

# OUR GUIDING PRINCIPLES



***For some 50 years, the Green Bulletin series described the way John Deere conducted business and put its values into practice.***

The bulletins served as guides for the judgments and decisions made in pursuit of our long-standing mission, or higher purpose, of serving those linked to the land.

Deere's values have established an enduring foundation for the company's success. As we move into the future, we must ensure these values remain vital and relevant and that they continue to inspire our actions.

With this document, we are introducing a more contemporary, accessible format for the concepts embodied in the green bulletins. It presents our guiding principles in a more concise, conversational style.

This document complements our corporate code of conduct, corporate ethics policy and supplier code of conduct. They spell out our practices and policies in more detail but are grounded in the principles discussed here.

Together with the entire management team, I am pleased to introduce *Our Guiding Principles*, a compendium of insightful, and often inspirational, messages derived from John Deere green bulletins issued over the last half-century.

September 2012



*Samuel R. Allen*  
Chairman and CEO

## Our Purpose

***We are committed to serving those linked to the land, thereby helping to improve living standards for people everywhere.***

Our business aims to consistently deliver superior value to all with an interest in its success. Fulfilling our purpose requires exceptional operating performance, disciplined growth and aligned, high-performance teamwork.

We create mutual advantage in the following ways:

- Forging lasting relationships with customers by helping them be more satisfied, profitable and efficient;
- Building a dynamic, inclusive business in which employee contributions are recognized, respected and rewarded;
- Delivering consistent value to shareholders;
- Building mutually beneficial relationships with suppliers, independent dealers and other distribution channel members;
- Making a meaningful contribution to the communities in which we operate and to society at large.

Our purpose guides us as we continue the journey our founder began in 1837. That journey, we believe, leads to a future that holds great promise and opportunity.



## The Way We Work Together

*To be a more fully integrated and mutually supportive enterprise, John Deere's businesses work together to produce the best outcomes for the company as a whole.*

This approach requires leveraging resources and processes, sharing customer and market knowledge, and collaborating throughout the supply and distribution chain. In support of this concept, Deere's compensation programs are designed to recognize achievement on a company-wide basis.

Wherever feasible, uniform processes and approaches enable work to be done efficiently across the enterprise. As a rule, common systems and tools lead to the best use of resources, more consistent solutions, faster execution and a shared corporate culture. In some cases, policies and practices may be adapted to conform with local customs and requirements. This is acceptable provided that such practices are consistent with our core values and meet legal requirements.

Staff organizations are expected to work in partner-like fashion with business units to develop a rich appreciation of their objectives and priorities. In this way, employees can extend the efforts of the business units by developing efficient, consistent solutions that help the company achieve its goals.

We believe that functioning as a mutually supportive, integrated enterprise is the best way to ensure exceptional performance and meet the exacting standards of our customers and other constituents.

# INTEGRITY

## Our Core Values

*John Deere's reputation is based on the core values of integrity, quality, commitment and innovation. These values have shaped our character as an enterprise and made John Deere a special kind of company.*

**INTEGRITY** means telling the truth, keeping our word and treating others with fairness and respect. It is demonstrated through honest relationships, decisions that consider the balanced interests of stakeholders, and unquestioned commitment to ethical and legal behavior. Integrity is one of our most cherished assets. It must not be compromised.

**QUALITY** means delivering value to customers, employees, shareholders and others. Quality is exhibited in many ways – by selling and supporting products and services that delight customers, establishing a work environment in which employees thrive, delivering financial results that meet investor expectations, and maintaining sound relationships to the benefit of our stakeholders.

**COMMITMENT** means doing our best to meet stakeholder expectations in a predictable, consistent way over time. We recognize that our customers, as well as employees and investors, have many options in choosing a company with which to be associated. Our opportunity to serve should be viewed as a privilege that is not to be taken for granted.

**INNOVATION** means inventing, designing and developing breakthrough products and services that have high appeal in the marketplace and strengthen customer preference for the John Deere brand. Innovation extends to using the latest technology to establish world-class manufacturing processes and applying the most advanced information technology tools and practices throughout the company.

Our core values unite us as members of the Deere community and differentiate us from many other companies. These values, moreover, have sustained the loyalty of generations of customers and proved to be a powerful source of inspiration for thousands of supremely talented employees over the better part of two centuries.

Carrying on the legacy rooted in our core values is essential to serving customers and achieving our business goals, present and future.

## Business Conduct

*Our company operates by standards grounded in our core values. These values form a consistent framework that guides our actions and has earned the company a preeminent reputation for forthright and ethical conduct.*

This creates a competitive advantage for the company, one all employees are responsible for upholding.

While ethical standards are an integral part of our culture, additional measures ensure consistency and compliance. Ongoing monitoring, self-assessment and self-correction help make certain that our standards are consistently applied and enforced.

Compliance extends beyond our own internal assessments and actions. Governments around the world have enacted legislation to regulate business conduct. We accept these additional compliance responsibilities as a normal business requirement, captured by the concept of responsible corporate governance. Legal and regulatory compliance is an essential responsibility shared by each employee.

Deere's Code of Business Conduct serves as the primary resource for matters related to governance and compliance.

Under all circumstances, the company remains firmly committed to the values and business ethics that define who we are. To employees, this dedication is a source of pride, honor and purpose. To all with an interest in John Deere's long-term success, it is a source of reassurance and trust.

# QUALITY

# COMMI

## Our Key Constituencies

### EMPLOYEES

***John Deere strives to provide a meaningful employment experience based, above all else, on respect for the individual.***

John Deere employees are expected to operate ethically and legally, regardless of their role in the company or where they are located.

Employees value affiliation with the company and each other. They take pride in their work and value learning from one another. They share a deep interest in matters affecting the company and an intense commitment to its success. Our employees hold many values in common. However, they appreciate different perspectives and fully embrace the opportunity to work with those of diverse backgrounds.

Deere provides employees with relevant and challenging work assignments. The company offers professional development and growth opportunities to help employees meet their career objectives. Together, we create supportive, dynamic working relationships that promote the recognition of individual and team accomplishments.

Deere's success is critically dependent on attracting, developing, and rewarding highly qualified employees. Doing so is one of our highest, most vital priorities.

### CUSTOMERS

***Our customers expect the best return on their investment in the form of advanced product features, peerless quality and enduring value.***

John Deere's success is based on a fundamental commitment to meeting customer expectations in every transaction. As we reach out to new customers in new markets, we strive for success in that same way.

Customer commitment also extends to providing exceptional after-sales service. Dealers use innovative systems, training and company support to help customers maximize the value of their investment in John Deere equipment and solutions. Aftermarket support remains a hallmark of the John Deere Experience.

Customers deserve consistently high levels of innovation, quality and value – and nothing less.

All of us associated with the company are committed to meeting these standards. We understand customer loyalty is sustainable only to the extent that those who buy our products receive value that exceeds their investment or is greater than the value available from competitors.

Adherence to this business model is essential to forming profitable, enduring relationships with our customers and achieving our business goals throughout the world.

### SUPPLIERS & DEALERS

***John Deere's success rests in large part on relationships with qualified, committed suppliers, logistics providers and independent dealers.***

Their expert knowledge and professional support are essential to helping the company produce, distribute and market its advanced lines of equipment and ensuring that customers benefit from reliable service and aftermarket support. These distribution channel members share our vision, values and deep commitment to helping our customers be more productive and profitable.

Third-party suppliers provide much of the parts, components and technology found in our products. Their role in supplying quality goods, and delivering them to our factories or other facilities in a timely, dependable manner, is vitally important to our success. Independent dealers are responsible for selling John Deere products and representing our brand to retail customers. The company is renowned for its experienced dealers and their expert product knowledge and aftermarket support.

Strong relationships with our suppliers and dealers help create a significant competitive advantage for Deere, one that is spreading rapidly throughout the world and is indispensable to expanding our global market position.

### SHAREHOLDERS

***Exceptional financial performance, sustained over a long period of time, delivers value for shareholders and motivates their continued investment.***

Strong performance enables Deere to raise capital reliably, efficiently and effectively. In turn, this capital allows us to improve our operations and develop the products, services and solutions that customers require. Exceptional financial performance, moreover, helps attract, develop and retain talented employees whose contributions are vital to our ongoing success.

In delivering superior financial returns, John Deere operates by a code of conduct and social responsibility that enhances the company's reputation and further improves its appeal to the investment community.

## Social Responsibility



***Deere's foremost responsibility is to operate a successful business, one that delivers quality products, a meaningful employee experience and superior investor returns.***

Business success, in turn, provides the means for being a productive member of society and fulfilling our higher purpose as an enterprise. That purpose is to support higher living standards for people everywhere through our commitment to those linked to the land.

Community and professional leadership is encouraged by the company. Employees around the world contribute their time and talents in varied and substantial ways to improve the condition of their communities. Our global volunteerism policy encourages employees to share in this manner.

The company also strives to contribute to the broader community. We provide financial resources in support of strategic initiatives and services that benefit people throughout the world. Further, we engage in partnerships with public and private organizations that share our interest in community betterment. In other cases, we provide active leadership to community growth and development endeavors.

Our commitment to public responsibility also is shown in how we conduct day-to-day business. Decisions about matters such as product design, factory operations and new business opportunities are made in the context of our long tradition of managing environmentally responsible, safe operations that make a positive impact on their local communities.

Responsible corporate citizenship is a cornerstone of John Deere's success. In conjunction with our record of honest dealing with customers and other constituents, it results in many formidable advantages for the company.

## Diversity & Inclusion



***Deere aspires to establish and maintain a workplace that appeals to those of widely differing backgrounds, beliefs and experiences. Such differences add to our competitive strengths and create our personality as an enterprise.***

Deere's commitment to diversity is consistent with our values as a company, which stress integrity and mutual respect. Further, as Deere expands throughout the world and introduces new products for new markets, an appreciation of diversity is increasingly essential to attracting committed employees, loyal customers and quality business partners.

In Deere's view, diversity goes far beyond demographic boundaries, encompassing qualities that make individuals unique. Thus, race, gender, background and age are only a few of the characteristics that define our employees and other stakeholders. It is also important to bring together employees with different perspectives, knowledge, experiences and styles. Deere is committed to practices and policies that promote diversity in the broadest sense.

In pursuit of our strategic objectives, it is essential that we nurture and sustain a corporate environment that promotes mutual respect, acceptance, cooperation and productivity among people of all backgrounds. This will help ensure that Deere is successful in developing extraordinary talent and achieving a deeper, richer understanding of a growing global customer base.

## Environment, Health & Safety



*Our company is highly regarded for policies and practices that advocate the well being of our planet and its people.*

Operating processes at our facilities reflect a commitment to environmental protection. Energy-efficient systems sustain air and water quality while eliminating or reducing the waste generated by our operations. When investing in new products, approaches or technologies, we grant preference to those with the most favorable environmental impact.

We promote the prudent use of natural resources while limiting, if not preventing, unfavorable impacts. Deere devotes significant resources to designing products that meet customer needs effectively and efficiently while minimizing environmental disruption and sustaining natural resources.

Because effective product design results in improved consumer safety, John Deere products are equipped with features to reduce the risks of injury, illness and fatigue. Similarly, as product knowledge is another key to safety, we are committed to helping our customers learn the most effective and safest ways to operate our products. We also work with policy makers to help formulate regulations that protect users.

With respect to the well-being of our employees, continuous improvement programs aim to create injury-free, healthy workplaces.

Around the world, we work to fully comply with legal and regulatory requirements, often targeting performance more stringent than the law requires.

With the support of all John Deere employees and other stakeholders, the company is committed to extending its leadership in safety, health and environmental stewardship.

## John Deere Brand



*Throughout our company's history, generations of employees performing their work with care and passion have made the John Deere brand a universal mark of value.*

The John Deere brand commands widespread respect and is a vital company asset. Our brand is a promise – a promise to serve our customers and a growing world, and a promise to understand and respond to customer needs by designing and delivering advanced products and services. All this is meant to help our customers be smarter in how they use the land.

Our promise sets us apart from the competition and helps us earn a premium position in the markets where we do business. It's how we communicate our vision to the world in a clear, consistent fashion.

As stewards of the brand, whether employees, independent dealers or suppliers, all of us are responsible for sustaining the positive reputation John Deere seeks in the markets and communities we serve.

