

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549



FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **March 31, 2023**

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: **001-14845**

TRIMBLE INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

94-2802192
(I.R.S. Employer Identification Number)

10368 Westmoor Drive, Westminster, CO 80021
(Address of principal executive offices) (Zip Code)

(720) 887-6100
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definition of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	TRMB	NASDAQ Global Select Market

As of April 28, 2023, there were 247,746,800 shares of Common Stock, par value \$0.001 per share, outstanding.

SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are subject to the “safe harbor” created by those sections. These statements include, among other things:

- potential weakness and uncertainties in the US and global macroeconomic outlook, including slowing growth, inflationary pressures, and increases in interest rates, which may affect demand for our products and services and adversely affect our results of operations;
- potential impact of volatility and conflict in the political and economic environment, including the ongoing military conflict between Russia and Ukraine and related sanctions and the direct and indirect impact on our business;
- the pace at which our dealers work through their inventories;
- our expectation that inventory levels will normalize as the impact of dealer inventories moving towards lower levels due to improved product lead times and macroeconomic concerns stabilize;
- our belief that inflationary cost pressures will diminish over time as supply chain conditions continue to normalize;
- fluctuations in foreign currency exchange rates;
- seasonal fluctuations in our hardware revenue, sales to U.S. governmental agencies, longer ordering, lead times and less flexibility to adapt to changes in product mix demand, and expectations that we will experience less seasonality in the future;
- the portion of our revenue expected to come from sales to customers located in countries outside of the U.S.;
- our plans to continue to invest in research and development to actively develop and introduce new products and to deliver targeted solutions to the markets we serve;
- a continued shift in revenue towards a more significant mix of software and recurring revenue, including subscription, maintenance and support, and services revenue;
- our belief that increases in recurring revenue, including from our software and subscription solutions, will provide us with enhanced business visibility over time;
- our growth strategy, including our focus on historically underserved large markets, the relative importance of organic growth versus strategic acquisitions, and the reasons that we acquire businesses;
- any anticipated benefits to us from our acquisitions, including the Transporeon acquisition, and our ability to successfully integrate the acquired businesses;
- the impact of indebtedness we incurred in connection with the acquisition of Transporeon on our results of operations and financial condition;
- our belief that our cash and cash equivalents, together with borrowings under the commitments for our credit facilities and senior notes, will be sufficient in the foreseeable future to meet our anticipated operating cash needs, debt service, and planned capital expenditures;
- our belief that our gross unrecognized tax benefits will not materially change in the next twelve months;
- our discretion to conduct, suspend, or discontinue our stock repurchase program subject to the discretion of our management; and
- our commitments to environmental, social, and governance matters.

The forward-looking statements regarding future events and the future results of Trimble Inc. (“the Company” or “we” or “our” or “us”) are based on current expectations, estimates, forecasts, and projections about the industries in which we operate, and the beliefs and assumptions of our management. Discussions containing such forward-looking statements may be found in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section of this report. In some cases, forward-looking statements can be identified by terminology such as “may,” “will,” “should,” “could,” “predicts,” “potential,” “continue,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates,” and similar expressions. These forward-looking statements involve certain risks and uncertainties that could cause actual results, levels of activity, performance, achievements, and events to differ materially from those implied by such forward-looking statements, including but not limited to those discussed in this report under the section entitled “Risk Factors” and elsewhere, and in other reports we file with the Securities and Exchange Commission (“SEC”), specifically the most recent Form 10-K for 2022 (the “2022 Form 10-K”) and in other reports we file with the SEC, each as it may be amended from time to time. These forward-looking statements are made as of the date of this report. We reserve the right to update these forward-looking statements for any reason, including the occurrence of material events, but assume no duty to update these statements to reflect subsequent events.

TRIMBLE INC.
FORM 10-Q for the Quarter Ended March 31, 2023

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PART I – FINANCIAL INFORMATION

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TRIMBLE INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	As of First Quarter of 2023	As of Year End 2022
<i>(In millions, except par value)</i>		
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,038.1	\$ 271.0
Accounts receivable, net	578.8	643.3
Inventories	409.4	402.5
Other current assets	212.6	201.4
Total current assets	2,238.9	1,518.2
Property and equipment, net	215.1	219.0
Operating lease right-of-use assets	113.2	121.2
Goodwill	4,176.6	4,137.9
Other purchased intangible assets, net	484.3	498.1
Deferred income tax assets	432.4	438.4
Other non-current assets	352.4	336.2
Total assets	\$ 8,012.9	\$ 7,269.0
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$ 300.0	\$ 300.0
Accounts payable	166.5	175.5
Accrued compensation and benefits	130.8	159.4
Deferred revenue	659.3	639.1
Other current liabilities	224.3	188.1
Total current liabilities	1,480.9	1,462.1
Long-term debt	1,786.9	1,220.0
Deferred revenue, non-current	101.5	98.5
Deferred income tax liabilities	119.9	157.8
Income taxes payable	40.9	40.9
Operating lease liabilities	99.6	105.1
Other non-current liabilities	138.0	134.4
Total liabilities	3,767.7	3,218.8
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Preferred stock, \$0.001 par value; 3.0 shares authorized; none issued and outstanding	—	—
Common stock, \$0.001 par value; 360.0 shares authorized; 247.4 and 246.9 shares issued and outstanding at the end of the first quarter of 2023 and year end 2022	0.2	0.2
Additional paid-in-capital	2,107.5	2,054.9
Retained earnings	2,355.9	2,230.0
Accumulated other comprehensive loss	(218.4)	(234.9)
Total stockholders' equity	4,245.2	4,050.2
Total liabilities and stockholders' equity	\$ 8,012.9	\$ 7,269.0

See accompanying Notes to the Condensed Consolidated Financial Statements.

TRIMBLE INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

<i>(In millions, except per share amounts)</i>	First Quarter of	
	2023	2022
Revenue:		
Product	\$ 434.4	\$ 566.8
Subscription and services	481.0	426.9
Total revenue	915.4	993.7
Cost of sales:		
Product	216.2	306.9
Subscription and services	115.4	114.7
Amortization of purchased intangible assets	23.0	22.5
Total cost of sales	354.6	444.1
Gross margin	560.8	549.6
Operating expense:		
Research and development	159.3	140.3
Sales and marketing	135.4	131.9
General and administrative	110.7	101.5
Restructuring	6.7	6.9
Amortization of purchased intangible assets	11.7	12.1
Total operating expense	423.8	392.7
Operating income	137.0	156.9
Non-operating income (expense), net:		
Interest expense, net	(19.7)	(16.0)
Income from equity method investments, net	11.4	9.7
Other income (expense), net	31.9	(12.1)
Total non-operating income (expense), net	23.6	(18.4)
Income before taxes	160.6	138.5
Income tax provision	31.8	28.2
Net income	\$ 128.8	\$ 110.3
Earnings per share:		
Basic	\$ 0.52	\$ 0.44
Diluted	\$ 0.52	\$ 0.44
Shares used in calculating earnings per share:		
Basic	247.2	250.8
Diluted	248.7	252.8

See accompanying Notes to the Condensed Consolidated Financial Statements.

TRIMBLE INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

	First Quarter of	
	2023	2022
<i>(In millions)</i>		
Net income	\$ 128.8	\$ 110.3
Foreign currency translation adjustments, net of tax	19.7	(2.2)
Net change related to derivatives and other, net of tax	(3.2)	—
Comprehensive income	<u>\$ 145.3</u>	<u>\$ 108.1</u>

See accompanying Notes to the Condensed Consolidated Financial Statements.

TRIMBLE INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)

	Common stock			Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount	Additional Paid-In Capital			
<i>(In millions)</i>						
Balance at the end of 2022	246.9	\$ 0.2	\$ 2,054.9	\$ 2,230.0	\$ (234.9)	\$ 4,050.2
Net income	—	—	—	128.8	—	128.8
Other comprehensive income	—	—	—	—	16.5	16.5
Issuance of common stock under employee plans, net of tax withholdings	0.5	—	16.9	(2.9)	—	14.0
Stock-based compensation	—	—	35.7	—	—	35.7
Balance at the end of the first quarter of 2023	247.4	\$ 0.2	\$ 2,107.5	\$ 2,355.9	\$ (218.4)	\$ 4,245.2

	Common stock			Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount	Additional Paid-In Capital			
<i>(In millions)</i>						
Balance at the end of 2021	250.9	\$ 0.3	\$ 1,935.6	\$ 2,170.5	\$ (161.7)	\$ 3,944.7
Net income	—	—	—	110.3	—	110.3
Other comprehensive loss	—	—	—	—	(2.2)	(2.2)
Issuance of common stock under employee plans, net of tax withholdings	0.7	—	15.2	(17.6)	—	(2.4)
Stock repurchases	(1.5)	—	(11.8)	(92.9)	—	(104.7)
Stock-based compensation	—	—	42.2	—	—	42.2
Balance at the end of the first quarter of 2022	250.1	\$ 0.3	\$ 1,981.2	\$ 2,170.3	\$ (163.9)	\$ 3,987.9

See accompanying Notes to the Condensed Consolidated Financial Statements.

TRIMBLE INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(In millions)	First Quarter of	
	2023	2022
Cash flow from operating activities:		
Net income	\$ 128.8	\$ 110.3
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	9.8	10.0
Amortization expense	34.7	34.6
Deferred income taxes	(33.8)	(16.8)
Stock-based compensation	33.5	28.3
Change in fair value of derivatives	(26.9)	(0.1)
Other, net	(0.9)	16.8
(Increase) decrease in assets:		
Accounts receivable, net	62.1	(34.6)
Inventories	(11.1)	(42.7)
Other current and non-current assets	(6.2)	(14.6)
Increase (decrease) in liabilities:		
Accounts payable	(9.1)	7.8
Accrued compensation and benefits	(26.5)	(75.6)
Deferred revenue	19.5	73.3
Other current and non-current liabilities	34.8	56.3
Net cash provided by operating activities	<u>208.7</u>	<u>153.0</u>
Cash flow from investing activities:		
Acquisitions of businesses, net of cash acquired	(33.3)	—
Purchases of property and equipment	(6.4)	(14.5)
Other, net	12.0	1.1
Net cash used in investing activities	<u>(27.7)</u>	<u>(13.4)</u>
Cash flow from financing activities:		
Issuance of common stock, net of tax withholdings	14.0	(2.4)
Repurchases of common stock	—	(104.7)
Proceeds from debt and revolving credit lines	1,097.1	118.8
Payments on debt and revolving credit lines	(523.4)	(118.8)
Other, net	(4.3)	(2.6)
Net cash provided by (used in) financing activities	<u>583.4</u>	<u>(109.7)</u>
Effect of exchange rate changes on cash and cash equivalents	2.7	1.6
Net increase in cash and cash equivalents	767.1	31.5
Cash and cash equivalents - beginning of period	271.0	325.7
Cash and cash equivalents - end of period	<u>\$ 1,038.1</u>	<u>\$ 357.2</u>

See accompanying Notes to the Condensed Consolidated Financial Statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1. OVERVIEW AND ACCOUNTING POLICIES

Basis of Presentation

The Condensed Consolidated Financial Statements include our results of our consolidated subsidiaries. Intercompany accounts and transactions have been eliminated.

We use a 52- to 53-week year ending on the Friday nearest to December 31. Both 2023 and 2022 are 52-week years. The first quarter of 2023 and 2022 ended on March 31, 2023 and April 1, 2022. Unless otherwise stated, all dates refer to these periods.

Use of Estimates

We prepared our interim Condensed Consolidated Financial Statements that accompany these notes in conformity with U.S. GAAP, consistent in all material respects with those applied in our Form 10-K filed with the U.S. Securities and Exchange Commission on February 17, 2023 (the “2022 Form 10-K”).

The interim financial information is unaudited, and reflects all normal adjustments that are, in our opinion, necessary to provide a fair statement of results for the interim periods presented. This report should be read in conjunction with our 2022 Form 10-K that includes additional information about our significant accounting policies and the methods and assumptions used in our estimates.

The preparation of financial statements in accordance with U.S. generally accepted accounting principles (“GAAP”) requires us to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates and assumptions are used for revenue recognition, including determining the nature and timing of satisfaction of performance obligations and determining standalone selling price (“SSP”) of performance obligations, provision for credit losses, sales returns reserve, inventory valuation, warranty costs, investments, acquired intangibles, goodwill and intangible asset impairment analysis, other long-lived asset impairment analysis, stock-based compensation, and income taxes. We base our estimates on historical experience and various other assumptions we believe to be reasonable. Actual results that we experience may differ materially from our estimates.

Change in Presentation

During the first quarter of 2023, we changed the presentation of revenue and cost of sales in the Condensed Consolidated Statements of Income. This change was made to better reflect our Connect and Scale strategy and business model evolution with a continued shift toward a more significant mix of recurring revenues, which includes subscription, maintenance and support, and term licenses. As such, we revised our presentation, including (a) the combination of subscription and services into one line item, and (b) moving term licenses from product to subscription and services. The subscription and services line item is more aligned with our performance measures, how we manage our business, and is helpful to investors and others to better understand our results.

Previously, we presented revenue and cost of sales on three lines as follows:

- product, which included hardware and software licenses (both perpetual and term licenses);
- service, which included hardware and software maintenance and support and professional services;
- subscription, which included Software as a Service (“SaaS”), data, and hosting services.

The revised categories are as follows:

- product, which includes hardware and perpetual software licenses;
- subscription and services, which includes SaaS, data, and hosting services, as well as term licenses, hardware and software maintenance and support, and professional services.

Prior period amounts have been revised to conform to the current period presentation. This change in presentation did not affect the total revenue or total cost of sales. The effect of the change on the Condensed Consolidated Statements of Income for the first quarter of 2022 was as follows:

	First Quarter of 2022		
<i>(In millions)</i>	As Previously Reported	Effect of Change in Presentation	As Reported Herein
Revenue:			
Product	\$ 621.6	\$ (54.8)	\$ 566.8
Subscription and services	—	426.9	426.9
Service	161.1	(161.1)	—
Subscription	211.0	(211.0)	—
Total revenue	\$ 993.7	\$ —	\$ 993.7
Cost of sales:			
Product	\$ 308.4	\$ (1.5)	\$ 306.9
Subscription and services	—	114.7	114.7
Service	63.3	(63.3)	—
Subscription	49.9	(49.9)	—
Amortization of purchased intangible assets	22.5	—	22.5
Total cost of sales	\$ 444.1	\$ —	\$ 444.1

Recently issued Accounting Pronouncements not yet Adopted

There are no recently issued accounting pronouncements applicable to us not yet adopted.

Recently Adopted Accounting Pronouncements

There are no recently adopted accounting pronouncements.

NOTE 2. COMMON STOCK REPURCHASE

In August 2021, our Board of Directors approved a new stock repurchase program (“2021 Stock Repurchase Program”), authorizing up to \$750.0 million in repurchases of our common stock. The 2021 Stock Repurchase Program’s authorization does not have an expiration date.

Under the 2021 Stock Repurchase Program, we may repurchase stock from time to time through open market transactions, privately-negotiated transactions, accelerated stock repurchase plans, or by other means. The timing and actual number of any stock repurchased will depend on a variety of factors, including market conditions, our stock price, other available uses of capital, applicable legal requirements, and other factors. The 2021 Stock Repurchase Program may be suspended, modified, or discontinued at any time at the Company’s discretion without notice. At the end of the first quarter of 2023, the 2021 Stock Repurchase Program had remaining authorized funds of \$215.3 million.

During the first quarter of 2022, we repurchased approximately 1.5 million shares of common stock in open market purchases at an average price of \$68.49 per share for a total of \$104.7 million under the 2021 Stock Repurchase Program.

Because of the additional outstanding indebtedness we incurred in connection with the Transporeon acquisition, beginning in the fourth quarter of 2022, we have temporarily discontinued our stock repurchases. See [Note 12 “Subsequent Events”](#) of this report for information regarding our acquisition of Transporeon.

Stock repurchases are reflected as a decrease to common stock based on par value and additional-paid-in-capital, determined by the average book value per share of outstanding stock, calculated at the time of each individual repurchase transaction. The excess of the purchase price over this average for each repurchase was charged to retained earnings. Common stock repurchases under the program were recorded based upon the trade date for accounting purposes.

NOTE 3. INTANGIBLE ASSETS AND GOODWILL

Intangible Assets

The following table presents a summary of our intangible assets:

	First Quarter of 2023			Year End 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
<i>(In millions)</i>						
Developed product technology	\$ 1,024.0	\$ (745.4)	\$ 278.6	\$ 1,004.8	\$ (722.7)	\$ 282.1
Customer relationships	638.8	(439.8)	199.0	654.1	(445.9)	208.2
Trade names and trademarks	39.0	(33.6)	5.4	39.5	(32.7)	6.8
Distribution rights and other intellectual property	6.4	(5.1)	1.3	8.0	(7.0)	1.0
	<u>\$ 1,708.2</u>	<u>\$ (1,223.9)</u>	<u>\$ 484.3</u>	<u>\$ 1,706.4</u>	<u>\$ (1,208.3)</u>	<u>\$ 498.1</u>

The estimated future amortization expense of intangible assets at the end of the first quarter of 2023 was as follows:

<i>(In millions)</i>		
2023 (Remaining)	\$	101.7
2024		111.8
2025		76.2
2026		70.0
2027		56.3
Thereafter		68.3
Total	<u>\$</u>	<u>484.3</u>

Goodwill

The changes in the carrying amount of goodwill by segment for the first quarter of 2023 were as follows:

	Buildings and Infrastructure	Geospatial	Resources and Utilities	Transportation	Total
<i>(In millions)</i>					
Balance as of year end 2022	\$ 2,300.1	\$ 382.1	\$ 471.8	\$ 983.9	\$ 4,137.9
Additions due to acquisitions	22.5	—	—	—	22.5
Foreign currency translation and other adjustments	6.6	2.2	6.2	1.2	16.2
Balance as of the end of the first quarter of 2023	<u>\$ 2,329.2</u>	<u>\$ 384.3</u>	<u>\$ 478.0</u>	<u>\$ 985.1</u>	<u>\$ 4,176.6</u>

NOTE 4. INVENTORIES

The components of inventory, net were as follows:

	First Quarter of 2023	Year End 2022
<i>(In millions)</i>		
As of		
Raw materials	\$ 149.0	\$ 154.9
Work-in-process	16.1	13.1
Finished goods	244.3	234.5
Total inventories	<u>\$ 409.4</u>	<u>\$ 402.5</u>

NOTE 5. SEGMENT INFORMATION

We determined our operating segments based on how our Chief Operating Decision Maker (“CODM”) views and evaluates operations. Our reportable segments are described below:

- **Buildings and Infrastructure.** This segment primarily serves customers working in architecture, engineering, construction, and operations and maintenance.
- **Geospatial.** This segment primarily serves customers working in surveying, engineering, and government.

- **Resources and Utilities.** This segment primarily serves customers working in agriculture, forestry, and utilities.
- **Transportation.** This segment primarily serves customers working in long haul trucking and freight shipper markets.

The following Reporting Segment tables reflect the results of our reportable operating segments under our management reporting system. These results are not necessarily in conformity with U.S. GAAP. This is consistent with the way the CODM evaluates each of the segment's performance and allocates resources.

	Reporting Segments				
	Buildings and Infrastructure	Geospatial	Resources and Utilities	Transportation	Total
<i>(In millions)</i>					
First Quarter of 2023					
Segment revenue	\$ 399.5	\$ 152.4	\$ 208.6	\$ 154.9	\$ 915.4
Segment operating income	\$ 113.3	\$ 37.3	\$ 79.1	\$ 23.4	\$ 253.1
First Quarter of 2022					
Segment revenue	\$ 397.6	\$ 207.5	\$ 229.9	\$ 158.7	\$ 993.7
Segment operating income	\$ 120.7	\$ 57.9	\$ 75.1	\$ 9.2	\$ 262.9

	Reporting Segments				
	Buildings and Infrastructure	Geospatial	Resources and Utilities	Transportation	Total
<i>(In millions)</i>					
As of the end of the First Quarter of 2023					
Accounts receivable, net	\$ 231.9	\$ 126.8	\$ 89.7	\$ 130.4	\$ 578.8
Inventories	94.0	149.7	106.0	59.7	409.4
Goodwill	2,329.2	384.3	478.0	985.1	4,176.6
As of Year End 2022					
Accounts receivable, net	\$ 305.1	\$ 137.2	\$ 79.2	\$ 121.8	\$ 643.3
Inventories	93.2	146.1	100.3	62.9	402.5
Goodwill	2,300.1	382.1	471.8	983.9	4,137.9

A reconciliation of our condensed consolidated segment operating income to condensed consolidated income before income taxes was as follows:

	First Quarter of	
	2023	2022
<i>(In millions)</i>		
Consolidated segment operating income	\$ 253.1	\$ 262.9
Unallocated general corporate expenses	(27.0)	(29.8)
Amortization of purchased intangible assets	(34.7)	(34.6)
Acquisition / divestiture items	(7.0)	(3.9)
Stock-based compensation / deferred compensation	(35.4)	(25.0)
Restructuring and other costs	(12.0)	(12.7)
Consolidated operating income	137.0	156.9
Total non-operating income (expense), net	23.6	(18.4)
Consolidated income before taxes	\$ 160.6	\$ 138.5

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The disaggregation of revenue by geography is summarized in the tables below. Revenue is defined as revenue from external customers attributed to countries based on the location of the customer and is consistent with the Reporting Segment tables above.

	Reporting Segments				
	Buildings and Infrastructure	Geospatial	Resources and Utilities	Transportation	Total
<i>(In millions)</i>					
First Quarter of 2023					
North America	\$ 249.8	\$ 57.7	\$ 54.9	\$ 119.4	\$ 481.8
Europe	94.2	52.2	99.1	22.3	267.8
Asia Pacific	48.1	32.4	16.0	6.6	103.1
Rest of World	7.4	10.1	38.6	6.6	62.7
Total segment revenue	\$ 399.5	\$ 152.4	\$ 208.6	\$ 154.9	\$ 915.4
First Quarter of 2022					
North America	\$ 231.9	\$ 83.4	\$ 59.0	\$ 124.1	\$ 498.4
Europe	112.3	71.2	114.0	21.7	319.2
Asia Pacific	46.9	42.0	19.2	7.4	115.5
Rest of World	6.5	10.9	37.7	5.5	60.6
Total segment revenue	\$ 397.6	\$ 207.5	\$ 229.9	\$ 158.7	\$ 993.7

Total revenue in the United States as included in the Condensed Consolidated Statements of Income was \$437.5 million and \$447.0 million for the first quarter of 2023 and 2022. No single customer or country other than the United States accounted for 10% or more of our total revenue.

NOTE 6. DEBT

Debt consisted of the following:

Instrument	Date of Issuance	First Quarter of 2023		Year End 2022
		Effective interest rate		
<i>(In millions)</i>				
Senior Notes:				
Senior Notes, 4.15%, due June 2023	June 2018	4.36%	\$ 300.0	\$ 300.0
Senior Notes, 4.75%, due December 2024	November 2014	4.95%	400.0	400.0
Senior Notes, 4.90%, due June 2028	June 2018	5.04%	600.0	600.0
Senior Notes, 6.10%, due March 2033	March 2023	6.13%	800.0	—
Credit Facilities:				
2022 Revolving Credit Facility, due March 2027	September 2022	5.54%	—	225.0
Unamortized discount and issuance costs			(13.1)	(5.0)
Total debt			\$ 2,086.9	\$ 1,520.0
Less: Short-term debt			300.0	300.0
Long-term debt			\$ 1,786.9	\$ 1,220.0

Debt Maturities

At the end of the first quarter of 2023, our debt maturities based on outstanding principal were as follows (in millions):

Year Payable	
2023 (Remaining)	\$ 300.0
2024	400.0
2025	—
2026	—
2027	—
Thereafter	1,400.0
Total	\$ 2,100.0

Senior Notes

All of our senior notes are unsecured obligations. Interest on the senior notes is payable semi-annually in June and December of each year, except for the interest on the 2033 Senior Notes payable in March and September (as next described). Additional details are unchanged from the information disclosed in Note 7, “Debt” of the 2022 Form 10-K.

2033 Senior Notes

In March 2023, we issued an aggregate principal amount of \$800.0 million in senior notes (the “2033 Senior Notes”) that will mature in March 2033 and bear interest at a fixed rate of 6.1% per annum. The interest is payable semi-annually in March and September of each year, commencing in September 2023. The interest rate is subject to adjustment from time to time upon a rating agency downgrade or upgrade of the credit rating assigned to the 2033 Senior Notes. The 2033 Senior Notes were sold at 99.843% of the aggregate principal amount. The 2033 Senior Notes are unsecured and rank equally in right of payment with all of our other senior unsecured indebtedness.

Credit Facilities

Bridge Facility

On December 11, 2022, we entered into a bridge facility commitment letter (the “Bridge Facility”) in connection with the acquisition of Transporeon. Under the Bridge Facility, the lender committed to provide a term loan up to an aggregate amount of €1.88 billion. On December 27, 2022, the Bridge Facility was automatically reduced to €500 million upon entering into the 2022 Term Loan Agreement and the 2022 Credit Facility Amendment (as next described). On March 9, 2023, as a result of completing the issuance of the 2033 Senior Notes, the remaining €500 million was automatically terminated with no amounts having been drawn.

2022 Term Loan Credit Agreement

On December 27, 2022, we entered into a credit agreement (the “2022 Term Loan Credit Agreement”) providing for an unsecured delayed draw term loan facility in the aggregate principal amount of \$1.0 billion, comprised of commitments for a 3-year tranche for \$500.0 million and a 5-year tranche for \$500.0 million.

The 2022 Term Loan Credit Agreement was entered into in connection with the acquisition of Transporeon. No amounts were drawn at the end of the first quarter of 2023. Additional details are unchanged from the information disclosed in Note 7, “Debt” of the 2022 Form 10-K.

2022 Credit Facility and Amendment

In March 2022, we entered into a credit agreement (the “2022 Credit Facility”) maturing in March 2027. The 2022 Credit Facility provides for a five-year, unsecured revolving credit facility in the aggregate principal amount of \$1.25 billion, and permits us, subject to the satisfaction of certain conditions, to increase the commitments for revolving loans by an aggregate principal amount of up to \$500.0 million. The interest rate and commitment fees are based on our current long-term, senior unsecured debt ratings, our leverage ratio, and certain specified sustainability targets. As of March 31, 2023, no amount was outstanding under the 2022 Credit Facility.

On December 27, 2022, we entered into an amendment to the 2022 Credit Facility (the “2022 Credit Facility Amendment”) that made \$600.0 million of the existing commitments under the Credit Facility available for the acquisition of Transporeon and increased our maximum permitted leverage ratio following the closing of the acquisition.

For additional information related to debt issued in connection with the Transporeon acquisition on April 3, 2023, see [Note 12 “Subsequent Events”](#) of this report.

Uncommitted Facilities

At the end of the first quarter of 2023, we had two \$75.0 million, one €100.0 million, and one £55.0 million revolving credit facilities, which are uncommitted (the “uncommitted facilities”). Generally, these uncommitted facilities may be redeemed upon demand. Borrowings under uncommitted facilities are classified as short-term debt in the Condensed Consolidated Balance Sheet. As of March 31, 2023, no amounts were outstanding under the uncommitted facilities.

Covenants

The 2022 Term Loan Credit Agreement and 2022 Credit Facility, as amended, contain customary covenants including, among other requirements, limitations that restrict the Company’s and its subsidiaries’ ability to create liens and enter into sale and leaseback transactions, and restrictions on the ability of the subsidiaries to incur indebtedness. Further, both debt agreements contain financial covenants that require the maintenance of maximum leverage and minimum interest coverage ratios. At the end of the first quarter of 2023, we were in compliance with the covenants for each of our debt agreements.

NOTE 7. FAIR VALUE MEASUREMENTS

The following table summarizes the fair values of financial instruments at fair value on a recurring basis for the periods indicated and determined using the following inputs:

<i>(In millions)</i>	Fair Values as of the end of the First Quarter of 2023				Fair Values at the end of 2022			
	Quoted prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	Total	Quoted prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	Total
	(Level I)	(Level II)	(Level III)		(Level I)	(Level II)	(Level III)	
Assets								
Deferred compensation plan ⁽¹⁾	\$ 32.3	\$ —	\$ —	\$ 32.3	\$ 31.5	\$ —	\$ —	\$ 31.5
Derivatives ⁽²⁾	—	38.3	—	38.3	—	18.0	—	18.0
Contingent consideration ⁽³⁾	—	—	1.9	1.9	—	—	3.1	3.1
Total assets measured at fair value	\$ 32.3	\$ 38.3	\$ 1.9	\$ 72.5	\$ 31.5	\$ 18.0	\$ 3.1	\$ 52.6
Liabilities								
Deferred compensation plan ⁽¹⁾	\$ 32.3	\$ —	\$ —	\$ 32.3	\$ 31.5	\$ —	\$ —	\$ 31.5
Derivatives ⁽²⁾	—	0.9	—	0.9	—	0.2	—	0.2
Total liabilities measured at fair value	\$ 32.3	\$ 0.9	\$ —	\$ 33.2	\$ 31.5	\$ 0.2	\$ —	\$ 31.7

(1) Represents a self-directed, non-qualified deferred compensation plan for certain executives and other highly compensated employees included in Other non-current assets and Other non-current liabilities on our Condensed Consolidated Balance Sheets. The plan is invested in actively traded mutual funds and individual stocks valued using observable quoted prices in active markets.

(2) Represents forward currency exchange contracts, and for 2022, a treasury rate lock contract, all that are included in Other current assets and Other current liabilities on our Condensed Consolidated Balance Sheets.

(3) Represents arrangements to receive payments from buyers of our divested companies that are included in Other current and non-current assets on our Condensed Consolidated Balance Sheets. The fair values are estimated using scenario-based methods based upon estimated future milestones.

Derivative assets include foreign currency exchange contracts and a treasury rate lock contract, both related to the acquisition of Transporeon.

The foreign currency exchange contracts were economic hedges of the euro-denominated purchase price of Transporeon with gains recognized in other income (expense), net. The notional amounts were \$2,021.3 million and \$1,999.4 million, and the fair values were \$38.0 million and \$10.4 million at the end of the first quarter of 2023 and the end of 2022.

The treasury rate lock contract was a cash flow hedge settled during the first quarter of 2023 with net gains reported within other comprehensive income, which is being amortized to interest expense over the 10-year term of the associated debt. At the end of 2022, the notional amount was \$400.0 million, and the fair value was \$7.2 million.

Additional Fair Value Information

The total estimated fair value of all outstanding financial instruments that are not recorded at fair value on a recurring basis (debt) was approximately \$2.1 billion and \$1.5 billion at the end of the first quarter of 2023 and the end of 2022.

The fair value of the senior notes was determined based on observable market prices in less active markets and is categorized accordingly as Level II. The fair values do not indicate the amount we would currently have to pay to extinguish the debt.

NOTE 8. DEFERRED REVENUE AND REMAINING PERFORMANCE OBLIGATIONS

Deferred Revenue

Changes in our deferred revenue during the first quarter of 2023 and 2022 were as follows:

<i>(In millions)</i>	First Quarter of	
	2023	2022
Beginning balance of the period	\$ 737.6	\$ 631.8
Revenue recognized from prior year-end	(293.5)	(234.6)
Billings net of revenue recognized from current year	316.7	306.7
Ending balance of the period	\$ 760.8	\$ 703.9

Remaining Performance Obligations

At the end of the first quarter of 2023, approximately \$1.6 billion of revenue is expected to be recognized from remaining performance obligations for which goods or services have not been delivered, primarily subscription, software, and software maintenance, and to a lesser extent, hardware and professional services contracts. We expect to recognize \$1.2 billion or 72% of our remaining performance obligations as revenue during the next 12 months and the remainder thereafter.

NOTE 9. EARNINGS PER SHARE

Basic earnings per share is computed based on the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share is computed based on the weighted-average number of shares of common stock outstanding during the period plus additional shares of common stock that would have been outstanding if potentially dilutive securities had been issued. Potentially dilutive securities include outstanding stock options, restricted stock units, contingently issuable stock, and stock to be purchased under our employee stock purchase plan.

The following table shows the computation of basic and diluted earnings per share:

<i>(In millions, except per share amounts)</i>	First Quarter of	
	2023	2022
Numerator:		
Net income	\$ 128.8	\$ 110.3
Denominator:		
Weighted-average number of common shares used in basic earnings per share	247.2	250.8
Effect of dilutive securities	1.5	2.0
Weighted-average number of common shares and dilutive potential common shares used in diluted earnings per share	248.7	252.8
Basic earnings per share	\$ 0.52	\$ 0.44
Diluted earnings per share	\$ 0.52	\$ 0.44
Antidilutive weighted-average shares ⁽¹⁾	1.6	0.7

(1) Antidilutive stock-based awards are excluded from the calculation of diluted shares and diluted earnings per share because their impact would increase diluted earnings per share.

NOTE 10. INCOME TAXES

For the first quarter, our effective income tax rate was 19.8%, as compared to 20.4% in the corresponding period in 2022. The decrease was primarily due to an increase in tax benefits from foreign-derived intangible income, partially offset by a one-time tax benefit from a deferred tax liability write-off in 2022.

We and our subsidiaries are subject to U.S. federal, state, and foreign income taxes. Currently, we are in different stages of multiple year examinations by various state and foreign taxing authorities. While we believe our reserves are more likely than not to be adequate to cover final resolution of all open tax matters, it is reasonably possible that future obligations related to these matters could arise.

Unrecognized tax benefits of \$52.3 million and \$51.6 million at the end of the first quarter of 2023 and at the end of 2022, if recognized, would favorably affect the effective income tax rate in future periods. At the end of the first quarter of 2023 and at

the end of 2022, we accrued interest and penalties of \$9.8 million and \$8.4 million. Although the timing of the resolution and/or closure of audits is not certain, we do not believe that our gross unrecognized tax benefits would materially change in the next twelve months.

NOTE 11. COMMITMENTS AND CONTINGENCIES

Commitments

At the end of the first quarter of 2023, we had unconditional purchase obligations of approximately \$782.5 million. These unconditional purchase obligations primarily represent open non-cancellable purchase orders for material purchases with our vendors and investments in our platform associated with our Connect and Scale strategy.

Litigation

From time to time, we are involved in litigation arising in the ordinary course of our business. There are no material legal proceedings, other than ordinary routine litigation incidental to the business, that we or any of our subsidiaries is a party, or that any of our or our subsidiaries' property is subject.

NOTE 12. SUBSEQUENT EVENTS

On April 3, 2023, we acquired all of the outstanding shares of Transporeon, in an all-cash transaction valued at approximately €1.9 billion or \$2.1 billion. Transporeon, a Germany-based company, is a leading cloud-based transportation management software platform that connects key stakeholders across the industry lifecycle to positively impact the optimization of global supply chains, in alignment with our Connect and Scale strategy. We believe the acquisition will increase our international footprint and long-term Transportation opportunities. We also believe it will advance our sustainability strategy by reducing under-utilized carrier capacity and "empty miles". Transporeon will be reported as part of our Transportation segment. We will include the financial results of Transporeon in our Consolidated Financial Statements beginning in the second quarter of 2023.

The purchase price has not yet been allocated to the underlying assets acquired and liabilities assumed. The allocation is pending third-party appraisals of intangible assets and the corresponding deferred taxes, as well as other asset and liability account balances. We anticipate that the majority of the purchase price will be allocated to goodwill and intangible assets.

The acquisition was funded through a combination of cash on hand and new debt as follow:

- In the first quarter, we issued \$800.0 million of 2033 Senior Notes, which was used in part to fund the acquisition;
- Subsequent to the first quarter, on April 3, 2023, \$1.2 billion of debt was drawn, including \$1.0 billion of term loans under the 2022 Term Loan Credit Agreement and \$225.0 million under the 2022 Credit Facility, as amended. The term loans include a 3-year tranche of \$500.0 million and a 5-year tranche of \$500.0 million.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

There have been no material changes to our critical accounting policies and estimates during the first quarter of 2023. For a complete discussion of our critical accounting policies and estimates, refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" section of the 2022 Form 10-K.

RECENT ACCOUNTING PRONOUNCEMENTS

For a summary of recent accounting pronouncements applicable to our Condensed Consolidated Financial Statements, refer to [Note 1 "Overview and Accounting Policies"](#) of this report.

EXECUTIVE LEVEL OVERVIEW

We are a leading provider of technology solutions that enable professionals and field mobile workers to improve or transform their work processes. Our comprehensive work process solutions are used across a range of industries including architecture, building construction, civil engineering, geospatial, survey and mapping, agriculture, natural resources, utilities, transportation, and government. Our representative customers include construction owners, contractors, engineering and construction firms, surveying companies, farmers and agricultural companies, energy and utility companies, trucking companies, and state, federal, and municipal governments.

Our growth strategy is centered on multiple elements:

- Executing on our Connect and Scale strategy;
- Increasing focus on software and services;
- Focus on attractive markets with significant growth and profitability potential;
- Domain knowledge and technological innovation that benefits a diverse customer base;
- Geographic expansion with a localization strategy;
- Optimized go-to-market strategies to best access our markets;
- Strategic acquisitions;
- Venture fund investments; and
- Sustainability.

Our focus on these growth drivers has led over time to growth in revenue and profitability and an increasingly diversified business model. We continue to experience a shift toward a more significant mix of recurring revenue as demonstrated by our success in driving annualized recurring revenue ("ARR") of \$1,648.1 million, which represents growth of 12% year-over-year at the end of the first quarter of 2023. Excluding the impact of foreign currency, acquisitions, and divestitures, ARR organic growth was 13%. This shift toward recurring revenue has positively impacted our revenue mix and growth over time and is leading to improved visibility in our businesses. As our solutions have expanded, our go-to-market model has also evolved with a balanced mix between direct, distribution, and OEM customers as well as an increasing number of enterprise-level customer relationships. In our Resources and Utilities segment, we are currently in the process of further building out our agriculture independent dealer network.

Throughout this "Management's Discussion and Analysis of Financial Condition and Results of Operations", we refer to organic revenue growth, which is a non-GAAP measure. For a full definition of ARR, organic ARR, and organic revenue growth as used in this discussion and analysis, refer to the ["Supplemental Disclosure of Non-GAAP Financial Measures and Annualized Recurring Revenue"](#) found later in this Item 2.

Impact of Recent Events on Our Business

Macroeconomic conditions, including geopolitical tensions, such as the ongoing military conflict between Russia and Ukraine and related sanctions, exchange rate and interest rate volatility, and inflationary pressures, will continue to evolve globally. In the first quarter of 2023, our organic hardware sales declined and bookings moderated as dealers moved towards lower levels of inventories due to improved product lead times and macroeconomic concerns. Geospatial, Buildings and Infrastructure, and Resources and Utilities all had strong hardware sales in the prior year. Amid macroeconomic concerns, the greatest revenue decline was in Europe.

Supply Chain

Due to extended component lead times, we have made binding commitments over a longer horizon for certain components, and this has increased our inventory levels. Although we do expect inventory levels to normalize, macroeconomic conditions, including rising interest rates, could negatively impact the timing of inventory normalization.

Foreign Currency Fluctuations

We generate over half of our revenue from sales to customers outside of the U.S. In the first quarter of 2023, due to the strengthening of the U.S. dollar, year-over-year unfavorable foreign currency impacts on revenue and operating income were \$15.7 million or 1% and \$4.5 million or 3%.

Interest Rates Fluctuations

The global inflation rate has risen sharply, and interest rates are rising in an effort to curb inflation. These macroeconomic conditions have had and are expected to have a negative impact on our results of operations. Additionally, we may experience higher borrowing costs on variable-rate debt. In the second quarter of 2023, we borrowed \$1.2 billion of variable-rate debt in conjunction with the Transporeon acquisition.

Acquisitions and Divestitures

We acquire businesses that align with our long-term growth strategies including our strategic product roadmap and, conversely, we divest certain business that no longer fit those strategies.

Subsequent to the first quarter of 2023, on April 3, 2023, we acquired all of the outstanding shares of Transporeon, in an all-cash transaction valued at approximately €1.9 billion or \$2.1 billion. Transporeon, a Germany-based company, is a leading cloud-based transportation management software platform that connects key stakeholders across the industry lifecycle to positively impact the optimization of global supply chains, in alignment with our Connect and Scale strategy. Transporeon will be reported in our Transportation segment. We will include the financial results of Transporeon in our Consolidated Financial Statements beginning in the second quarter of 2023. See [Note 12 “Subsequent Events”](#) of this report for details.

RESULTS OF OPERATIONS

Overview

The following table shows revenue by category, gross margin and gross margin as a percentage of revenue, operating income and operating income as a percentage of revenue, diluted earnings per share, and annualized recurring revenue compared for the periods indicated:

	First Quarter of					
	2023	2022	Dollar Change	% Change		
<i>(In millions, except per share amounts)</i>						
Revenue:						
Product	\$ 434.4	\$ 566.8	\$ (132.4)	(23)%		
Subscription and services	481.0	426.9	54.1	13%		
Total revenue	\$ 915.4	\$ 993.7	\$ (78.3)	(8)%		
Gross margin	\$ 560.8	\$ 549.6	\$ 11.2	2%		
Gross margin as a % of revenue	61.3 %	55.3 %				
Operating income	\$ 137.0	\$ 156.9	\$ (19.9)	(13)%		
Operating income as a % of revenue	15.0 %	15.8 %				
Diluted earnings per share	\$ 0.52	\$ 0.44	\$ 0.08	18%		
Non-GAAP operating income ⁽¹⁾	\$ 226.1	\$ 233.1	\$ (7.0)	(3)%		
Non-GAAP operating income as a % of revenue ⁽¹⁾	24.7 %	23.5 %				
Non-GAAP diluted earnings per share ⁽¹⁾	\$ 0.72	\$ 0.73	\$ (0.01)	(1)%		
Annualized Recurring Revenue (“ARR”) ⁽¹⁾	\$ 1,648.1	\$ 1,472.4	\$ 175.7	12%		

(1) Refer to [“Supplemental Disclosure of Non-GAAP Financial Measures and Annualized Recurring Revenue”](#) of this report for definitions.

First Quarter of 2023 as Compared to 2022

Revenue

<i>Change versus the corresponding period in 2022</i>	First Quarter of 2023
	% Change
Change in Total Revenue	(8)%
Acquisitions	1 %
Divestitures	(5)%
Foreign currency exchange	(1)%
Organic growth - Total Revenue	(3)%

Organic revenue for the first quarter decreased due to reductions in dealer inventory levels as a result of improved product lead times and macroeconomic concerns. Geospatial, Buildings and Infrastructure, and Resources and Utilities all had strong hardware sales in the prior year. The decrease was offset by strong subscription and software term license sales for buildings businesses in Buildings and Infrastructure, and to a lesser extent, positioning services in Resources and Utilities, as evidenced by overall organic ARR growth of 13%.

<i>Change versus the corresponding period in 2022</i>	First Quarter of 2023
	% Change
Change in Product Revenue	(23)%
Acquisitions	1 %
Divestitures	(8)%
Foreign currency exchange	(1)%
Organic growth - Product Revenue	(15)%
Change in Subscription and Services Revenue	13 %
Acquisitions	2 %
Divestitures	(1)%
Foreign currency exchange	(2)%
Organic growth - Subscription and Services Revenue	14 %

Organic product revenue decreased for the first quarter due to lower dealer demand for our hardware and related perpetual software, which impacted sales in Buildings and Infrastructure, Geospatial, and Resources and Utilities. Organic subscription and services revenue for the first quarter was up primarily due to strong growth in subscription and software term licenses in Buildings and Infrastructure, and to a lesser extent, Resources and Utilities.

Gross Margin

Despite a decline in revenue, gross margin and gross margin as a percentage of revenue increased for the first quarter due to an increased mix of higher margin software and subscription sales, including the divestiture of lower margin hardware businesses, declines in supply chain costs, and pricing increases.

Operating Income

Operating income decreased slightly for the first quarter primarily due to a decline in revenue and increased operating expense, partially offset by gross margin expansion. Operating expense increased primarily from higher research and development and general and administrative costs, including investments related to our Connect and Scale strategy.

Operating income as a percentage of revenue decreased for the first quarter primarily due to increased operating expense, partially offset by increased gross margin as a percentage of revenue.

Research and Development, Sales and Marketing, and General and Administrative Expense

The following table shows research and development (“R&D”), sales and marketing (“S&M”), and general and administrative (“G&A”) expense along with these expenses as a percentage of revenue for the periods indicated:

	First Quarter of			
	2023	2022	Dollar Change	% Change
<i>(In millions)</i>				
Research and development	\$ 159.3	\$ 140.3	\$ 19.0	14%
Percentage of revenue	17.4 %	14.1 %		
Sales and marketing	\$ 135.4	\$ 131.9	\$ 3.5	3%
Percentage of revenue	14.8 %	13.3 %		
General and administrative	\$ 110.7	\$ 101.5	\$ 9.2	9%
Percentage of revenue	12.1 %	10.2 %		
Total	\$ 405.4	\$ 373.7	\$ 31.7	8%

R&D expense increased for the first quarter primarily due to higher compensation expense, including incentive compensation, partially offset by divestitures and favorable foreign currency impacts. We believe that the development and introduction of new solutions are critical to our future success, and we expect to continue the active development of new products.

S&M expense increased slightly for the first quarter primarily due to higher travel and marketing costs, partially offset by divestitures and favorable foreign currency impacts.

G&A expense increased for the first quarter primarily due to higher donations and increased SaaS costs, partially offset by bad debt expense associated with Russia recorded in the prior year.

Amortization of Purchased Intangible Assets

	First Quarter of			
	2023	2022	Dollar Change	% Change
<i>(In millions)</i>				
Cost of sales	\$ 23.0	\$ 22.5	\$ 0.5	2%
Operating expenses	11.7	12.1	(0.4)	(3)%
Total amortization expense of purchased intangibles	\$ 34.7	\$ 34.6	\$ 0.1	—%
Total amortization expense of purchased intangibles as a percentage of revenue	4 %	3 %		

Total amortization expense of purchased intangibles was relatively flat for the first quarter.

Non-operating Income (Expense), Net

The components of non-operating income (expense), net, were as follows:

	First Quarter of			
	2023	2022	Dollar Change	% Change
<i>(In millions)</i>				
Interest expense, net	\$ (19.7)	\$ (16.0)	\$ (3.7)	23%
Income from equity method investments, net	11.4	9.7	1.7	18%
Other income (expense), net	31.9	(12.1)	44.0	(364)%
Total non-operating income (expense), net	\$ 23.6	\$ (18.4)	\$ 42.0	(228)%

Non-operating income, net increased for the first quarter primarily due to a \$27.6 million foreign currency hedging gain associated with the Transporeon acquisition and higher net gains from divestitures, both included in Other income (expense), net. The increase was partially offset by higher interest expense, net due to the new 2033 Senior Notes.

Income Tax Provision

For the first quarter, our effective income tax rate was 19.8%, as compared to 20.4% in the corresponding period in 2022. The decrease was primarily due to an increase in tax benefits from foreign-derived intangible income, partially offset by a one-time tax benefit from a deferred tax liability write-off in 2022.

Results by Segment

We report our financial performance, including revenue and operating income, based on four reportable segments: Buildings and Infrastructure, Geospatial, Resources and Utilities, and Transportation.

Our Chief Executive Officer (chief operating decision maker) views and evaluates operations based on the results of our reportable operating segments under our management reporting system. For additional discussion of our segments, refer to [Note 5 “Segment Information”](#) of this report.

The following table is a summary of revenue and operating income by segment compared for the periods indicated:

	First Quarter of			
	2023	2022	Dollar Change	% Change
<i>(In millions)</i>				
Buildings and Infrastructure				
Segment revenue	\$ 399.5	\$ 397.6	\$ 1.9	—%
Segment revenue as a % of total revenue	44 %	40 %		
Segment operating income	\$ 113.3	\$ 120.7	(7.4)	(6)%
Segment operating income as a % of segment revenue	28.4 %	30.4 %		
Geospatial				
Segment revenue	\$ 152.4	\$ 207.5	(55.1)	(27)%
Segment revenue as a % of total revenue	16 %	21 %		
Segment operating income	\$ 37.3	\$ 57.9	(20.6)	(36)%
Segment operating income as a % of segment revenue	24.5 %	27.9 %		
Resources and Utilities				
Segment revenue	\$ 208.6	\$ 229.9	(21.3)	(9)%
Segment revenue as a % of total revenue	23 %	23 %		
Segment operating income	\$ 79.1	\$ 75.1	4.0	5%
Segment operating income as a % of segment revenue	37.9 %	32.7 %		
Transportation				
Segment revenue	\$ 154.9	\$ 158.7	(3.8)	(2)%
Segment revenue as a % of total revenue	17 %	16 %		
Segment operating income	\$ 23.4	\$ 9.2	14.2	154%
Segment operating income as a % of segment revenue	15.1 %	5.8 %		

The following table is a reconciliation of our consolidated segment operating income to consolidated income before taxes:

	First Quarter of	
	2023	2022
<i>(In millions)</i>		
Consolidated segment operating income	\$ 253.1	\$ 262.9
Unallocated general corporate expenses	(27.0)	(29.8)
Amortization of purchased intangible assets	(34.7)	(34.6)
Acquisition / divestiture items	(7.0)	(3.9)
Stock-based compensation / deferred compensation	(35.4)	(25.0)
Restructuring and other costs	(12.0)	(12.7)
Consolidated operating income	137.0	156.9
Total non-operating income (expense), net	23.6	(18.4)
Consolidated income before taxes	\$ 160.6	\$ 138.5

Buildings and Infrastructure

<i>Change versus the corresponding period in 2022</i>	First Quarter of 2023
	% Change
Change in Revenue - Buildings and Infrastructure	—%
Acquisitions	3%
Divestitures	(6)%
Foreign currency exchange	(2)%
Organic growth	5%

Organic revenue increased for the first quarter due to strong demand for our subscription and term license software. The increases resulted from higher sales to new and existing customers as well as conversions from perpetual software to recurring offerings. The increase was offset by lower civil construction hardware sales as dealers worked through their inventories.

Operating income and operating income as a percentage of revenue decreased for the first quarter primarily due to increased operating expense, partially offset by gross margin expansion. Operating expense increased for the first quarter due to increased compensation expense, travel, and investments, including our Connect and Scale strategy.

Geospatial

<i>Change versus the corresponding period in 2022</i>	First Quarter of 2023
	% Change
Change in Revenue - Geospatial	(27)%
Divestitures	(9)%
Foreign currency exchange	(2)%
Organic growth	(16)%

Organic revenue decreased for the first quarter due to strong surveying hardware sales in the prior year as well as dealers continuing to work through their inventories in the current quarter. There was also slowing demand in some of the end user markets.

Operating income and operating income as a percentage of revenue decreased for the first quarter primarily due to reduced revenue, partially offset by gross margin expansion.

Resources and Utilities

<i>Change versus the corresponding period in 2022</i>	First Quarter of 2023
	% Change
Change in Revenue - Resources and Utilities	(9)%
Acquisitions	1%
Divestitures	(1)%
Foreign currency exchange	(1)%
Organic growth	(8)%

Organic revenue decreased for the first quarter due to strong agricultural hardware sales in the prior year as well as dealers continuing to work through their inventories in the current quarter. The decrease was partially offset by higher subscription revenue in positioning services.

Despite reduced revenue, operating income and operating income as a percentage of revenue increased for the first quarter primarily due to gross margin expansion, partially offset by higher operating expense. Operating expense was higher due to investments, including our Connect and Scale strategy.

Transportation

<i>Change versus the corresponding period in 2022</i>	First Quarter of 2023
	% Change
Change in Revenue - Transportation	(2)%
Divestitures	(4)%
Foreign currency exchange	(1)%
Organic growth	3 %

Organic revenue increased for the first quarter primarily driven by a large component sale and to a lesser extent, enterprise subscription revenue growth.

Operating income and operating income as a percentage of revenue increased for the first quarter primarily due to gross margin expansion and targeted cost reductions. We continue to maintain focus on new product introductions and transitions to recurring revenue.

LIQUIDITY AND CAPITAL RESOURCES

As of <i>(In millions, except percentages)</i>	<u>First Quarter of 2023</u>	<u>Year End 2022</u>	<u>Dollar Change</u>	<u>% Change</u>
Cash and cash equivalents	\$ 1,038.1	\$ 271.0	\$ 767.1	283 %
As a percentage of total assets	13.0 %	3.7 %		
Principal balance of outstanding debt	\$ 2,100.0	\$ 1,525.0	\$ 575.0	38 %

<i>(In millions)</i>	<u>First Quarter of</u>		<u>Dollar Change</u>	<u>% Change</u>
	<u>2023</u>	<u>2022</u>		
Net cash provided by operating activities	\$ 208.7	\$ 153.0	\$ 55.7	36 %
Net cash used in investing activities	(27.7)	(13.4)	(14.3)	107 %
Net cash provided by (used in) financing activities	583.4	(109.7)	693.1	(632)%
Effect of exchange rate changes on cash and cash equivalents	2.7	1.6	1.1	69 %
Net increase in cash and cash equivalents	<u>\$ 767.1</u>	<u>\$ 31.5</u>		

Operating Activities

The increase in cash provided by operating activities was primarily driven by lower accounts receivable, lower inventory purchases, and lower bonus payouts. The increase was partially offset by a decrease in deferred revenue due to the timing of billings.

Investing Activities

The increase in cash used in investing activities was primarily due to acquisition activity, partially offset by higher proceeds from divestitures.

Financing Activities

The increase in cash provided by financing activities was primarily driven by proceeds from our \$800.0 million issuance of 2033 Senior Notes in the current year and common stock repurchases in the prior year, partially offset by higher repayment of revolving credit facilities.

Cash and Cash Equivalents

We believe that our cash and cash equivalents and borrowings, along with cash provided by operations will be sufficient in the foreseeable future to meet our anticipated operating cash needs, expenditures related to our Connect and Scale strategy, debt service, and acquisitions.

Our 2022 Credit Facility allows us to borrow up to \$1.25 billion, with an option to increase the borrowings up to \$1.75 billion with lender approval. As of March 31, 2023, no amounts were outstanding under the 2022 Credit Facility.

Our 2023 Senior Notes totaling \$300.0 million are maturing in June 2023. We anticipate using a combination of cash on hand and available credit facilities to pay off this debt.

Subsequent to the first quarter of 2023, we acquired Transporeon, which was funded through a combination of \$1.0 billion of term loans, \$225.0 million drawn on the 2022 Credit Facility, as amended, and a portion of the 2033 Senior Notes, see [Note 12 “Subsequent Events”](#) of this report.

As a result of R&D cost capitalization, our tax cash costs in 2022 were approximately \$88.0 million higher than they would have been had R&D costs continued to be expensed up front for tax purposes. If this provision is deferred or repealed, we expect to get a significant portion of this \$88.0 million returned to us as a refund. In 2023, we are expecting to pay approximately \$64.0 million relating to this provision. The majority relates to Federal tax liability and will be paid during the fourth quarter of 2023, as we qualified for payment postponement under the IRS relief initiative for California disaster area taxpayers.

Our cash requirements have not otherwise materially changed since the 2022 Form 10-K.

SUPPLEMENTAL DISCLOSURE OF NON-GAAP FINANCIAL MEASURES AND ANNUALIZED RECURRING REVENUE

To supplement our consolidated financial information, we included non-GAAP financial measures, which are not meant to be considered in isolation or as a substitute for comparable GAAP. We believe non-GAAP financial measures provide useful information to investors and others in understanding our “core operating performance”, which excludes (i) the effect of non-cash items and certain variable charges not expected to recur; and (ii) transactions that are not meaningful in comparison to our past operating performance or not reflective of ongoing financial results. Lastly, we believe that our core operating performance offers a supplemental measure for period-to-period comparisons and can be used to evaluate our historical and prospective financial performance, as well as our performance relative to competitors.

Organic revenue growth is a non-GAAP measure that refers to revenue excluding the impacts of (i) foreign currency translation, and (ii) acquisitions and divestitures. We believe organic revenue growth provides useful information in evaluating the results of our business because it excludes items that are not indicative of ongoing performance or impact comparability with the prior year. We provide a reconciliation tables showing the change in revenue growth to organic revenue growth in the “[Results of Operations](#)” section found earlier in this Item 2.

In addition to providing non-GAAP financial measures, we disclose Annualized Recurring Revenue (“ARR”) to give the investors supplementary indicators of the value of our current recurring revenue contracts. ARR represents the estimated annualized value of recurring revenue, including subscription, maintenance and support revenue, and term license contracts for the quarter. ARR is calculated by taking our recurring revenue for the current quarter and adding the portion of the contract value of all of our term licenses attributable to the current quarter, and dividing that sum by the number of days in the quarter and then multiplying that quotient by 365. Organic ARR refers to annualized recurring revenue excluding the impacts of (i) foreign currency translation, and (ii) acquisitions and divestitures. ARR and organic ARR should be viewed independently of revenue and deferred revenue as they are performance measures and are not intended to be combined with or to replace either of those items.

The non-GAAP financial measures, definitions, and explanations to the adjustments to comparable GAAP measures are included below:

	First Quarter of			
	2023		2022	
	Dollar Amount	% of Revenue	Dollar Amount	% of Revenue
<i>(In millions, except per share amounts)</i>				
REVENUE:				
GAAP revenue:	\$ 915.4		\$ 993.7	
GROSS MARGIN:				
GAAP gross margin:	\$ 560.8	61.3 %	\$ 549.6	55.3 %
Amortization of purchased intangible assets (A)	23.0		22.5	
Acquisition / divestiture items (B)	0.2		—	
Stock-based compensation / deferred compensation (C)	3.5		2.2	
Restructuring and other costs (D)	0.3		1.1	
Non-GAAP gross margin:	\$ 587.8	64.2 %	\$ 575.4	57.9 %
OPERATING EXPENSES:				
GAAP operating expenses:	\$ 423.8	46.3 %	\$ 392.7	39.5 %
Amortization of purchased intangible assets (A)	(11.7)		(12.1)	
Acquisition / divestiture items (B)	(6.8)		(3.9)	
Stock-based compensation / deferred compensation (C)	(31.9)		(22.8)	
Restructuring and other costs (D)	(11.7)		(11.6)	
Non-GAAP operating expenses:	\$ 361.7	39.5 %	\$ 342.3	34.4 %
OPERATING INCOME:				
GAAP operating income:	\$ 137.0	15.0 %	\$ 156.9	15.8 %
Amortization of purchased intangible assets (A)	34.7		34.6	
Acquisition / divestiture items (B)	7.0		3.9	
Stock-based compensation / deferred compensation (C)	35.4		25.0	
Restructuring and other costs (D)	12.0		12.7	
Non-GAAP operating income:	\$ 226.1	24.7 %	\$ 233.1	23.5 %
NON-OPERATING INCOME (EXPENSE), NET:				
GAAP non-operating income (expense), net:	\$ 23.6		\$ (18.4)	
Acquisition / divestiture items (B)	(31.6)		8.9	
Deferred compensation (C)	(2.0)		3.3	
Restructuring and other costs (D)	1.3		0.1	
Non-GAAP non-operating expense, net:	\$ (8.7)		\$ (6.1)	

	First Quarter of			
	2023	GAAP and Non-GAAP Tax Rate % (G)	2022	GAAP and Non-GAAP Tax Rate % (G)
INCOME TAX PROVISION:				
GAAP income tax provision:	\$ 31.8	19.8 %	\$ 28.2	20.4 %
Non-GAAP items tax effected (E)	11.2		18.1	
Difference in GAAP and Non-GAAP tax rate (F)	(3.5)		(4.1)	
Non-GAAP income tax provision:	\$ 39.5	18.2 %	\$ 42.2	18.6 %
NET INCOME:				
GAAP net income:	\$ 128.8		\$ 110.3	
Amortization of purchased intangible assets (A)	34.7		34.6	
Acquisition / divestiture items (B)	(24.6)		12.8	
Stock-based compensation / deferred compensation (C)	33.4		28.3	
Restructuring and other costs (D)	13.3		12.8	
Non-GAAP tax adjustments (E) - (F)	(7.7)		(14.0)	
Non-GAAP net income:	\$ 177.9		\$ 184.8	
DILUTED NET INCOME PER SHARE:				
GAAP diluted net income per share:	\$ 0.52		\$ 0.44	
Amortization of purchased intangible assets (A)	0.14		0.14	
Acquisition / divestiture items (B)	(0.10)		0.05	
Stock-based compensation / deferred compensation (C)	0.14		0.11	
Restructuring and other costs (D)	0.05		0.05	
Non-GAAP tax adjustments (E) - (F)	(0.03)		(0.06)	
Non-GAAP diluted net income per share:	\$ 0.72		\$ 0.73	
ADJUSTED EBITDA:				
GAAP net income:	\$ 128.8		\$ 110.3	
Non-operating income (expense), net and income tax provision	8.2		46.6	
GAAP operating income:	137.0		156.9	
Amortization of purchased intangible assets (A)	34.7		34.6	
Acquisition / divestiture items (B)	7.0		3.9	
Stock-based compensation / deferred compensation (C)	35.4		25.0	
Restructuring and other costs (D)	12.0		12.7	
Non-GAAP operating income:	226.1		233.1	
Depreciation expense and cloud computing amortization	11.3		10.5	
Income from equity method investments, net	11.4		9.7	
Adjusted EBITDA	\$ 248.8	27.2 %	\$ 253.3	25.5 %

Non-GAAP Definitions

Non-GAAP gross margin

We define Non-GAAP gross margin as GAAP gross margin, excluding the effects of amortization of purchased intangible assets, acquisition/divestiture items, stock-based compensation, deferred compensation, and restructuring and other costs. We believe our investors benefit by understanding our non-GAAP gross margin as a way of understanding how product mix, pricing decisions, and manufacturing costs influence our business.

Non-GAAP operating expenses

We define Non-GAAP operating expenses as GAAP operating expenses, excluding the effects of amortization of purchased intangible assets, acquisition/divestiture items, stock-based compensation, deferred compensation, and restructuring and other costs. We believe this measure is important to investors evaluating our non-GAAP spending in relation to revenue.

Non-GAAP operating income

We define Non-GAAP operating income as GAAP operating income, excluding the effects of amortization of purchased intangible assets, acquisition/divestiture items, stock-based compensation, deferred compensation, and restructuring and other costs. We believe our investors benefit by understanding our non-GAAP operating income trends, which are driven by revenue, gross margin, and spending.

Non-GAAP non-operating expense, net

We define Non-GAAP non-operating expense, net as GAAP non-operating income (expense), net, excluding acquisition/divestiture items, deferred compensation, and restructuring and other costs. We believe this measure helps investors evaluate our non-operating expense trends.

Non-GAAP income tax provision

We define Non-GAAP income tax provision as GAAP income tax provision, excluding charges and benefits such as net deferred tax impacts resulting from the non-U.S. intercompany transfer of intellectual property, tax law changes, and significant one-time reserve releases upon the statute of limitations expirations. We believe this measure helps investors because it provides for consistent treatment of excluded items in our non-GAAP presentation and a difference in the GAAP and non-GAAP tax rates.

Non-GAAP net income

We define Non-GAAP net income as GAAP net income, excluding the effects of amortization of purchased intangible assets, acquisition/divestiture items, stock-based compensation, restructuring and other costs, and non-GAAP tax adjustments. This measure provides a supplemental view of net income trends, which are driven by non-GAAP income before taxes and our non-GAAP tax rate.

Non-GAAP diluted net income per share

We define Non-GAAP diluted net income per share as GAAP diluted net income per share, excluding the effects of amortization of purchased intangible assets, acquisition/divestiture items, stock-based compensation, restructuring and other costs, and non-GAAP tax adjustments. We believe our investors benefit by understanding our non-GAAP operating performance as reflected in a per share calculation as a way of measuring non-GAAP operating performance by ownership in the company.

Adjusted EBITDA

We define Adjusted EBITDA as non-GAAP operating income plus depreciation expense, cloud computing amortization, and income from equity method investments, net. Other companies may define Adjusted EBITDA differently. Adjusted EBITDA is not intended to purport to be an alternative to net income or operating income as a measure of operating performance or cash flow from operating activities as a measure of liquidity. Adjusted EBITDA is a performance measure that we believe offers a useful view of the overall operations of our business because it facilitates operating performance comparisons by removing potential differences caused by variations unrelated to operating performance, such as capital structures (interest expense), income taxes, depreciation, and amortization of purchased intangibles and cloud computing costs.

Explanations of Non-GAAP adjustments

- (A). ***Amortization of purchased intangible assets.*** Non-GAAP gross margin and operating expenses exclude the amortization of purchased intangible assets, which primarily represents technology and/or customer relationships already developed.
- (B). ***Acquisition / divestiture items.*** Non-GAAP gross margin and operating expenses exclude acquisition costs consisting of external and incremental costs resulting directly from merger and acquisition and strategic investment activities such as legal, due diligence, integration, and other closing costs, including the acceleration of acquisition stock options and adjustments to the fair value of earn-out liabilities. Non-GAAP non-operating expense, net, excludes unusual one-time acquisition/divestiture charges, including foreign currency exchange rate gains/losses related to an acquisition, divestiture gains/losses, and strategic investment impairments. These are one-time costs that vary significantly in amount and timing and are not indicative of our core operating performance.
- (C). ***Stock-based compensation / deferred compensation.*** Non-GAAP gross margin and operating expenses exclude stock-based compensation and income or expense associated with movement in our non-qualified deferred compensation plan liabilities. Changes in non-qualified deferred compensation plan assets, included in non-operating expense, net, offset the income or expense in the plan liabilities.
- (D). ***Restructuring and other costs.*** Non-GAAP gross margin and operating expenses exclude restructuring and other costs comprised of termination benefits related to reductions in employee headcount and closure or exit of facilities, executive severance agreements, costs incurred in exiting business activities in Russia and Belarus, other business exit costs, Bridge Facility fees, as well as a \$20 million commitment to donate to the Trimble Foundation that was paid over four quarters.
- (E). ***Non-GAAP items tax effected.*** This amount adjusts the provision for income taxes to reflect the effect of the non-GAAP items (A) - (D) on non-GAAP net income.
- (F). ***Difference in GAAP and Non-GAAP tax rate.*** This amount represents the difference between the GAAP and non-GAAP tax rates applied to the non-GAAP operating income plus the non-GAAP non-operating expense, net. The non-GAAP tax

rate excludes charges and benefits such as net deferred tax impacts resulting from a non-U.S. intercompany transfer of intellectual property and significant one-time reserve releases upon statute of limitations expirations.

- (G). **GAAP and non-GAAP tax rate percentages.** These percentages are defined as GAAP income tax provision as a percentage of GAAP income before taxes and non-GAAP income tax provision as a percentage of non-GAAP income before taxes.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk related to changes in interest rates and foreign currency exchange rates. We use certain derivative financial instruments to manage these risks. We do not use derivative financial instruments for speculative purposes. All financial instruments are used in accordance with policies approved by our board of directors.

Market Interest Rate Risk

Our cash equivalents consisted primarily of interest and non-interest bearing bank deposits as well as bank time deposits. The main objective of these instruments is safety of principal and liquidity while maximizing return, without significantly increasing risk. Due to the nature of our cash equivalents, that they are readily convertible to cash, we do not anticipate any material effect on our portfolio due to fluctuations in interest rates.

In the second quarter of 2023, we borrowed \$1.2 billion in conjunction with the Transporeon acquisition, which consisted of \$1.0 billion of term loans under the 2022 Term Loan Credit Agreement and \$225.0 million under the 2022 Credit Facility, as amended. As a result, we are exposed to market risk due to the possibility of changing interest rates. While not predictive, a hypothetical 50 basis point increase in interest rates on our variable-rate debt would result in an increase of approximately \$6.2 million in annual interest expense.

Foreign Currency Exchange Rate Risk

We operate in international markets, which expose us to market risk associated with foreign currency exchange rate fluctuations between the U.S. Dollar and various foreign currencies, the most significant of which is the Euro. In addition, volatile market conditions could result in changes in exchange rates.

Historically, the majority of our revenue contracts are denominated in U.S. Dollars, with the most significant exception being Europe, where we invoice primarily in Euro. Additionally, a portion of our expenses, primarily the cost to manufacture, cost of personnel to deliver technical support on our products and professional services, sales and sales support, and research and development are denominated in foreign currencies, primarily the Euro.

Revenue resulting from selling in local currencies and costs incurred in local currencies are exposed to foreign currency exchange rate fluctuations, which can affect our operating income. As exchange rates vary, operating income may differ from expectations. In the first quarter of 2023, unfavorable impacts from foreign currency exchange rates were \$15.7 million on revenue and \$4.5 million on operating income.

We enter into foreign currency forward contracts to minimize the short-term impact of foreign currency exchange rate fluctuations on cash, debt, and certain trade and intercompany receivables and payables, primarily denominated in Euro, New Zealand Dollars, Canadian Dollars, Brazilian Real, and British Pound. These contracts reduce the exposure to fluctuations in foreign currency exchange rate movements, as the gains and losses associated with foreign currency balances are generally offset with the gains and losses on the forward contracts. We occasionally enter into foreign currency forward contracts to hedge the purchase price of some of our larger business acquisitions. In connection with the acquisition of Transporeon, we entered into foreign currency exchange rate contracts to minimize foreign currency fluctuations on the €1.9 billion purchase price.

Our foreign currency contracts are marked-to-market through earnings every period and generally range in maturity from one to two months, or from four to six months for acquisitions. We do not enter into foreign currency contracts for trading purposes. Foreign currency forward contracts outstanding at the end of the first quarter of 2023 and at the end of 2022 are summarized as follows (in millions):

	First Quarter of 2023		Year End 2022	
	Nominal Amount	Fair Value	Nominal Amount	Fair Value
Forward contracts:				
Purchased	\$ (79.6)	\$ 0.2	\$ (77.9)	\$ —
Sold	50.7	(0.8)	130.6	0.2
Foreign currency exchange contract related to acquisition	2,021.3	38.0	1,999.4	10.4

ITEM 4. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures.

The management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of the end of the period covered by this report. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, our disclosure controls and procedures are effective.

(b) Internal Control Over Financial Reporting.

There have not been any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we are involved in litigation arising out of the ordinary course of our business. There are no material legal proceedings, other than ordinary routine litigation incidental to the business, to which we or any of our subsidiaries is a party or of which any of our or our subsidiaries' property is subject.

ITEM 1A. RISK FACTORS

There have been no material changes to our risk factor disclosures since our 2022 Form 10-K. The risk factors described in the 2022 Form 10-K are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition, or operating results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

(a) None.

(b) None.

(c) None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

We have filed, or incorporated into the Report by reference, the exhibits listed on the accompanying Index to Exhibits immediately preceding the signature page of this report.

EXHIBIT INDEX

Exh. No.	Description of Exhibit	Filed or furnished herewith or incorporated by reference to:
3.1	Certificate of Incorporation of Trimble Inc.	Exhibit 3.1 to Form 8-K filed October 3, 2016
3.2	Amended and Restated By-Laws of Trimble Inc. (effective October 1, 2020)	Exhibit 3.1 to Form 8-K filed September 30, 2020
4.1	Form of Common Stock Certificate of Trimble Inc.	Exhibit 4.1 to Form 8-K filed October 3, 2016
4.2	Fourth Supplemental Indenture, dated March 9, 2023, between Trimble and U.S. Bank National Association (which includes Form of 6.100% Senior Note due 2033)	Exhibit 4.1 to Form 8-K filed March 9, 2023
10.1	Underwriting Agreement, dated February 23, 2023, by and among Trimble Inc. and BofA Securities, Inc. and Wells Fargo Securities, LLC, as representatives of the several underwriters named therein	Exhibit 1.1 to Form 8-K filed February 27, 2023
10.2	2002 Stock Plan - Form of stock option agreement (officers, 2023 revision)	Filed herewith
10.3	2002 Stock Plan - Form of performance RSU award agreement (ARR with P&P Modifier)	Filed herewith
10.4	2002 Stock Plan - Form of performance RSU award agreement (ARR and TSR with P&P Modifier)	Filed herewith
10.5	Age and Service Equity Vesting Program, as amended March 20, 2023	Filed herewith
31.1	Certification of CEO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Certification of CFO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.1	Certification of CEO pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith
32.2	Certification of CFO pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith
101	The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, formatted in Inline XBRL, tagged as blocks of text and including detailed tags: (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Income, (iii) Condensed Consolidated Statements of Comprehensive Income, (iv) Condensed Consolidated Statements of Stockholders' Equity, (v) Condensed Consolidated Statements of Cash Flows, and (vi) Notes to Condensed Consolidated Financial Statements.	
104	The cover page from this Report on Form 10-Q, formatted in Inline XBRL	

TRIMBLE INC.
AMENDED AND RESTATED 2002 STOCK PLAN
GLOBAL STOCK OPTION AGREEMENT
(EXECUTIVE OFFICERS)

Unless otherwise defined herein, the capitalized terms used in this Global Stock Option Agreement (Executive Officers) shall have the same defined meanings as set forth in the Trimble Inc. Amended and Restated 2002 Stock Plan (the "Plan").

I. **NOTICE OF STOCK OPTION GRANT**

Name (Optionee): [Participant Name]

Employee ID: [Employee ID]

You have been granted an Option to purchase shares of the Common Stock of the Company, subject to the terms and conditions of the Plan and this Global Stock Option Agreement (Executive Officers), including any terms and conditions for your country in the appendix attached hereto (the "Appendix," together with the Global Stock Option Agreement, the "Option Agreement"), as follows:

Date of Grant [Grant Date]

Vesting Commencement Date [Vesting Commencement Date]

Exercise Price per Share USD[Grant Price]

Total Number of Shares Granted [Shares Granted]

Total Exercise Price US[Total Exercise Price]

Type of Option [Grant Type]

Term/Expiration Date: [Expiration Date]

Vesting Schedule

The vesting schedule for this Stock Option is set forth on "Exhibit A: Vesting Schedule" attached hereto. Vesting is subject to the Optionee continuing to be a Service Provider on the applicable vesting date(s), as further described in Part II. (Option Agreement), Paragraph H. (Nature of Option Grant), Item 13, below. Anything in the foregoing to the contrary notwithstanding, in the event that the Optionee ceases to be a Service Provider as a result of the Optionee's death, this Option shall automatically vest and become immediately exercisable with respect to the number of Shares that would have vested had the Optionee continued as a Service Provider for an additional twenty-four (24) month period following the Optionee's death.

Forfeiture

Except as provided above under the heading "Vesting Schedule," upon the date that the Optionee ceases to be a Service Provider for any reason, all unvested Options shall be forfeited. The date the Optionee ceases to be a Service Provider for purposes of the Option will be the date described in Part II, Paragraph H.13 below.

Post-Termination Exercise Period:

The vested portion of this Option may be exercised for twelve (12) months after the Optionee ceases to be a Service Provider (including the death or Disability of the Optionee). The date the Optionee ceases to be a Service Provider for purposes of this Option will be the date described in Part II, Paragraph H.13 below. In no event shall any portion of this Option be exercised later than the Term/Expiration Date as provided above.

II. OPTION AGREEMENT

A. Grant of Option.

The Administrator hereby grants to the person named in the Notice of Stock Option Grant (the “Notice of Grant”) attached as Part I of this Option Agreement (the “Optionee”) an Option to purchase the number of Shares, as set forth in the Notice of Grant, at the Exercise Price per Share set forth in the Notice of Grant (the “Exercise Price”), subject to the terms and conditions of the Plan, which is incorporated herein by reference, and this Option Agreement. Subject to Section 15(b) of the Plan, in the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Option Agreement, the terms and conditions of the Plan shall prevail.

B. Exercise of Option.

1. Right to Exercise. This Option is exercisable during its term in accordance with the Vesting Schedule set out in the Notice of Grant and the applicable provisions of the Plan and this Option Agreement.

1. Method of Exercise. This Option is exercisable by (i) electronic exercise in accordance with an approved automated exercise program or (ii) delivery of an exercise notice, in the form designated by the Company from time to time (the “Exercise Notice”), which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the “Exercised Shares”), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice shall be completed by the Optionee and delivered to the Company. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares. This Option shall be deemed to be exercised upon receipt by the Company of the Exercise Price and the Tax-Related Items (as defined in Paragraph F below).

C. Method of Payment.

Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at the election of the Optionee and to the extent permitted under Applicable Laws:

1. cash (in U.S. dollars); or
2. check (denominated in U.S. dollars); or
3. consideration received by the Company under a cashless exercise program implemented by the Company in connection with the Plan; or
4. subject to the sole discretion of the Administrator, surrender of other Shares which have a Fair Market Value on the date of surrender equal to the aggregate Exercise Price of the Exercised Shares.

D. Non-Transferability of Option.

This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of the Optionee only by the Optionee. The terms of the Plan and this Option Agreement, including the Appendix, shall be binding upon the executors, administrators, heirs, successors and assigns of the Optionee.

E. Term of Option.

This Option may be exercised only within the term set out in the Notice of Grant, and may be exercised during such term only in accordance with the Plan and the terms of this Option Agreement.

F. Tax Obligations.

The Optionee acknowledges that, regardless of any action taken by the Company or, if different, the Optionee's employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Optionee's participation in the Plan and legally applicable or deemed applicable to him or her ("Tax-Related Items") is and remains the Optionee's responsibility and may exceed the amount actually withheld by the Company or the Employer, if any. The Optionee further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Option, including, without limitation, the grant, vesting or exercise of this Option, the issuance of Shares upon exercise of this Option, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate the Optionee's liability for Tax-Related Items or achieve any particular tax result. Furthermore, if the Optionee is subject to Tax-Related Items in more than one jurisdiction, the Optionee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, the Optionee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Optionee authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any withholding obligations with regard to Tax-Related Items by one or a combination of the following:

1. withholding from the Optionee's wages or other cash compensation paid to the Optionee by the Company and/or the Employer or any Subsidiary or Affiliate; or
2. withholding from proceeds of the sale of Exercised Shares acquired upon exercise, either through a voluntary sale or through a mandatory sale arranged by the Company (on the Optionee's behalf pursuant to this authorization without further consent); or
3. withholding in Exercised Shares to be issued upon exercise of this Option.
4. any other method of withholding determined by the Company and, to the extent required by Applicable Laws or the Plan, approved by the Administrator.

The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable statutory rates in the Optionees' jurisdiction(s), in which case the Optionee may receive a refund of any over-withheld amount in cash in accordance with Applicable Laws and will have no entitlement to the equivalent in Shares. In the event of over-withholding, the Optionee may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Common Stock), or if not refunded, the Optionee may seek a refund from the local tax authorities. In the event of under-withholding, the Optionee may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer. If the obligation for Tax-Related Items is satisfied by withholding in Shares, the Optionee is deemed, for tax purposes, to have been issued the full number of Exercised Shares, notwithstanding that some Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, the Optionee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company and/or the Employer may be required to withhold or account for as a result of the Optionee's participation in the Plan, which amount cannot be satisfied by the means previously described. The Company may refuse to issue or deliver Shares or the proceeds of the sale of Shares if the Optionee fails to comply with his or her obligations in connection with the Tax-Related Items.

G. Code Section 409A.

The Company reserves the right, to the extent the Company deems necessary or advisable in its sole discretion, to unilaterally amend or modify the Plan, this Option Agreement or the Notice of Grant or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect),

or take any other actions, as the Administrator determines are necessary or appropriate to ensure that this Option qualifies for exemption from, or complies with the requirements of, Section 409A of the Code; provided, however, that the Company makes no representation that the Option will be exempt from, or will comply with, Section 409A of the Code, and makes no undertakings to preclude Section 409A of the Code from applying to the Option or to ensure that it complies with Section 409A of the Code.

H. Nature of Option Grant.

In accepting this Option, the Optionee acknowledges, understands and agrees that:

1. the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
2. the grant of this Option is exceptional, voluntary and occasional and does not create any contractual or other right to receive future stock options, or benefits in lieu of stock options, even if stock options have been granted in the past;
3. all decisions with respect to future stock option or other grants, if any, will be at the sole discretion of the Company;
4. this Option grant and the Optionee's participation in the Plan shall not create a right to employment or be interpreted as forming or amending an employment or service contract with the Company, the Employer or any Subsidiary or Affiliate, and shall not interfere with the ability of the Company, the Employer or any Subsidiary or Affiliate, as applicable, to terminate the Optionee's Service Provider relationship at any time;
5. the Optionee's participation in the Plan is voluntary;
6. unless otherwise agreed with the Company, this Option and the Optioned Stock, and the income and value of same, are not granted as consideration for, or in connection with the service the Optionee may provide as a director of a Subsidiary or Affiliate of the Company;
7. this Option and the Optioned Stock are not intended to replace any pension rights or compensation;
8. this Option and the Optioned Stock, and the income and value of same, are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension or retirement or welfare benefits or similar mandatory payments;
9. the future value of the underlying Shares is unknown, indeterminable, and cannot be predicted with any certainty;
10. if the Optioned Stock does not increase in value, this Option will have no value;
11. if the Optionee exercises this Option and obtains Shares, the value of the Shares acquired upon exercise may increase or decrease, even below the Exercise Price;
12. no claim or entitlement to compensation or damages shall arise from forfeiture of this Option resulting from termination of the Optionee's relationship as a Service Provider (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Optionee is engaged as a Service Provider or the terms of the Optionee's employment or service agreement, if any);
13. for purposes of this Option, the Optionee's relationship as a Service Provider will be considered terminated as of the date the Optionee is no longer actively providing services to the Company or

one of its Subsidiaries or Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Optionee is engaged as a Service Provider or the terms of the Optionee's employment or service agreement, if any); unless otherwise expressly provided in this Option Agreement or determined by the Company, (i) the Optionee's right to vest in this Option under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., the period during which the Optionee is considered a Service Provider would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Optionee is engaged as a Service Provider or the terms of the Optionee's employment or service agreement, if any); and (ii) the period (if any) during which the Optionee may exercise this Option after the Optionee ceases to be a Service Provider will commence on the date the Optionee ceases to actively provide services and will not be extended by any notice period mandated under employment laws in the jurisdiction where the Optionee is engaged as a Service Provider or the terms of the Optionee's employment or service agreement, if any; the Administrator shall have the exclusive discretion to determine when the Optionee is no longer actively providing services for purposes of this Option (including whether the Optionee may still be considered to be actively providing services while on a leave of absence);

14. unless otherwise provided in the Plan or by the Company in its discretion, the Option and the benefits evidenced by this Option Agreement do not create any entitlement to have the Option or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

15. neither the Company, the Employer nor any Subsidiary of Affiliate shall be liable for any foreign exchange rate fluctuation between the United States Dollar and the Optionee's local currency (if different) that may affect the value of this Option or of any amounts due to the Optionee pursuant to the exercise of this Option or the subsequent sale of any Shares acquired upon exercise.

I. No Advice Regarding Grant.

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Optionee's participation in the Plan, or the Optionee's acquisition or sale of the underlying Shares. Optionee acknowledges, understands and agrees he or she should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

J. Rights as Stockholder.

Neither the Optionee nor any person claiming under or through the Optionee will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares will have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Optionee. After such issuance, recordation and delivery, the Optionee will have all the rights of a stockholder of the Company with respect to voting such Shares and the receipt of dividends and distributions on such Shares.

K. Compliance with Law.

Notwithstanding anything to the contrary contained herein, no Shares will be issued to the Optionee upon the exercise of this Option unless the Shares subject to the Option are then registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or, if such Shares are not so registered, the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Further, no Shares will be issued until completion of any other applicable registration or qualification of the Shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of any applicable governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. By accepting this Option, the Optionee agrees not to sell any of the Shares received under this Option at a time when Applicable Laws or Company policies prohibit a sale.

L. Clawback Provision.

Any Shares deliverable under the Option and any financial gain thereof will be subject to recoupment in accordance with the Company's Incentive Compensation Recoupment Policy, effective as of May 2, 2017, and as may be amended from time to time, and any clawback policy that is required to be adopted pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd- Frank Wall Street Reform and Consumer Protection Act or other Applicable Laws.

M. Insider Trading Restrictions / Market Abuse Laws.

The Optionee acknowledges that the Optionee may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions including, but not limited to, the United States and the Optionee's country, which may affect his or her ability to acquire, sell or otherwise dispose Shares or rights to Shares (e.g., Options) under the Plan during such time as the Optionee is considered to have "inside information" regarding the Company (as defined by the laws in applicable jurisdictions). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. The Optionee is responsible for ensuring compliance with any applicable restrictions and the Optionee should speak to his or her personal legal advisor on this matter.

N. Data Privacy Information and Consent.

The Company is located at 935 Stewart Drive, Sunnyvale, California 94085 U.S.A. and grants Options to employees of the Company and its Subsidiaries, at the Company's sole discretion. If the Optionee would like to participate in the Plan, the Optionee should review the following information about the Company's data processing practices and declare his or her consent.

(a) Data Collection and Usage. *The Company collects, processes and uses the Optionee's personal data, including his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any Shares or directorships held in the Company, and details of all Options canceled, vested, exercised or outstanding in the Optionee's favor, which the Company receives from him or her or the Employer. If the Company offers the Optionee an Option grant under the Plan, then the Company will collect his or her personal data for purposes of allocating stock and implementing, administering and managing the Plan. The Company's legal basis for the processing of the Optionee's personal data would be his or her consent.*

(b) Stock Plan Administration Service Providers. *The Company transfers participant data to Fidelity Stock Plan Services, LLC ("Fidelity"), an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share the Optionee's data with another company that serves in a similar manner. The Company's service provider will open an account for the Optionee to receive and trade Shares. The Optionee will be asked to agree on separate terms and data processing practices with the service provider, which is a condition to his or her ability to participate in the Plan.*

(c) International Data Transfers. *The Company and its service providers are based in the United States. The Optionee should note that his or her country may have enacted data privacy laws that are different from the United States. The Company's legal basis for the transfer of the Optionee's personal data is the Optionee's consent.*

(d) Data Retention. *The Company will use the Optionee's personal data only as long as is necessary to implement, administer and manage his or her participation in the Plan or as required to comply with legal or regulatory obligations, including under tax and security laws. When the Company no longer needs the Optionee's personal data, the Company will remove it from its systems. If the Company keeps data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be relevant laws or regulations.*

(e) Voluntariness and Consequences of Consent Denial or Withdrawal. *The Optionee's participation in the Plan and his or her grant of consent is purely voluntary. The Optionee may*

deny or withdraw his or her consent at any time. If the Optionee does not consent, or if you withdraw his or her consent, he or she cannot participate in the Plan. This would not affect the Optionee's salary as an employee or his or her career; the Optionee would merely forfeit the opportunities associated with the Plan.

(f) Data Subject Rights. The Optionee may have a number of rights under data privacy laws in his or her country. For example, in the European Union, the Optionee's rights include the right to (a) request access or copies of personal data the Company processes, (b) rectification of incorrect data, (c) deletion of data, (d) restrictions on processing, (e) to lodge complaints with competent authorities in the Optionee's country, and/or (f) request a list with the names and addresses of any potential recipients of the Optionee's personal data. To receive clarification regarding the Optionee's rights or to exercise his or her rights please contact the Company at stock_administration@trimble.com.

By clicking on the data privacy acceptance box in the Company's electronic procedures, the Optionee am declaring that he or she agrees with the data processing practices described herein and consent to the collection, processing and use of the Optionee's personal data by the Company and the transfer of personal data to the recipients mentioned above, including recipients located in countries which do not adduce an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described above.

O. Language.

The Optionee acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English so as to allow the Optionee, to understand the terms and conditions of this Option Agreement. If the Optionee has received this Option Agreement or any other documents related to the Plan translated into a language other than English and if the meaning of the translated version differs from the English version, the English version shall control, unless otherwise required by Applicable Laws.

P. Electronic Delivery and Participation.

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Optionee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.

Q. Severability.

The provisions of this Option Agreement (which includes the Appendix) are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

R. Appendix.

This Option shall be subject to any terms and conditions for the Optionee's country set forth in the Appendix. Moreover, if the Optionee relocates to one of the countries included in the Appendix, the terms and conditions for such country shall apply to the Optionee, unless the Company determines that the application of such terms and conditions is not necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Option Agreement.

S. Imposition of Other Requirements.

The Company reserves the right to impose other requirements on the Optionee's participation in the Plan, on this Option and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Optionee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

T. Entire Agreement.

The Plan is incorporated herein by reference. The Plan and this Option Agreement, constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Optionee with respect to the subject matter hereof, and may not be modified adversely to the Optionee's interest except by means of a writing signed by the Company and the Optionee.

U. Governing Law; Venue.

This Option and this Option Agreement are governed by the internal substantive laws, but not the choice of law rules, of the State of Delaware, U.S.A.

For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Option or this Option Agreement, the parties hereby submit to and consent to the sole and exclusive jurisdiction of the State of California, U.S.A. and agree that such litigation shall be conducted only in the courts of Santa Clara County, California, U.S.A., or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

V. Foreign Asset/Account Reporting Requirements; Exchange Controls.

The Optionee acknowledges that his or her country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect his or her ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Shares acquired under the Plan) in a brokerage or bank account outside his or her country. The Optionee may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. The Optionee also may be required to repatriate sale proceeds or other funds received as a result of his or her participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Optionee acknowledges that it is his or her responsibility to be compliant with such regulations, and he or she understands and agrees to consult his or her personal legal advisor for any details.

W. Waiver.

The Optionee acknowledges that a waiver by the Company of breach of any provision of this Option Agreement shall not operate or be construed as a waiver of any other provision of this Option Agreement or of any subsequent breach by the Optionee or any other optionee.

BY THE OPTIONEE'S SIGNATURE AND THE SIGNATURE OF THE COMPANY'S REPRESENTATIVE BELOW OR BY THE OPTIONEE'S ACCEPTANCE OF THIS OPTION THROUGH THE COMPANY'S ONLINE ACCEPTANCE PROCEDURES, THE OPTIONEE AND THE COMPANY AGREE THAT THIS OPTION IS GRANTED UNDER AND GOVERNED BY THE TERMS AND CONDITIONS OF THE PLAN AND THIS OPTION AGREEMENT, INCLUDING THE APPENDIX. THE OPTIONEE HAS REVIEWED THE PLAN AND THIS OPTION AGREEMENT, INCLUDING THE APPENDIX, IN THEIR ENTIRETY, HAS HAD AN OPPORTUNITY TO OBTAIN THE ADVICE OF COUNSEL PRIOR TO EXECUTING THIS OPTION AGREEMENT AND FULLY UNDERSTANDS ALL PROVISIONS OF THE PLAN AND OPTION AGREEMENT, INCLUDING THE APPENDIX. THE OPTIONEE HEREBY AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE ADMINISTRATOR UPON ANY QUESTIONS RELATING TO THE PLAN AND OPTION AGREEMENT, INCLUDING THE APPENDIX. THE OPTIONEE FURTHER AGREES TO NOTIFY THE COMPANY UPON ANY CHANGE IN THE OPTIONEE'S RESIDENCE ADDRESS INDICATED BELOW.

OPTIONEE: TRIMBLE INC.

Signature _____ By _____

_____ Robert G. Painter
Print Name Print Name

_____ President and CEO
Residence Address Title

Exhibit A: Vesting Schedule

[to incorporate applicable vesting description]

**TRIMBLE INC.
AMENDED AND RESTATED 2002 STOCK PLAN**

**PERFORMANCE STOCK UNIT
AWARD AGREEMENT
(202_ Awards – ARR with People & Planet Modifier)**

Unless otherwise defined herein, the capitalized terms used in this Performance Stock Unit Award Agreement shall have the same defined meanings as set forth in the Trimble Inc. Amended and Restated 2002 Stock Plan (the “Plan”).

Name: [Participant Name]

Employee ID: [Employee ID]

You have been awarded the right to receive Common Stock of the Company or a cash equivalent, subject to the terms and conditions of the Plan and this Performance Stock Unit Award Agreement, including any special terms and conditions for your country as may be set forth in an appendix attached hereto (the “Award Agreement”), as follows:

Date of Grant: [Grant Date]

Target Number of Performance Stock Units (“Target Units”): [# of Shares] PSUs

Vesting Schedule

Subject to the terms of the Plan and this Award Agreement, the Performance Stock Units granted under this Award Agreement vest on the last date of the Performance Period (as set forth in Schedule A), but only (i) to the extent the Performance Goals (as set forth in Schedule A) are attained, as determined in accordance with the paragraph below and (ii) as long as you continue to be a Service Provider, as further described in the “Nature of Award” section below (see paragraph 11 thereunder), from the date of grant of the Performance Stock Units through the last date of the Performance Period.

As soon as reasonably practicable after the completion of the Performance Period, the Administrator shall determine the actual level of attainment of the Performance Goals. On the basis of the determination of attainment of the Performance Goals, the number of Performance Stock Units that are eligible to vest shall be calculated.

Anything in the foregoing to the contrary notwithstanding:

- (1) In the event that you cease to be a Service Provider as a result of your death prior to the last day of the Performance Period, you shall vest, with respect to each Scoring Window, in a number of Performance Stock Units equal to the product of the number of Performance Stock Units that become eligible to vest with respect to the applicable Scoring Window based on the attainment level of the Performance Goals calculated as of the end of the corresponding Scoring Window, multiplied by the Pro Rata Factor, rounded up to the nearest whole number of Performance Stock Units. “Pro Rata Factor” means a fraction, the numerator of which is the number of days that you have completed as a Service Provider during the period commencing on the date of grant of the Performance Stock Units and ending on the date that is the earliest of your death or the Shortened Performance Attainment Date (as defined below), and the denominator of which is the number of total days contained in the period commencing on the date of
-

grant of the Performance Stock Units and ending on the last day of the corresponding Scoring Window.

- (2) In the event of a Change in Control, (a) if the last day of a Scoring Window precedes the Change in Control, the Performance Stock Units subject to any such Scoring Window that became eligible to vest based on the attainment of the Performance Goals shall vest as of the date that the attainment level has been determined in accordance with the procedures described under the “Vesting Schedule” section and (b) if the last day of a Scoring Window postdates the Change in Control, (i) each such Scoring Window shall be shortened to end on a date preceding the consummation of the Change in Control to be selected by the Administrator (the “Shortened Performance Attainment Date”), (ii) with respect to each such Scoring Window, a number of Performance Stock Units shall vest immediately prior to the Change in Control equal to the product of the number of Performance Stock Units that become eligible to vest with respect to the applicable Scoring Window based on the attainment level of the Performance Goals calculated as of the Shortened Performance Attainment Date, multiplied by the Pro Rata Factor (the “Pro Rata Portion”), rounded up to the nearest whole number of Performance Stock Units, and (iii) a number of Performance Stock Units equal to the difference between the number of Performance Stock Units that became eligible to vest based on attainment of the Performance Goals and the Pro Rata Portion shall vest on the last day of the Performance Period, as long as you continue to be a Service Provider, as further described in paragraph 11 of the “Nature of Award” section below, through the last date of the Performance Period (the “Time-Based RSUs”). Notwithstanding the foregoing, if you cease to be a Service Provider as a result of your involuntary termination by the Company (or an Affiliate) within one year following the Change in Control and prior to the last day of the Performance Period, your Time-Based RSUs shall vest automatically as of the date you cease to be a Service Provider. For purposes of this Award Agreement, “Cause” shall mean, as determined by the Company: (AA) your performance of any act or omission which, if you were prosecuted, would constitute a felony or misdemeanor; (BB) your failure to carry out your material duties; (CC) your dishonesty towards or fraud upon the Company or any Affiliate which is injurious to the Company or any Affiliate; (DD) your violation of any Company or Affiliate practice or agreement or confidentiality obligations to the Company, any Affiliate, or any customers of the Company or any Affiliate, or misappropriation of assets of the Company or any Affiliate; (EE) your death or inability to carry out your essential duties with reasonable accommodation, if any, unless prohibited by law. Notwithstanding the foregoing, if you are a party to a Change in Control Severance Agreement, then this paragraph (2) shall not apply; provided, however, that if such agreement does not address accelerated vesting with respect to Scoring Windows, as contemplated under this paragraph (2), then this paragraph (2) shall apply. For the avoidance of any doubt, the Time-Based RSUs shall be subject to Section 14(c) of the Plan.
- (3) In the event that you have been selected to participate in the Company Age and Service Equity Vesting Program (the “Vesting Program”) on or before the date of grant of the Performance Stock Units, this Award Agreement shall also be subject to the terms of the Vesting Program.
- (4) If you are a party to an Executive Severance Agreement with the Company, this Award Agreement shall also be subject to the terms of such Executive Severance Agreement.

Settlement

For each vested Performance Stock Unit, you shall be entitled to receive:

- (1) a number of whole Shares equal to the number of Performance Stock Units vesting on such vesting date, or
- (2) a cash payment equal to the product of the number of Performance Stock Units vesting on such vesting date and the Fair Market Value of one Share on such vesting date or
- (3) a combination of the foregoing at the Company's discretion under the terms of the Plan.

The vested Performance Stock Units shall be paid as follows:

- (i) within 30 days of the end of the Performance Period (including Performance Stock Units that vest in connection with the vesting events described under the "Vesting Schedule" section above under paragraphs (1), (2)(a) and 2(b)(iii), i.e., the Time-Based RSUs vesting upon attainment of the service vesting requirement); or
- (ii) with respect to the (A) Pro Rata Portion, described in paragraph (2)(b)(ii) under the "Vesting Schedule" section above, such Pro Rata Portion shall be paid within 30 days following a Change in Control, or if the Performance Stock Units constitute non-qualified deferred compensation subject to Section 409A of the Code, a "change in control event" within the meaning of US. Treas. Reg. §1.409A-3(i)(5), and (B) Time-Based RSUs payable upon a cessation of service as a result of your involuntary termination, described in paragraph (2)(b)(iii) under the "Vesting Schedule" section above, such Time-Based RSUs shall be paid within 30 days following the date you cease to be a Service Provider.

Notwithstanding the foregoing, to the extent this Award Agreement is subject to a Change in Control Severance Agreement, an Executive Severance Agreement or the Vesting Program, the settlement terms of such agreement or program shall control with respect to the Performance Stock Units to the extent necessary to comply with Section 409A of the Code.

Forfeiture

Except as provided above under the heading "Vesting Schedule," upon the date that you cease to be a Service Provider for any reason, all unvested Performance Stock Units shall be forfeited. The date you cease to be a Service Provider for purposes of the Award will be the date described in paragraph (11) of the "Nature of Award" section below.

Tax Obligations

You acknowledge that, regardless of any action taken by the Company or, if different, your employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items") is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer, if any. You further acknowledge that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Stock Units, including, but not limited to, the grant, vesting or settlement of the Performance Stock Units, the issuance of Shares (or the cash equivalent) upon settlement of the Performance Stock Units, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends and/or any dividend equivalents; and (2) do not commit to and are under no obligation to structure the terms of this Award or any aspect of the Performance Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, you agree to make arrangements satisfactory to the Company and/or the Employer to fulfill all Tax-Related Items.

In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any withholding obligations for Tax-Related Items by one or a combination of the following:

- (1) withholding from your wages or other cash compensation paid to you by the Company and/or the Employer or any Subsidiary or Affiliate; or
- (2) withholding from proceeds of the sale of the Shares acquired upon vesting/settlement of the Performance Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization and without further consent); or
- (3) withholding in Shares to be issued upon vesting/settlement or from the cash payment received at settlement (if any) of the Performance Stock Units;
- (4) any other method of withholding determined by the Company and, to the extent required by Applicable Laws or the Plan, approved by the Administrator

provided, however, that if you are a Section 16 officer of the Company under the Exchange Act, then the Company will withhold in Shares upon the relevant taxable or tax withholding event, as applicable (other than U.S. Federal Insurance Contribution Act taxes or other Tax-Related Items that become payable in a year prior to the year in which Shares are issued upon settlement of the Performance Stock Units), unless the use of such withholding method is problematic under applicable tax or securities law or has materially adverse accounting consequences, in which case, any applicable obligations for Tax-Related Items may be satisfied by one or a combination of methods (1) – (2) above.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates or other applicable withholding rates, including up to the maximum applicable permissible statutory rate for your tax jurisdiction(s), in which case you will have no entitlement to the equivalent amount in Shares and may receive a refund of any over-withheld amount in cash in accordance with applicable law. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Performance Stock Units, notwithstanding that a number of Shares are held back solely for the purpose of satisfying the withholding obligation for the Tax-Related Items.

Finally, you agree to pay the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares (or the cash equivalent) or the proceeds of the sale of Shares if you fail to comply with your obligations in connection with the Tax-Related Items.

Code Section 409A

The vesting and settlement of Performance Stock Units awarded pursuant to this Award Agreement are intended to qualify for the “short-term deferral” exemption from Section 409A of the Code or comply with Section 409A of the Code. In furtherance of this intent, the provisions of this Award Agreement shall be interpreted, operated, and administered in a manner consistent with these intentions. The Administrator reserves the right, to the extent the Administrator deems necessary or advisable in its sole discretion, to unilaterally amend or modify the Plan and/or this Award Agreement to ensure that the Performance Stock Units qualify for exemption from

or comply with Section 409A of the Code or to mitigate any additional tax, interest and/or penalties or other adverse tax consequences that may apply under Section 409A of the Code if compliance is not practical; provided, however, that the Company makes no representations that the Performance Stock Units will be exempt from Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to these Performance Stock Units. Nothing in this Award Agreement shall provide a basis for any person to take any action against the Company or any of its Subsidiaries or Affiliates based on matters covered by Section 409A of the Code, including the tax treatment of this Award Agreement, and neither the Company nor any of its Subsidiaries or Affiliates will have any liability under any circumstances to you or any other party if the Performance Stock Units that is intended to be exempt from, or compliant with, Section 409A of the Code, is not so exempt or compliant or for any action taken by the Administrator with respect thereto.

Nature of Award

In accepting this Award, you acknowledge, understand and agree that:

- (1) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- (2) this Award is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock units, or benefits in lieu of restricted stock units, even if restricted stock units have been granted in the past;
- (3) all decisions with respect to future restricted stock unit grants, if any, will be at the sole discretion of the Company;
- (4) you are voluntarily participating in the Plan;
- (5) this Award and your participation in the Plan shall not create a right to employment or be interpreted as forming or amending an employment or service contract with the Company, the Employer or any Affiliate, and shall not interfere with the ability of the Company, the Employer or any Affiliate, as applicable, to terminate your Service Provider relationship at any time;
- (6) the Performance Stock Units and the Shares subject to the Performance Stock Units, and the income and value of same, are not intended to replace any pension rights or compensation;
- (7) unless otherwise agreed with the Company, the Performance Stock Units and the Shares subject to the Performance Stock Units, and the income and value of same, are not granted as consideration for, or in connection with, the service you may provide as a director of a Subsidiary or Affiliate of the Company;
- (8) the Performance Stock Units and the Shares subject to the Performance Stock Units, and the income and value of same, are not part of normal or expected compensation or salary for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension or retirement or welfare benefits or similar mandatory payments;

(9) the future value of the underlying Shares is unknown, indeterminable, and cannot be predicted with certainty;

(10) no claim or entitlement to compensation or damages shall arise from forfeiture of the Performance Stock Units resulting from termination of your relationship as a Service Provider (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are engaged as a Service Provider or the terms of your employment or service agreement, if any);

(11) for purposes of the Award, your relationship as a Service Provider will be considered terminated as of the date you are no longer actively providing services to the Company or one of its Subsidiaries or Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are engaged as a Service Provider or the terms of your employment or service agreement, if any); unless otherwise expressly provided in this Award Agreement or determined by the Company, your right to vest in the Performance Stock Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (*e.g.*, the period during which you are considered a Service Provider would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are engaged as a Service Provider or the terms of your employment or service agreement, if any); the Administrator shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Award (including whether you may still be considered to be actively providing services while on a leave of absence);

(12) unless otherwise provided in the Plan or by the Company in its discretion, the Performance Stock Units and the benefits evidenced by this Award Agreement do not create any entitlement to have the Performance Stock Units or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

(13) neither the Company, the Employer nor any Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between the United States Dollar and your local currency (if different) that may affect the value of the Performance Stock Units or of any amounts due to you pursuant to the settlement of the Performance Stock Units or the subsequent sale of any Shares acquired upon settlement.

No Advice Regarding Award

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You acknowledge, understand and agree you should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

No Stockholder Rights Prior to Settlement

You shall have no rights of a stockholder (including the right to distributions or dividends or to vote) unless and until Shares are issued pursuant to the terms of this Award Agreement.

Compliance with Law

Notwithstanding anything to the contrary contained herein, no Shares will be issued to you upon vesting of the Performance Stock Units unless the Shares subject to the Performance Stock Units are then registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or, if such Shares are not so registered, the Company has determined that such vesting and issuance would be exempt from the registration requirements of the Securities Act. Further, no Shares will be issued until completion of any other applicable registration or qualification of the Shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of any applicable governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. By accepting the Performance Stock Units, you agree not to sell any of the Shares received under this Award at a time when Applicable Laws or Company policies prohibit a sale.

Clawback Provision

The Performance Stock Units and any financial gain thereof will be subject to recoupment in accordance with the Company's Incentive Compensation Recoupment Policy, effective as of May 2, 2017, and as may be amended from time to time, and any clawback policy that is required to be adopted pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other Applicable Laws.

Insider Trading Restrictions / Market Abuse Laws

You acknowledge that you may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions including, but not limited to, the United States and your country, which may affect your ability to acquire, sell or otherwise dispose of Shares or rights to Shares (e.g., Performance Stock Units) under the Plan during such time as you are considered to have "inside information" regarding the Company (as defined by the laws in applicable jurisdictions). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. You are responsible for ensuring compliance with any applicable restrictions and should consult your personal legal advisor on such matters.

Data Privacy Information and Consent

The Company is located at 935 Stewart Drive, Sunnyvale California and grants Performance Stock Units to employees of the Company and its Subsidiaries, at the Company's sole discretion. If you would like to participate in the Plan, you should review the following information about the Company's data processing practices and declare your consent.

(a) Data Collection and Usage. The Company collects, processes and uses your personal data, including your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any Shares or directorships held in the Company, and details of all Performance Stock Units canceled, vested, or outstanding in your favor, which the Company receives from you or the Employer. If the Company offers you a grant of Performance Stock Units under the Plan, then the Company will collect your personal data for purposes of allocating stock and implementing, administering and managing the Plan. The Company's legal basis for the processing of your personal data would be your consent.

(b) Stock Plan Administration Service Providers. The Company transfers participant data to Fidelity Stock Plan Services, LLC (“Fidelity”), an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share your data with another company that serves in a similar manner. The Company’s service provider will open an account for you to receive and trade Shares. You will be asked to agree on separate terms and data processing practices with the service provider, which is a condition to your ability to participate in the Plan.

(c) International Data Transfers. The Company and its service providers are based in the United States. You should note that your country may have enacted data privacy laws that are different from the United States. For example, the European Commission has issued a limited adequacy finding with respect to the United States that applies only to the extent companies register for the EU-U.S. Privacy Shield program, which is open to companies subject to Federal Trade Commission jurisdiction and in which the Company does participate with respect to employee data. The Company’s legal basis for the transfer of your personal data is your consent.

(d) Data Retention. The Company will use your personal data only as long as is necessary to implement, administer and manage your participation in the Plan or as required to comply with legal or regulatory obligations, including under tax and security laws. When the Company no longer needs your personal data, the Company will remove it from its systems. If the Company keeps data longer, it would be to satisfy legal or regulatory obligations and the Company’s legal basis would be relevant laws or regulations.

(e) Voluntariness and Consequences of Consent Denial or Withdrawal. Your participation in the Plan and your grant of consent is purely voluntary. You may deny or withdraw your consent at any time. If you do not consent, or if you withdraw your consent, you cannot participate in the Plan. This would not affect your salary as an employee or your career; you would merely forfeit the opportunities associated with the Plan.

(f) Data Subject Rights. You may have a number of rights under data privacy laws in your country. For example, in the European Union, your rights include the right to (a) request access or copies of personal data the Company processes, (b) rectification of incorrect data, (c) deletion of data, (d) restrictions on processing, (e) to lodge complaints with competent authorities in your country, and/or (f) request a list with the names and addresses of any potential recipients of your personal data. To receive clarification regarding your rights or to exercise your rights please contact the Company at stock_administration@trimble.com.

By clicking on the data privacy acceptance box in the Company’s electronic procedures, you are declaring that you agree with the data processing practices described herein and consent to the collection, processing and use of your personal data by the Company and the transfer of personal data to the recipients mentioned above, including recipients located in countries which do not adduce an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described above.

Entire Agreement

The Plan is incorporated herein by reference. The Plan and this Award Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of you and the Company with respect to the subject matter hereof, and may not be modified adversely to your interest except by means of a writing signed by you and the Company. Notwithstanding the foregoing, if the Award

Agreement is subject to the Vesting Program, an Executive Severance Agreement or a Change in Control Severance Agreement with the Company, the terms of such applicable Vesting Program, Executive Severance Agreement, or Change in Control Severance Agreement shall also apply to this Award Agreement.

Governing Law/Venue

This Award of Performance Stock Units and this Award Agreement are governed by, and subject to, the internal substantive laws, but not the choice of law rules, of the State of Delaware, U.S.A.

For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Award or this Award Agreement, the parties hereby submit to and consent to the sole and exclusive jurisdiction of the State of California, U.S.A., and agree that such litigation shall be conducted only in the courts of Santa Clara County, California, U.S.A., or the federal courts for the United States for the Northern District of California, and no other courts, where this Award is made and/or to be performed.

Language

You acknowledge that you are sufficiently proficient in English, or have consulted with an advisor who is sufficiently proficient in English so as to allow you, to understand the terms and conditions of this Award Agreement. If you have received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Electronic Delivery and Participation

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

Severability

The provisions of this Award Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Imposition of Other Requirements

The Company reserves the right to impose other requirements on your participation in the Plan, on the Performance Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Foreign Asset/Account Reporting Requirements; Exchange Controls

You acknowledge that your country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect your ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Shares acquired under the Plan) in a brokerage or bank account outside

your country. You may be required to report such accounts, assets or transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of your participation in the Plan to your country through a designated bank or broker and/or within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations, and you understand and agree to consult your personal legal advisor for any details.

Waiver

You acknowledge that a waiver by the Company of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement or of any subsequent breach by you or any other participant in the Plan.

BY YOUR SIGNATURE AND THE SIGNATURE OF THE COMPANY'S REPRESENTATIVE BELOW OR BY YOUR ACCEPTANCE OF THIS AWARD THROUGH THE COMPANY'S ONLINE ACCEPTANCE PROCEDURE, YOU AND THE COMPANY AGREE THAT THIS AWARD IS GOVERNED BY THE TERMS AND CONDITIONS OF THE PLAN AND THIS AWARD AGREEMENT. YOU HAVE REVIEWED THE PLAN AND THIS AWARD AGREEMENT IN THEIR ENTIRETY, HAVE HAD AN OPPORTUNITY TO OBTAIN THE ADVICE OF COUNSEL PRIOR TO EXECUTING THIS AWARD AGREEMENT, AND FULLY UNDERSTAND ALL PROVISIONS OF THE PLAN AND AWARD AGREEMENT. YOU HEREBY AGREE TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE ADMINISTRATOR UPON ANY QUESTIONS RELATING TO THE PLAN AND AWARD AGREEMENT. YOU FURTHER AGREE TO NOTIFY THE COMPANY UPON ANY CHANGE IN YOUR RESIDENCE ADDRESS.

SERVICE PROVIDER: Trimble Inc.

_____	_____
Signature	By
_____	<u>Robert G. Painter</u>
Print Name	Print Name
_____	<u>President & CEO</u>
Residence Address	Title

SCHEDULE A: Vesting Schedule
202_ PERFORMANCE GOALS – ARR with People & Planet Modifier

1. Eligible Number of Performance Stock Units

The actual number of Performance Stock Units that are eligible to vest in accordance with this Vesting Schedule shall be based on the attainment level of the Performance Goals set forth below, according to the following formula:

$\text{Number of units eligible to vest} = \text{Target Units} \times \text{Combined Attainment Factor}$
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where the “**Combined Attainment Factor**,” which is to be measured as of the end of the Performance Period, shall be determined by the following formula:

$\text{Combined Attainment Factor} = \text{ARR Factor} \times (1 + \text{People \& Planet Modifier})$

provided that:

- (a) unless the TSR Percentile Ranking is at or above the 75th percentile, the Combined Attainment Factor shall be capped at, and shall not exceed, 2.0 (i.e., 200%), and
- (b) the Combined Attainment Factor shall in no event exceed 2.2 (i.e., 220%).

2. Performance Period:

The “**Performance Period**” for this award runs from the beginning of fiscal 202_ (December __, 202_) to the end of the first calendar quarter of 202_ (March __, 202_), with one “**Scoring Window**” equal to and covering the entire Performance Period. Individual Performance Goals may have their own goal-specific measurement periods within the overall Performance Period of the entire award.

3. Performance Goals

The “**Performance Goals**” for this award are:

(a) ARR Factor

The “**ARR Factor**” is based on the growth in the Company’s year-end ARR (as defined below) from fiscal 202_ to fiscal 202_ and shall be determined by reference to the Company’s actual ARR for fiscal 202_ set forth in the following table, with performance in between the actual attainment levels determined by interpolation on a linear basis. The first and second columns are not used for purposes of determining the attainment level and factor but show the baseline ARR and the 3-year cumulative annual growth rate needed to achieve the respective goals. In no event shall the ARR Factor exceed 200%.

202_ ARR (baseline) (\$M)	3-year CAGR needed to achieve goal	202_ ARR, actual (\$M)	“ARR Factor”
			0%
			50%
			100%
			150%
			200%

(maximum)

The Company’s “**ARR**” is as defined in the Company’s Annual Report on Form 10-K, where “current quarter” means the fourth quarter of fiscal 202_:

“**ARR**” or “**Annualized Recurring Revenue**” represents the estimated annualized value of recurring revenue, including subscription, maintenance and software revenue, and term license contracts for the quarter. ARR is calculated by adding the portion of the contract value of all of our term licenses attributable to the current quarter to our non-GAAP recurring revenue for the

current quarter and dividing that sum by the number of days in the quarter and then multiplying that quotient by 365.

Adjustment to ARR Factor for acquisitions, divestitures, and currency translation: The calculation of the ARR Factor shall be subject to adjustment, as follows. In the case of:

- (i) any individual acquisitions or divestitures by the Company completed during the applicable measurement period where the ARR attributable to the acquired business or of the divested business or portion of a business, computed for the most recently completed quarter prior to the consummation of the transaction, is greater than five million dollars (\$5,000,000), and/or
- (ii) changes in foreign exchange (FX) rates affecting currency translations during the applicable measurement period that have a cumulative effect on the Company's ARR (i.e., at the Trimble company level), relative to the baseline ARR, of more than five million dollars (\$5,000,000) (positive or negative),

then the calculations hereunder will be made with appropriate adjustments to the Performance Goal attainment levels or baseline and/or the Actual ARR used to determine the ARR Factor, in order to provide approximately similar attainment as if such event(s) had not occurred.

(b) TSR Percentile Ranking

“**TSR Percentile Ranking**” is the comparison of Total Shareholder Return of the Company against the Total Shareholder Return of all issuers included in the S&P 500 Index (the “**S&P 500**”) during the entire TSR Measurement Period (excluding any companies that are not members of the S&P 500 for the entire TSR Measurement Period), with adjustments to share prices to reflect stock splits and dividends (with assumed reinvestment) occurring during the TSR Measurement Period, where

“**TSR Measurement Period**” means the three year period beginning April 1, 202_ and ending March 31, 202_.

“**Total Shareholder Return**” means the result of the following formula:

$$\frac{\text{Trailing Average Price of an issuer's shares at the end of the TSR Measurement Period} - \text{Trailing Average Price of an issuer's shares at the beginning of the TSR Measurement Period}}{\text{Trailing Average Price of an issuer's shares at the beginning of the TSR Measurement Period}}$$

“**Trailing Average Price**” means the average of the closing prices of the applicable shares for the 90 trading days ending on the applicable measurement date.

(c) People & Planet Modifier

The “**People & Planet Modifier**” is based on achievement of three goals as set forth below and is calculated by the sum of the multiplier percentages achieved for each goal (calculated independently), where, for each goal, target level performance yields a result of zero (0) and min or max level performance yields a result that is the negative or positive, respectively, of the weight assigned to the goal. Performance in between the actual attainment levels will be determined by interpolation on a linear basis. In no event shall the People & Planet Modifier exceed 10%.

202_ People & Planet Scorecard	Weight (out of 10%)	Baseline (Q4 202_)	3-year goal (to Dec 31, 202_)			Min/Max
			Min	Target	Max	
Science-Based Targets (“SBT”) Reduce absolute Scopes 1, 2, 3 (internal) emissions 50% by 2030 from a 2019 base year.	5%		No Change / Increase			+/- 5%
Diversity Goal A % Females People Leaders in Global Workforce (incl. other underrepresented gender identities)	2.50%		No Change / Decrease			+/- 2.5%
Diversity Goal B % BIPOC People Leaders in US Workforce	2.50%		No Change / Decrease			+/- 2.5%
Modifier (sum of individual goals)						+/- 10%

* See note below regarding SBT baseline.

For purposes of calculating the People & Planet Modifier:

The goals for the Science-based Target are absolute emissions reductions in fuel and energy related activities, business travel, and upstream transportation and distribution. *Note: in the event Trimble is required to adjust/reset the baseline carbon footprint, then the stated amounts of total MT CO_{2e} may change, but the percentage decrease for achievement will remain the same.*

Achievement of the Diversity Goals will be determined, with respect to the applicable employee group, as the highest percentage of “People Leaders” (total full time employees with direct reports) represented by such employee group in any of the final three (3) months of the measurement period.

BIPOC (black, indigenous, and people of color) includes all members of the following groups: (i) Black or African American, (ii) Asian, (iii) Hispanic or Latinx, (iv) multi-racial, (v) Native American or Alaskan native, and (vi) native Hawaiian or other Pacific Islander, based on information reasonably available.

Adjustment to Goals for acquisitions and divestitures: The calculation of the People & Planet Modifier shall be subject to adjustment, in order to provide approximately similar attainment as if such event(s) had not occurred, in the case of any individual acquisitions or divestitures by the Company completed during the applicable measurement period, where the changes to the baselines attributable to the acquired business or of the divested business or portion of a business, computed for the most recently completed quarter prior to the consummation of the transaction, is greater than five percent of total emissions or full time employees.

4. GAAP and non-GAAP adjustments

The financial metrics used herein are to be calculated in accordance with U.S. GAAP and the Company’s accounting policies (including its revenue recognition and deferred revenue policies), applied on a basis consistent with the principles, practices and procedures generally applied by the Company, with the non-GAAP adjustments described in the Company’s Annual Report on Form 10-K for reconciliation of GAAP to non-GAAP financial measures.

5. Other adjustment

At all times, the Administrator retains the right to make other adjustments, at its sole discretion, to the Performance Goals or the definition of or methods of determining the financial metrics hereunder, provided that such adjustments do not increase the maximum number of Performance Stock Units that would otherwise vest under this Award Agreement.

**TRIMBLE INC.
AMENDED AND RESTATED 2002 STOCK PLAN**

**PERFORMANCE STOCK UNIT
AWARD AGREEMENT
(202_ Combined Performance Goal Awards)**

Unless otherwise defined herein, the capitalized terms used in this Performance Stock Unit Award Agreement shall have the same defined meanings as set forth in the Trimble Inc. Amended and Restated 2002 Stock Plan (the “Plan”).

Name: [Participant Name]

Employee ID: [Employee ID]

You have been awarded the right to receive Common Stock of the Company or a cash equivalent, subject to the terms and conditions of the Plan and this Performance Stock Unit Award Agreement, including any special terms and conditions for your country as may be set forth in an appendix attached hereto (the “Award Agreement”), as follows:

Date of Grant: [Grant Date]

Target Number of Performance Stock Units (“Target Units”): [# of Shares] PSUs

Vesting Schedule

Subject to the terms of the Plan and this Award Agreement, the Performance Stock Units granted under this Award Agreement vest on the last date of the Performance Period (as set forth in Schedule A), but only (i) to the extent the Performance Goals (as set forth in Schedule A) are attained, as determined in accordance with the paragraph below and (ii) as long as you continue to be a Service Provider, as further described in the “Nature of Award” section below (see paragraph 11 thereunder), from the date of grant of the Performance Stock Units through the last date of the Performance Period.

As soon as reasonably practicable after the completion of the Performance Period, the Administrator shall determine the actual level of attainment of the Performance Goals. On the basis of the determination of attainment of the Performance Goals, the number of Performance Stock Units that are eligible to vest shall be calculated.

Anything in the foregoing to the contrary notwithstanding:

- (1) In the event that you cease to be a Service Provider as a result of your death prior to the last day of the Performance Period, you shall vest, with respect to each Scoring Window, in a number of Performance Stock Units equal to the product of the number of Performance Stock Units that become eligible to vest with respect to the applicable Scoring Window based on the attainment level of the Performance Goals calculated as of the end of the corresponding Scoring Window, multiplied by the Pro Rata Factor, rounded up to the nearest whole number of Performance Stock Units. “Pro Rata Factor” means a fraction, the numerator of which is the number of days that you have completed as a Service Provider during the period commencing on the date of grant of the Performance Stock Units and ending on the date that is the earliest of your death or the Shortened Performance Attainment Date (as defined below), and the denominator of which is the number of total days contained in the period commencing on the date of
-

grant of the Performance Stock Units and ending on the last day of the corresponding Scoring Window.

- (2) In the event of a Change in Control, (a) if the last day of a Scoring Window precedes the Change in Control, the Performance Stock Units subject to any such Scoring Window that became eligible to vest based on the attainment of the Performance Goals shall vest as of the date that the attainment level has been determined in accordance with the procedures described under the “Vesting Schedule” section and (b) if the last day of a Scoring Window postdates the Change in Control, (i) each such Scoring Window shall be shortened to end on a date preceding the consummation of the Change in Control to be selected by the Administrator (the “Shortened Performance Attainment Date”), (ii) with respect to each such Scoring Window, a number of Performance Stock Units shall vest immediately prior to the Change in Control equal to the product of the number of Performance Stock Units that become eligible to vest with respect to the applicable Scoring Window based on the attainment level of the Performance Goals calculated as of the Shortened Performance Attainment Date, multiplied by the Pro Rata Factor (the “Pro Rata Portion”), rounded up to the nearest whole number of Performance Stock Units, and (iii) a number of Performance Stock Units equal to the difference between the number of Performance Stock Units that became eligible to vest based on attainment of the Performance Goals and the Pro Rata Portion shall vest on the last day of the Performance Period, as long as you continue to be a Service Provider, as further described in paragraph 11 of the “Nature of Award” section below, through the last date of the Performance Period (the “Time-Based RSUs”). Notwithstanding the foregoing, if you cease to be a Service Provider as a result of your involuntary termination by the Company (or an Affiliate) within one year following the Change in Control and prior to the last day of the Performance Period, your Time-Based RSUs shall vest automatically as of the date you cease to be a Service Provider. For purposes of this Award Agreement, “Cause” shall mean, as determined by the Company: (AA) your performance of any act or omission which, if you were prosecuted, would constitute a felony or misdemeanor; (BB) your failure to carry out your material duties; (CC) your dishonesty towards or fraud upon the Company or any Affiliate which is injurious to the Company or any Affiliate; (DD) your violation of any Company or Affiliate practice or agreement or confidentiality obligations to the Company, any Affiliate, or any customers of the Company or any Affiliate, or misappropriation of assets of the Company or any Affiliate; (EE) your death or inability to carry out your essential duties with reasonable accommodation, if any, unless prohibited by law. Notwithstanding the foregoing, if you are a party to a Change in Control Severance Agreement, then this paragraph (2) shall not apply; provided, however, that if such agreement does not address accelerated vesting with respect to Scoring Windows, as contemplated under this paragraph (2), then this paragraph (2) shall apply. For the avoidance of any doubt, the Time-Based RSUs shall be subject to Section 14(c) of the Plan.
- (3) In the event that you have been selected to participate in the Company Age and Service Equity Vesting Program (the “Vesting Program”) on or before the date of grant of the Performance Stock Units, this Award Agreement shall also be subject to the terms of the Vesting Program.
- (4) If you are a party to an Executive Severance Agreement with the Company, this Award Agreement shall also be subject to the terms of such Executive Severance Agreement.

Settlement

For each vested Performance Stock Unit, you shall be entitled to receive:

- (1) a number of whole Shares equal to the number of Performance Stock Units vesting on such vesting date, or
- (2) a cash payment equal to the product of the number of Performance Stock Units vesting on such vesting date and the Fair Market Value of one Share on such vesting date or
- (3) a combination of the foregoing at the Company's discretion under the terms of the Plan.

The vested Performance Stock Units shall be paid as follows:

- (i) within 30 days of the end of the Performance Period (including Performance Stock Units that vest in connection with the vesting events described under the "Vesting Schedule" section above under paragraphs (1), (2)(a) and 2(b)(iii), i.e., the Time-Based RSUs vesting upon attainment of the service vesting requirement); or
- (ii) with respect to the (A) Pro Rata Portion, described in paragraph (2)(b)(ii) under the "Vesting Schedule" section above, such Pro Rata Portion shall be paid within 30 days following a Change in Control, or if the Performance Stock Units constitute non-qualified deferred compensation subject to Section 409A of the Code, a "change in control event" within the meaning of US. Treas. Reg. §1.409A-3(i)(5), and (B) Time-Based RSUs payable upon a cessation of service as a result of your involuntary termination, described in paragraph (2)(b)(iii) under the "Vesting Schedule" section above, such Time-Based RSUs shall be paid within 30 days following the date you cease to be a Service Provider.

Notwithstanding the foregoing, to the extent this Award Agreement is subject to a Change in Control Severance Agreement, an Executive Severance Agreement or the Vesting Program, the settlement terms of such agreement or program shall control with respect to the Performance Stock Units to the extent necessary to comply with Section 409A of the Code.

Forfeiture

Except as provided above under the heading "Vesting Schedule," upon the date that you cease to be a Service Provider for any reason, all unvested Performance Stock Units shall be forfeited. The date you cease to be a Service Provider for purposes of the Award will be the date described in paragraph (11) of the "Nature of Award" section below.

Tax Obligations

You acknowledge that, regardless of any action taken by the Company or, if different, your employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items") is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer, if any. You further acknowledge that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Stock Units, including, but not limited to, the grant, vesting or settlement of the Performance Stock Units, the issuance of Shares (or the cash equivalent) upon settlement of the Performance Stock Units, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends and/or any dividend equivalents; and (2) do not commit to and are under no obligation to structure the terms of this Award or any aspect of the Performance Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, you agree to make arrangements satisfactory to the Company and/or the Employer to fulfill all Tax-Related Items.

In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any withholding obligations for Tax-Related Items by one or a combination of the following:

- (1) withholding from your wages or other cash compensation paid to you by the Company and/or the Employer or any Subsidiary or Affiliate; or
- (2) withholding from proceeds of the sale of the Shares acquired upon vesting/settlement of the Performance Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization and without further consent); or
- (3) withholding in Shares to be issued upon vesting/settlement or from the cash payment received at settlement (if any) of the Performance Stock Units;
- (4) any other method of withholding determined by the Company and, to the extent required by Applicable Laws or the Plan, approved by the Administrator

provided, however, that if you are a Section 16 officer of the Company under the Exchange Act, then the Company will withhold in Shares upon the relevant taxable or tax withholding event, as applicable (other than U.S. Federal Insurance Contribution Act taxes or other Tax-Related Items that become payable in a year prior to the year in which Shares are issued upon settlement of the Performance Stock Units), unless the use of such withholding method is problematic under applicable tax or securities law or has materially adverse accounting consequences, in which case, any applicable obligations for Tax-Related Items may be satisfied by one or a combination of methods (1) – (2) above.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates or other applicable withholding rates, including up to the maximum applicable permissible statutory rate for your tax jurisdiction(s), in which case you will have no entitlement to the equivalent amount in Shares and may receive a refund of any over-withheld amount in cash in accordance with applicable law. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Performance Stock Units, notwithstanding that a number of Shares are held back solely for the purpose of satisfying the withholding obligation for the Tax-Related Items.

Finally, you agree to pay the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares (or the cash equivalent) or the proceeds of the sale of Shares if you fail to comply with your obligations in connection with the Tax-Related Items.

Code Section 409A

The vesting and settlement of Performance Stock Units awarded pursuant to this Award Agreement are intended to qualify for the “short-term deferral” exemption from Section 409A of the Code or comply with Section 409A of the Code. In furtherance of this intent, the provisions of this Award Agreement shall be interpreted, operated, and administered in a manner consistent with these intentions. The Administrator reserves the right, to the extent the Administrator deems necessary or advisable in its sole discretion, to unilaterally amend or modify the Plan and/or this Award Agreement to ensure that the Performance Stock Units qualify for exemption from

or comply with Section 409A of the Code or to mitigate any additional tax, interest and/or penalties or other adverse tax consequences that may apply under Section 409A of the Code if compliance is not practical; provided, however, that the Company makes no representations that the Performance Stock Units will be exempt from Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to these Performance Stock Units. Nothing in this Award Agreement shall provide a basis for any person to take any action against the Company or any of its Subsidiaries or Affiliates based on matters covered by Section 409A of the Code, including the tax treatment of this Award Agreement, and neither the Company nor any of its Subsidiaries or Affiliates will have any liability under any circumstances to you or any other party if the Performance Stock Units that is intended to be exempt from, or compliant with, Section 409A of the Code, is not so exempt or compliant or for any action taken by the Administrator with respect thereto.

Nature of Award

In accepting this Award, you acknowledge, understand and agree that:

- (1) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- (2) this Award is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock units, or benefits in lieu of restricted stock units, even if restricted stock units have been granted in the past;
- (3) all decisions with respect to future restricted stock unit grants, if any, will be at the sole discretion of the Company;
- (4) you are voluntarily participating in the Plan;
- (5) this Award and your participation in the Plan shall not create a right to employment or be interpreted as forming or amending an employment or service contract with the Company, the Employer or any Affiliate, and shall not interfere with the ability of the Company, the Employer or any Affiliate, as applicable, to terminate your Service Provider relationship at any time;
- (6) the Performance Stock Units and the Shares subject to the Performance Stock Units, and the income and value of same, are not intended to replace any pension rights or compensation;
- (7) unless otherwise agreed with the Company, the Performance Stock Units and the Shares subject to the Performance Stock Units, and the income and value of same, are not granted as consideration for, or in connection with, the service you may provide as a director of a Subsidiary or Affiliate of the Company;
- (8) the Performance Stock Units and the Shares subject to the Performance Stock Units, and the income and value of same, are not part of normal or expected compensation or salary for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension or retirement or welfare benefits or similar mandatory payments;

(9) the future value of the underlying Shares is unknown, indeterminable, and cannot be predicted with certainty;

(10) no claim or entitlement to compensation or damages shall arise from forfeiture of the Performance Stock Units resulting from termination of your relationship as a Service Provider (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are engaged as a Service Provider or the terms of your employment or service agreement, if any);

(11) for purposes of the Award, your relationship as a Service Provider will be considered terminated as of the date you are no longer actively providing services to the Company or one of its Subsidiaries or Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are engaged as a Service Provider or the terms of your employment or service agreement, if any); unless otherwise expressly provided in this Award Agreement or determined by the Company, your right to vest in the Performance Stock Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (*e.g.*, the period during which you are considered a Service Provider would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are engaged as a Service Provider or the terms of your employment or service agreement, if any); the Administrator shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Award (including whether you may still be considered to be actively providing services while on a leave of absence);

(12) unless otherwise provided in the Plan or by the Company in its discretion, the Performance Stock Units and the benefits evidenced by this Award Agreement do not create any entitlement to have the Performance Stock Units or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

(13) neither the Company, the Employer nor any Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between the United States Dollar and your local currency (if different) that may affect the value of the Performance Stock Units or of any amounts due to you pursuant to the settlement of the Performance Stock Units or the subsequent sale of any Shares acquired upon settlement.

No Advice Regarding Award

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You acknowledge, understand and agree you should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

No Stockholder Rights Prior to Settlement

You shall have no rights of a stockholder (including the right to distributions or dividends or to vote) unless and until Shares are issued pursuant to the terms of this Award Agreement.

Compliance with Law

Notwithstanding anything to the contrary contained herein, no Shares will be issued to you upon vesting of the Performance Stock Units unless the Shares subject to the Performance Stock Units are then registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or, if such Shares are not so registered, the Company has determined that such vesting and issuance would be exempt from the registration requirements of the Securities Act. Further, no Shares will be issued until completion of any other applicable registration or qualification of the Shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of any applicable governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. By accepting the Performance Stock Units, you agree not to sell any of the Shares received under this Award at a time when Applicable Laws or Company policies prohibit a sale.

Clawback Provision

The Performance Stock Units and any financial gain thereof will be subject to recoupment in accordance with the Company's Incentive Compensation Recoupment Policy, effective as of May 2, 2017, and as may be amended from time to time, and any clawback policy that is required to be adopted pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other Applicable Laws.

Insider Trading Restrictions / Market Abuse Laws

You acknowledge that you may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions including, but not limited to, the United States and your country, which may affect your ability to acquire, sell or otherwise dispose of Shares or rights to Shares (e.g., Performance Stock Units) under the Plan during such time as you are considered to have "inside information" regarding the Company (as defined by the laws in applicable jurisdictions). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. You are responsible for ensuring compliance with any applicable restrictions and should consult your personal legal advisor on such matters.

Data Privacy Information and Consent

The Company is located at 935 Stewart Drive, Sunnyvale California and grants Performance Stock Units to employees of the Company and its Subsidiaries, at the Company's sole discretion. If you would like to participate in the Plan, you should review the following information about the Company's data processing practices and declare your consent.

(a) Data Collection and Usage. The Company collects, processes and uses your personal data, including your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any Shares or directorships held in the Company, and details of all Performance Stock Units canceled, vested, or outstanding in your favor, which the Company receives from you or the Employer. If the Company offers you a grant of Performance Stock Units under the Plan, then the Company will collect your personal data for purposes of allocating stock and implementing, administering and managing the Plan. The Company's legal basis for the processing of your personal data would be your consent.

(b) Stock Plan Administration Service Providers. The Company transfers participant data to Fidelity Stock Plan Services, LLC (“Fidelity”), an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share your data with another company that serves in a similar manner. The Company’s service provider will open an account for you to receive and trade Shares. You will be asked to agree on separate terms and data processing practices with the service provider, which is a condition to your ability to participate in the Plan.

(c) International Data Transfers. The Company and its service providers are based in the United States. You should note that your country may have enacted data privacy laws that are different from the United States. For example, the European Commission has issued a limited adequacy finding with respect to the United States that applies only to the extent companies register for the EU-U.S. Privacy Shield program, which is open to companies subject to Federal Trade Commission jurisdiction and in which the Company does participate with respect to employee data. The Company’s legal basis for the transfer of your personal data is your consent.

(d) Data Retention. The Company will use your personal data only as long as is necessary to implement, administer and manage your participation in the Plan or as required to comply with legal or regulatory obligations, including under tax and security laws. When the Company no longer needs your personal data, the Company will remove it from its systems. If the Company keeps data longer, it would be to satisfy legal or regulatory obligations and the Company’s legal basis would be relevant laws or regulations.

(e) Voluntariness and Consequences of Consent Denial or Withdrawal. Your participation in the Plan and your grant of consent is purely voluntary. You may deny or withdraw your consent at any time. If you do not consent, or if you withdraw your consent, you cannot participate in the Plan. This would not affect your salary as an employee or your career; you would merely forfeit the opportunities associated with the Plan.

(f) Data Subject Rights. You may have a number of rights under data privacy laws in your country. For example, in the European Union, your rights include the right to (a) request access or copies of personal data the Company processes, (b) rectification of incorrect data, (c) deletion of data, (d) restrictions on processing, (e) to lodge complaints with competent authorities in your country, and/or (f) request a list with the names and addresses of any potential recipients of your personal data. To receive clarification regarding your rights or to exercise your rights please contact the Company at stock_administration@trimble.com.

By clicking on the data privacy acceptance box in the Company’s electronic procedures, you are declaring that you agree with the data processing practices described herein and consent to the collection, processing and use of your personal data by the Company and the transfer of personal data to the recipients mentioned above, including recipients located in countries which do not adduce an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described above.

Entire Agreement

The Plan is incorporated herein by reference. The Plan and this Award Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of you and the Company with respect to the subject matter hereof, and may not be modified adversely to your interest except by means of a writing signed by you and the Company. Notwithstanding the foregoing, if the Award

Agreement is subject to the Vesting Program, an Executive Severance Agreement or a Change in Control Severance Agreement with the Company, the terms of such applicable Vesting Program, Executive Severance Agreement, or Change in Control Severance Agreement shall also apply to this Award Agreement.

Governing Law/Venue

This Award of Performance Stock Units and this Award Agreement are governed by, and subject to, the internal substantive laws, but not the choice of law rules, of the State of Delaware, U.S.A.

For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Award or this Award Agreement, the parties hereby submit to and consent to the sole and exclusive jurisdiction of the State of California, U.S.A., and agree that such litigation shall be conducted only in the courts of Santa Clara County, California, U.S.A., or the federal courts for the United States for the Northern District of California, and no other courts, where this Award is made and/or to be performed.

Language

You acknowledge that you are sufficiently proficient in English, or have consulted with an advisor who is sufficiently proficient in English so as to allow you, to understand the terms and conditions of this Award Agreement. If you have received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Electronic Delivery and Participation

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

Severability

The provisions of this Award Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Imposition of Other Requirements

The Company reserves the right to impose other requirements on your participation in the Plan, on the Performance Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Foreign Asset/Account Reporting Requirements; Exchange Controls

You acknowledge that your country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect your ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Shares acquired under the Plan) in a brokerage or bank account outside

your country. You may be required to report such accounts, assets or transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of your participation in the Plan to your country through a designated bank or broker and/or within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations, and you understand and agree to consult your personal legal advisor for any details.

Waiver

You acknowledge that a waiver by the Company of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement or of any subsequent breach by you or any other participant in the Plan.

BY YOUR SIGNATURE AND THE SIGNATURE OF THE COMPANY'S REPRESENTATIVE BELOW OR BY YOUR ACCEPTANCE OF THIS AWARD THROUGH THE COMPANY'S ONLINE ACCEPTANCE PROCEDURE, YOU AND THE COMPANY AGREE THAT THIS AWARD IS GOVERNED BY THE TERMS AND CONDITIONS OF THE PLAN AND THIS AWARD AGREEMENT. YOU HAVE REVIEWED THE PLAN AND THIS AWARD AGREEMENT IN THEIR ENTIRETY, HAVE HAD AN OPPORTUNITY TO OBTAIN THE ADVICE OF COUNSEL PRIOR TO EXECUTING THIS AWARD AGREEMENT, AND FULLY UNDERSTAND ALL PROVISIONS OF THE PLAN AND AWARD AGREEMENT. YOU HEREBY AGREE TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE ADMINISTRATOR UPON ANY QUESTIONS RELATING TO THE PLAN AND AWARD AGREEMENT. YOU FURTHER AGREE TO NOTIFY THE COMPANY UPON ANY CHANGE IN YOUR RESIDENCE ADDRESS.

SERVICE PROVIDER: Trimble Inc.

_____	_____
Signature	By
_____	Robert G. Painter
Print Name	Print Name
_____	President & CEO
Residence Address	Title

SCHEDULE A: Vesting Schedule
202_ PERFORMANCE GOALS – ARR and TSR with People & Planet Modifier

1. Eligible Number of Performance Stock Units

The actual number of Performance Stock Units that are eligible to vest in accordance with this Vesting Schedule shall be based on the attainment level of the Performance Goals set forth below, according to the following formula:

$$\text{Number of units eligible to vest} = \text{Target Units} \times \text{Combined Attainment Factor}$$

where the “**Combined Attainment Factor**,” which is to be measured as of the end of the Performance Period, shall be determined by the following formula:

$$\text{Combined Attainment Factor} = (_\% \times \text{ARR Factor} + _\% \times \text{TSR Factor}) \times (1 + \text{People \& Planet Modifier})$$

provided that:

- (a) unless the TSR Percentile Ranking is at or above the 75th percentile, the Combined Attainment Factor shall be capped at, and shall not exceed, 2.0 (i.e., 200%), and
- (b) the Combined Attainment Factor shall in no event exceed 2.2 (i.e., 220%).

2. Performance Period:

The “**Performance Period**” for this award runs from the beginning of fiscal 202_ (December __, 202_) to the end of the first calendar quarter of 202_ (March __, 202_), with one “**Scoring Window**” equal to and covering the entire Performance Period. Individual Performance Goals may have their own goal-specific measurement periods within the overall Performance Period of the entire award.

3. Performance Goals

The “**Performance Goals**” for this award are:

(a) ARR Factor

The “**ARR Factor**” is based on the growth in the Company’s year-end ARR (as defined below) from fiscal 202_ to fiscal 202_ and shall be determined by reference to the Company’s actual ARR for fiscal 202_ set forth in the following table, with performance in between the actual attainment levels determined by interpolation on a linear basis. The first and second columns are not used for purposes of determining the attainment level and factor but show the baseline ARR and the 3-year cumulative annual growth rate needed to achieve the respective goals. In no event shall the ARR Factor exceed 200%.

202_ ARR (baseline) (\$M)	3-year CAGR needed to achieve goal	202_ ARR, actual (\$M)	“ARR Factor”
			0%
			50%
			100%
			150%
			200%

(maximum)

The Company’s “**ARR**” is as defined in the Company’s Annual Report on Form 10-K, where “current quarter” means the fourth quarter of fiscal 202_:

“**ARR**” or “**Annualized Recurring Revenue**” represents the estimated annualized value of recurring revenue, including subscription, maintenance and software revenue, and term license contracts for the quarter. ARR is calculated by adding the portion of the contract value of all of our term licenses attributable to the current quarter to our non-GAAP recurring revenue for the

current quarter and dividing that sum by the number of days in the quarter and then multiplying that quotient by 365.

Adjustment to ARR Factor for acquisitions, divestitures, and currency translation: The calculation of the ARR Factor shall be subject to adjustment, as follows. In the case of:

- (i) any individual acquisitions or divestitures by the Company completed during the applicable measurement period where the ARR attributable to the acquired business or of the divested business or portion of a business, computed for the most recently completed quarter prior to the consummation of the transaction, is greater than five million dollars (\$5,000,000), and/or
- (ii) changes in foreign exchange (FX) rates affecting currency translations during the applicable measurement period that have a cumulative effect on the Company’s ARR (i.e., at the Trimble company level), relative to the baseline ARR, of more than five million dollars (\$5,000,000) (positive or negative),

then the calculations hereunder will be made with appropriate adjustments to the Performance Goal attainment levels or baseline and/or the Actual ARR used to determine the ARR Factor, in order to provide approximately similar attainment as if such event(s) had not occurred.

(b) TSR Factor and TSR Percentile Ranking

The “**TSR Factor**” shall be determined by reference to the following table. For a TSR Percentile Ranking below the 25th percentile, the TSR Factor will be 0%. For a TSR Percentile Ranking between the threshold and target percentiles, or between the target and maximum percentiles, the TSR Factor will be determined by linear interpolation toward the next level. In no event shall the TSR Factor exceed 200%.

<u>TSR Percentile Ranking</u>		<u>“TSR Factor”</u>
<i>Below threshold</i>		0%
<i>Threshold:</i>	25 th percentile	50%
<i>Target:</i>	50 th percentile	100%
<i>Maximum:</i>	75 th percentile	200%

“**TSR Percentile Ranking**” is the comparison of Total Shareholder Return of the Company against the Total Shareholder Return of all issuers included in the S&P 500 Index (the “**S&P 500**”) during the entire TSR Measurement Period (excluding any companies that are not members of the S&P 500 for the entire TSR Measurement Period), with adjustments to share prices to reflect stock splits and dividends (with assumed reinvestment) occurring during the TSR Measurement Period, where

“**TSR Measurement Period**” means the three year period beginning April 1, 202_ and ending March 31, 202_.

“**Total Shareholder Return**” means the result of the following formula:

$$\frac{\text{Trailing Average Price of an issuer's shares at the end of the TSR Measurement Period} - \text{Trailing Average Price of an issuer's shares at the beginning of the TSR Measurement Period}}{\text{Trailing Average Price of an issuer's shares at the beginning of the TSR Measurement Period}}$$

“**Trailing Average Price**” means the average of the closing prices of the applicable shares for the 90 trading days ending on the applicable measurement date.

(c) People & Planet Modifier

The “**People & Planet Modifier**” is based on achievement of three goals as set forth below and is calculated by the sum of the multiplier percentages achieved for each goal (calculated independently), where, for each goal, target level performance yields a result of zero (0) and min or max level performance yields a result that is the negative or positive, respectively, of the weight assigned to the goal. Performance in between the actual attainment levels will be determined by interpolation on a linear basis. In no event shall the People & Planet Modifier exceed 10%.

202_ People & Planet Scorecard	Weight (out of 10%)	Baseline (Q4 202_)	3-year goal (to Dec 31, 202_)			Min/Max
			Min	Target	Max	
Science-Based Targets (“SBT”) Reduce absolute Scopes 1, 2, 3 (internal) emissions 50% by 2030 from a 2019 base year.	5%		No Change / Increase			+/- 5%
Diversity Goal A % Females People Leaders in Global Workforce (incl. other underrepresented gender identities)	2.50%		No Change / Decrease			+/- 2.5%
Diversity Goal B % BIPOC People Leaders in US Workforce	2.50%		No Change / Decrease			+/- 2.5%
Modifier (sum of individual goals)						+/- 10%

* See note below regarding SBT baseline.

For purposes of calculating the People & Planet Modifier:

The goals for the Science-based Target are absolute emissions reductions in fuel and energy related activities, business travel, and upstream transportation and distribution. *Note: in the event Trimble is required to adjust/reset the baseline carbon footprint, then the stated amounts of total MT CO_{2e} may change, but the percentage decrease for achievement will remain the same.*

Achievement of the Diversity Goals will be determined, with respect to the applicable employee group, as the highest percentage of “People Leaders” (total full time employees with direct reports) represented by such employee group in any of the final three (3) months of the measurement period.

BIPOC (black, indigenous, and people of color) includes all members of the following groups: (i) Black or African American, (ii) Asian, (iii) Hispanic or Latinx, (iv) multi-racial, (v) Native American or Alaskan native, and (vi) native Hawaiian or other Pacific Islander, based on information reasonably available.

Adjustment to Goals for acquisitions and divestitures: The calculation of the People & Planet Modifier shall be subject to adjustment, in order to provide approximately similar attainment as if such event(s) had not occurred, in the case of any individual acquisitions or divestitures by the Company completed during the applicable measurement period, where the changes to the baselines attributable to the acquired business or of the divested business or portion of a business, computed for the most recently completed quarter prior to the consummation of the transaction, is greater than five percent of total emissions or full time employees.

4. GAAP and non-GAAP adjustments

The financial metrics used herein are to be calculated in accordance with U.S. GAAP and the Company’s accounting policies (including its revenue recognition and deferred revenue policies), applied on a basis consistent with the principles, practices and procedures generally applied by the Company, with the non-GAAP adjustments described in the Company’s Annual Report on Form 10-K for reconciliation of GAAP to non-GAAP financial measures.

5. Other adjustment

At all times, the Administrator retains the right to make other adjustments, at its sole discretion, to the Performance Goals or the definition of or methods of determining the financial metrics hereunder, provided that such adjustments do not increase the maximum number of Performance Stock Units that would otherwise vest under this Award Agreement.

TRIMBLE INC.

AGE AND SERVICE EQUITY VESTING PROGRAM

*initially adopted as of January 31, 2017;
amended and restated as of March 20, 2023*

1. Purpose of the Program. The Committee has adopted this Age and Service Equity Vesting Program, as amended from time to time (the ***"Vesting Program"***), to provide enhanced equity award vesting treatment and certain health benefits to selected employees who are nearing retirement age and have demonstrated a commitment to the success of the Company's business over many years of service.

2. Definitions. As used in this Vesting Program, the following terms shall have the respective meanings set forth below:

(a) ***"Board"*** means the Board of Directors of the Company.

(b) ***"Cause"*** means (i) the Participant's engagement in acts of embezzlement, dishonesty or moral turpitude; (ii) the conviction of the Participant for having committed a felony; (iii) a breach by the Participant of the Participant's fiduciary duties and responsibilities to the Company having the potential to result in a material adverse effect on the Company's business, operations, prospects or reputation; or (iv) the repeated willful failure of the Participant to perform duties and responsibilities as an employee of the Company to the reasonable satisfaction of the Board (except in the case of death or disability) that has not been cured within thirty (30) days after a written demand for substantial performance has been delivered to the Participant by the Board. The determination of Cause shall be made by the sole determination of the Board.

(c) ***"Code"*** means the Internal Revenue Code of 1986, as amended.

(d) ***"Combined 70 Requirement"*** means that the sum of the following is equal to or greater than 70: (i) the Participant's age on the Date of Termination, and (ii) the number of years of Continuous Service or Cumulative Service that the Participant has completed as of the Date of Termination. For example, if a Participant both has reached the age of 60 and has completed 10 years of Continuous Service or Cumulative Service as of the Date of Termination, the Participant will be considered to have met the Combined 70 Requirement.

(e) ***"Committee"*** means the Compensation Committee of the Board.

(f) ***"Company"*** means Trimble Inc., a Delaware corporation.

(g) ***"Continuous Service"*** means the period of continuous service with the Company that the Participant is deemed to have completed in accordance with the policies of the Company governing continuous service credit.

(h) ***"Cumulative Service"*** means the total period of service with the Company that the Participant is deemed to have completed during a period comprising no more than two periods of Continuous Service, provided that the period of Continuous Service immediately prior to the date of Termination shall be no less than five years.

(i) ***"Date of Termination"*** means the date on which the Participant's employment by the Company terminates and such termination constitutes a "separation from service" as defined and applied under Section 409A of the Code and the related Treasury Regulations and guidance thereunder.

(j) **“Eligible Equity Award”** means an award of TRSUs, PRSUs or Options granted to a Participant under the Stock Plan on or after the date the Participant is selected by the Committee to participate in the Vesting Program.

(k) **“Minimum Age Requirement”** means attaining a minimum age of 55 years old on or before the Date of Termination.

(l) **“Minimum Service Requirement”** means (x) having a minimum of 10 years of Continuous Service on or before the Date of Termination, or (y) having a minimum of 15 years of Cumulative Service.

(m) **“Option”** has the meaning ascribed to it in the Stock Plan.

(n) **“Participant”** means an employee who is selected by the Committee to participate in the Vesting Program.

(o) **“PRSU”** means a Restricted Stock Unit, the vesting of which is based, in whole or in part, upon the attainment of performance goals or conditions.

(p) **“Restricted Stock Unit”** has the meaning ascribed to it in the Stock Plan.

(q) **“Stock Plan”** means the Trimble Inc. Amended and Restated 2002 Stock Plan, as may be amended and restated from time to time, or any successor plan.

(r) **“Subsidiary”** means any corporation or other entity in which the Company has a direct or indirect ownership interest of 50% or more of the total combined voting power of the then outstanding securities of such corporation or other entity.

(t) **“TRSU”** means a Restricted Stock Unit, the vesting of which is conditioned solely on the Participant’s continued service with the Company or a Subsidiary.

3. Eligibility.

(a) **Eligible Employee.** Employees of the Company and its Subsidiaries are eligible to participate in the Vesting Program. The Committee, in its sole discretion, selects the employees who will participate in the Vesting Program.

(b) **Eligible Equity Awards.** This Vesting Program applies only with respect to Eligible Equity Awards. All other Company equity awards will vest according to their terms.

(c) **Eligibility for Benefits.** To qualify for the benefits set forth in Section 4(a) below, a Participant must meet the Minimum Age Requirement, the Minimum Service Requirement and the Combined 70 Requirement, and circumstances giving rise to a termination of the Participant’s employment for Cause may not exist as of such time. The Committee has sole discretion to waive the Minimum Age Requirement, the Minimum Service Requirement, and/or the Combined 70 Requirement, as it deems advisable.

4. Rights of the Participant upon Voluntary Termination (Without Cause).

(a) Subject to the requirements in Sections 5 and 6 below, if the Participant voluntarily terminates employment at a time when the Participant satisfies the conditions in Section 3(c), then the Participant will be entitled to receive the following payments and benefits:

(i) a lump sum cash payment equal to \$50,000, representing a payment with respect to medical and dental benefits, which shall be payable within 65 days of the Date of Termination;

(ii) the immediate vesting of each outstanding Eligible Equity Award granted in the form of a TRSU that is held by the Participant immediately prior to the Date of

Termination; the TRSUs that vests pursuant to this Section 4(a)(ii) shall be settled within 65 days of the Date of Termination; and

(iii) the pro rata vesting of any outstanding Eligible Equity Award granted in the form of PRSUs that is held by the Participant immediately prior to the Date of Termination equal to the number of PRSUs that become eligible to vest based on actual attainment of the performance goals, multiplied by a fraction, the numerator of which is the number of calendar days that have elapsed between the commencement of the performance period applicable to the PRSUs and the Date of Termination, and the denominator of which is the total number of calendar days contained in the corresponding performance period; the PRSUs that vest pursuant to this Section 4(a)(iii) shall be settled within 65 days of the last day of the applicable performance period.

(iv) the immediate vesting of each outstanding Eligible Equity Award granted in the form an Option that is held by the Participant immediately prior to the Date of Termination and an extended post-termination exercisability period continuing through the expiration date of the original term of the Option (without regard to any reduction in the post-termination exercisability period resulting from a termination of employment that may be contemplated under the terms of the agreement evidencing the Option).

(b) In the event a Participant's termination of employment gives rise to payments and benefits under a Change in Control Severance Agreement, Executive Severance Agreement or other similar arrangement (a "**Severance Arrangement**"), each payment and/or benefit shall be paid in full under such Severance Arrangement and (ii) any payment and/or benefit under the Vesting Program that is in the same category of payment and/or benefit provided under the Severance Arrangement (e.g., COBRA-related payments) shall be reduced by the similar payment and/or benefit payable under the Severance Arrangement. Anything in the foregoing to the contrary notwithstanding, no reduction shall be made in a manner that would fail to comply with, or would result in adverse tax consequences, under Section 409A of the Code.

5. Release. Unless the following requirement is waived by the Committee in its sole discretion, the payments and benefits payable under Section 4(a) shall not apply unless the Participant delivers (and does not revoke) an executed and effective release acceptable to the Company releasing the Company, its Subsidiaries, stockholders, partners, officers, directors, employees and agents from any and all claims and from any and all causes of action of any kind, including but not limited to all claims or causes of action arising out of the Participant's employment with the Company or the termination of such employment (the "**Release**"). The Participant shall execute and return such Release within the time period provided for by the Company, but in no event later than 50 days of the Date of Termination (the "**Release Deadline**"). If the Release has not been returned on or before the Release Deadline, the Participant shall not be entitled to any benefits and payments pursuant to Section 4(a) of this Vesting Program.

6. Non-Solicitation and Non-Competition. Unless the requirement contemplated under this Section 6 is waived by the Committee in its sole discretion, the payments and benefits payable under this Vesting Program shall not apply unless the Participant agrees to (and complies with) a non-solicitation and non-competition agreement in a form provided by the Company, in its discretion, with a restricted period not to exceed 24 months.

7. Withholding Taxes. The Company may withhold from all payments due to the Participant (or his beneficiary or estate) hereunder all taxes which, by applicable federal, state, local or other law, the Company is required to withhold therefrom.

8. Scope of Vesting Program. Nothing expressed or implied in this Vesting Program shall create any right or duty on the part of the Company or the Participant to have a Participant remain in the employment of the Company. If this Vesting Program or the employment of the Participant is terminated under circumstances in which the Participant is not entitled to any payment or benefit under this Vesting Program, neither the Participant nor the Company shall have any further obligation or liability hereunder.

9. Amendment and Termination of the Vesting Program. The Compensation Committee may at any time amend, alter, suspend or terminate the Vesting Program.

10. Eligible Equity Award Provisions. The terms of this Vesting Program are intended to and shall modify and supersede the terms set forth in the agreement evidencing the Eligible Equity Awards. In the event of any conflict or inconsistency between the terms of the agreement evidencing an Eligible Equity Award and the terms set forth in this Vesting Program, the terms in this Vesting Program shall prevail over the terms set forth in the agreement evidencing the Eligible Equity Award.

11. Section 409A.

(a) Notwithstanding anything to the contrary in this Vesting Program or in the terms of any Eligible Equity Award, if the Participant is a “specified employee” (as defined and applied in Section 409A of the Code) as of the Date of Termination, the Participant shall receive the payments specified in Section 4(a) above on the earlier of (a) the first day following the six-month anniversary of the Date of Termination, or (b) the Participant’s date of death, to the extent such delay is required in order to avoid a prohibited distribution under Section 409A of the Code. For purposes of Section 409A of the Code, each “payment” (as defined by Section 409A of the Code) made under this Vesting Program shall be considered a “separate payment.” Further, if the 65-day payment period described in Section 4(a) spans two calendar years, then the payments contemplated thereunder shall be paid in the second calendar year. Notwithstanding anything to the contrary in this Vesting Program, the Committee may amend the Vesting Program, or take any other actions, as deemed necessary or appropriate to (a) preserve the intended tax treatment of the payments or benefits under the Vesting Program, or (b) comply with the requirements of Section 409A of the Code and related U.S. Department of Treasury guidance and thereby avoid the application of any penalty taxes under such Section, but the Committee shall not be under any obligation to make any such amendment. Nothing in this Vesting Program shall provide a basis for any person to take action against the Company based on matters covered by Section 409A of the Code, including the tax treatment of any payment or benefit under the Vesting Program, and the Company shall not under any circumstances have any liability to the Participant, his estate or any other party for any taxes, penalties or interest due on any payment or benefit under this Vesting Program, including taxes, penalties or interest imposed under Section 409A of the Code.

(b) Notwithstanding anything to the contrary in the terms of any Eligible Equity Award and except as set forth in Section 4(a) of this Vesting Program, for purposes of complying with Section 409A of the Code: (i) a Participant’s TRSUs shall be settled on or as soon as practicable, but no later than 60 days following the date on which the awards vest according to their fixed schedule; (ii) a Participant’s PRSUs shall be settled within 65 days of the last day of the applicable performance period; and (iii) regardless of any acceleration of the vesting of the Participant’s Eligible Equity Awards that may occur under their terms, in no event will payment of vested awards occur other than as set forth in Section 11(b)(i) and (ii) hereof except where vesting occurs upon a Permissible Payment Event, and in such case, settlement of the vested awards will be made within 60 days following the applicable Permissible Payment Event. For purposes of the foregoing, a “Permissible Payment Event” means the Participant’s death,

“separation from service” or “disability” or a “change in control event” in each case as defined and applied under Section 409A of the Code and the related Treasury Regulations and guidance thereunder. Notwithstanding anything herein to the contrary, nothing in this Section 11 shall serve to modify the payment terms of any equity award that constitutes non-qualified deferred compensation that is subject to Section 409A in a manner that would cause the equity award to fail to comply with, or otherwise result in adverse tax consequences, under Section 409A of the Code.

12. Compensation Recoupment. Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Act**”), any payment or benefit under this Vesting Program shall not be deemed fully earned or vested, even if paid or distributed to the Participant, if such payment, benefit, or any portion thereof is deemed incentive compensation and subject to recovery, or “clawback” by the Company pursuant to the provisions of the Act and any rules or regulations promulgated thereunder or by any stock exchange on which the Company’s securities are listed (the “**Rules**”). In addition, the Participant hereby acknowledges that this Vesting Program may be amended as necessary and/or shall be subject to any recoupment policies adopted by the Company to comply with the requirements and/or limitations under the Act or the Rules, any stock exchange requirements or other applicable law, including by expressly permitting (or, if applicable, requiring) the Company to revoke, recover and/or clawback any payment or benefit under this Vesting Program.

13. Employment with Subsidiaries. Employment with the Company for purposes of this Vesting Program shall include employment with any Subsidiary.

14. Governing Law; Validity. The interpretation, construction and performance of this Vesting Program shall be governed by and construed and enforced in accordance with the internal laws of the State of California without regard to the principle of conflicts of laws. The invalidity or unenforceability of any provision of this Vesting Program shall not affect the validity or enforceability of any other provision of this Vesting Program, which other provisions shall remain in full force and effect.

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert G. Painter, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Trimble Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2023

/s/ Robert G. Painter

Robert G. Painter

Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David G. Barnes, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Trimble Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2023

/s/ David G. Barnes

David G. Barnes

Chief Financial Officer

**CERTIFICATION OF CEO PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Trimble Inc. (the "Company") for the period ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Robert G.Painter, as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert G.Painter

Robert G.Painter
Chief Executive Officer
May 3, 2023

**CERTIFICATION OF CFO PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Trimble Inc. (the "Company") for the period ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), David G. Barnes, as Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David G. Barnes

David G. Barnes

Chief Financial Officer

May 3, 2023