Dear AEM Members,

There is no question 2020 was a year unlike any other. We started off with a very successful CONEXPO-CON/AGG & IFPE in March, lived and led through times of uncertainty due the COVID-19 pandemic, saw racial tensions rise and bring forth change, elected a president and much, much more.

I'm proud to say AEM proactively approached all of the challenges our industry faced in 2020 and responded by delivering services to support equipment manufacturers in a time of great need.

We also realigned our goals and priorities in an effort to position AEM to be successful in 2021 and beyond by shifting the three-year implementation of our Strategic Plan (2020-2022) to four years (2020-2023).

So with all that in mind, take a look through this AEM Annual Report to review the notable happenings and actions taken on behalf of AEM member companies by staff and member volunteers. In doing so, we can celebrate past successes and achievements and look forward to "The Next Chapter" for our Association and our industry.

In summary, I want to sincerely thank the Association staff, board members, committee participants and other AEM representatives for their achievements and efforts in serving our members and the equipment manufacturing industry in this trying year. I greatly appreciate all of your support during my time as AEM Chair.

Sincerely,
Jeff Reed
2020 AEM Chair
President/CEO
VSS Macropaver/Reed International

2020-2023 AEM GOALS

As part of the AEM 4-year strategic plan, the AEM Board identified four goals that highlight the plan’s most significant priorities.

AEM Strategic Plan

**BUILD POSITIVE PUBLIC PERCEPTION OF OUR INDUSTRIES**

AEM will support our members in telling our industry’s stories to raise public awareness of the contributions and innovative solutions that contribute to health, quality of life, economic growth, employment and a cleaner environment.

**ACCELERATE INDUSTRY GROWTH**

AEM will foster innovation and economic growth and attract top talent so our members can contribute the equipment and technologies to build the most advanced infrastructure and farming systems.

**SUPPORT & EMPOWER MEMBER COMPANY DECISION-MAKING**

Through market data and intelligence, thought leadership and original research, AEM will enable member companies to adapt and prepare for the future, make highly informed business decisions and catalyze growth.

**FACILITATE MEMBERS’ CUSTOMER-FACING EFFORTS**

With a focus on enhancing customer connections, AEM will support members’ efforts to increase sales, meet customer needs and expectations, and promote safe and efficient operation practices.
Dear AEM Members,

As we look ahead to this year and beyond, we are committed to building upon past accomplishments and executing a Strategic Plan that will ensure the long-term future of the Association and guide the work we do to support our members, our industry and the customers they serve.

AEM will continue to use its strong voice to support and advocate on behalf of our members and our industry. In addition, AEM will continue to exercise our leadership role in the industry to act as a unifying force on issues important to all of us.

On behalf of our Association, I want to thank our 2020 Chair Jeff Reed. 2020 wasn’t the kind of year Jeff signed up for, but he handled it with the same commitment and engagement he always exhibited to lead us to a successful and gratifying year.

I also want to thank our AEM Board of Directors, our hardworking and talented staff, our member company volunteers and the support of our entire membership, all of whom have helped us work through the challenges we faced in 2020 and have positioned our Association for a bright future.

As always, thank you for your support.

Sincerely,

Dennis Slater
AEM President

VOLUNTEER LEADERSHIP

Representatives who serve in AEM leadership roles help ensure Association programs meet member and industry needs. Improving the diversity and inclusion among our volunteer leadership is a top priority, and the Association is committed to engaging volunteers in available opportunities.

AEM BOARD OF DIRECTORS

AEM CHAIR
Steven Berglund, Trimble Inc.

AEM VICE CHAIR
Robert Crane, AGCO Corp.

Jason Andringa, Vermeer Corp.

Ted Bojanowski, Parker Hannifin Corp.

John Garrison, Terex Corp.

David Gilmore, Deere & Co.

Grant Godbersen, GOMACO Corp.

AG SECTOR BOARD

AG CHAIR, Todd Stucke, Kubota Tractor Corp.

AG VICE CHAIR
Bill Hurley, AGCO Corp.

Grant Adolph, Buhler Industries Inc.

Kim Boccardi, Titan International, Inc.

Mark Core, Vermeer Corp.

Fernando Cucciolli, DeLaval Inc.

CE SECTOR BOARD

CE CHAIR, Rod Schrader, Komatsu America Corp.

CE VICE CHAIR, Stephen Roy, Volvo Construction Equipment

Brian Bieller, Dynapac North America LLC

Otto Breitschwert, Caterpillar Inc.

Susanne Cobey, Eagle Crusher Co., Inc.

Angie Drake, The Toro Company

Mary Eholtz, Superior Industries, Inc.

Anthony Fassino, Caterpillar Inc.

John Grote, Grote Industries, Inc.

Willie Harbert, Eaton

David Hughes, McElroy Manufacturing, Inc.

Robert Mortensen, Husco

Frank Nerenhausen, LLC Industries, Inc.

AG 2021 OFFICERS

AG CHAIR, Todd Stucke, Sr. VP Marketing, Product Support & Strategic Projects, Kubota Tractor Corp.

CE CHAIR, Rod Schrader, Chairman & CEO, Komatsu America Corp.

TREASURER, Linda Hasenfratz, CEO, Linamar Corp.

SECRETARY, Dennis Slater, President, AEM

2020 ANNUAL REPORT
GOAL: BUILD POSITIVE PUBLIC PERCEPTION OF OUR INDUSTRIES

Communications – PR – Public Affairs

- Told the story of our industry and highlighted member companies
- Issued nearly 125 media statements and press releases
- Provided daily updates and critical resources to help member companies keep employees healthy and on the job
- Assisted member companies with COVID-19 relief
- Grew the AEM Industry Advisor newsletter to more than 9,000 subscribers
- Highlighted stories about the issues that impact 2.8 million men and women of our industry
- Generated nearly 24,000 media mentions for AEM and our trade shows
- Secured 500+ earned media articles and opinion editorials
- Launched a national media campaign to dispel myths about “right to repair”
Federal and State Advocacy
- Advocated to make sure equipment manufacturers, suppliers and distributors were designated as “essential businesses”
- Mobilized support for U.S.-Mexico-Canada Agreement
- Scored a one-year extension of the FAST Act
- Helped secure the Paycheck Protection Program and the Main Street Lending Program
- Advocated for the removal of tariffs
- Defeated all 13 “right to repair” bills
- Advanced the industry’s policy agency by working with state lawmakers
- Held the virtual 2020 AEM Washington Fly-in, where 36 member company leaders met with 50 lawmakers

Grassroots Advocacy
- Mobilized 40,000 / Make America supporters around pro-manufacturing policies
- Recruited 14,000 new grassroots supporters at CONEXPO-CON/AGG 2020
- Launched our first national get-out-the-vote campaign — Equipped to Vote

Workforce Solutions
- Hosted first Workforce Solutions Summit – 80 participants and six sessions on topics including winning the war for talent, recruiting veterans, engaging and retaining employees, and more
- Launched a three-year Strategic Plan for Workforce Solutions initiatives
GOAL: SUPPORT AND EMPOWER MEMBER COMPANY DECISION-MAKING

Business Intelligence
• Supported our Hargrove business to develop a best-in-class data processing platform
• Offered market intelligence reports to member companies
  • Quarterly CE Industry Conditions Trends Report
  • Quarterly Ag Equipment Industry Conditions Trends Report
  • Biannual Ag Barometer
  • U.S. Construction Machinery Outlook Report
  • U.S. Agricultural Machinery Outlook Report
  • Machinery Outlook Webinar
  • ITR Leading Indicator Program

Education & Events
• Launched a successful webinar series to help member companies manage the COVID-19 crisis
• Transitioned face-to-face AEM events to successful digital events
  • Product Safety & Compliance and Liability Seminars
  • Statistics Conference
  • Thinking Forward Thought Leadership Series
  • Workforce Solutions Summit
  • Webinars in response to COVID-19
  • Annual Conference, the Digital Edition

Safety and Product Leadership
• Awarded a grant from the U.S. Department of Commerce to build the foundations of a new China monitoring and engagement program
• Awarded the 2020 Davidson Prize to John Deere, Smart Guided Systems and Agricultural Industry Electronics Foundation with our partner American Society of Agricultural and Biological Engineers
• Achieved major milestone in EAP SNAP approval process for use of R-1234yf refrigerant in off-road mobile machinery

200+ UNIQUE PRODUCT PROGRAMS

Market Share Statistics
• Managed over 202 unique AEM North American product programs
• Grew the Latin America Region product program to 22 for agriculture and 10 for construction
CONEXPO-CON/AGG & IFPE
• Brought a record number of exhibitors and attendees
• Introduced a new connected campus and expanded show footprint, including the Festival Grounds
• Partnered with women in construction groups and unveiled the world’s largest 3-D printed statue honoring the role women play in the industry
• Showcased a new Workforce Solutions area
• Focused on modern mobility, sustainability, and smart cities in the CONEXPO-CON/AGG Tech Experience
• Hosted the first-ever Fluid Power Hour for IFPE

GOAL: FACILITATE MEMBERS’ CUSTOMER-FACING EFFORTS

The Utility Expo
• Launched The Utility Expo -- a new brand name for ICUEE, The Demo Expo
• Introduced The Utility Expo newsletter to deliver content to utility contractors

Exhibitions Strategic Task Force
Implemented a task force to identify a 10-year strategic vision for delivering first-class exhibitions

Commodity Classic
Served as official show partner representing equipment manufacturers at Commodity Classic 2020 in San Antonio
MEMBERSHIP & AEM OPERATIONS

- Welcomed 90 new members in 2020
- Introduced Account Success Advisors
- Adjusted office operations in the face of COVID-19 to keep employees safe
- Extended our Strategic Plan through 2023
- Completed the Milwaukee office reconstruction
- Named a top workplace in Southeastern Wisconsin by the Milwaukee Journal Sentinel

MEMBER AWARDS AND RECOGNITIONS

AEM members are honored each year for their commitment to the Association and support for the industry.

MILESTONE MEMBERS
In 2020, 11 companies were recognized for their “milestone member” status:

- **AEM 50-Year Members:**
  - Custom Products of Litchfield
  - Kubota Tractor Corporation
  - Parker Hannifin Corporation
  - The Toro Company

- **AEM 25-Year Members:**
  - Diamond Vogel Paint
  - INDECO North America
  - Sakai America Inc.
  - Sears Seating

ADVOCATES AWARDS
Twenty-eight member companies received the AEM Advocates Program Gold award for achieving the highest level of participation in grassroots mobilization and outreach. Two companies received the Advocates Program’s highest honor, the Pillar of the Industry award, for reaching Gold status for five straight years.

**2020 Pillar of the Industry Award Winners**
- AGCO Corporation
- Custom Products of Litchfield, Inc.

**2020 Gold Award Winners**
- Asphalt Drum Mixers, Inc.
- Astec Industries, Inc.
- Blount International, Inc.
- Caterpillar, Inc.
- Cemen Tech, Inc.
- CLAAS of America, Inc.
- CNH Industrial America, LLC
- Deere & Company
- Doosan Bobcat, Inc.
- Dynapac North American, LLC
- General Kinematics Corporation
- Gradall Industries, Inc.
- JLG Industries, Inc.
- Komatsu America Corporation
- Kordex Corporation
- Morbark, LLC
- Power Curbers Companies, LLC
- Stellar Industries, Inc.
- Sullair, LLC
- Superior Industries, Inc.
- Terex Corporation
- Two Rivers Marketing
- Vermeer Corporation
- Volvo Construction Equipment North America, LLC
- VT Leeboy, Inc.
- Weiler

AEM HALL OF FAME
Hall of Fame inductees are recognized for the inventions, ideas, leadership and courage they have contributed to the industry and our community’s quality of life. In 2020, AEM inducted:

- **Art Moore**
  - Founder, Snorkel Lifts

- **Ray and Koop Ferwerda**
  - Inventors, Gradall excavator
<table>
<thead>
<tr>
<th>2020 FINANCIALS AT A GLANCE</th>
<th>2021 BUDGET AT A GLANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>$73.7m IN FORECASTED NET OPERATING REVENUE</td>
<td>$39.5m IN OPERATING REVENUE</td>
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<tr>
<td>$70m IN FORECASTED OPERATING EXPENSES</td>
<td>$39.3m IN OPERATING EXPENSES</td>
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<tr>
<td>$3.7m IN FORECASTED NET OPERATING INCOME</td>
<td>$200k IN NET OPERATING INCOME</td>
</tr>
</tbody>
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Full-year 2020 financial results will be provided to members in March of 2021.

**WHAT’S NEXT: KEY DATES IN 2021**

Stay in the know on all dates in 2021
Visit our events page at aem.org/events and check in with your dedicated Account Success Advisor for the most up-to-date event details.

**SPRING**
- World of Asphalt & AGG1 2022 Priority Status space application deadline
  - March 1, 2021
- 2021 SPECIAL EDITION of Commodity Classic
  - March 2-5, 2021
  - Digital Trade Show
- World of Asphalt People, Plants and Paving Digital Conference
  - March 9-11, 2021
- AEM Washington Fly-in
  - March 11, 2021
  - Virtual Event
- bauma CONEXPO INDIA
  - April 20-23, 2021
  - Greater Noida, Delhi
- Business Intelligence Quarterly Manufacturing Outlook Webinar
  - April 29, 2021
  - Virtual Event
- CONEXPO-CON/AGG & IFPE 2023 Exhibit Space Sales Opening
  - May 5, 2021

**SUMMER**
- Business Intelligence Quarterly Manufacturing Outlook Webinar
  - July 29, 2021
  - Virtual Event
- Workforce Solutions Summit
  - August 19, 2021
  - Virtual Event
- Product Safety & Compliance and Liability Seminars
  - Dates TBD
  - Virtual Event
- AEM Washington Fly-in
  - September 20-21, 2021
  - Washington, DC
- Annual Statistics Conference
  - September 20-24, 2021
- The Utility Expo
  - September 28-30, 2021
  - Louisville, KY
- bauma CONEXPO AFRICA
  - October 13-16, 2021
  - Johannesburg, South Africa
- Business Intelligence Quarterly Manufacturing Outlook Webinar
  - October 28, 2021
  - Virtual Event
- AEM Annual Conference
  - November 10-12, 2021
  - Phoenix, AZ

*Event dates are subject to change