



## AGCO Comments on Recent Schedule 13D/A Filing by Tractors and Farm Equipment Limited

February 19, 2021

DULUTH, Ga.--(BUSINESS WIRE)--Feb. 19, 2021-- AGCO, Your Agriculture Company (NYSE:AGCO), a worldwide manufacturer and distributor of agricultural equipment and solutions, today commented in response to Tractors and Farm Equipment Limited's ("TAFE") recent Schedule 13D/A filing with the Securities and Exchange Commission. TAFE is a commercial partner of the Company and shareholder, whose Chairman and Managing Director, Ms. Srinivasan, serves as a non-independent director on the Company's Board of Directors. TAFE's Schedule 13D/A filing contains a letter to the Board making a number of misleading statements about the Company's business, ongoing corporate governance enhancements and significant Board composition changes, requesting that three individuals be appointed to the Company's Board of Directors.

The Board is continuing its systematic review, development and implementation of best-in-class governance practices and a balanced and measured director refreshment action plan, in addition to the thoughtful execution of our recent management succession process. To best identify director candidates whose skills and experiences are aligned with AGCO's strategic goals, the Company has engaged Egon Zehnder, a leading executive search firm. After careful evaluation, the Governance Committee, with Ms. Srinivasan attending as a guest, unanimously approved this plan. This process reflects the valuable input received through our broad-based shareholder engagement efforts and underscores our focus on enhancing value for all shareholders. As a result of this plan, the full Board, including Ms. Srinivasan, recently welcomed the addition of both Bob De Lange, Group President, Services, Distribution and Digital, at Caterpillar Inc., who brings extensive digitalization and distribution experience to the Board, and Matthew Tsien, Executive Vice President, Chief Technology Officer at General Motors (GM) and President of General Motors Ventures, who brings important technology and product development expertise to the Board. As a result of our ongoing Board refreshment efforts, with five new independent directors appointed since 2017 and three directors not standing for re-election at the 2021 Annual Meeting, average Board tenure is expected to be less than six years by May 2021.

In addition to this refreshment program, we have executed concrete actions in-line with our commitment to best-in-class corporate governance practices, including (1) the appointment of a new Lead Independent Director, Mike Arnold, the former President and CEO of Ryerson, who brings proven Board experience and an operational and leadership track record with global expertise in industrial businesses, and whose role and responsibilities have been enhanced to demonstrate the Board's commitment to strong independent oversight, (2) the rotation of Board leadership roles, and (3) the adoption of term limits for Board leadership positions. These actions have been viewed positively by our broader shareholder base during our recent round of engagement.

AGCO remains focused on driving long-term shareholder value, as evidenced by our recent performance. In the fourth quarter of 2020, the AGCO team delivered strong operational results leveraging improving markets to produce sales and earnings growth. Our improved results allowed us to continue our robust investments in premium technology, sustainable smart farming solutions and enhanced digital capabilities. AGCO's exceptional product line continues to be well-received by our customers, as evidenced by our strong year-end results.

We also remain intently focused on navigating the evolving challenges of the COVID-19 pandemic. The health, safety and well-being of all AGCO employees, dealers and farmer customers continues to be AGCO's top priority, and we are proud of our team's efforts that have enabled AGCO to support the global food supply chain while keeping our factories and coworkers safe.

With respect to our ongoing Board refreshment program and evolution of our governance practices, the Board is committed to acting in the best interests of all our shareholders, including TAFE and our independent shareholders, recognizing that Ms. Srinivasan's and TAFE's interests may diverge from those of our independent shareholders. The Board's execution of this refreshment and corporate governance plan, which includes its active review of the candidates TAFE has identified for consideration and regular engagement with Ms. Srinivasan, is ongoing and focused on ensuring our Board has the proper skills, qualifications and independence to serve the interests of all our shareholders.

### About AGCO:

AGCO (NYSE: AGCO) is a global leader in the design, manufacture and distribution of agricultural solutions and delivers high-tech solutions for farmers feeding the world through its full line of equipment and related services. AGCO products are sold through five core brands, Challenger®, Fendt®, GSI®, Massey Ferguson® and Valtra®, supported by Fuse® smart farming solutions. Founded in 1990 and headquartered in Duluth, Georgia, USA, AGCO had net sales of \$9.1 billion in 2020. For more information, visit <http://www.AGCOCorp.com>. For company news, information and events, please follow us on Twitter: @AGCOCorp. For financial news on Twitter, please follow the hashtag #AGCOIR.

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