables, derivatives, and notes that use the Secured Overnight Financing Rate ("SOFR") or the Sterling Overnight Index Average ("SONIA") as interest rate benchmarks. SOFR and SONIA are calculated differently from LIBOR and have inherent differences, which could give rise to uncertainties, including the limited historical data and volatility in the benchmark rates. The full effects of the transition to SOFR, SONIA, or other rates remain uncertain. Because the financial services segment provides financing for a significant portion of our John Deere's sales worldwide, negative economic conditions in the financial industry could materially impact our John Deere's operations and financial results. Negative economic conditions could have an adverse effect on the financial industry in which the financial services segment operates. The financial services segment provides financing for a significant portion of our John Deere's sales worldwide. The financial services segment is exposed to the risk that customers and others will default on contractual obligations and may experience credit losses that exceed its our expectations and adversely affect its our financial condition and results of operations. The financial services segment's inability to access funds at cost- effective rates to support its our financing activities could have a material adverse effect on our John Deere's business. The financial services segment's liquidity and ongoing profitability depend largely on timely access to capital to meet future cash flow requirements and to fund operations and costs associated with engaging in diversified funding activities. Additionally, negative market conditions could reduce customer confidence levels, resulting in declines in credit applications and increases in delinquencies and default rates, which could materially impact the financial services segment's write- offs and provision for credit losses. The financial services segment may also experience residual value losses that exceed its our expectations caused by lower pricing for used equipment and higher- than- expected equipment returns at lease maturity. Sustained increases in funding obligations under our the Company's pension plans which may impair our the Company's

liquidity or financial condition. **We** **The Company** **maintain** **maintains** certain defined benefit pension plans for certain employees, which impose funding obligations. **We** **The Company** **use** **uses** **various** **many** assumptions in calculating **our** **its** future payment obligations under these plans. Significant adverse changes in credit or market conditions could result in actual rates of return on pension investments being lower than expected. **The Company** **Regulatory changes could cause a deterioration in the statutory funded status of our plans.** **We** may be required to make significant contributions to **our** **its** pension plans in the future. These factors could significantly increase **our** **the Company's** payment obligations under the plans and adversely affect **our** **its** business, results of operations, and financial condition. **MANUFACTURING AND OPERATIONAL RISKS** **RISKS** **We** based on estimates of future demand for **particular** products and services. Failure to accurately forecast our needs may result in unmet market demand, parts shortages, manufacturing delays, increased costs, or excess inventory. **In response to recent fiscal year 2022, supply chain disruptions resulted in higher constraints, John Deere has worked with suppliers to ensure optimum** inventory levels. **John Deere** Although production schedules in fiscal year 2023 were more aligned with the customers' seasonal use of our products, marking a return to historical seasonal production patterns, our ability to accurately forecast demand in the future could be affected by many factors, including changes in customer demand for **our** **John Deere's** products and services, changes in demand for the products and services of competitors, unanticipated changes in general market conditions, and the weakening of economic conditions or customer confidence in future economic conditions. If the forecasts used to manage inventory are not accurate, **we** **John Deere has in the past and may in the future** experience excess inventory levels, shortage of available products, **or reduced manufacturing efficiencies.** **If John Deere is** Changes in the availability and price of certain raw materials, components, and whole goods have resulted and could continue to result in significant disruptions to the supply chain causing production disruptions, increased costs, and lower profits on sales of **our** **John Deere** products. **We** **John Deere** **requires** **require** access to various raw materials, components, and whole goods at competitive prices to manufacture and distribute **its** **our** products. The price and availability of these materials have varied significantly in the last 24 36 months. **For example, in fiscal year 2022, supply chain disruptions impacted many aspects of our business, including receiving past due deliveries from suppliers, parts availability, increased production costs, and are expected higher inventory levels. We experienced supply chain improvements in fiscal year 2023 with a return to continue to normal in the second half of the fiscal year. While we have seen stabilization in the supply chain and some commodity pricing improvements, we anticipate potential fluctuate fluctuations** due to inflation, geopolitical and economic uncertainty, and regulatory and policy instability, including import tariffs and trade agreements. The latter have the potential to significantly increase production and logistics costs and have a material negative effect on the profitability of the business, particularly if **we** **are** **John Deere** is unable to recover the increased costs due to market considerations or other factors **20** factors. **We** **have** **John Deere** relies on suppliers to acquire raw materials, components, and whole goods required to manufacture its products. Significant disruptions to the supply chain resulting from shortages of raw materials, components, and whole goods has and could continue to adversely affect John Deere's ability to meet commitments to customers. During fiscal 2022, the supply chain challenges in combination with demand for John Deere's products resulted in a heavier back-end loaded year for industry retail orders. As the result of the COVID pandemic, geopolitical instability, and other global events, John Deere has experienced changes in the availability and prices of these raw materials, components, whole goods, and freight **over the past several years, especially in fiscal years 2021 and 2022.** Global logistics network challenges include shortages of shipping containers, ocean freight capacity constraints, international port delays, trucking and chassis shortages, and railway and airfreight capacity, which have resulted in delays, shortages of key manufacturing components, increased order backlogs, increased transportation costs, and production inefficiencies from a higher number of partially completed machines in inventory, which increased **our** **the Company's** overall production and overhead costs. Increases in such costs have had an adverse effect on **our** **John Deere's** business operations. **In an effort** **We** **rely on our suppliers to mitigate** **acquire the** raw material materials shortages, components, and whole goods required to manufacture their products. Significant disruptions to the supply chain resulting from shortages constraints, John Deere has increased the list price of raw materials its products and worked with suppliers to ensure optimum inventory levels. However, if components, and whole goods have and could continue to adversely affect our ability to meet commitments to our customers are unwilling to accept price increases in John Deere products or John Deere is unable to offset the increase in costs, raw material shortages could have an adverse effect on John Deere's operations. **In addition,** Continued or increased fluctuations in costs of materials or inflation generally and continued supply chain challenges could have a material adverse effect on the Company's results of operations and financial condition. Certain **certain** materials and components used in **our** **John Deere's** products are acquired from a single supplier or are proprietary in nature and cannot be alternatively sourced expeditiously. **Furthermore** As discussed under Item 1, **if our customers are unwilling** "Business—Construction and Forestry," the Company agreed to voluntarily terminate its joint venture agreement with Hitachi **accept price increases for our products, or if we are unable to offset the increases in costs, raw material costs or shortages could have a material** transaction that closed in the first half of fiscal 2022. In connection with this termination, John Deere Construction & Forestry Company, a wholly-owned subsidiary of the Company, has entered into a supply agreement with Hitachi pursuant to which Hitachi will continue to provide John Deere-branded excavators, components, and service parts. Any delay or failure by Hitachi to deliver these supplies, or failure by Hitachi to produce such supplies in a manner that meets John Deere's quality and quantity requirements, could adversely **adverse affect effect on our operational or financial** John Deere's business, results of operations, cash flow, and financial condition or its ability to meet commitments to its customers. Disputes with labor unions have **may** adversely affected **affect our** John Deere's ability to operate **its in our** facilities as well as **its impact our** financial results. Many of **our** **John Deere's** production and maintenance employees are represented by labor unions under various collective bargaining agreements with different expiration dates. **The** **Our** failure of John Deere to successfully renegotiate labor agreements as they expire has from time to time led, and could in the future lead, to work stoppages or other disputes with labor unions. **For example** Disruptions to John Deere's manufacturing and parts-

distribution facilities, through various forms of labor disputes, adversely affect the Company. On October 14, 2021, the UAW initiated a labor strike affecting more than ~~that~~ 10,000 workers at 14 John Deere facilities across the U. S. The strike ended after a new collective bargaining agreement was approved on November 17, 2021. The UAW strike had an adverse effect on ~~our~~ John Deere's results of operations in the first quarter of fiscal 2022 because of reduced ~~production~~ **productions** and shipments. **Certain of our labor agreements expire as early as 2024. Disruptions to our manufacturing and parts-distribution facilities through various forms of labor disputes could adversely affect us.** Any strike, work stoppage, or other dispute with a labor union distracts management from operating the business, may displace employees from ordinary job positions to fill in vacant positions, may affect ~~our~~ John Deere's reputation, and could materially adversely affect ~~our~~ **business, results of operations, and financial condition. Our business may suffer if our equipment fails to perform as expected. If our equipment does not perform as expected, we may receive warranty claims and have to perform post- sales repairs or recalls. We may also be subject to regulatory requirements and penalties that will impact our ability to develop, market, and sell equipment. This may result in product delivery delays. It could also lead to product liability, breach of warranty, and consumer protection claims. These claims and warranty expenses could be significant. As a manufacturer of equipment, we must manage the Company ~~cost and risk associated with product warranties, post- sale repairs and recalls, regulatory penalties, and product liability, breach of warranty, and consumer protection claims with respect to our products. In addition to post- sale repairs or recalls initiated by us for various reasons, investigations into our products by government regulators may compel us to initiate product recalls or may result in negative public perceptions about the safety of our products, even if we disagree with the regulator~~' s determination. Such post- sale repairs or recalls, whether voluntary or involuntary, could result in significant expense, supply chain complications, and may harm ~~our~~ **brand, business, prospects** results of operations, and financial condition, **and operating results.****

RESOURCES RISKS

~~Our~~ John Deere's ability to attract, develop, engage, and retain qualified employees could affect ~~its~~ **our** ability to execute ~~its~~ **our** strategy. ~~Our~~ John Deere's continued success depends, in part, on ~~its~~ **our** ability to identify and attract qualified candidates with the requisite education, background, and experience as well as ~~its~~ **our** ability to develop, engage, and retain qualified employees. Failure to attract, develop, engage, and retain qualified employees, whether as a result of an insufficient number of qualified applicants, difficulty in recruiting new employees, or inadequate resources to train, integrate, and retain qualified employees, could impair ~~our~~ John Deere's ability to execute ~~its~~ **our** business strategy and could adversely affect ~~our~~ John Deere's business, **results of operations, and financial condition.** In addition, while ~~we~~ John Deere ~~strives~~ **strive** to reduce the impact of the departure of employees, ~~our~~ John Deere's operations or ability to execute ~~its~~ **our** business strategy and meet ~~its~~ **our** business objectives may be affected by the loss of employees, particularly when departures involve larger numbers of employees, such as those ~~we~~ John Deere could experience if a surge occurs in the number of employees voluntarily leaving their jobs. Higher rates of employee separations may adversely affect ~~us~~ John Deere through decreased employee morale, the loss of knowledge of departing employees, and the devotion of resources to recruiting and onboarding new employees. Security breaches and other disruptions to ~~our~~ John Deere's information technology infrastructure could interfere with ~~our~~ John Deere's operations and could compromise ~~the~~ **our** information of John Deere as well as ~~its~~ **information of our employees,** customers, suppliers, and / or dealers, exposing ~~us~~ John Deere to liability that could cause ~~our~~ John Deere's business and reputation to suffer. In the ordinary course of business, ~~we~~ John Deere ~~relies~~ **rely** upon information technology networks and systems, some of which are managed by third parties, to process, transmit, and store electronic information and to manage or support a variety of business processes and activities, including supply chain, manufacturing, distribution, invoicing, and collection of payments from dealers and other purchasers of ~~our~~ John Deere equipment and from customers of the financial services segment. ~~We~~ John Deere ~~uses~~ **use** information technology systems to record, process, and ~~summarize~~ **summarize** financial information and results of operations for internal reporting purposes and to comply with regulatory financial reporting, legal, and tax requirements. Additionally, ~~we~~ John Deere ~~collects~~ **collect** and ~~stores~~ **store** sensitive data, including intellectual property, proprietary business information, and the proprietary business information of ~~our~~ John Deere's customers, suppliers, and dealers, as well as personally identifiable information of ~~our~~ John Deere's customers and employees, in data centers, which are often owned by third parties, and on information technology networks. The secure operation of these information technology networks and the processing and maintenance of this information is critical to ~~our~~ John Deere's business operations and strategy. Despite security measures, including a vulnerability disclosure program, and business continuity plans, ~~our~~ John Deere's information technology networks and infrastructure have been and may be vulnerable to intrusion, damage, disruptions, or shutdowns due to attacks by cyber criminals, ~~employee~~ **employees'**, ~~supplier~~ **suppliers'**, or ~~dealer~~ **dealers'** error or malfeasance, supply chain compromise, disruptions during the process of upgrading or replacing computer software or hardware, power outages, computer viruses, ransomware or other malware, telecommunication or utility failures, terrorist acts, natural disasters, or other events. Although ~~we~~ John Deere ~~has~~ **have** not suffered any significant cyber incidents that resulted in material business impact, we have from time to time been the target of malicious cyber threat actors. The occurrence of any significant event could compromise ~~our~~ John Deere's networks, and the information stored there could be accessed, obtained, publicly disclosed, lost, altered, misused, or stolen. Any such access, disclosure, alteration, misuse, or other loss of information could result in legal claims or proceedings, government investigations, liability or regulatory penalties, disruption to ~~John Deere~~ **John Deere's** or ~~shut down of our~~ operations, and damage to ~~our~~ John Deere's reputation, which could adversely affect ~~our~~ John Deere's business, results of operations, and financial condition. **Furthermore** ~~In addition~~, as security threats continue to evolve and increase in frequency and sophistication, ~~we~~ John Deere may need to invest additional resources to protect information security. Security breaches with respect to John Deere ~~Any unauthorized control or manipulation of our products~~' s systems could **result in loss of confidence in us and our** products could interfere with the business of John Deere, its dealers, and / or customers, exposing John Deere to liability that would cause its business and reputation to suffer. Some of ~~our~~ John Deere's products include connectivity hardware and software typically used for remote system updates. While ~~we~~ John Deere **has**

implemented security measures intended to protect against unauthorized remote access to **its these** products, **third party security researchers and malicious threat actors**, have **reportedly** attempted, and may attempt in the future, to gain unauthorized access to such products in order to gain control of the products, change the products' functionality, user interface, or performance characteristics, interfere with the products' operations, or gain access to data stored in or generated by the products or to systems to which they connect. In addition, reports of unauthorized access to **our John Deere's** products, systems, and data, regardless of their **veracity-reliability**, may result in the perception that the products, systems, or data are vulnerable to malicious or unauthorized modifications. Any unauthorized access to or control of **our John Deere** products or systems, any loss of data, or any perception that products, systems, or data are vulnerable could result in legal claims or proceedings against **us John Deere**, government investigations, liability, or regulatory penalties, which could adversely affect **our John Deere's** business, results of operations, and financial condition. **The potential Our business could be adversely affected by the infringement or** loss of John Deere intellectual property through trade secret theft, infringement of patents, trademark counterfeittings, or other loss of rights to exclusive use of John Deere intellectual property, could have a material adverse effect on the Company. Infringement of the intellectual property rights of others by John Deere could also have a material adverse effect on the Company. John Deere relies on **We protect our intellectual property with** a combination of patents, trademarks, copyrights, trade secret laws, and confidentiality-legal agreements to protect its intellectual property rights. **We John Deere** heavily **relies-rely** on certain trademarks that contribute to **protect our John Deere's** identity and the **customer** recognition of **its-our** products and services, including, but not limited to, the "John Deere" mark, the leaping deer logo, the "Nothing Runs Like a Deere" slogan, the prefix "JD" associated with many products, and the green and yellow color combination. These trademarks, as well as the many patents **that protect innovations** used in our products, are integral to **our the John Deere** business, and their loss could have a material adverse effect on **us the Company**. Additionally, third parties may initiate **litigation-legal proceedings** to challenge the validity of **our intellectual property John Deere's** patents or allege that **we John Deere** infringes- **infringe on** their **intellectual property** patents or proprietary rights. **We John Deere** may incur substantial costs if **its competitors or other** third parties initiate such **litigation-legal proceedings**, or if **we John Deere** initiates- **initiate any legal** proceedings to protect its **proprietary rights or enforce our intellectual property**. If the outcome of any such **litigation-legal proceedings** is unfavorable to **us John Deere**, our business could be adversely affected. **LEGAL AND COMPLIANCE RISKS Our John Deere's** global operations are subject to complex and changing laws and regulations, the violation of which could expose **us John Deere** to potential liabilities, increased costs, and other adverse effects. **We John Deere's** global operations are subject to numerous international, federal, state, and local laws and regulations, many of which are complex, frequently changing, and subject to varying interpretations. These laws and regulations cover a **variety broad spectrum of subject subjects areas**, including advertising ;, anti — money laundering ;, antitrust ;, consumer finance ;, environmental, climate- related, health ; and safety ;, foreign exchange controls and cash repatriation restrictions ;, foreign ownership and investment ;, import / export and trade ;, human rights, labor ; and employment ;, product liability ; and **telematics and reporting, cybersecurity, data privacy, telematics,** and connectivity. These laws may vary substantially within the different markets in which **we John Deere** operates- **operate**. Compliance with these laws and regulations is **costly expensive** and may further increase the cost of conducting **our John Deere's** global operations. In addition, **we John Deere** must comply with the U. S. Foreign **Corrupt 22Corrupt** Practices Act and all applicable foreign anti- corruption laws, including the U. K. Bribery Act, **which**. **These laws** generally prohibit companies and their intermediaries from making improper payments or providing anything of value to improperly influence government officials or private individuals for the purpose of obtaining or retaining a business advantage, regardless of whether those practices are culturally expected in a particular jurisdiction. Although **we have John Deere** has a compliance program in place designed to reduce the likelihood of potential violations of **such these** laws and regulations, there can be no assurance that **our John Deere's** employees, contractors, or agents will not violate such laws and regulations or **our John Deere's** policies and procedures. Violations of these laws and regulations could result in criminal or civil sanctions and have a material adverse effect on **our John Deere's** reputation, business, results of operations, and financial condition. Changes to existing laws and regulations, or changes to how they are interpreted, or the implementation of new, more stringent laws or regulations, could adversely affect **our John Deere's** business by increasing compliance costs, limiting **our John Deere's** ability to offer a product or service, requiring changes to **our John Deere's** business practices, or otherwise making **our John Deere's** products and services less attractive to customers. **For example, so- called "right to repair" legislation proposals in certain states and at the federal level in the U. S. could require John Deere to provide access to the software code embedded in its products, which, among other harmful consequences, could result in product safety issues, compromise engine emissions and performance controls, adversely affect the protection of John Deere's intellectual property rights, and discourage innovation and investments in research and development.** Legislative and regulatory changes, and other actions that could potentially affect **our John Deere's** business may be announced with little or no advance notice and **we John Deere** may not be able to effectively mitigate all adverse effects from such measures. **We are John Deere** is subject to governmental laws, regulations, and other legal obligations related to privacy and data protection. **Any**, and any inability or perceived inability of **John Deere to address addressing** these requirements could adversely affect our business. The legislative and regulatory framework for privacy and data protection issues worldwide is rapidly evolving and is likely to remain uncertain for the foreseeable future. **We John Deere** **collects- collect** personal information and other data as integral parts of **its-our** business processes and activities. This data is subject to a variety of U. S. and foreign laws and regulations, including oversight by various regulatory and other governmental bodies. Many foreign countries and governmental bodies, including the **EU European Union**, China, Canada, and other relevant jurisdictions where **we John Deere** conducts- **conduct** business, have laws and regulations concerning the collection and use of personal information and other data obtained from their residents or by businesses operating within their jurisdictions. The **EU European Union** General Data Protection Regulation (**GDPR**), the California Consumer Privacy Act, and the China Personal Information Protection Law, among others, impose stringent data protection requirements and provide significant penalties for

noncompliance. New privacy laws will continue to come into effect around the world in the future. Any inability or perceived inability to adequately address privacy and data protection concerns, (even if unfounded), or comply with applicable laws, regulations, policies, industry standards, contractual obligations, or other legal obligations (including at newly acquired companies) could result in additional cost and liability to us the Company or Company officials, damage our reputation, inhibit sales, and otherwise adversely affect our business. Legal proceedings and disputes in which we are John Deere is, and may in the future be, involved could harm our the Company's business, financial condition, reputation, and brand. We routinely are John Deere is subject to a variety of party to claims and legal actions incidental proceedings and legal compliance risks around the world. John Deere faces risks of exposure to various types of our business. These include claims for personal injury or property by users of our equipment, lawsuits environmental, health, and safety claims, disputes with distributors, vendors and others with respect to commercial matters, and disputes with taxing and other government governmental inquires authorities regarding the conduct of or our investigations in the ordinary course of business. The uncertainty associated with substantial unresolved claims and lawsuits may harm John Deere's business, financial condition, reputation, and brand. The defense of lawsuits and government inquiries or investigations has resulted and may result in the expenditures of significant financial resources and the diversion of management's time and attention away from business operations. We are Such legal proceedings may also affect our assessment and estimates of loss contingencies recorded as a reserve and require us to make payments exceeding our reserves. In addition to the ordinary course of business proceedings, John Deere is currently subject to a consolidated multidistrict series of antitrust class action lawsuits- lawsuit in the Northern District of Illinois alleging that it is unlawfully we have engaged in attempted monopolizing- monopolization, exclusionary conduct, and restraint of the market for repair services for its John Deere brand agricultural equipment. If these lawsuits result in adverse findings by limiting repair resources only to our authorized technicians for- or independent authorized John Deere dealers. In addition, the Federal Trade Commission (FTC) is investigating whether we have violated laws in connection with the repair of could be exposed to damages and may be required to implement actions impacting our business model. GENERAL RISKS John Deere's brand agriculture equipment, as well as our information security practices and statements as they relate to the risk of unauthorized access to our computer systems, products, and services. We are fully cooperating with the FTC. We are currently unable to predict the outcome of these matters. The development and resolution of these matters could have a material adverse effect on our business, operations, and financial results. GENERAL RISKS Our reputation and brand could be damaged by negative publicity. Our John Deere's brand has worldwide recognition and significantly contributes to the success of its our business. Our John Deere's reputation is critical to growing its our customer base. Our John Deere's brand depends on the ability to maintain a positive customer perception of the business, including the core values of integrity, quality, innovation, and commitment. Negative claims or publicity involving us John Deere, its our products or services, its our culture and values, our stance on environmental, social, and governance topics, customer data, or any of its our key employees or suppliers, could damage our John Deere's reputation and brand image, regardless of whether such claims are accurate. In addition, our stance on environmental, social, and governance topics Damage damage to our John Deere's reputation could adversely impact the ability to attract new and maintain existing customers, employees, dealers, and business relationships. Additionally For example, we have been the subject of negative media or inaccurate postings, articles, relating to or our comments on social media and the internet about John Deere could generate negative publicity that could damage the reputation of the brand or John Deere. Further, adverse publicity about regulatory or legal action against John Deere, or by John Deere, could also damage the reputation and brand image, undermine customer customers confidence, right to maintain and safely repair their reduce long-term demand for equipment, even if the regulatory or legal action is unfounded or not material to John Deere's operations. If the reputation, culture or image of John Deere's brands are damaged, or John Deere receives negative publicity, then the Company's sales, financial condition, and results of operations could be materially and adversely affected. Unexpected events have and may in the future increase our cost of doing business or disrupt our operations. The occurrence of one or more unexpected events, including war, acts of terrorism, epidemics and pandemics (such as the COVID pandemic), civil unrest, fires, tornadoes, tsunamis, hurricanes, earthquakes, floods, and other forms of severe weather in the United States or in other countries in which John Deere operates, or in which John Deere suppliers are located, have and could in the future adversely affect the Company's operations and financial performance. Such events have and could cause complete or partial closure of one or more of John Deere manufacturing facilities or distribution centers, temporary or long-term disruption in the supply of component products from some local and international suppliers, and disruption and delay in the transport of products to dealers, end-users, and distribution centers. Existing insurance coverage may not provide protection from all the costs that may arise from such events. 23