AGCO CORP /DE
Form DEF 14A
March 24, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant þ

Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement
¨ Confidential, for Use of the Commission
Only (as permitted by Rule 14a-6(e)(2))

þ Definitive Proxy Statement
¨ Definitive Additional Materials
¨ Soliciting Material under Rule 14a-12

AGCO CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

þ No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Time and Date:	9:00 a.m., Eastern Time, on Thursday, April 24, 2014
Place:	AGCO Corporation, 4205 River Green Parkway, Duluth, Georgia 30096
Items of Business:	1. To elect ten directors to the Board of Directors for terms expiring at the Annual Meeting in 2015;
	2. To consider a non-binding advisory resolution to approve the compensation of the Company s named executive officers;
	3. To ratify the appointment of KPMG LLP as the Company s independent registered public accounting firm for 2014; and
	4. To transact any other business that may properly be brought before the meeting.
Record Date:	Only stockholders of record as of the close of business on March 14, 2014 are entitled to notice of and to vote at the Annual Meeting or any postponement or adjournment thereof. Attendance at the Annual Meeting is limited to stockholders of record at the close of business on March 14, 2014, and to any invitees of the Company.
Inspection of List of Stockholders of Record:	A list of stockholders as of the close of business on March 14, 2014 will be available for examination by any stockholder at the Annual Meeting itself as well as for a period of ten days prior to the Annual Meeting at our offices at the above address during normal business hours.

We urge you to mark and execute your proxy card and return it promptly in the enclosed envelope. In the event you are able to attend the meeting, you may revoke your proxy and vote your shares in person.

By Order of the Board of Directors

ROGER N. BATKIN

Corporate Secretary

Atlanta, Georgia

March 24, 2014

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SUMMARY

This summary highlights information contained elsewhere in this proxy statement. Since this summary does not contain all of that information, you are encouraged to read the entire proxy statement before voting.

Annual Meeting of Stockholders

Time and Date:	9:00 a.m., Eastern Time, on Thursday, April 24, 2014
Place:	AGCO Corporation, 4205 River Green Parkway, Duluth, Georgia 30096
Record Date:	March 14, 2014
Voting:	Stockholders as of the record date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the proposals to be voted on.

Voting Recommendations

Proposal	Board Vote Recommendation
Election of Directors	FOR EACH NOMINEE
Advisory vote on executive compensation	FOR
Ratification of the selection of KPMG LLP	FOR

Director Nominees

The following table provides summary information about each nominee. Directors are elected annually. AGCO has majority voting in uncontested elections of directors, such as this election. In the event that a nominee does not receive the affirmative vote of a majority of the votes cast in person or by proxy, he or she is required to tender his or her resignation.

		Director			Committee Membership				
Name	Age	Since	Brief Biography	Independent	EC	AC	CC	GC	SP
Roy V. Armes	61	2013	Chairman, President and CEO, Cooper Tire and Rubber Company	X			X		X
Michael C. Arnold	57	2013	President and CEO, Ryerson Inc.	X		X		X	
P. George Benson	67	2004	President, College of Charleston	X	X	X		C	
Wolfgang Deml	68	1999	Former President and CEO, BayWa Corporation (Germany)	X	X			X	C
Luiz F. Furlan	67	2010	Board member, BRF Brasil Foods, S. A. (Brazil)	X			X		X
George E. Minnich	64	2008	Former Senior VP and CFO, ITT Corporation	X	X	C	X		
Martin H. Richenhagen	61	2004	Chairman, President and CEO, AGCO		C				X
Gerald L. Shaheen	69	2005	Lead Director of AGCO, Former Group President, Caterpillar Inc.	X	X		C		X
Mallika Srinivasan	54	2011	Chairman and CEO, Tractors and Farm Equipment Limited (India)						X
Hendrikus Visser	69	2000	Chairman, Royal Huisman Shipyards N.V. (Netherlands)	X		X		X	

EC Executive Committee

GC Governance Committee

AC Audit Committee

SP Succession Planning Committee

CC Compensation Committee	C Chair

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Executive Compensation Advisory Vote

We are asking stockholders to approve on an advisory basis our named executive officer compensation.

The Company s compensation philosophy and program design is intended to pay for performance, support the Company s business strategy and align executives interests with those of stockholders and employees. A significant portion of the Company s executive compensation opportunity is related to factors that directly and indirectly influence stockholder value, including stock performance, earnings per share, operational performance, free cash flow performance and return on invested capital. The Company believes that as an executive s responsibilities increase, so should the portion of his or her total pay comprised of annual incentive cash bonuses and long-term incentive compensation, which supports and reinforces the Company s pay for performance philosophy.

For more information on the Company s executive compensation programs, please see Proposal Number 2 Non-Binding Advisory Resolution to Approve the Compensation of the Company s NEOs and Compensation Discussion and Analysis in this proxy statement.

Independent Registered Public Accounting Firm

As a matter of good corporate governance, we are asking our stockholders to ratify the selection of KPMG LLP as our independent registered public accounting firm for 2014. The Company s Audit Committee considers a number of factors when selecting a firm, including the qualifications, staffing considerations, and the independence and quality controls of the firms considered. The Audit Committee has appointed KPMG LLP as the Company s independent registered public accounting firm for 2014. KPMG LLP served as the Company s independent registered public accounting firm for 2013 and is considered to be well-qualified.

Set forth below is summary information with respect to KPMG LLP s fees for services provided in 2013 and 2012.

Type of Fees	2013	2012
	(in thousands)	
Audit Fees	$ 6,823	$ 7,560
Audit-Related Fees	48	74
Tax Fees	24	15
Other Fees	1,792	1,535
Total	$ 8,687	$ 9,184

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AGCO CORPORATION

PROXY STATEMENT FOR THE

ANNUAL MEETING OF STOCKHOLDERS

April 24, 2014

INFORMATION REGARDING THE ANNUAL MEETING

INFORMATION REGARDING PROXIES

This proxy solicitation is made by the Board of Directors (the Board) of AGCO Corporation (the Company), which has its principal executive offices at 4205 River Green Parkway, Duluth, Georgia 30096. By signing and returning the enclosed proxy card, you authorize the persons named as proxies on the proxy card to represent you at the meeting and vote your shares.

If you attend the meeting, you may vote by ballot. If you are not present at the meeting, your shares can be voted only when represented by a proxy either pursuant to the enclosed proxy card or otherwise. You may indicate a vote on the enclosed proxy card in connection with any of the listed proposals, and your shares will be voted accordingly. If you indicate a preference to abstain from voting, no vote will be cast. You may revoke your proxy card before balloting begins by notifying the Corporate Secretary in writing at 4205 River Green Parkway, Duluth, Georgia 30096. In addition, you may revoke your proxy card before it is voted by signing and duly delivering a proxy card bearing a later date or by attending the meeting and voting in person. If you return a signed proxy card that does not indicate your voting preferences, the persons named as proxies on the proxy card will vote your shares (i) in favor of all of the ten director nominees described below; (ii) in favor of the non-binding advisory resolution to approve the compensation of the Company s named executive officers (NEOs); (iii) in favor of ratification of the appointment of KPMG LLP as the Company s independent registered public accounting firm for 2014; and (iv) in their best judgment with respect to any other business brought before the Annual Meeting.

The enclosed proxy card is solicited by the Board, and the cost of solicitation of proxy cards will be borne by the Company. The Company may retain an outside firm to aid in the solicitation of proxy cards, the cost of which the Company expects would not exceed $25,000. Proxy solicitation also may be made personally or by telephone by officers or employees of the Company, without added compensation. The Company will reimburse brokers, custodians and nominees for their customary expenses in forwarding proxy material to beneficial owners.

This proxy statement and the enclosed proxy card are first being sent to stockholders on or about March 24, 2014. The Company s 2013 Annual Report to its stockholders and its 2013 Annual Report on Form 10-K also are enclosed and should be read in conjunction with the matters set forth herein.

INFORMATION REGARDING VOTING

Only stockholders of record as of the close of business on March 14, 2014, are entitled to notice of and to vote at the Annual Meeting. On March 14, 2014, the Company had outstanding 93,909,208 shares of common stock, each of which is entitled to one vote on each matter coming before the meeting. No cumulative voting rights exist, and dissenters rights for stockholders are not applicable to the matters being proposed. For directions to the offices of the Company where the Annual Meeting will be held, you may contact our corporate office at (770) 813-9200.

Quorum Requirement

A quorum of the Company s stockholders is necessary to hold a valid meeting. The Company s By-Laws provide that a quorum is present if a majority of the outstanding shares of common stock of the Company entitled to vote at the meeting are present in person or represented by proxy. Votes cast by proxy or in person at the Annual Meeting will be tabulated by the inspector of elections appointed for the meeting, who also will determine whether a quorum is present for the transaction of business. Abstentions and broker non-votes will be treated as shares that are present and entitled to vote for purposes of determining whether a quorum is present. A broker non-vote occurs on an item when a broker or other nominee is not permitted to vote on that item without instruction from the beneficial owner of the shares and no instruction is given.

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Vote Necessary for the Election of Directors

Directors are elected by a plurality of the votes cast in person or by proxy at the Annual Meeting. However, in uncontested elections of directors, such as this election, in the event that a nominee does not receive the affirmative vote of a majority of the votes cast in person or by proxy, he or she is required to tender his or her resignation. See Proposal Number 1 Election of Directors in this proxy statement for a more detailed description of the majority voting procedures in our By-Laws.

Under the New York Stock Exchange (NYSE) rules, if your broker holds your shares in its name, your broker is not permitted to vote your shares with respect to the election of directors if your broker does not receive voting instructions from you. Abstentions and broker non-votes will not affect the election outcome.

Vote Necessary to Adopt the Non-Binding Advisory Resolution to Approve the Compensation of the Company s NEOs

Adoption of the non-binding advisory resolution to approve the compensation of the Company s NEOs requires the affirmative vote of a majority of the votes cast in person or by proxy at the Annual Meeting. Because the stockholder vote on this proposal is advisory only, it will not be binding on the Company or the Board. However, the Compensation Committee will review the voting results and take them into consideration when making future decisions regarding executive compensation as the Compensation Committee deems appropriate.

Under the NYSE rules, if your broker holds your shares in its name, your broker is not permitted to vote your shares with respect to the non-binding advisory resolution to approve the compensation of the Company s NEOs if your broker does not receive voting instructions from you. Abstentions and broker non-votes will not affect the vote on this proposal.

Vote Necessary to Ratify the Appointment of Independent Registered Public Accounting Firm

Ratification of the appointment of KPMG LLP as the Company s independent registered public accounting firm for 2014 requires the affirmative vote of a majority of the votes cast in person or by proxy at the Annual Meeting.

Under the NYSE rules, if your broker holds your shares in its name, your broker is permitted to vote your shares with respect to the ratification of the appointment of KPMG LLP as the Company s independent registered public accounting firm for 2014 even if your broker does not receive voting instructions from you. Abstentions and broker non-votes will not affect the vote on this proposal.

Other Matters

With respect to any other matter that may properly come before the Annual Meeting for stockholder consideration, a matter generally will be approved by the affirmative vote of a majority of the votes cast in person or by proxy at the Annual Meeting unless the question is one upon which a different vote is required by express provision of the laws of Delaware, federal law, the Company s Certificate of Incorporation or the Company s By-Laws, or, to the extent permitted by the laws of Delaware, the Board has expressly provided that some other vote shall be required, in which case such express provisions shall govern.

Important Notice Regarding the Availability of Proxy Materials

As required by rules adopted by the United Stated Securities and Exchange Commission (SEC), the Company is making this proxy statement and its annual report available to stockholders electronically via the Internet. The proxy statement and annual report to stockholders are available at www.agcocorp.com. The proxy statement is available under the heading SEC Filings in our website s Investors section located under Company, and the annual report to stockholders is available under the heading Annual Reports in our Investors section.

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PROPOSAL NUMBER 1

ELECTION OF DIRECTORS

The Company s By-Laws provide for a majority voting standard for the election of directors in uncontested elections. While directors are elected by a plurality vote, in the event that a nominee does not receive the requisite majority vote, he or she is required to tender his or her resignation. In that event, the Governance Committee will determine whether to accept the director s resignation and will submit its recommendation to the Board. In deciding whether to accept a director s resignation, the Board and our Governance Committee may consider any factors that they deem relevant. Our By-Laws also provide that the director whose resignation is under consideration will abstain from the deliberation process with respect to his or her resignation.

In the event that a stockholder proposes a nominee to stand for election with nominees selected by the Board, and the stockholder does not withdraw the nomination prior to the tenth day preceding our mailing the notice of the stockholders meeting (i.e., a contested election), then our By-Laws provide that directors will be elected by a plurality vote.

For this year s Annual Meeting, the Governance Committee has recommended, and the Board has nominated, the ten individuals named below to serve as directors until the Annual Meeting in 2015 or until their successors have been duly elected and qualified. The following is a brief description of the business experience, qualifications and skills of each of the ten nominees for directorship:

Roy V. Armes, age 61, has been a director of the Company since October 2013.

Executive Chairman of Cooper Tire and Rubber Company

Chairman, President and CEO of Cooper Tire and Rubber Company since 2008

Various executive positions with Whirlpool Corporation from 1975 to 2006 including Senior Vice President, Project Management Office; Corporate Vice President and General Director, Whirlpool Mexico; Corporate Vice President, Global Procurement Operations; President/Managing Director, Whirlpool Greater China, Inc. Hong Kong; Vice President, Manufacturing Technology, Whirlpool Asia (Singapore); and Vice President, Manufacturing & Technology, Refrigeration Products, Whirlpool Europe (Comerio, Italy).

Member of the Board of Directors of The Manitowoc Company, Inc. since 2010

Director Qualifications and Skills: Mr. Armes brings extensive leadership experience with manufacturing companies and will provide an important perspective and contribution to the Board. The addition of his global manufacturing experience to the collective knowledge of our Board better positions AGCO for the opportunities facing our industry.

Michael C. Arnold, age 57, has been a director of the Company since October 2013.

President and Chief Executive Officer of Ryerson Inc. since 2011

Former member of the Board of Directors of Gardner Denver, Inc.

Various senior management positions with The Timken Company from 1979 to 2010 including Executive Vice President; President, Bearings and Power Transmission Group; President, Industrial Group; Vice President, Bearings and Business Process Advancement; Director, Bearings and Business Process Advancement; Director, Manufacturing and Technology, Europe, Africa and West Asia (Europe)

Director Qualifications and Skills: Mr. Arnold brings extensive leadership experience with manufacturing companies and will provide an important perspective and contribution to the Board. The addition of his global manufacturing experience to the collective knowledge of our Board better positions AGCO for the opportunities facing our industry.

P. George Benson, Ph.D, age 67, has been a director of the Company since December 2004.

President of College of Charleston in Charleston, South Carolina since 2007

Member of the Boards of Directors of Crawford & Company (Atlanta, Georgia) and Primerica, Inc.

Former Member of the Board of Directors and Audit Committee Chair for Nutrition 21, Inc., from 1998 to 2010 and from 2002 to 2010, respectively

Judge for the Malcom Baldrige National Quality Award from 1997 to 2000, was Chairman of the Board of Overseers for the Baldrige Award from 2004 to 2007 and is currently Chairman of the Board of Directors for the Foundation for the Baldrige Award

Former Dean of the Terry College of Business at the University of Georgia from 1998 to 2007

Former Dean of the Rutgers Business School at Rutgers University from 1993 to 1998

Former Faculty member of the Carlson School of Management at the University of Minnesota from 1977 to 1993, where he served as Director of the Operations Management Center from 1992 to 1993 and head of the Decision Sciences Area from 1983 to 1988

Director Qualifications and Skills: Mr. Benson has significant academic expertise in business, in particular with strategic planning and organizational management systems, that adds a valuable perspective to the Board, especially in the area of improving the delivery of products and services. His ties to the community provide the Board with regional representation and a critical link to the academic and research sectors.

Wolfgang Deml, age 68, has been a director of the Company since February 1999.

Former President and Chief Executive Officer of BayWa Corporation, a trading and services company located in Munich, Germany, from 1991 until his retirement in 2008

Chairman of the Board of Directors and Audit Committee of Hauck & Aufhäuser Privatbankiers KGaA

Director Qualifications and Skills: Mr. Deml adds extensive experience to the Board given his service as the Chief Executive Officer of an international corporation within our industry. His tenure on our Board provides consistent leadership, and he serves as an ongoing source for industry-specific knowledge, especially in Europe, which is our largest market.

Luiz F. Furlan, age 67, has been a director of the Company since July 2010.

Member of the Boards of Directors of BRF Brasil Foods S.A. (Brazil), Telefońica S.A. (Spain), Telefônica Brasil S.A. (Brazil), as well as a member of the advisory boards of Panasonic (Japan), Wal-Mart (USA) and ABERTIS Infraestructuras S.A. (Spain)

Former Chairman of the Board of Directors of Sadia, S.A., a leading producer of frozen foods in Brazil, from 1993 to 2002 and 2008 to 2009 and numerous former executive positions from 1976 to 1993

Former Co-Chairman of the board of BRF Brasil Foods S.A. from 2009 to 2011, and former member of the Boards of Directors of Redecard S.A. from 2007 to 2010 and AMIL Participacões S.A. (Brazil) from 2008 to 2013

Former Minister of Development, Industry and Foreign Trade of Brazil from 2003 to 2007

Since 2008 he has served as Chairman of the Board of Amazonas Sustainability Foundation FAS (Brazil) and since 2013 has been a member of the Global Ocean Commission (USA) and a member of the Superior Council of Management in Public Health of the São Paulo State (Brazil).

Director Qualifications and Skills: Mr. Furlan s extensive executive experience in the South American food and agriculture business, along with his background in the Brazilian government and expertise in international trade, provide an important perspective and contribution to the

Board, especially given that we have a substantial presence in Brazil.

George E. Minnich, age 64, has been a director of the Company since January 2008.

Former Senior Vice President and Chief Financial Officer of ITT Corporation from 2005 to 2007

Several senior finance positions at United Technologies Corporation, including Vice President and Chief Financial Officer of Otis Elevator from 2001 to 2005 and Vice President and Chief Financial Officer of Carrier Corporation from 1996 to 2001

Various positions within Price Waterhouse (now PricewaterhouseCoopers LLP) from 1971 to 1993, serving as an audit partner from 1984 to 1993

- Member of the Boards of Directors and Audit Committees of Belden Inc. and Kaman Corporation and the Chairman of their Audit Committees

- Member of the Board of Trustees of Albright College

Director Qualifications and Skills: Mr. Minnich, through his background as a former Audit Partner of Price Waterhouse and Chief Financial Officer of a publicly-traded company, provides the Board with substantial financial expertise. He also brings to the Board a familiarity with the challenges facing large, international manufacturing companies.

Martin H. Richenhagen, age 61, has been Chairman of the Board of Directors since August 2006 and has served as President and Chief Executive Officer of the Company since July 2004.

- Member of the Board of Directors, Audit and Technology & Environment Committees for PPG Industries, Inc.

- Former Executive Vice President of Forbo International SA, a flooring material business based in Switzerland, from 2003 to 2004

- Former Group President of Claas KGaA mbH, a global farm equipment manufacturer and distributor, from 1998 to 2002

- Former Senior Executive Vice President for Schindler Deutschland Holdings GmbH, a worldwide manufacturer and distributor of elevators and escalators, from 1995 to 1998

Director Qualifications and Skills: In addition to his nine years of experience as the Company s Chief Executive Officer, Mr. Richenhagen brings to the Board substantial experience in the agricultural equipment industry. His business and leadership acumen as both a former Executive Vice President and current Chief Executive Officer provides the Board with an informed resource for a wide range of disciplines, from sales and marketing to broad business strategies.

Gerald L. Shaheen, age 69, has been a director of the Company since October 2005.

- Numerous marketing and general management positions for Caterpillar Inc., both in the United States and Europe, including Group President from 1998 until his retirement in January 2008

- Former Chairman of the Board of Trustees of Bradley University and Board member and past Chairman of the U.S. Chamber of Commerce

- Member of Board of Directors and Audit Committee of the Ford Motor Company

- Member of Board of Directors of Peoria Next and the National Multiple Sclerosis Society, Greater Illinois Chapter

- Former member of the Board of Directors of National City Corp. from 2001 to 2008

Director Qualifications and Skills: Mr. Shaheen s background in management of a global heavy equipment manufacturer brings to the Board particular knowledge of the Company s industry, as well as a necessary perspective of the challenges facing large, publicly-traded companies. His work with the U.S. Chamber of Commerce also provides the Board with a wealth of knowledge related to international commerce and trade issues.

Mallika Srinivasan, age 54, has been a director of the Company since July 2011.

Chairman and Chief Executive Officer of Tractors and Farm Equipment Limited, the second largest agricultural tractor manufacturer in India, since 2011

Various positions at Tractors and Farm Equipment Limited since 1981, including Director (1994 to 2011), Vice President (1991 to 1994) and General Manager Planning & Coordination (1986 to 1991)

Member of the Boards of Directors of Tata Global Beverages Limited (India), and Tata Steel Limited (India)

Member of the Executive Board of Indian School of Business

Member of the Governing Board of Rural Technology and Business Incubator of the Indian School of Technology

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Director Qualifications and Skills: Ms. Srinivasan s expertise in strategy, extensive leadership experience in the farm equipment industry and knowledge of operations in India and other developing markets provide an important perspective and contribution to the Board.

Hendrikus Visser, age 69, has been a director of the Company since April 2000.

- Chairman of Royal Huisman Shipyards N.V.
- Vice Chairman of Sterling Strategic Value, Ltd.
- Former Chief Financial Officer of NUON N.V. and former member of the Boards of Directors or Executive Boards of major international corporations and institutions, including Rabobank Nederland, the Amsterdam Stock Exchange, Amsterdam Institute of Finance, De Lage Landen, Teleplan International N.V., Vion N.V. and Mediq N.V.

Director Qualifications and Skills: Mr. Visser s substantial experience with and knowledge of financial capital markets, particularly in our Europe/Africa/Middle East (EAME) region, including his 15 years of service as Chairman of the Credit Committee of Rabobank Nederland, provides the Board with significant international financial expertise. His tenure with the Board also provides stability in leadership, and he serves as a continued source of regional diversity.

The Board recommends a vote FOR the nominees set forth above.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Director Independence

In accordance with the rules of the NYSE, the Board has adopted categorical standards to assist it in making determinations of its directors independence. The Board has determined that in order to be considered independent, a director must not:

- be an employee of the Company or have an immediate family member, as that term is defined in the General Commentary to Section 303A.02(b) of the NYSE rules, who is an executive officer of the Company at any time during the preceding three years;
- receive or have an immediate family member who receives or solely own any business that receives during any twelve-month period within the preceding three years direct compensation from the Company or any subsidiary or other affiliate in excess of $120,000, other than for director and committee fees and pension or other forms of deferred compensation for prior service to the Company or, solely in the case of an immediate family member, compensation for services to the Company as a non-executive employee;
- be a current partner or current employee of a firm that is the internal or external auditor of the Company or any subsidiary or other affiliate, or have an immediate family member that is a current partner or current employee of such a firm who personally works on an audit of the Company or any subsidiary or other affiliate;
- have been or have an immediate family member who was at any time during the preceding three years a partner or employee of such an auditing firm who personally worked on an audit of the Company or any subsidiary or other affiliate within that time;
- be employed or have an immediate family member that is employed either currently or at any time within the preceding three years as an executive officer of another company in which any present executive officers of the Company or any subsidiary or other affiliate

- serve or served at the same time on the other company s Compensation Committee; or

- be a current employee or have an immediate family member that is a current executive officer of a company that has made payments to or received payments from the Company or any subsidiary or other affiliate for property or services in an amount which, in any of the preceding three years of such other company, exceeds (or in the current year of such other company is likely to exceed) the greater of $1.0 million or two percent of the other company s consolidated gross revenues for that respective year.

In addition, in order to be independent for purposes of serving on the Audit Committee, a director may not:

- accept any consulting, advisory or other compensatory fee from the Company or any subsidiary; or be an affiliated person, as that term is used in Section 10A(m)(3)(B)(ii) of the Securities Exchange Act of 1934 (the Exchange Act), of the Company or any of its subsidiaries.

Finally, in order to be independent for purposes of serving on the Compensation Committee, a director may not:

be a current or former employee or former officer of the Company or an affiliate or receive any compensation from the Company other than for services as a director;

receive remuneration from the Company or an affiliate, either directly or indirectly, in any capacity other than as a director, as that term is defined in Section 162(m) of the IRC; or

have an interest in a transaction required under SEC rules to be described in the Company s proxy statement.

These standards are consistent with the standards set forth in the NYSE rules, the IRC and the Exchange Act. In applying these standards, the Company takes into account the interpretations of, and the other guidance available from, the NYSE. In affirmatively determining the independence of any director who will serve on the Compensation Committee, the Board of Directors considers all factors specifically relevant to determining whether such director has a relationship to the Company which is material to that director s ability to be independent from management in connection with the duties of the Compensation Committee member, including, the independence factors set forth in the NYSE rules.

Based upon the foregoing standards, the Board has determined that all of its directors are independent in accordance with these standards except for Mr. Richenhagen and Ms. Srinivasan, and that none of the independent directors has any material relationship with the Company, other than as a director or stockholder of the Company.

Committees of the Board of Directors

The Board has delegated certain functions to five standing committees: an Executive Committee, an Audit Committee, a Compensation Committee, a Governance Committee and a Succession Planning Committee. Each of the committees has a written charter. The Board has determined that each member of the Audit, Compensation and Governance Committees is an independent director under the applicable rules of the IRC, NYSE, and SEC with respect to such committees. The following is a summary of the principal responsibilities and other information regarding each of the committees:

Committee	**Principal Responsibilities**
Executive Committee	Is authorized, between meetings of the Board, to take such actions in the management of the business and affairs of the Company which, in the opinion of the Executive Committee, should not be postponed until the next scheduled meeting of the Board, except as limited by the General Corporation Law of the State of Delaware, the rules of the New York Stock Exchange, the Company s Certificate of Incorporation or By-Laws, or other applicable law or regulation.
Audit Committee	Assists the Board in its oversight of the integrity of the Company s consolidated financial statements, the Company s compliance with legal and regulatory requirements, the independent registered public accounting firm s qualifications and independence, and the performance of the Company s internal audit function and independent registered public accounting firm.
	Reviews the Company s internal accounting and financial controls, considers other matters relating to the financial reporting process and safeguards of the Company s assets, and produces an annual report of the Audit Committee for inclusion in the Company s proxy statement.

The Board has determined that Mr. Minnich is an audit committee financial expert, as that term is defined under regulations of the SEC.

The report of the Audit Committee for 2013 is set forth under the caption Audit Committee Report.

Management periodically meets with the Company s Audit Committee and reviews risks and relevant strategies.

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Committee	Principal Responsibilities
Compensation Committee	Is charged with executing the Board s overall responsibility for matters related to Chief Executive Officer and other executive compensation, including assisting the Board in administering the Company s compensation programs and producing an annual report of the Compensation Committee on executive compensation for inclusion in the Company s proxy statement. Has retained Towers Watson to advise on current trends and best practices in compensation. The report of the Compensation Committee for 2013 is set forth under the caption Compensation Committee Report.
Governance Committee	Assists the Board in fulfilling its responsibilities to stockholders by: ¡ identifying and screening individuals qualified to become directors of the Company, consistent with independence, diversity and other criteria approved by the Board, and recommending candidates to the Board for all directorships and for service on the committees of the Board; ¡ developing and recommending to the Board a set of corporate governance principles and guidelines applicable to the Company; and ¡ overseeing the evaluation of the Board.
Succession Planning Committee	Assists the Board with respect to selecting, developing, evaluating and retaining the Chief Executive Officer, executive officers and key talent; and Manages the succession planning process in the event the current Chief Executive Officer cannot continue in the role.

Committee Composition and Meetings

The following table shows the current membership of each committee and the number of meetings held by each committee during 2013. The Company will determine the composition and chair positions of the respective committees for 2014 following the Annual Meeting.

Director	Executive	Audit	Comp	Governance

					Succession Planning
Roy V. Armes			X		X
Michael C. Arnold		X		X	
P. George Benson	X	X		Chair	
Wolfgang Deml	X			X	Chair
Luiz F. Furlan			X		X
George E. Minnich	X	Chair	X		
Martin H. Richenhagen	Chair				X
Gerald L. Shaheen	X		Chair		X
Mallika Srinivasan					X
Hendrikus Visser		X		X	
Total meetings in 2013		12	8	7	5

During 2013, the Board held six meetings and each director attended at least 75% of the aggregate number of meetings of the Board and respective committees on which he or she served while a member thereof.

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Identification and Evaluation of Director Nominees

With respect to the Governance Committee s evaluation of nominee candidates, including those recommended by stockholders, the committee has no formal requirements or minimum standards for the individuals that are nominated. Rather, the committee considers each candidate on his or her own merits. However, in evaluating candidates, there are a number of factors that the committee generally views as relevant and is likely to consider to ensure the entire Board, collectively, embraces a wide variety of characteristics, including:

- career experience, particularly experience that is germane to the Company s business, such as with agricultural products and services, legal, human resources, finance and marketing experience;
- experience in serving on other boards of directors or in the senior management of companies that have faced issues generally of the level of sophistication that the Company faces;
- contribution to diversity of the Board;
- integrity and reputation;
- whether the candidate has the characteristics of an independent director;
- academic credentials;
- other obligations and time commitments and the ability to attend meetings in person; and
- current membership on the Company s Board our Board values continuity (but not entrenchment).

The Governance Committee does not assign a particular weight to these individual factors. Similarly, the committee does not expect to see all (or even more than a few) of these factors in any individual candidate. Rather, the committee looks for a mix of factors that, when considered along with the experience and credentials of the other candidates and existing directors, will provide stockholders with a diverse and experienced Board. The committee strives to recommend candidates who each bring a unique perspective to the Board in order to contribute to the collective diversity of the Board. Although the Company has not adopted a specific diversity policy, the Board believes that a diversity of experience, gender, race, ethnicity and age contributes to effective governance over the affairs of the Company for the benefit of its stockholders. With respect to the identification of nominee candidates, the committee has not developed a single, formalized process. Instead, its members and the Company s senior management generally recommend candidates whom they are aware of personally or by reputation or may utilize outside consultants to assist in the process.

The Governance Committee welcomes recommendations for nominations from the Company s stockholders and evaluates stockholder nominees in the same manner that it evaluates a candidate recommended by other means. In order to make a recommendation, the committee requires that a stockholder send the committee:

- a resume for the candidate detailing the candidate s work experience and academic credentials;

written confirmation from the candidate that he or she (1) would like to be considered as a candidate and would serve if nominated and elected, (2) consents to the disclosure of his or her name, (3) has read the Company s Code of Conduct and that during the prior three years has not engaged in any conduct that, had he or she been a director, would have violated the Code or required a waiver, (4) is, or is not, independent as that term is defined in the committee s charter, and (5) has no plans to change or influence the control of the Company;

the name of the recommending stockholder as it appears in the Company s books, the number of shares of common stock that are owned by the stockholder and written confirmation that the stockholder consents to the disclosure of his or her name. (If the recommending person is not a stockholder of record, he or she should provide proof of share ownership);

personal and professional references for the candidate, including contact information; and

any other information relating to the candidate required to be disclosed in solicitations of proxies for election of directors or as otherwise required, in each case, pursuant to Regulation 14A of the Exchange Act.

The foregoing information should be sent to the Governance Committee, c/o Corporate Secretary, AGCO Corporation, 4205 River Green Parkway, Duluth, Georgia 30096, who will forward it to the chairperson of the committee. The advance notice provisions of the Company s By-Laws provide that for a proposal to be properly brought before a meeting by a stockholder, such stockholder must disclose certain information and give the Company timely notice of such proposal in written form meeting the requirements of the Company s By-Laws no later than 60 days and no earlier than 90 days prior to the anniversary date of the immediately preceding Annual Meeting of stockholders. The committee does not necessarily respond directly to a submitting stockholder regarding recommendations.

Board and Executive Leadership Structure

Mr. Richenhagen, who is also the Chief Executive Officer of the Company, serves as Chairman of the Board, and Mr. Shaheen currently serves as Lead Director of the Board. The Company holds executive sessions of its non-management directors at each regular meeting of its Board. The Lead Director presides over executive sessions and at all meetings of the Board in the absence of the Chairman, provides input to the Chairman on setting Board agendas, generally approves information sent to the Board (including meeting schedules to assure sufficient discussion time for all agenda items), ensures that he is available for consultation and direct communication at the request of major stockholders, leads the performance evaluation process of the Chief Executive Officer, and has the authority to call meetings of the independent directors. The Company believes that having the Chief Executive Officer serve as Chairman is important because it best reflects the Board s intent that the Chief Executive Officer function as the Company s overall leader, while the Lead Director provides independent leadership to the directors and serves as an intermediary between the independent directors and the Chairman. The resulting structure sends a message to our employees, customers and stockholders that we believe in having strong, unifying leadership at the highest levels of management, but that we also value the perspective of our independent directors and their many contributions to the Company.

Risk Oversight

The Company s management maintains a risk assessment process that identifies the risks that face the Company that management considers the most significant. The risk assessment process also considers appropriate strategies to mitigate those risks. Management periodically meets with the Company s Audit Committee and reviews such risks and relevant strategies.

Corporate Governance Principles, Committee Charters and Code of Conduct

We provide various corporate governance and other information on the Company s website at www.agcocorp.com. This information, which is also available in printed form to any stockholder of the Company upon request to the Corporate Secretary, includes the following:

- our corporate governance principles and charters for the Audit, Compensation, Executive, Governance and Succession Planning Committees of the Board, which are available under the headings Committee Guidelines and Committee Charters, respectively, in the Corporate Governance section of our website s About AGCO section located under Company; and

- the Company s Code of Conduct, which is available under the heading Code of Conduct in the Corporate Governance section of our website s About AGCO section located under Company.

In addition, should there be any waivers of or amendments to the Company s Code of Conduct with respect to certain executive officers, those waivers or amendments will be available under the heading Office of Ethics and Compliance in the Corporate Governance section of our website s About AGCO section located under Company.

Compensation Committee Interlocks and Insider Participation

During 2013, Messrs. Armes, Furlan, Minnich, and Shaheen (Chairman) served as members of the Compensation Committee. No member of the Compensation Committee was an officer or employee of the Company or any of its subsidiaries during 2013. None of the Company s executive officers serve on the board of directors of any company of which any director of the Company serves as executive officer.

Director Compensation

The following table provides information concerning the compensation of the members of the Board for the most recently completed year. As reflected in the table, each non-employee director received an annual base retainer of

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$100,000 plus $120,000 in restricted shares of the Company s common stock for Board service. Committee chairmen received an additional annual retainer of $15,000 (or $25,000 for the chairman of the Audit Committee and $20,000 for the chairman of the Compensation Committee). Mr. Shaheen, who was the Lead Director in 2013, also received an additional annual $30,000 Lead Director s fee. The Company does not have any consulting arrangements with any of its directors.

2013 DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash ($)	Stock Awards[1] ($)	All Other Compensation[2] ($)	Total ($)
Roy V. Armes[3]	25,000			25,000
Michael C. Arnold[3]	25,000			25,000
P. George Benson	115,000	120,000	763	235,763
Wolfgang Deml	106,522	120,000	11,611	238,133
Luiz F. Furlan	100,000	120,000	4,207	224,207
Gerald B. Johanneson[4]	46,209	38,333		84,542
George E. Minnich	125,000	120,000	354	245,354
Gerald L. Shaheen	140,522	120,000	2,055	262,577
Mallika Srinivasan	100,000	120,000		220,000
Hendrikus Visser	100,000	120,000	3,440	223,440
Total	883,253	878,333	22,430	1,784,016

(1) The Long-Term Incentive Plan provides for annual restricted stock grants of the Company s common stock to all non-employee directors. For 2013, each non-employee director was granted $120,000 in restricted stock, with the exception of Mr. Johanneson who received a pro rata amount of shares through the date of his retirement from the Board. The shares are restricted as to transferability for a period of three years following the award. In the event a director departs from the Board, the non-transferability period expires immediately. Effective April 24, 2014, the shares granted for Board service will be restricted as to transferability for a period of one year following the award. The 2013 annual grant occurred on April 25, 2013. The total grant on April 25, 2013 was 17,171 shares, or 2,346 shares per director, except for Mr. Johanneson, who was granted 749 shares. The amounts above reflect the aggregate grant date fair value computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation-Stock Compensation.

After shares were withheld for income tax purposes, each director held the following shares as of December 31, 2013 related to this grant: Mr. Benson 1,407 shares; Mr. Deml 1,407 shares; Mr. Furlan 1,642 shares; Mr. Johanneson 449 shares; Mr. Minnich 1,759 shares; Mr. Shaheen 1,407 shares; Ms. Srinivasan 2,346 shares; and Mr. Visser 1,642 shares.

(2) Relates to commercial airfare for spouse to accompany board member to a Company board meeting in New York City.

(3) Mr. Armes and Mr. Arnold joined the Company s Board of Directors on October 24, 2013.

(4) Mr. Johanneson retired from the Company s Board of Directors at the 2013 Annual Meeting.

Director Attendance at the Annual Meeting

The Board has adopted a policy that all directors on the Board are expected to attend Annual Meetings of the Company s stockholders. All of the directors on the Board attended the Company s previous Annual Meeting held in April 2013, except for Mr. Furlan.

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Stockholder Communication with the Board of Directors

The Company encourages stockholders and other interested persons to communicate with members of the Board. Any person who wishes to communicate with a particular director or the Board as a whole, including the Lead Director or any other independent director, may write to those directors in care of Corporate Secretary, AGCO Corporation, 4205 River Green Parkway, Duluth, Georgia 30096. The correspondence should indicate the writer s interest in the Company and clearly specify whether it is intended to be forwarded to the entire Board or to one or more particular directors. The Corporate Secretary will forward all correspondence satisfying these criteria.

PROPOSAL NUMBER 2

NON-BINDING ADVISORY RESOLUTION TO APPROVE THE

COMPENSATION OF THE COMPANY S NEOS

As required under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the Board is submitting a say-on-pay proposal for stockholder consideration. While the vote on executive compensation is non-binding and solely advisory in nature, the Board and the Compensation Committee will review the voting results and seek to determine the causes of any significant negative voting result to better understand issues and concerns not previously presented. We intend to hold annual say-on-pay votes. At the 2013 Annual Meeting, our stockholders expressed their continued support of our executive compensation programs by approving with a 95% vote our executive compensation for 2012. Stockholders who want to communicate with the Board or management regarding compensation-related matters should refer to Stockholder Communication with the Board of Directors in this proxy statement for additional information.

The Board recommends that stockholders vote to approve, on an advisory basis, the compensation paid to the Company s NEOs, as described in this proxy statement.

Compensation Philosophy and Program Design

The Company s compensation philosophy and program design is intended to support the Company s business strategy and align executives interests with those of stockholders and employees (i.e., pay for performance). A significant portion of the Company s executive compensation opportunity is related to factors that directly and indirectly influence stockholder value, including stock performance, earnings per share, operational performance, free cash flow performance and return on invested capital. The Company believes that as an executive s responsibilities increase, so should the proportion of his or her total pay comprised of annual incentive cash bonuses and long-term incentive (LTI) compensation, which supports and reinforces the Company s pay for performance philosophy.

Best Practices in Executive Compensation

The Compensation Committee regularly reviews best practices related to executive compensation to ensure alignment with the Company s compensation philosophy, business strategy and stockholder focus. The Company s executive compensation programs consist of the following:

Total compensation levels for NEOs generally targeted at the median (or 50th percentile) of the market which provides opportunity for upside compensation levels for excellent performance;

A well-defined peer group of similar and reasonably sized industrial and manufacturing comparators to benchmark NEO and other officer compensation;

An annual incentive compensation plan (IC Plan) that includes a minimum earnings per share threshold that must be met before a payout is earned, a maximum payout level of 200% of target, and multiple performance measures that drive stockholder value and improvement in operational results (e.g., earnings per share, operating cash flow, operating margin as a percentage of sales and quality improvement), which mitigate too heavy of a focus on any one performance measure in particular;

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A long-term incentive plan (LTI Plan) consisting of a performance share plan, which comprises appropriately 75% of an NEO s target LTI award, and a grant of stock-settled stock appreciation rights, which comprises approximately 25% of an NEO s target LTI award. Both LTI vehicles contain a strong performance orientation and align closely with stockholder interests;

A clawback policy, which allows the Company to take remedial action against an executive if the Board determines that an executive s misconduct contributed to the Company having to restate its financial statements;

Stock ownership requirements that encourage executives to own a specified level of stock, which emphasizes the alignment of their interests with those of stockholders;

Modest perquisites for NEOs;

A plan design that mitigates the possibility of excessive risk that could harm long-term stockholder value;

The use of a so-called double trigger change in control provision, under which both a change in control and a change in employment status have to occur; and

A conservative approach to share usage associated with our stock compensation plans.

The Compensation Committee has and will continue to take action to structure the Company s executive compensation practices in a fashion that is consistent with its compensation philosophy, business strategy and stockholder focus.

Company Performance

The following table illustrates the Company s strong financial performance over the last three years:

	2011	**2012**	**2013**
Revenue as Reported (in millions $)	$8,773.2	$9,962.2	$10,786.9
Adjusted Operating Margin(1)	7.0%	7.2%	8.4%

(1) Reflects adjustments related to restructuring and other infrequent items made to operating margin results during 2011 and 2012.

AGCO s financial performance aligns with compensation actions taken for NEOs in 2013, including:

Base salary increases ranging from 2.5% to 5.0%;

IC Plan payouts for corporate goal achievement at 146.6% of target; and

LTI Plan payouts at 200% of target for the 2011-2013 performance cycle.

The Compensation Discussion and Analysis section of this proxy statement and the accompanying tables and narrative provide a comprehensive review of the Company s NEO compensation objectives, programs and rationale. We urge you to read this disclosure before voting on this proposal.

We are asking our stockholders to indicate their support for the Company s NEO compensation as described in this proxy statement. This proposal gives our stockholders the opportunity to express their views on the Company s NEO compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of the Company s NEOs and the philosophy, policies and practices thereof described in this proxy statement. Accordingly, we ask our stockholders to vote FOR the following resolution at the Annual Meeting:

RESOLVED, that the Company s stockholders approve, on an advisory basis, the compensation of the Company s named executive officers, as disclosed in the Proxy Statement for the 2014 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the 2013 Summary Compensation Table and the other related tables and accompanying narrative set forth in the Proxy Statement.

The Board recommends a vote FOR

the non-binding advisory resolution to approve the compensation of the Company s NEOs.

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PROPOSAL NUMBER 3

RATIFICATION OF COMPANY S INDEPENDENT REGISTERED

PUBLIC ACCOUNTING FIRM FOR 2014

The Company s independent registered public accounting firm is appointed annually by the Audit Committee. The Audit Committee examines a number of factors when selecting a firm, including the qualifications, staffing considerations, and the independence and quality controls of the firms considered. The Audit Committee has appointed KPMG LLP as the Company s independent registered public accounting firm for 2014. KPMG LLP served as the Company s independent registered public accounting firm for 2013 and is considered to be well-qualified.

In view of the difficulty and expense involved in changing independent registered public accounting firms on short notice, should the stockholders not ratify the selection of KPMG LLP as the Company s independent registered public accounting firm for 2014 under this proposal, it is contemplated that the appointment of KPMG LLP for 2014 will be permitted to stand unless the Board finds other compelling reasons for making a change. Disapproval by the stockholders will be considered a recommendation that the Board select another independent registered public accounting firm for the following year.

Representatives of KPMG LLP are expected to be present at the Annual Meeting and will be given the opportunity to make a statement, if they desire, and to respond to appropriate questions.

The Board recommends a vote FOR

the ratification of the Company s independent registered public accounting firm for 2014.

OTHER BUSINESS

The Board does not know of any matters to be presented for action at the Annual Meeting other than the election of directors, the non-binding advisory resolution to approve the compensation of the Company s NEOs, and the ratification of the Company s independent registered public accounting firm for 2014. If any other business should properly come before the Annual Meeting, the persons named in the accompanying proxy card intend to vote thereon in accordance with their best judgment.

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PRINCIPAL HOLDERS OF COMMON STOCK

The following table sets forth certain information as of March 14, 2014 regarding persons or groups known to the Company who are, or may be deemed to be, the beneficial owner of more than five percent of the Company s common stock. This information is based upon SEC filings by the individual and entities listed below, and the percentage given is based on 93,909,208 shares outstanding.

Name and Address of Beneficial Owner	Shares of Common Stock	Percent of Class
Mallika Srinivasan No. 35 Nungambakkam High Road Chennai 600 034, India	7,695,417[(1)]	8.2%
Tractor and Farm Equipment Limited No. 35 Nungambakkam High Road Chennai 600 034, India	7,690,932	8.2%
BlackRock, Inc. 40 East 52nd Street New York, New York 10022	7,179,169	7.6%
LSV Asset Management 155 N. Wacker Drive, Suite 4600 Chicago, IL 60606	4,909,863	5.2%

(1) Includes shares held individually and through Tractors and Farm Equipment Limited (TAFE) and TAFE Motors and Tractors Limited. Based upon SEC filings made by Ms. Srinivasan.

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The following table sets forth information regarding beneficial ownership of the Company s common stock by the Company s directors, the director nominees, the Chief Executive Officer of the Company, the Chief Financial Officer of the Company, the other NEOs and all executive officers and directors as a group, all as of March 14, 2014. Except as otherwise indicated, each such individual has sole voting and investment power with respect to the shares set forth in the table.

Name of Beneficial Owner	Shares of Common Stock[1]	Shares That May be Acquired Within 60 Days	Percent of Class
Roy V. Armes	0		*
Michael C. Arnold	0		*
P. George Benson	8,930		*
Wolfgang Deml	16,050		*
Luiz F. Furlan	4,979		*
George E. Minnich	11,272		*
Gerald L. Shaheen	5,197		*
Mallika Srinivasan[2]	7,695,417		8.2%
Hendrikus Visser	14,763		*
Andrew H. Beck	98,636	11,487	*
Gary L. Collar	53,955	2,839	*
Andre M. Carioba	80,048	2,839	*
Martin H. Richenhagen	395,181	74,666	*
Hans-Bernd Veltmaat	29,270	497	*
All executive officers and directors as a group (20 persons)	8,490,274	102,972	9.1%

* Less than one percent

(1) Includes the following numbers of restricted shares of the Company s common stock as a result of restricted stock grants under the Company s incentive plans by the following individuals: Mr. Benson 3,794; Mr. Deml 3,794; Mr. Furlan 4,979; Mr. Minnich 4,942; Mr. Shaheen 3,794; Ms. Srinivasan 4,485; Mr. Visser 5,069; All directors as a group 30,857.

(2) Includes shares held individually and through TAFE and TAFE Motors and Tractors Limited. Ms. Srinivasan is the Chairman and Chief Executive Officer of TAFE and the Company owns a 23.75% interest in TAFE.

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EXECUTIVE COMPENSATION

The following table sets forth information as of March 14, 2014, with respect to each person who is an executive officer of the Company.

Name	Age	Positions
Martin H. Richenhagen	61	Chairman of the Board, President and Chief Executive Officer
Andrew H. Beck	50	Senior Vice President Chief Financial Officer
André M. Carioba	63	Senior Vice President and General Manager, South America
Gary L. Collar	57	Senior Vice President and General Manager, Asia/Pacific
Robert B. Crain	54	Senior Vice President and General Manager, North America
Helmut R. Endres	58	Senior Vice President Engineering
Eric P. Hansotia	45	Senior Vice President Global Harvesting and Advanced Technology Solutions
Lucinda B. Smith	47	Senior Vice President Global Business Services
Rob Smith	48	Senior Vice President and General Manager, EAME
Hans-Bernd Veltmaat	59	Senior Vice President Chief Supply Chain Officer
Thomas F. Welke	53	Senior Vice President, Global Grain and Protein, GSI

Andrew H. Beck has been Senior Vice President Chief Financial Officer since June 2002. Mr. Beck was Vice President, Chief Accounting Officer from January 2002 to June 2002, Vice President and Controller from 2000 to 2002, Corporate Controller from 1996 to 2000, Assistant Treasurer from 1995 to 1996 and Controller, International Operations from 1994 to 1995.

André M. Carioba has been Senior Vice President and General Manager, South America since July 2006. Mr. Carioba held several positions with BMW Group and its subsidiaries worldwide, including President and Chief Executive Officer of BMW Brazil Ltda., from 2000 to 2005, Director of Purchasing and Logistics of BMW Brazil Ltda., from 1998 to 2000, and Senior Manager for International Purchasing Projects of BMW AG in Germany, from 1995 to 1998.

Gary L. Collar has been Senior Vice President and General Manager, Asia/Pacific since January 2012. Mr. Collar was Senior Vice President and General Manager, EAME and Australia/New Zealand from January 2009 until December 2011 and Senior Vice President and General Manager EAME and EAPAC from 2004 to December 2008. Mr. Collar is currently a member of the Board of Directors for Jason Incorporated, a global industrial manufacturing company. Mr. Collar was Vice President, Worldwide Market Development for the Challenger Division from 2002 until 2004. Between 1994 and 2002, Mr. Collar held various senior executive positions with ZF Friedrichshaven A.G., including Vice President Business Development, North America, from 2001 until 2002, and President and Chief Executive Officer of ZF-Unisia Autoparts, Inc., from 1994 until 2001.

Robert B. Crain has been Senior Vice President and General Manager, North America since January 2006. Mr. Crain held several positions within CNH Global N.V. and its predecessors, including Vice President of New Holland s North America Agricultural Business, from 2004 to 2005, Vice President of CNH Marketing North America Agricultural business, from 2003 to 2004 and Vice President and General Manager of Worldwide Operations for the Crop Harvesting Division of CNH Global N.V. from 1999 to 2002.

Helmut R. Endres has been Senior Vice President Engineering since December 2011. Between 2006 and 2011, Mr. Endres was Chief Technological Officer and Vice President, Engineering, International Trucks and Engines for Navistar International Corporation. Between 1995 and 2006, Mr. Endres worked at Volkswagen (including the Audi division) in various roles, including Executive Director, Group Powertrain and Director, Gasoline Engines. He was a member of the Audi Executive Board s product Strategy Committee and Chairman of the Volkswagen Group Powertrain Strategy Committee. Between 1982 and 1995, Mr. Endres was with FEV, Inc. in Germany serving in various gasoline and diesel engine engineering roles, including head of the European Business Unit, and leading the Combustion Technologies Divisions.

Eric P. Hansotia has been Senior Vice President, Global Harvesting and Advanced Technology Solutions since July 2013. He served as Senior Vice President, Global Harvesting, with John Deere from 2012 to 2013. From 2009 to 2012 he served as Vice President, Global Crop Care for John Deere based in Mannheim, Germany. Prior positions with

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John Deere include: From 2005 to 2009 General Manager, Harvester Works; From 2004 to 2005 Vice President, Global Forestry; From 2001 to 2004 Director of Operations, Global Forestry; From 2000 to 2001 Integration Manager, Manufacturing, Global Forestry; From 1993 to 2000 various roles at John Deere.

Lucinda B. Smith has been Senior Vice President Global Business Services since March 2013 and is responsible for the functional management of all Human Resources and Information Technology organizations worldwide as well as for AGCO s Shared Services Center in Budapest, Hungary. Ms. Smith was Senior Vice President Human Resources from January 2009 to March 2013; Vice President, Global Talent Management & Rewards from May 2008 to December 2008; and Director of Organizational Development and Compensation from 2006 to 2008. From 2005 to 2006, Ms. Smith was Global Director of Human Resources for AJC International, Inc. Ms. Smith also held various domestic and global human resource management positions at Lend Lease Corporation, Cendian Corporation and Georgia-Pacific Corporation.

Rob Smith has been Senior Vice President and General Manager, Europe, Africa, Middle East since September 2013. Mr. Smith was the Vice President & General Manager of the global Engine Components Division for TRW Automotive from 2007 to 2013. He served as the Chairman of the Supervisory Board of TRW Automotive GmbH from 2005 to 2013. Prior to joining TRW, Mr. Smith served as Vice President of the Global Automotive Division at Tyco Electronics from 2005 to 2006, and Vice President & General Manager of Bombardier Transportation s Aftermarket Parts and Material Repair and Overhaul business from 2002 to 2005. From 1993 to 2001, he served in various operations and supply chain roles in the global automotive industry with LucasVarity PLC, Lucas Industries PLC and BMW.

Hans-Bernd Veltmaat has been Senior Vice President Chief Supply Chain Officer since January 2012. Mr. Veltmaat serves on the Industry Executive Advisory Board for the Executive MBA in Supply Chain Management Program at the Swiss Federal Institute of Technology Zurich. Mr. Veltmaat was Senior Vice President Manufacturing & Quality from July 2008 to December 2011. Mr. Veltmaat was Group Executive Vice President of Recycling Plants at Alba AG from 2007 to June 2008. From 1996 to 2007, Mr. Veltmaat held various positions with Claas KGaA mbH in Germany, including Group Executive Vice President, a member of the Claas Group Executive Board and Chief Executive Officer of Claas Fertigungstechnik GmbH.

Thomas F. Welke has been Senior Vice President GSI, Global Grain and Protein, since October 2012. Mr. Welke served as Vice President and Managing Director for GSI China, from August 2011 to September 2012. From May 2008 to April 2010, Mr. Welke served as President of the Global Grain business for GSI Holding Corp. Prior to joining GSI, Mr. Welke worked for Whirlpool Corporation in various leadership roles, including Vice President of European Product Strategy and Business Teams, Vice President of North America Consumer Services, and Vice President of North America Demand and Supply Planning.

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COMPENSATION DISCUSSION AND ANALYSIS

Introduction

This Compensation Discussion and Analysis describes our compensation philosophy, the compensation programs provided to our NEOs and the decision-making process followed in setting pay levels for our NEOs during 2013. This discussion should be read in conjunction with the tables and related narratives that follow. Our NEOs are:

- Andrew H. Beck, Senior Vice President Chief Financial Officer
- André M. Carioba Senior Vice President and General Manager, South America
- Gary L. Collar, Senior Vice President and General Manager, Asia/Pacific
- Martin H. Richenhagen, Chairman of the Board, President and Chief Executive Officer
- Hans-Bernd Veltmaat, Senior Vice President Chief Supply Chain Officer

At the 2013 Annual Meeting, our stockholders expressed their continued support of our executive compensation programs by approving the non-binding advisory vote on our executive compensation. More than 95% of votes cast supported our executive compensation policies and practices. During 2013, we reviewed our executive compensation programs in conjunction with business results and stockholder support of our executive compensation programs. Following that review, we continue to believe that our executive compensation programs are designed to support the company and business strategies in concert with our compensation philosophy.

Consistent with our commitment to executive compensation best practices, the following executive compensation practices are in place:

- The financial performance objectives in our annual and long-term incentive plans are reviewed and approved annually by the Compensation Committee (the Committee);
- Our annual and long-term incentive plans consist of multiple performance objectives, thus mitigating more focus on any one objective in particular;
- The vesting period for our NEOs stock-settled stock appreciation rights is 48 months, and the performance periods for performance shares are between 36 and 60 months;
- Our NEOs (and directors) are subject to stock ownership requirements;
- Compensation levels for our NEOs generally are targeted at median levels of market competitiveness;
- Our compensation programs support a conservative approach to share usage associated with our stock compensation plans;

- The design of our compensation programs attempt to mitigate the possibility of excessive risk that could harm the long-term value of AGCO; and
- We have a clawback provision in place that can require the return of any bonus or incentive compensation.

Compensation Philosophy and Governance

It is AGCO s practice to compensate executive officers through a combination of cash and equity compensation, retirement programs and other benefits. Our primary objectives are to provide compensation programs that:

- Align with stockholder interests;
- Reward performance;
- Attract and retain quality management;
- Encourage executive stock ownership;
- Are competitive with companies of similar revenue size, industry and complexity;
- Mitigate excessive risk taking; and
- Are substantially consistent among our locations worldwide.

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AGCO s compensation philosophy was updated and approved by the Committee in July 2013. The philosophy is intended to articulate the Company s principles and strategy for total compensation and specific pay program elements. It is closely aligned with our business strategy and reflects performance attributes and, as such, ties executives interests to those of our stockholders and employees.

AGCO s compensation philosophy defines total compensation to consist of:

- Base Salary;
- Annual Cash Incentive Bonuses;
- Long-Term Incentives; and
- Benefits and Certain Perquisites.

Each element of total compensation is summarized in the chart below:

Component	**Philosophy**	**Strategy/Competitive Positioning**
Base Salary	Establishes the foundation of total compensation and supports attraction and retention of qualified staff	Generally targeted at median levels of other industrial companies of similar size and complexity
Annual Management Incentive Plan (IC Plan)	Facilitates alignment of management with corporate objectives in order to achieve outstanding performance and meet specific AGCO financial goals	Target award opportunities competitive with median levels of other industrial companies of similar size and complexity, with minimum and maximum award opportunities ranging from 50% to 200% of target, respectively
Long-Term Incentives (LTI Plan)	Engages management in achieving longer-term performance goals and to make decisions in the best interests of stockholders	Target award opportunities competitive with median levels of other industrial companies of similar size and complexity
Retirement Benefits	Supports the attraction and retention of key executives	Competitive with general market practices; consist generally of the same account-based plans that are available to all local executives (such as the 401(k) in the U.S.) as well as non-qualified benefits Require executives to remain employed with the Company until attaining age 50 and 10 years of service in order to vest in the non-qualified benefits
Certain Perquisites	Supports the attraction and retention of key executives	Minimal use, as appropriate

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We believe that as an executive s responsibilities increase, so should the proportion of his or her total pay comprised of annual incentive cash bonuses and long-term incentive compensation. As illustrated below, on average over 70% of our 2013 NEO compensation was variable or at risk and tied to AGCO s performance with the greatest portion associated with long-term incentives:

When establishing the compensation and performance criteria, goals are set that we believe reflect key areas of performance that support our long-term success. We consider factors such as our current performance compared to industry peers, desired levels of performance improvement, and industry trends and conditions when determining performance expectations within our compensation plans.

Compensation Consultant Independence

The Committee approves all compensation for executive officers, including the structure and design of the compensation programs. The Committee is responsible for retaining and terminating compensation consultants and determining the terms and conditions of their engagement, including fees. Since 2005, the Committee has engaged Towers Watson, an internationally recognized human resources consulting firm, to advise the Committee (and at times management) with respect to the Company s compensation programs and to perform various related studies and projects, including market analysis and compensation program design. A Towers Watson representative reports directly to the Committee as its compensation advisor.

The Committee annually reviews the role of its compensation advisor and believes that the advisor is fully independent for purposes of providing on-going recommendations regarding executive compensation. In addition, and in conjunction with the recent SEC requirements that public companies formally review advisor independence, the Committee concluded that the compensation advisor is independent and provides candid, direct and objective advice to the Committee. To ensure independence:

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