

TITAN MACHINERY

Power & Precision to Grow[®]



2023 STATEMENT ON **SUSTAINABILITY**

TITAN MACHINERY SUSTAINABILITY STATEMENT

2023 PROGRESS REPORT

OVERVIEW

Our mission at Titan Machinery is to provide equipment solutions to our customers who feed and build the world. Our stakeholders rely upon us to fulfill a variety of important roles.

- For our stockholders, we are counted on to provide a fair return on invested capital in a responsible and sustainable manner.
- For our employees we offer a safe work environment and a meaningful career in an inclusive environment with opportunities for advancement, valuable benefits and performance incentives.
- For our suppliers, we are counted on to provide a network of local facilities to deliver parts, service, and sales support in an ethical and competent manner.
- For our customers, we offer the products and service they require to operate their businesses.

To satisfy the long-term interests of our stakeholders, we believe that we must continue to grow as an organization. This growth must be responsible and sustainable. Toward that end, we have organized our sustainable growth initiatives around five key pillars:

People
Products and Services
Operations
Community Engagement
Good Corporate Governance





OUR *People*

We recognize that our success is highly dependent upon the talents and dedication of our employees, an inclusive and engaged workforce composed of individuals with diverse backgrounds and ideas, and the maintenance of a healthy and safe work environment.

Health and Safety

One of our primary responsibilities as an employer is to maintain a safe and healthy workplace for our over 2,700 employees across our corporate footprint. Through proactive management, training, and employee accountability, we strive to imbed safety into every level of the company.

Our Human Resources team oversees our Safety/Risk Management programs. Our team consists of an Environment, Health and Safety Manager, Safety/Risk Management Coordinator, and individual Store Risk Management Coordinators. This team collectively leads our health and safety program, promotes our “Titan Safe” awareness initiative, and assists all levels of management and employees. We review our health and safety program annually and update it as new information and new technologies become available, communicating those changes through our Store Risk Manager Coordinators, email directives, policy updates, and training.

New employees are trained on our health and safety program at their store locations with an emphasis on individual responsibility and accountability. Employees are regularly reminded and encouraged to identify and report safety hazards and to suspend work until hazards have been addressed. We strongly believe that no work assignment is so important that an employee should feel the need to circumvent a safety rule or risk injury.

We have adopted detailed processes to help us achieve our goal of reducing workplace injuries. Our store locations hold mandatory, monthly safety meetings that provide our employees with ongoing education on rotating health and safety topics and

open discussion opportunities for questions and feedback. All accidents, close calls, and near misses are fully investigated and evaluated by our Safety/Risk Management team for root cause, trends, corrective action, and future risk mitigation. The results are shared with employees at respective store locations. We firmly believe that active employee engagement is necessary for a successful health and safety program, and we continually seek to provide opportunities for employee comments and recommendations for improvement.

In fiscal year 2023, we achieved significant, company-wide safety improvement. Total recordable injuries decreased by 12.9% from the prior fiscal year, and total lost time injuries dropped by 38.5%.

Distracted driving is an ongoing corporate safety focus. Since many of our employees drive as a daily part of their positions, we regularly provide reminders and share information about the importance of limiting distractions while behind the wheel. We are dedicated to enhanced safety training and leveraging technology, such as vehicle video recording, real-time location tracking, and driving risk alerts, to raise employee awareness and lessen risk. In the past fiscal year, we installed telematics equipment on our delivery trucks and fleet vehicles, enabling us to better track driving habits and to initiate proactive safety measures.

Consistent use of personal protective equipment (PPE) such as safety glasses, face shields, gloves, and hearing protection, is also a workplace priority. During the past several years we have enhanced our financial support to employees for PPE purposes.

Employee Well-Being

We are committed to improving the physical, emotional, and financial well-being of our employees. We offer a package of benefits, wellness initiatives, and compensation that is industry competitive while also touching on important aspects of overall well-being.

We offer a broad range of health and financial benefits to employees including:

Medical & Prescription Drug Coverage
401k Contributions - Pre & Post-tax options
Dental Insurance
Short Term & Long Term Disability
Vision Insurance
Health Savings Account
Telehealth Options
Health Reimbursement Accounts
Life Insurance
Accidental Death & Dismemberment
Tuition Reimbursement
Medical & Dependent Care Flexible Spending
Identity Theft Protection
Employee Assistance Program
Paid Time Off
Bereavement Leave
Volunteering Hours
Voluntary Firefighter & First Responder Hours

Beginning in 2023, we significantly increased our employer contribution to health insurance premiums. We now offer our employees fully paid single coverage and reduced premiums for single plus dependent and family coverages.

We support employees on their wellness journeys through encouraging and rewarding healthy behaviors. Employees receive contributions to their health savings accounts or health reimbursement accounts if they undertake preventive annual examinations, follow recommended cancer screenings, and commit to a tobacco free lifestyle. By embracing this program, our employees have shown their willingness to take proactive steps to engage in healthier lifestyles. These healthy behaviors also assist us in maintaining a more productive workforce reducing healthcare costs for both our employees and our company.

Our employees’ emotional well-being is an increasingly important wellness factor, and we realize that time away from work, whether for personal rejuvenation or for time with loved ones, increases employee satisfaction, reduces employee stress, improves

morale, and enhances daily productivity. We are proud to offer generous paid time off including holidays, bereavement leave, team volunteering hours, and hours for voluntary firefighters and voluntary emergency first responders. Over the past few years, we have enhanced our PTO and paid holiday benefits, and allow a generous 360 hours of PTO carryover, which enables our employees to use their PTO in a manner best suited for their personal circumstances.

We also provide confidential and voluntary assistance through our employee assistance program to all employees and their family members who may be faced with dynamic challenges of financial concerns, legal issues, alcohol or drug problems, marital problems, illness of a family member, emotional worries, childcare problems, and similar issues. For the welfare of employees as well as effective business operations, we encourage our employees to take advantage of this valuable benefit.

Our compensation plans consist of competitive, market-based salaries, incentive opportunities, bonuses, and commissions tailored to each of our positions. All full-time employees are included in customized incentive plans that are based not only on company performance, but also on key metrics that measure success within their role and department. We also provide long-term incentives in the form of stock grants to certain employees, board members, and top performers.

We recognized the pandemic’s impact on the local and national economies and the employee concern and stress over short and long-term financial security. In support of our employees during this difficult time, we increased our 401k match from 3% to 4% (matching 1% for each 2% of the employee’s contribution, up to a maximum employer contribution of 4% of salary), implemented market wage increases, and provided employees with a one-time additional 80 hours of pay in the past fiscal year.

We have also retained our remote work policy that was instituted during the pandemic. This policy allows employees in certain positions that do not require a physical presence at our stores or headquarters to work from home. The remote work policy offers flexibility and enhances the well-being of our employees.



Inclusive and Engaged Workforce

We are committed to an inclusive workplace where all employees are valued and have the opportunity to reach their full potential. The Compensation Committee of our Board of Directors oversees our Diversity & Inclusion initiatives. Our commitment to diversity and inclusion is reflected in the make-up of our Board of Directors.

We utilize a variety of initiatives across our corporate footprint to recruit minorities, women, and veterans, as we attempt to diversify our workforce. We also strive to build a culture of inclusion that leverages the strengths of all of our employees. From new hire orientation to management and leadership training, we are focused on developing global mindsets, breaking unconscious biases and demonstrating the business case for diversity across the organization.

Our Compensation Committee includes, as part of its core agenda, an annual review of our diversity and inclusion strategy. The Compensation Committee also reviews data from engagement surveys, and industry benchmarks.

Listening to our Employees: Employee Engagement and Retention

We conduct annual employee surveys designed to monitor overall employee engagement and identify actions that can be taken to improve our employees' motivation and job satisfaction. We contract with a third-party vendor to administer the survey to ensure anonymity for employees and encourage honest feedback. Our latest employee engagement survey in 2022 had a completion percentage of 73%. The data collected is used to track progress against our internal goals and identify areas of interest and concern for our employees. We have generally seen annual increases from our employees in favorability ratings (agree/strongly agree) on questions related to safety, compensation, leadership, communication and work environment.

Our performance review process has been revised to stress employee engagement by providing employees and managers a format to discuss more intentionally how an employee fits

into a particular role, a team, and the company as a whole. By combining our compensation, performance, and incentive conversations, employees can see the bigger picture of how their individual positions and teamwork tie together to impact the company and ultimately our stockholders.

This corporate connectivity is promoted through our investment in training and development. Employees are supported for growth within their current positions through technical and skill-specific training. They are also offered development programs that, if desired, can assist employees with moving into leadership positions or transitioning to other positions within the company. Our training and development programs are fundamental to greater employee engagement while also essential to our goal of retaining quality, high-performing employees.

We understand that the matters discussed above are just a portion of what it takes to retain our workforce and that retention will be an ongoing challenge in today's labor market. With our current turnover rate at 13.9%, during a time when industry turnover is much higher, we are confident that, with continued focus and enhancements to employee retention efforts, we will be able to maintain and grow our valuable employee base for years to come.

Talent Acquisition and Development

Talent acquisition is a key to success. Finding and hiring the right individuals, whether it be traditional secondary education graduates or as part of our many career development programs, drives our dedication to customer support. We have many networking resources and programs aimed at finding the right individuals for the right positions.

We have expanded our digital marketing efforts to feature targeted hiring campaigns for specific departments and positions. We are also focused on growing our talent network and professional relationship pipelines for hiring opportunities. From high school summer camps to post-military career outreach programs, we are committed to finding and developing talented individuals wherever they may be in their career journeys.



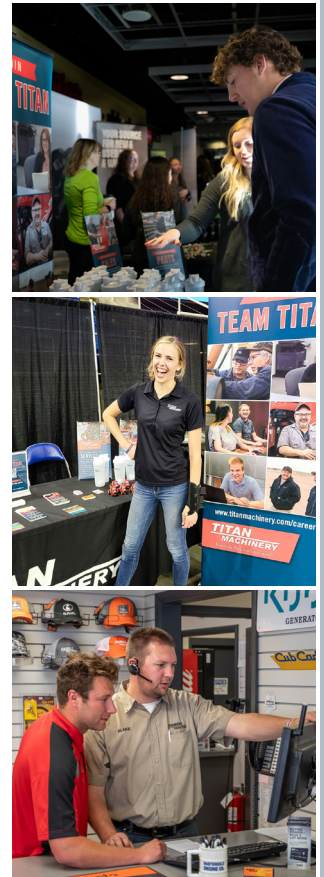
At the career exploration level, our Titan EDGE program offers high school students the opportunity to explore dealership careers. Connecting students to potential careers in their local communities and showing them the day-to-day operations of a successful business in a real-world setting are primary benefits of this program. Our summer diesel camps are a new opportunity for career exploration. These camps take place on college campuses across the corporate footprint and allow students in 9th and 10th grade to see how their current interests have the potential to turn into a future career.

Individuals looking to further their passion and talent for a career path with us can apply for our sponsorship program. We offer sponsorships for diesel technology and sales - providing financial and professional support for individuals as they obtain both their education and on-the-job training. We also recently implemented a service technician sponsorship providing our student service technicians complete coverage for the cost of their tuition, fees, and books along with a professional tools package. We currently have 134 student service technicians in our sponsorship program. We are proud of our sponsorship investments and commitment to the sponsored students and their educational institutions.

Our summer internship program also provides college students with exposure to our industry and business whether it be through hands-on work at store locations or interacting with corporate departments at our headquarters. This internship program has proved highly successful with over half of our interns returning for a full-time position. Our interns provide valuable work and new perspectives, and we will continue to rely on this program to create connections and fill company positions.

Diesel technicians are vital to our promise to provide timely service to our customers. We are developing a technician apprenticeship program aimed at employees who are seeking to re-enter the workforce or make a career change. Our program will focus on skills development through on the job training and mentorship rather than through a traditional educational setting.

We are proud of our support of the armed forces, and we actively look to the armed forces for opportunities to hire hard-working, responsible veterans. We have created relationships with branches of the armed forces to learn about retiree and veteran skill sets as well as the best recruitment methods for engaging these individuals. In 2022 members of our Human Resources team attended training on finding, engaging, hiring, and retaining individuals in the armed forces community. The team also attended numerous hiring events specifically aimed at the armed forces talent pool. We believe armed forces retirees and veterans are an excellent fit for our industry and our commitment to customer service.



PRODUCTS *and Services*

We proudly partner with CNH Industrial, a leading worldwide manufacturer of agricultural and construction equipment that has been at the forefront of sustainable product innovation and development. In 2022, CNH Industrial was included for the 12th consecutive year in the Dow Jones Sustainability Indices (DJSI) World and Europe, achieving the highest score (87/100) in the Machinery and Electrical Equipment Industry, and in scoring the top 1% of over 7,800 companies assessed by the S&P Global Corporate Sustainability Assessment. A link to CNH Industrial sustainability information and reports can be found at: <https://www.cnhindustrial.com/en-us/sustainability>. Working together, Titan Machinery and CNH Industrial provide farmers and contractors with new products and technologies that promote sustainability by providing greater levels of productivity while utilizing fewer inputs.

Improving equipment performance (in terms of optimizing fuel consumption, energy efficiency, durability, and length of intervals between maintenance cycles) helps reduce a product's environmental impact. CNH Industrial promotes the creation of more eco-friendly equipment during the design phase by:

- Reducing CO2 and other polluting emissions
- Selecting components that have a lower environmental footprint, are easy to dismantle and can be remanufactured
- Eliminating the presence of regulated substances
- Aiming at greater efficiency during use
- Increasing intervals between maintenance cycles, and
- Reducing noise emissions

The CNH Industrial products that we currently sell to our customers offer advanced levels of precision farming and digital solutions – optimizing crop production cycles and producing more food while creating the optimal balance between soil, water, nutrients and chemicals, using the right amount of seed, and tending the land no more than is necessary, without waste. This has a significant positive impact on the environment by eliminating overlap, reducing inputs, and minimizing fertilizer and chemical run-off.

CNH Industrial's precision technology provides customers with real-time connection to their equipment through online digital portals. Customers can access this data remotely and share it with their trusted partners, including agronomists and bankers, to make better informed decisions about their operations. In addition to providing real-time data to growers and agronomists, machine connectivity allows our service managers and technicians to monitor equipment and access fault codes remotely, saving time and reducing the number of trips needed to diagnose and repair equipment in the field or on the jobsite.

Innovative new technologies available on today's equipment allow farmers to harness the power of sensors and controllers on their equipment to use real-time data to provide feedback to the operator to adjust the operation and settings to optimize performance. Examples include Case IH's Soil Command, which uses sensors mounted on the tillage implement to provide instant feedback to the monitor in the cab alerting the operator when the seedbed begins losing smoothness during the final tillage pass before planting, allowing adjustments to be made to optimize for a smooth, uniform seedbed. A smooth seedbed leads to better seed placement which results in more even emergence, and ultimately translates into higher yield potential.

Case IH Harvest Command harnesses the power of sensors and real-time data to optimize the performance of Case IH Axial-Flow combine-harvesters to reduce harvest loss and wasted fuel. Harvest Command allows operators to set the combine to optimize efficiency based on crop throughput or grain quality. Once the mode is set, the Harvest Command software automatically adjusts the controls and settings on the harvester to optimize for that mode without any input or action from the operator needed to account for changing crop or field conditions. This technology reduces fuel usage and mitigates operator fatigue while increasing productivity.

In the construction segment, Case Construction offers telematics software that provides measurable actionable data (including fleet location, performance, and fuel consumption) for better



fleet management. By tracking each vehicle and measuring its performance, factors impeding machine productivity can be detected and corrected immediately to improve overall performance. For example, fleet managers can identify machines being used for unsuitable tasks or consuming too much fuel, and therefore optimize equipment deployment, which reduces fuel consumption and air emissions.

Case Construction has partnered with Leica to provide factory installed and aftermarket availability of Leica control and measurement systems that greatly reduce waste and inefficiency at the job site. We are an early partner with CNH Industrial in bringing this equipment to market, piloting the new technologies, and ensuring that expected value is delivered and that customers are taking full advantage of the powerful analytic and control tools available to them.

Additional machine technologies available from CNH Industrial which have a significant impact on efficient machine operation and use of resources include Precision Planting and Raven Industries – acquired by CNH Industrial in 2021. CNH Industrial has used products from these partnerships and acquisitions to enhance its equipment with advanced technologies that enable precise control of the quantity and placement of fertilizers, herbicides and insecticides thereby reducing environmental impacts of over-application and misapplication. The factory fit hardware, software, and data connections are the foundation for precision agronomy and construction techniques utilizing prescriptive and remote equipment management.

The FPT engines that power CNH Industrial machines produce more horsepower with significantly lower emissions through Selective Catalytic Reduction (SCR) technology and extended service intervals. The recently introduced Case 580 EV “Zeus” backhoe is the construction industry’s first fully electric-powered backhoe, offering 90% lower cost of operation, lower jobsite noise, lower daily and lifetime operating costs, reduced maintenance demands and zero jobsite emissions when compared to traditional diesel versions. In a quest to provide low-emission alternative propulsion solutions, Case Construction also is pioneering a methane-powered wheel loader.

We play a key role in helping educate our customers on the benefits of adopting sustainable technology on their equipment. As these technologies and others like it are developed and rolled out to the industry by CNH Industrial, we stand ready as a trusted partner to provide the customer product expertise and service necessary to successfully launch and support the adoption of these cleaner, more efficient equipment technologies.

OPERATIONS

GHG Emissions

While our focus is helping our customers achieve greater productivity with fewer inputs, we recognize that our operations generate greenhouse gases (GHG) which contribute to the global challenge of climate change.

As a responsible stakeholder in the future of our planet, we continue to take steps to mitigate and reduce the amount of GHG that we produce in our day-to-day operations. We continuously challenge our architects and contractors to make our facilities employee and environmentally friendly.

Many of our facilities have reduced their use of conventional energy sources by utilizing “waste oil” generated from servicing our vehicles and our customer’s vehicles as a winter heat source. The “second use” of these petroleum-based products effectively eliminates a potential pollutant while also reducing consumption of new energy and disposal risks. Our service shops utilize highly efficient water-cooling systems that require a fraction of the energy needed for conventional air conditioning systems with no environmental risks. Energy conservation and overall efficiency are hallmarks of all the facilities we have built, from optimizing insulation installation to upgrading windows and doors to reduce the amount of energy necessary to heat and cool our facilities.

Our direct GHG emissions result primarily from heating some facilities with natural gas and the fuel consumed by our fleet of nearly 1,000 vehicles. As we modernize existing locations and acquire new locations, our next step will be to evaluate GHG emissions across our corporate footprint and to explore





more efficient energy systems. In the meantime, we continue to reinforce energy conservation with our local teams, ranging from replacing incandescent with LED lighting to eco-friendly temperature control.

As portions of our rolling fleet of pickups and services trucks turn over each year, we are also replacing those vehicles with updated fuel-efficient and reduced-emission models while continuing to optimize our delivery logistics. We will continue to explore the use of electric vehicles in our corporate footprint, as the technology and charging capabilities become more practical for our rural and oftentimes cold environments.

Environmental Practices

As part of our standard environmental safety procedures, we conduct internal audits to assess spill risks, adhere to a standard Spill Prevention, Control, and Countermeasure (SPCC) Plan, and conduct training on oil spill prevention and used oil management practices at all locations. We also check our wash bays for wastewater runoff to ensure that oil, dirt and any other contaminants are being properly removed prior to returning to local water systems. We continue to partner across our corporate footprint with an internationally recognized environmental recycling and disposal company - to increase our awareness and understanding of environmental impacts and risks, and to ensure we are following all requirements for handling and disposal of potentially harmful waste items.

Climate Related Risks

We have engaged in a materiality assessment of climate related risks that could adversely affect our business. We have divided these risks into two major categories:

Transition Risks: risks related to the transition to a low-carbon economy, which may entail extensive policy, legal, technology, and market changes.

We will continue to collaborate with our suppliers and customers to address the societal and regulatory issues that become relevant to our customers. We believe that there will be opportunities to work with our partners in developing solutions, including the offering of services and products that are good for our business.

Physical Risks: risks related to the physical impacts of climate change, driven by extreme weather events, such as floods, droughts, derechos, as well as chronic longer-term shifts, such as temperature increases, that could impact our markets.

We will continue to be a trusted partner supporting our customers in responses to these weather-related challenges. We will fully support federal policy that provides safety net protections for our agricultural customers, in response to these natural disasters.

Supply Chain Practices

Over 80% of our products sold are purchased from CNH Industrial. CNH Industrial is committed to high standards of ethical and business conduct, as well as the protection and advancement of human rights in its global operations and supply chain. Moving forward, we will consider whether to implement a Supplier Code of Conduct for our primary suppliers.

Community ENGAGEMENT

We are committed to being a good neighbor and supporting the communities where we are located. We encourage our employees to share the same commitment, and we assist them in this mission by offering 16 hours of paid volunteer time each year to support charities and community service projects. We also employ many individuals who are active volunteers in their local fire departments or first responder programs. Our volunteer policy provides each employee with 24 hours of paid time off each year for these important community volunteer roles. In 2022, our employees spent over 400 hours volunteering in these community service activities, and additionally, nearly 500 hours of our employees' time and talents were given in support of local, regional, and national charitable organizations such as food banks, blood donations, United Way, and Habitat for Humanity.

We believe that our strongest contribution to the communities in which we operate involves our partnership with the local farmers and contractors, and our contributions to the local economies. The agricultural industry is oftentimes the lifeline of the rural economy. Our products and services are critical to both the industry and the rural communities. In addition, we benefit the

communities in which we operate by construction of local facilities, providing jobs for local citizens, and participating in local community fundraising events.

GOOD CORPORATE *Governance*

Our Board of Directors has adopted a governance structure that ensures sound decision-making, protects the interests of all stakeholders (stockholders, employees, suppliers, communities, and customers), and promotes an environment of trust and accountability necessary for fostering long-term investment, financial stability and business integrity. We are committed to maintaining robust corporate governance practices and will evaluate these practices going forward on a regular basis. Our Principles of Corporate Governance can be found on our website at www.titanmachinery.com.

Board Make-Up

We value diversity among our Board members. We believe that a Board comprised of directors with diverse backgrounds, independence, unique skill sets and experiences, and individual perspectives and attributes improves the discussions and decision-making process, which contributes to overall Board effectiveness.



Board's Oversight of Risk Management

We believe that a structured, conscientious approach to risk management is a top priority for our Company. Our Board, both directly and through its committees, reviews and oversees our Enterprise Risk Management program, which is an enterprise-wide program designed to identify critical enterprise risks and to develop mitigation plans to manage those risks.

Data Privacy and Information Security

Titan's cybersecurity strategy prioritizes detection, analysis and response to known, anticipated or unexpected cyber threats. We continuously strive to exceed industry best practices and implement risk-based controls to protect our customers', partners', and employees' information.

Compliant and Ethical Business

Our employees are guided by our corporate core values of: "Our People",

"Integrity", "Excellence", and "Teamwork." We promote these values from the top down. In every business decision and transaction, we endeavor to do the right thing – and we expect our employees and business partners to share in this effort. This means conducting business with integrity, while complying with all laws, rules and standards of conduct that apply to us in the many countries where we do business.

We promote our commitment to ethics and compliance among our global workforce through our Code of Ethics and Business Conduct and related training programs. We are committed to an open and accountable workplace and provide avenues for employees to proactively speak up to report concerns.

Our Code of Ethics and Business Conduct applies to all employees, directors, consultants and officers, including the principal executive officer, principal financial officer, principal accounting officer and controller. The Code of Ethics and Business Conduct addresses such topics as protection and proper use of our assets, compliance with applicable laws and regulations, accuracy and preservation of records, accounting and financial reporting, conflicts of interest and insider trading. The Code of Ethics and Business Conduct is available under "Corporate Governance" on the "Investor Relations" page of our website at www.titanmachinery.com.

In our foreign jurisdictions, we have implemented anti-corruption policies. We regularly train our employees on these policies and expect their full compliance.

In fiscal year 2024 we look forward to further developing our sustainable growth initiatives and seeking to identify new sustainability opportunities. We continue our commitment to creating long-term value for our stakeholders without compromising people, the environment, and good corporate governance.