WHEREAS: In 2018, the Intergovernmental Panel on Climate Change advised that greenhouse gas emissions must reach net zero by 2050 to limit warming to 1.5 degrees Celsius, prevent the worst consequences of climate change, and meet the goals of the Paris Agreement. According to the United Nations, we are significantly "off track" in achieving these targets, spurring investors to seek corporate commitments to science-based greenhouse gas (GHG) emissions reduction goals.

The Climate Action 100+ initiative, a coalition of more than 700 investors with over $68 trillion in assets, issued a Net Zero Benchmark outlining metrics that create climate accountability for companies and transparency for shareholders. Benchmark Indicators seek reporting on companies' net zero emissions ambitions; short, medium and long term GHG reduction goals covering enterprise-wide emissions (scopes 1-3); and strategic action plans to achieve decarbonization targets.[1]

Deere is a leading manufacturer of agricultural equipment and machinery. Deere's 2021 10-K states business results could be negatively affected by "unfavorable weather conditions or natural calamities that reduce agricultural production and demand for agriculture and turf equipment" and "increasingly stringent emission regulations or bans on internal combustion engines."[2] Not only does Deere face climate-related risks but actively contributes to them through production of fossil fuel-intensive equipment.

While Deere has set 2030 GHG emission reduction targets, it only aspires for 30% reduction of scope 3 emissions,[3] 99% of its total emissions.[4] Long term planning to guide business transition and to support zero carbon product innovation is imperative for Deere to reduce emissions associated with customers' use of its sold products, 92% of its total emissions. Deere has not set a net zero by 2050 ambition inclusive of all scopes of emissions, or disclosed a detailed plan for how to achieve such Paris-aligned GHG emissions reductions. In contrast, four of Deere's peers in the "Electric Equipment and Machinery" sector have adopted validated, net zero targets through the Science Based Targets initiative (SBTi) and another 69 peers in this category have committed to SBTi validation of net zero targets.[5]

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[1] https://www.climateaction100.org/net-zero-company-benchmark/methodology/
[2] https://s22.q4cdn.com/253594569/files/doc_downloads/2022/1/de-20211031x10k.pdf p.20
[3] https://www.deere.com/assets/pdfs/common/our-company/sustainability/sustainability-report-2021.pdf p.11
[4] https://www.deere.com/assets/pdfs/common/our-company/sustainability/sustainability-report-2021.pdf p.33
[5] https://sciencebasedtargets.org/companies-taking-action

Setting long-term 1.5 degree aligned GHG goals and developing transition plans to achieve them is an important means of abating climate risk for shareholders and avoiding future disruptive impacts to returns. These steps can assure shareholders that Deere's management is taking seriously the physical and transition risks associated with climate change, benefitting the Company, its customers, and investors.

BE IT RESOLVED: Shareholders request that Deere issue a climate transition report, at reasonable cost and omitting proprietary information, disclosing long-term science-based 1.5 degree greenhouse gas targets, covering scopes 1-3, including operational, supply chain, and product related emissions, and progress made in achieving them.

SUPPORTING STATEMENT: Proponents suggest, at Company discretion, the report include:

- Commitment to Science Based Targets initiative validation;
- An enterprise-wide climate transition plan to achieve net zero emissions;
- How capital allocation plans align with climate transition plans, where relevant.