

Citizenship Summary Report 2009-2010

Achieving Sustainable Performance



JOHN DEERE



Sustainability Helps Drive John Deere's Success

Good citizenship is good business. In delivering advanced products and services to customers throughout the world, we are mindful of our commitment to serving global communities and society, to fair dealing in all relationships, and to minimizing environmental impacts.

As outlined in this report, and in more detail in our citizenship pages at www.JohnDeere.com, sustainability is an important part of our strategies. By promoting environmental stewardship, workplace health and safety, employee development, and philanthropy, we help our customers provide the food, fuel, fiber, and infrastructure needed by a rapidly growing and developing world.

Environmental Stewardship

Conservation of resources is the essence of environmental sustainability. During 2009, John Deere employees found more ways to conserve energy, often as part of our goal to reduce greenhouse-gas emissions. As one example, our Pune, India, plant added a solar water-heating system. Many operations expanded already-effective recycling programs, and we continued to build facilities, such as our new Iberica branch headquarters in Madrid, with particular attention to sustainability.

We also build sustainability into our products. Improvements in our award-winning guidance systems increase field-work efficiency and precision. In 2009, we introduced forage harvester headers that can harvest renewable energy crops such as fast-growing trees. John Deere Water expanded its growing micro- and drip-irrigation business aimed at improving crop yields while conserving water.

Health & Safety

John Deere operations worldwide continue to enhance workplace health and safety. Health fairs, ergonomics

Perforated metal skin shades the new marketing and training center at John Deere Iberica, reducing air conditioning use. The building also has solar hot-water heating and a lighting system that automatically adjusts to use available natural light.

contests, rigorous safety audits, and our continuous improvement process all help make John Deere workplaces among the safest in the world.

In 2009, injury rates declined 25 percent from already low levels, setting a company record. Facilities in China, Germany, Spain, and the United States earned formal third-party recognitions for their attention to worker health and safety.

Product safety, too, is a priority. Last year we introduced a product that enables safer handling of anhydrous ammonia, and further reduced sound levels in our equipment cabs while increasing operator visibility.

Teamwork & Development

We provide employees with many useful tools for improving their skills, including education and training opportunities that help them become productive team members. John Deere people are known for their ability to collaborate and work together in teams. To enhance effectiveness, regional councils work to identify and remove social, cultural, and physical barriers to teamwork.

Philanthropy

John Deere encourages employees to volunteer in communities, while the John Deere Foundation focuses on community betterment, education and solutions for world hunger. In addition, during 2009 the Foundation provided more than \$500,000 to fund disaster relief efforts.



Dealers & Suppliers

John Deere's unparalleled dealer network and worldwide supply base reflect our desire to work with companies that share our high ethical standards and fully comply with environmental, health and safety regulations.

Sustainable Performance

Citizenship is an essential part of who we are at John Deere. As stated on many occasions, how we achieve results is as important as the results we achieve. Therefore, as the company serves customers at the highest level and pursues ambitious business goals, it remains focused on the broader obligation of supporting a higher quality of life in everything we do.

On behalf of the John Deere team,

A handwritten signature in black ink that reads "Samuel R. Allen". The signature is fluid and cursive, written over a white background.

Samuel R. Allen



Stewardship

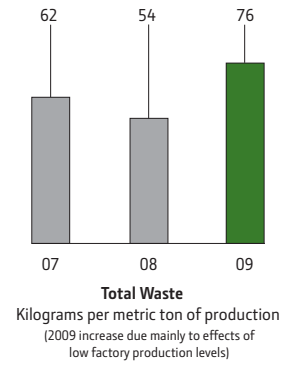
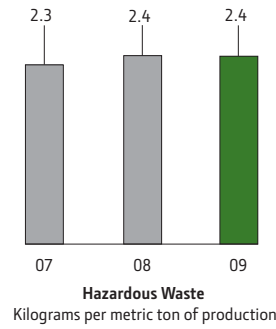
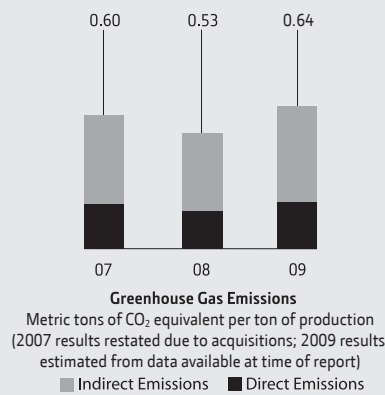
John Deere has a history of innovative environmental stewardship. We are committed to reducing the environmental impacts of our operations while providing products and services that help our customers and communities operate efficiently and conserve natural resources.

Company operating processes reflect a commitment to sustainable practices and environmental stewardship. In addition, John Deere has long maintained an environmental policy that requires compliance with all applicable regulations wherever the company does business and ensures that environmental considerations are a priority in business planning.

John Deere's Pune, India, facility installed solar water heating to minimize electricity use in its canteen.



John Deere operations are reducing greenhouse-gas emissions in conjunction with the company's participation in the U.S. EPA's Climate Leaders program. Our Pune, India, factory installed solar water heating, for example. The tractor, engine and transmission factory is installing similar systems for its paint shop baths and sludge drying. The plant has also installed solar-powered street lights, upgraded factory lighting, replaced belt-drive systems and added an oven exhaust-heat recovery system to save energy and boost efficiency.



At John Deere's Fuquay-Varina, North Carolina, factory recycling containers have replaced garbage cans along assembly lines that produce utility vehicles and precision mowing equipment. In just one year, the plant has reduced waste sent to landfills from 46 lbs. per ton of production to 8 lbs. Next steps: composting cafeteria waste and recycling scrap rubber products, test equipment, and hard plastic.



John Deere employees have many tools available to manage their careers, improve their skills, and learn new ones. Besides extensive training opportunities, the company maintains mentoring and coaching programs and promotes development of teamwork skills. Regular evaluations provide employees with feedback on their performance and development.

Employees

The creativity of engaged employees is vital to a sustainable business. To recruit and retain talented, committed people, the company strives to do the following:

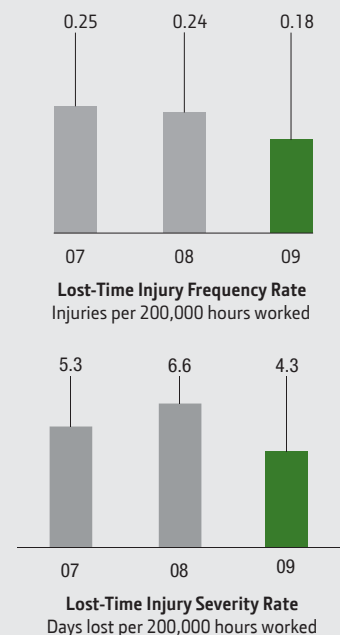
- Provide safe workplaces: A long-term effort to drive workplace injuries and illnesses to zero has made John Deere factories among the safest in the world.
- Foster an inclusive, collaborative culture: Teamwork is a critical competency at John Deere. The company fosters the development of high-performing teams in which employees from all backgrounds can succeed and help build a great company.
- Provide leadership and career development opportunities: John Deere employees manage their own career and development plans, using extensive training and education opportunities, employee networks, and mentoring and coaching programs.



John Deere's hydraulic-cylinder factory at Moline, Illinois, left, surpassed 14 years – more than 7 million work hours – without a lost-time accident in 2009. The record dates to Sept. 20, 1995.

Part of the record performance is due to regular safety-risk assessments used by teams to find ways to reduce or eliminate risks. Resulting safety improvements are shared throughout the company.

Such exceptional performance underscores the company's continuous efforts to reduce injury rates, now at historic lows.



Philanthropy

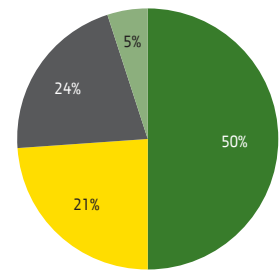
John Deere supports a variety of nonprofit organizations active in several focus areas: solutions for world hunger, community betterment, higher education and disaster relief.

The John Deere Foundation, the company's main philanthropic organization, donated \$12.2 million in 2009 to support groups working in fields including microfinance and community development.

John Deere is also a corporate sponsor of a variety of nonprofit organizations, including the National FFA and the National 4-H Council.

John Deere Foundation 2009 Contributions

- Community Betterment
- Education
- Solutions for World Hunger
- Disaster Relief



The John Deere Foundation gave an additional \$400,000 in 2009 to support food banks in several John Deere communities in the United States.

As a sign of Deere's commitment to corporate responsibility, the John Deere Foundation provided the same level of support to aid groups in 2009 as it did in 2008. In 2009 support included grants to help human service agencies meet increased need for their services resulting from the economic downturn in the United States. Grants totaling nearly \$1 million went to United Way organizations in 11 John Deere communities. The resources were distributed to agencies to fund increases in a broad range of human services, from providing food and personal care products to counseling services.



A \$50,000 John Deere Foundation grant to Joint Aid Management, a nonprofit relief and development agency, helps a community garden in Orange Farm, South Africa. Residents learn basic farming skills as they grow crops that help feed 1,000 people. Selling excess produce provides income for the workers and aids the local economy.

2009 Citizenship Highlights

- *CRO*, a leading magazine for corporate responsibility officers, ranks John Deere among the world's top corporate citizens.
- John Deere ranked among world's 50 most-admired companies in a survey by Hay Group published in *Fortune* magazine.
- Company is among top employers in reader surveys by four diversity-focused employment magazines; a Georgia Institute of Technology internship program names John Deere Employer of the Year.
- Aiming to improve fuel efficiency, reduce carbon emissions, company joins U.S. Environmental Protection Agency SmartWay Transport Partnership.
- John Deere earns listing in *Newsweek* magazine's inaugural Green Rankings of the 500 largest U.S. companies. List is based on environmental researchers' assessments of environmental impact, green policies, and reputation.
- John Deere factories, already among world's safest, reduce injury incidence rate 25%; some factories earn awards recognizing years of operation without lost-time injuries.
- Deere named to *Fortune* magazine's list of top companies for leadership development, ranking 14th in the world and 8th in North America.
- Deere announces agreement with Adage LLC to develop sustainable system for woody biomass-fueled power generation.
- John Deere Tiantuo Company Ltd. in Tianjin, China, is recognized for business growth and citizenship.

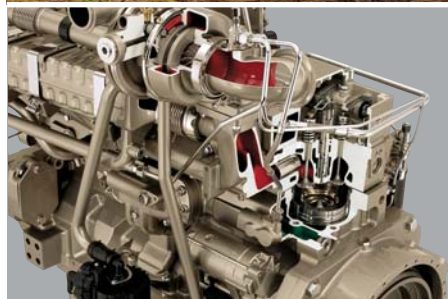
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Introduced in 2009, the John Deere 8320R tractor set fuel-efficiency records at the Nebraska Tractor Test Lab – records held by its predecessor model. Tractor helps farmers increase productivity with integrated, easy-to-use controls and enhanced visibility from a larger cab.



New E-series forestry machines have rotating and leveling cabins for more accurate and efficient work. Forwarders like the 1910E shown are part of the company's Biomass Harvesting System. It collects and bundles forest debris as feedstock for renewable energy production.



As part of its integrated approach to clean air, fuel efficiency, and engine performance, John Deere Power Systems is building on current engine designs to meet stricter emissions standards for off-highway machines.



The 7050-series forage harvesters (7850i shown) are intelligent machines with electronic engine control that saves fuel and reduces noise. Besides producing grass and maize silage, the harvesters also harvest renewable-energy crops such as miscanthus and fast-growing trees.



The 8000 E-Cut hybrid fairway mower, introduced in 2009, has more power but produces less noise and emissions than predecessor machines. Among its features, a 48-volt system replaces hydraulics to drive cutting units. This eliminates potential oil leaks from the reel-drive system without sacrificing cutting power.