

Deere & Co



"Deere's proactive commitment and action are crucial for biodiversity preservation on the journey to a sustainable future in agriculture."

Ivo Kuiper, Senior Portfolio Manager

Engagement rationale

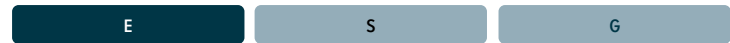
As agricultural activities are closely connected to biodiversity, we believe that a biodiversity policy from John Deere would contribute to global efforts in preserving and restoring biodiversity. Such a policy would also enhance John Deere's reputation as a market leader.

Background

After successfully engaging with John Deere on the topic of emission reduction targets in 2022, we reached out in the first quarter of 2024 to understand if the company plans to research its impact on biodiversity and develop a biodiversity policy. We believe that John Deere, with its technological expertise and commitment to sustainability, has the potential to become an industry leader in biodiversity preservation. We are convinced that it is possible to successfully align business goals with such a commitment.

Theme for engagement

- Environmental - Land Use and Biodiversity



Development

Positive

Milestone



Engagement objectives

- To understand whether biodiversity is a topic being discussed at the senior management level.
- To understand if the company plans to study its impact on biodiversity.
- To assess the company's commitment to developing a biodiversity policy.

Engagement results

- Following our initial engagement letter, we have had two meetings in which we discussed their sustainability strategy. The company's representatives, including the CFO and the Head of Sustainability, were present.
- We understand that the corporate sustainability team regularly reports to the board, with direct involvement from the CEO.
- The company acknowledges the absence of a biodiversity policy at the moment and recognizes the need for improvement in this area. Currently, they are conducting a double materiality assessment and plan to conclude it before deciding on the next steps.
- The company believes that their focus on reducing the use of pesticides has a positive impact on biodiversity. However, they also admitted to facing challenges in measuring the biodiversity footprint due to its complexity.

Next steps

- We will continue to engage with the company to monitor the progress on the double materiality assessment and its outcomes.



Company

Deere & Co is an American company that manufactures agricultural machinery and equipment.

Country

USA

Sector

Capital Goods - Machinery

Market cap

Large Cap

Materiality

Through its ubiquitous footprint and being the market leader, Deere & Co has unique power and influence within our society.

ESG Research

MSCI ESG Rating: AA
Sustainalytics: 16.0 (low risk)

Engagement initiated

Q1 2024

Latest update

Q2 2024

Fund / Mandate

Global Sustainable Equity Fund
VLKMF North America

