

BREAKFAST KEYNOTE ADDRESS

Speaker: *Samuel Allen*
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Samuel Allen

Chairman and CEO, Deere & Company

Thank you, Ambassador Quinn, and good morning, ladies and gentlemen. As he was saying all that, I thought he ought to be up here talking. He can do a better job talking about John Deere than I can. And then I was really concerned when I heard that I'm the 9th CEO speaking to you this week. I just hope nine is not too many as I go through this. But again, thank you, Ambassador Quinn, and the entire World Food Prize team for the opportunity to address this truly distinguished group brought together by our common passion for global food security.

It is indeed my pleasure to be with you this morning to share a few words about John Deere's efforts to help feed the world. Our products, of course, have been doing that for close to 200 years now, so in many ways our story is as old as the company itself.

Today, however, I want to focus on what our company is doing to empower rural communities to find and travel the road out of poverty, one person at a time. Our friend and founder of the World Food Prize, Dr. Norman Borlaug, often talked about the essential role of roads to any type of agricultural development. While I'm sure he meant the physical roads that link farmers to market, I believe Dr. Borlaug also a road as a powerful metaphor for the journey of empowerment for farming communities, especially in developing parts of the world. Indeed, the road out of poverty.

Yet metaphors aren't very meaningful if they don't ring true. And in my experience at John Deere, the road out of poverty requires a commitment by dedicated individuals. It all starts with the power of inspiration spread from one person to another to transform the road out of poverty into a bustling, modern highway that leads to a better way of life. As Mother Teresa once said, "I alone cannot change the world, but I can cast a stone across the water to create many ripples." It starts with one person, one person who understands how his or her actions can influence and inspire the direction of others.

In that vein, we must ask ourselves – what are we doing to inspire our friends, our colleagues, and even strangers to address the world's growing hunger needs, starting with helping the world's smallholder farmers get on a road to a more prosperous future?

If you will, allow me to share with John Deere is doing and my small part in it. I am privileged to lead a country that has been helping feed the world for a long time. Indeed, our foremost responsibility at John Deere is to operate a successful business, one that delivers quality products, a meaningful employee experience, and superior investor return. That is absolutely necessary, but it is not sufficient. Business success in turn provides the means for being a

productive member of society and fulfilling our purpose as an enterprise, which is to support higher living standards for people everywhere through our commitment to those linked to the land. Fulfilling that commitment in a way that empowers people to make a better life for themselves is at the heart of our corporate citizenship work today.

The Company's commitment to giving back can be traced to our founder, Mr. John Deere, and to the leaders who followed. When you join our company, you soon learn of John Deere's passion as an abolitionist and his personal financial support in rebuilding the local African Methodist Episcopal Church after it burned to the ground. You also learn of William Butterworth, our third chairman and CEO, hand delivering charter papers to Washington, DC, to establish the first America Red Cross Chapter in our home town of Moline. You learn how a group of Deere leaders came together in the midst of the farm crisis in the '80s to start the Riverbend Food Bank in Moline. For the last 70 years the John Deere Foundation has helped build on this legacy through nearly \$300 million in giving at home and abroad.

When I was named Deere CEO in 2009, pondering both the rich legacy of the past and the enormous responsibilities of the future, I called on a trusted friend and counselor. I asked if he would be willing to be my true north compass, and he agreed. Even today, some eight years later, we get together on a regular basis. Over coffee one day, I mentioned my desire to ramp up our citizenship effort and begin a formal employee volunteer program. I've always believed in the value of giving back on a personal level, but professionally I didn't have a clear idea of what John Deere could and should be doing in order to be a power for good.

My friend suggested I take a week away from work and lead a group of company leaders on a volunteer trip. He believed the experience would be extremely impactful and might well set the stage for future efforts on behalf of the company. I shared the idea with some of my colleagues at Deere, who were quick to express their support.

And so in the fall of 2011 I traveled with a team of 20 John Deere volunteers to rural Rajasthan in Northwest India where we spent a week working alongside farmers in three villages. Together these villages are home to nearly 6,000 people. Side by side in high heat and humidity, we harvested grain and beans together, picked cotton together, and cut fodder and forage together. The work was inspiring and eye-opening, and it was exhausting and back-breaking. And I assure you it was plenty of exhausting and back-breaking.

I spent time working with a 40-year-old farmer, Kishan Ahir, together with his wife and two sons. Kishan farmed 10 bighas or almost two hectares of land. They grew sorghum and maize during the rainy season. They grew mustard in the winter or nothing at all if they didn't have good grain. Like many farming families, they struggled to get by. The experience was, to say the least, transformational.

We gained a new appreciation for the hardships of manual farming experienced by the world's two billion smallholder farmers like Kishan who eke out a living day by day. We also came away with a renewed admiration for these farmers and their capacity to persevere. We left India inspired to make a long-term commitment to these villagers. Over its history, John Deere has helped millions of farmers and their families build stronger businesses and better lives. There was absolutely no reason in our minds we could not do the same for the smallholder farmers of Rajasthan.

That's how JIVA, or the Joint Initiative for Village Advancement was born. Fittingly, JIVA means "livelihood" and "life" in the local Mewari dialect. JIVA was intended to help strengthen the livelihoods of these villagers, and it did that and more. It brought to life how John Deere approaches citizenship.

Soon after, we partnered with a highly regarded nonprofit organization, [inaudible] Global, to design a detailed community needs assessment in the three villages. Through intensive focus, group discussions and personal interactions, we did a lot of listening. We had much to learn about local agricultural practices, local customs and most importantly, the aspirations of the people who live in these villages. Our aim was to develop a plan that would create meaningful, lasting change, working with them, not for them.

Based on the assessment, we identified a three-prong approach to empower these villagers to improve their lives through resilient agriculture, accountable education and foundational infrastructure. Guided by the belief that farmers make the best decisions for themselves, JIVA has taken a farmer-based approach to agricultural efforts. They work with farmers to find ways to improve the yields of current crops, introduce high-value alternative crops, reduce costs, and develop more sustainable practices.

By having small geographical scope, three villages within a few miles of each other, JIVA can engage the entire population and reach almost all of the local farmers with training and technical assistance. Through JIVA's first four years, improvements in farming practices for cotton, maize, sorghum and wheat have increased total income in the villages by nearly \$570,000 as measured in purchasing power [inaudible]. To put that in perspective, the average farmer in that part of the world was making only \$1 a day, or less than \$400 a year before JIVA arrived.

As farmers experienced their own success and see the success of others, they've been inspired to do even more. Half of the JIVA households now grow higher-value pomegranate plants, some 13,000 of which have been planted in the last three years. These plants hold the promise of increasing local incomes substantially. We approach education in the same way that we approach farming in these villages, that is, if we could inspire students, parents and teachers with the promise of education, they could make the best decisions for themselves. As we have seen time and time again in farming communities throughout the world, when families lift themselves out of subsistence, one of the first investments they make is in their children's education.

Of all the educational improvements implemented by JIVA, I am most improved with the Education Resource Centers. These after-school tutoring centers are located in the villages near the students' homes. They are available to any girl or boy between the ages of 5 and 16, and they are free of charge. The centers offer dynamic, hands-on learning and a curriculum of reading, writing, math and science. The centers also help students connect with their community through service activities and events that bring together local families. What have these centers inspired? Since JIVA started the program, enrollment has increased from nearly 30 students in 2013 to more than 500 today with more girls than boys attending. These students are achieving much stronger academic results in the public school than before.

For example, because of JIVA, 90% of students passed their tenth grade exams in 2017. That was only 31% just four years ago. What's more, due to JIVA's work, there are no longer any school dropouts to speak of in these three villages. Today students are doing better in school, because

they are inspired to go to school. JIVA has used basic infrastructure as a catalyst for its work in agriculture, in education. For agriculture, this means supporting the installation of drip irrigation systems and greenhouses to help farmers increase their output. For education, this means supporting the construction of new functional toilets and up-to-date classrooms and lunchrooms.

These physical improvements have inspired action and investment on the part of the villagers. For example, it is estimated that, since 2013, JIVA farmers have invested more than a hundred thousand dollars in irrigation equipment, pomegranate and other fruit plants, fencing and farm improvement. Similarly, the villages have contributed more than \$30,000 to support education. Again, that's quite an endorsement considering the level of local income.

Last fall, nearly five years after our first trip, my colleagues and I returned to Rajasthan to see what JIVA helped inspire. What we saw inspired us even more. I was reunited with Kishan and his family, and I was thrilled to see how they had managed to improve their livelihoods and lives. Kishan proved to be one of those entrepreneurial farmers who took the risk of planting pomegranates. Two years ago Kishan planted 600 pomegranate saplings while also installing a solar-powered drip irrigation system. As Kishan's pomegranate orchard enters its third year, he expects to see three times more income than when we first met. His income should continue to grow, at least until his orchards reach full maturity in a few more years.

As I reflect on what JIVA has inspired, it's clear a virtuous cycle has emerged, a cycle in which higher agricultural production bolsters farmer income and farmer resilience. That in turn leads to more resources for reinvestment for education, agriculture and community infrastructure, all of which are essential to global food security and serve as the primary [inaudible] by which marginalized people can lift themselves out of poverty and participate more fully in their community.

Because of JIVA's initial success, the John Deere Foundation recently approved another two-year grant to expand the programs to ten additional neighboring villages. It is our hope to eventually bring JIVA to as many as 50 or more villages. The JIVA experience has provided us with a few important lessons. First is the importance of picking the right partner. No one can address world hunger alone, and PYXERA Global had the necessary experience to help get JIVA off to a strong start.

Next, JIVA has provided us a model for employee volunteerism. Our initial trip to Rajasthan in 2011 was more than an act of corporate responsibility. It was the spark for launching John Deere's formal employee volunteerism program. I personally felt it was important for employees to see the trip as proof that volunteerism was encouraged at the very highest levels of our company. Today week-long employee volunteer trips to the JIVA villages are organized one or two times a year and will continue to increase as the program expands. Beyond JIVA, we've challenged our employees to record one million hours of volunteerism in the six years from 2017 to 2022, and we're off to a good start this year with over 125,000 expected to be recorded.

Earlier I talked about the power of inspiration to transform the road out of poverty, so often twisted and troubled, into a modern thoroughfare and a better way of life. In Deere's case, a challenge from my friend and counselor inspired a volunteer trip, which inspired the John Deere leadership team to create the JIVA program for small farmers in three rural Indian

villages. That in turn inspired farmers like Kishan to transform their farms and their lives, prompting hundreds of others to do the same.

Today world hunger is on the rise. The number of undernourished people on our planet has increased to 815 million, according to a recent report from the United Nations Food and Agricultural Organization. It's a situation that calls on each of us to increase our commitment to feed the needy and heed Dr. Borlaug's call that the first essential component of social justice is adequate food for all of mankind.

Today I'm encourage you to find your inspiration to help those in need, that one person who will ignite your commitment to transforming the road out of poverty into a better life for all mankind.

I'd like to close by introducing you to a special farmer who has been a source of inspiration to all of us through the JIVA program. Her name is Sika, and this is her story.

VIDEO

On behalf of Sika and myself, I want to thank you very much for listening.