

Report on Racial and Gender Hiring Statistics

Whereas: Hiring disparities persist across race and gender. They pose substantial societal and company risks.

The U.S. Supreme Court ruled in *SFFA v. Harvard* on June 29, 2023, that discriminating on the basis of race in college admissions violates the equal protection clause of the 14th Amendment.¹

Attorneys General of thirteen states warned Fortune 100 companies on July 13, 2023, that *SFFA* implicated corporate diversity, equity, and inclusion (DEI) programs.²

Prior legal advice regarding the legality of racially discriminatory programs has been called into question post-*SFFA*.³

In the year after the death of George Floyd, the S&P 100 added 300,000 jobs. Only 6 percent of them went to white applicants,^{4 5} a statistic that provides prima facie proof of illegal discrimination on the basis of race by these companies, considering whites constitute 76 percent of the American population.⁶

In 2019, Starbucks was sued for a single case of discrimination against a white employee, who was awarded \$25 million in 2023.⁷ The risk of litigation for such mistreatment is rising, and companies have begun to reconsider whether their DEI programs perpetuate prejudice rather than alleviate it.⁸

Supporting Statement: Deere & Company (“Deere” or the “Company”) has come under fire for its DEI programs. The Company walked back its positions, promising the following:^{9 10}

- “We will no longer participate in or support external social or cultural awareness parades, festivals, or events.”
- “Business Resource Groups will be exclusively focused on professional development, networking, mentoring, and supporting talent recruitment efforts.”
- “Auditing all company-mandated training materials and policies to ensure the absence of social motivated messages, while being in compliance with federal, state, and local laws.”

¹ <https://www.scotusblog.com/case-files/cases/students-for-fair-admissions-inc-v-president-fellows-of-harvard-college/>

² <https://ag.ks.gov/docs/default-source/documents/corporate-racial-discrimination-multistate-letter.pdf>

³ <https://www.skadden.com/insights/publications/2023/09/quarterly-insights/corporate-dei-polices-face-scrutiny>

⁴ <https://www.bloomberg.com/graphics/2023-black-lives-matter-equal-opportunity-corporate-diversity/>

⁵ <https://www.dailywire.com/news/bloomberg-flubs-data-for-bombshell-report-that-only-6-of-new-corporate-hires-are-white>

⁶ <https://www.census.gov/quickfacts/fact/table/US/PST045222>

⁷ <https://www.foxbusiness.com/features/starbucks-manager-shannon-phillips-wins-25-million-lawsuit-fired-white-donte-robinson-rashon-nelson>

⁸ <https://apnews.com/article/dei-diversity-corporations-affirmative-action-309864f08e6ec63a45d18ca5f25d7540>

⁹ <https://x.com/JohnDeere/status/1813318977650847944>

¹⁰ <https://www.cnn.com/2024/07/18/business/john-deere-diversity-inclusion-efforts/index.html>

- “Reaffirming within the business that the existence of diversity quotas and pronoun identification have never been and are not company policy.”

These commitments are an important first step to deemphasize DEI and return the Company’s recruitment focus to merit and skill, but the Company cannot make empty promises without following through. If the Company discriminates, it will be obvious in its hiring numbers. Deere should report on statistical differences in hiring across race and gender to prove it does not practice discrimination.

Resolved: Shareholders request the Company produce a report on statistical differences in hiring across race and gender globally and/or by country, where appropriate, including associated policy, reputational, competitive, operational risks, and risks related to recruiting and retaining talent. The report should be prepared at reasonable cost, omitting proprietary information, litigation strategy, and legal compliance information. Shareholders request the company to present its findings for hiring data dating back to Jan. 1, 2020, and to publish an updated report annually thereafter, at least three months prior to each annual meeting.

Statistical differences across race/gender are defined as the difference between non-minority/male new hires and minority/female new hires expressed as a percentage of non-minority/male new hires.