Risk Factors Comparison 2024-02-27 to 2023-03-01 Form: 10-K

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We make forward- looking statements in this report, in other materials we file with the SEC, on our website, in press releases ~~,~~ and in materials that we otherwise share with the public. In addition, our senior management makes forward- looking statements ~~orally~~ to investors, analysts, the media and others. Statements, including the statements contained in Item 7, " Management' s Discussion and Analysis of Financial Condition and Results of Operations, " concerning our future operations, prospects, strategies, products, manufacturing facilities, legal proceedings, financial condition, financial performance (including sales, earnings and related growth) and demand for our products and services, as well as other statements of our beliefs or expectations of industry conditions, currency translation impacts, market demand, supply chain and logistics disruptions, farm incomes, weather conditions, commodity and protein prices, general economic conditions, availability of financing, working capital, capital expenditures, debt service requirements, margins, production volumes, cost reduction initiatives, investments in, and results of, product development, compliance with financial covenants, support from lenders, recovery of amounts under guarantee, uncertain income tax provisions, funding of our pension and postretirement benefit plans, or realization of net deferred tax assets, are forward- looking statements. The forward- looking statements we make are not guarantees of future performance and are subject to various assumptions, risks and other factors that could cause actual results to differ materially from those suggested by the forward- looking statements. These factors include, among others, those set forth below and in the other documents that we file with the SEC. There also are other factors that we may not describe, generally because we currently do not perceive them to be material, or likely to become material, that also could cause actual results to differ materially from our expectations. These risks could impact our business in a number of ways, including by negatively impacting our future results of operations, cash flows and financial condition. For simplicity, below we collectively refer to these potential impacts as impacts on our " performance. " We expressly disclaim any obligation to update or revise any forward- looking statements, whether as a result of new information, future events or otherwise, except as required by law ~~. Risks Related to the COVID- 19 Pandemic Our business has been materially impacted by COVID- 19, and the impacts are likely to continue for as long as COVID- 19 continues to impact our supply chain, labor force and demand for our products. COVID- 19 has negatively impacted our business, initially through closures, higher absentee rates, and reduced production at both our plants and the plants that supply us with parts and components, transitioning to supply chain disruptions, including the inability of some of our suppliers to meet demand and logistics and transportation- related companies to deliver products in a timely manner. In addition, we have had to incur various costs related to preventing the spread of COVID- 19, including changes to our factories and other facilities and those related to enabling remote work. We expect COVID- 19 to continue to impact our business, although the manner and extent to which it impacts us will depend on future developments, including the duration of the pandemic, the timing, distribution and impact of vaccinations, and possible mutations of the virus that are more contagious or resistant to current vaccines. Measures taken by governments around the world, as well as businesses, including us, and the general public in order to limit the spread of COVID- 19 will impact our business as well. These measures have included travel bans and restrictions, quarantines, shelter- in- place orders, curfews, business and government office closures, increased border controls and closures, port closures and transportation restrictions. The impacts of COVID- 19 and these measures could include, but are not limited to, the following: • Overall demand for our products could decline. While most farm- related operations have been deemed " essential " throughout the pandemic and are working to relatively normal levels, the consumption of grain for food, fuel (including ethanol) and livestock feed was negatively impacted initially during the first half of 2020 and could be impacted again. As discussed below, generally decreased demand for agricultural products negatively impacts demand for our products as well. • To the extents that factory closures, increased absentee rates, or reduced production, whether on our part or the part of our suppliers, or the failure of our suppliers to meet demand or of shipping companies to timely deliver products, reduces our production of completed products, our sales will be less than they otherwise would have been. In addition, decreases in sales have and can result in increased inventory and related costs. Supply chain issues of particular concern include a wide range of parts and components that we use, particularly semiconductors. We may continue to face supplier bottlenecks and delays in all regions, as well as continued challenges with freight logistics, and we continue to work to mitigate the impact of these issues in order to meet end- market demand. • We could incur additional costs due to the adherence to cleaning requirements and social distancing guidelines and increased costs of labor, parts and components and shipping. • We severely limited travel by our employees in 2020 and 2021, and to the extent that these limitations return, it could impact our ability to efficiently manage our business and effectively market our products, including our ability to participate in trade shows. • Declines in the general economy as a result of COVID- 19 could negatively affect the value our pension plan assets, and, if this occurs, it likely will result in increased pension expenses and funding requirements. • Declines in performance as a result of COVID- 19 could require us to record significant impairment charges with respect to certain noncurrent assets (such as goodwill and other intangible assets) and equity method investments. We also may be required to write- down inventory that is deemed obsolete due to decreased sales and rising costs that we may not be able to pass on to our customers. • Should farm economies decline, we could experience slower collections and larger write- offs of accounts receivable. In addition, our AGCO Finance joint ventures also may experience slower collections and larger write- offs of accounts receivable as well, which would result in reduced earnings, if not losses, for us from our investments in our AGCO Finance joint ventures. • Although we currently believe we have sufficient available funding to support our business, the severity and length of the COVID- 19 pandemic could impact our financial condition. This, in turn, could affect our credit ratings and borrowing costs~~. Market, Economic and

Geopolitical Risks Our financial results depend entirely upon the agricultural industry, and factors that adversely affect the agricultural industry generally, including declines in the general economy, increases in farm input costs, unfavorable weather conditions and lower commodity and protein prices, adversely affect our performance. Our success depends entirely on the vitality of the agricultural industry. Historically, the agricultural industry has been cyclical and subject to a variety of economic and other factors. Sales of agricultural equipment, in turn, also are cyclical and generally reflect the economic health of the agricultural industry. The economic health of the agricultural industry is affected by numerous factors, including farm income, farm ~~input costs, farm~~ land values and debt levels **and financing costs** , all of which are influenced by levels of commodity and protein prices, acreage planted, crop yields, agricultural product demand **, farm input costs** ~~(including crops used as renewable energy sources)~~ , government policies and government subsidies. The economic health **of the agricultural industry** also is influenced by general economic conditions, interest rate and exchange rate levels, and the availability of financing for retail customers, including government financing subsidies to farmers, which can be significant in countries such as Brazil, as discussed elsewhere in this " Risk Factors " section. Trends in the agricultural industry, such as farm consolidations, may affect the agricultural equipment market. In addition, weather conditions, such as floods, heat waves or droughts, and pervasive livestock or crop diseases affect farmers' buying decisions. Downturns in the agricultural industry due to these or other factors, which could vary by market, can result in decreases in demand for agricultural equipment, which would adversely affect our performance. Moreover, the unpredictable nature of many of these factors and the resulting volatility in demand make it difficult for us to accurately predict sales and optimize production. This, in turn, can result in higher costs, including inventory carrying costs and underutilized manufacturing capacity. During previous downturns in the agricultural industry, we experienced significant and prolonged declines in our performance, and we expect our business to remain subject to similar market fluctuations in the future. The agricultural equipment industry is highly seasonal, and seasonal fluctuations significantly impact our performance. The agricultural equipment business is highly seasonal, which causes our quarterly results and our cash flow to fluctuate during the year. Farmers generally purchase agricultural equipment in the spring and fall in conjunction with the major planting and harvesting seasons. In addition, the fourth quarter typically is a significant period for retail sales because of year-end tax planning considerations, the increase in availability of funds from completed harvests, and the timing of dealer incentives. Our net sales and income from operations historically have been the lowest in the first quarter and have increased ~~in subsequent quarters as dealers anticipate increased retail sales~~ in subsequent quarters. Most of our sales depend on the availability of financing to retail customers, and any disruption in their ability to obtain financing, whether due to economic downturns or otherwise, will result in the sale of fewer products by us. In addition, the collectability of receivables that are created from our sales, as well as from such retail financing, is critical to our business. Most retail sales of our products are financed, either by our AGCO Finance joint ventures or by a bank or other private lender. The AGCO Finance joint ventures, which are controlled by Rabobank and are dependent upon Rabobank for financing as well, finance approximately 50 % of the retail sales of our tractors and combines in the markets where the joint ventures operate. Any difficulty by Rabobank in continuing to provide that financing, or any business decision by Rabobank as the controlling member not to fund the business or particular aspects of it (for example, a particular country or region), would require the joint ventures to find other sources of financing (which may be difficult to obtain) or would require us to find other sources of financing for our dealers and their retail customers. If we are unable to obtain other sources of financing, our dealers and their retail customers would be required to utilize other retail financing providers, which may or may not be available. In an economic downturn, we expect that financing for capital equipment purchases generally would become more difficult and more expensive to obtain. To the extent that financing is not available, or available only at unattractive prices, it would negatively impact our performance. Both AGCO and our AGCO Finance joint ventures have substantial accounts receivable from dealers and retail customers ~~,~~ and ~~we both~~ are adversely impacted when collectability is less than optimal. Overall collectability depends upon the financial strength of the agricultural industry, which in turn depends upon the factors discussed elsewhere in this " Risk Factors " section. ~~The~~ **Certain** finance joint ventures lease equipment as well and also may experience residual value losses that exceed expectations caused by lower pricing for used equipment and higher than expected returns at lease maturity. AGCO guarantees minimum residual values for some of the leased equipment. To the extent that defaults and losses are higher than expected, our equity in the net earnings of the finance joint ventures would be less, or there could be losses, which could materially impact our performance. A majority of our sales and manufacturing take place outside the United States, and, as a result, we are exposed to risks related to foreign laws, taxes, economic conditions, labor supply and relations, political conditions and governmental policies as well as U. S. laws governing who we sell to and how we conduct business. These risks may delay or reduce our realization of value from our international operations. A majority of our sales are derived from sales outside the United States. The foreign countries in which our sales are the greatest are Germany, France, Brazil, the United Kingdom, Australia, Italy, Finland and Canada. We have significant manufacturing operations in France, Germany, Brazil, Italy and Finland, and we have established manufacturing operations in emerging markets, such as China. Many of our sales involve products that are manufactured in one country and sold in a different country, and ~~,~~ therefore, our performance can be adversely affected by adverse changes, in either the country of origin or the country of destination, ~~in~~ **by** the factors discussed elsewhere in this " Risk Factors " section, particularly the factors that impact the delivered cost of our products. Our business practices in these foreign countries must comply with not just local law, but also U. S. law, including limitations on where and to whom we may sell products and the Foreign Corrupt Practices Act (" FCPA "). We have a compliance program in place designed to reduce the likelihood of violations of these laws, but it is difficult to identify and prevent violations. Significant violations could subject us to fines and other penalties as well as increased compliance costs. Some of our international operations also are, or might become, subject to various risks that are not present in domestic operations, including restrictions on dividends and the repatriation of funds. Foreign emerging markets may present special risks, such as unavailability of financing, inflation, slow economic growth, price controls and difficulties in complying with U. S. regulations. Domestic and foreign political developments and government regulations and policies directly affect the international agricultural industry, which affects the demand for agricultural equipment. Declines in demand for agricultural equipment adversely affect our performance. **The** ~~As discussed previously in " Risks Related to the~~ COVID- 19 ~~Pandemic, " the~~ pandemic ~~has~~ caused a global recession and increased economic and demand uncertainty. **Future pandemics** ~~The COVID- 19 impacts~~ , in addition to related or unrelated application, modification or adoption of laws, regulations, trade agreements or policies, can adversely affect the agricultural industry, including the imposition of import and export duties and quotas, expropriation and potentially burdensome taxation, and could have an adverse effect on our performance. Trade restrictions, including potential withdrawal from or modification of existing trade agreements, negotiation of new trade agreements, and imposition of new (and retaliatory) tariffs against certain countries or covering certain products, could limit our ability to capitalize on current and future growth opportunities in the international markets in which we operate and impair our ability to expand our business by offering new technologies, products and services. These changes, particularly increases in the cost of steel, also can impact the cost of the products we manufacture. Trade restrictions and changes in, or uncertainty surrounding, global trade policy also could affect our competitive position. As previously discussed, the health of the agricultural industry and the ability of our international dealers and retail customers to operate their businesses, in general, are affected by domestic and foreign government programs that provide economic support to farmers. As a result, farm income levels and the ability of farmers to obtain advantageous financing and other protections would be reduced to the extent that any such programs are curtailed or eliminated. Any such reductions likely would result in a decrease in demand for agricultural equipment. For example, a decrease or elimination of current price protections for commodities or of subsidy payments or financing rate subsidies for farmers in the European Union, the United States **, Brazil** or elsewhere would negatively impact the operations of farmers in those regions, and, as a result, our sales may decline if these farmers delay, reduce or cancel purchases of our products. In emerging markets, some of these (and other) risks can be greater than they might be elsewhere. In addition, the financing provided by the AGCO Finance joint ventures or by others **in certain jurisdictions** is supported by a government subsidy or guarantee in some markets, including financing rate subsidies. The programs under which those subsidies and guarantees are provided generally are of limited duration and subject to renewal and contain various caps and other limitations. In some markets, for example Brazil, this support is quite significant and, from time to time, has not been available. In the event the governments that provide this support elect not to renew these programs, and were financing not available on reasonable terms, whether through our AGCO Finance joint ventures or otherwise, our performance would be negatively impacted. As of December 31, ~~2022~~ **2023** , we had approximately 40 employees in Ukraine, and in **2023 and** 2022 ~~and 2021~~ , we had net sales of approximately $ **85 million and $** 76 million ~~and $ 86 million~~ , respectively. As of December 31, **2023 and** 2022 ~~and 2021~~ , we had less than $ 15 million in assets in Ukraine. It is unclear what impact the hostilities in Ukraine going forward will have on our net sales or assets, although we assume that our net sales ~~will~~ **may continue to** decline in the Ukraine, possibly significantly. We assess the fair value of our assets in Ukraine for potential impairment on a periodic basis as warranted. In addition, AGCO sells products in, and ~~purchase~~ **purchases** parts and components from, other regions where there could be hostilities. Should hostilities arise, we would expect our sales to decline and for our parts and component deliveries to be interrupted, which would adversely impact our performance. As a result of the multinational nature of our business and the acquisitions that we have made over time, our corporate and tax structures are complex, with a significant portion of our operations being held through foreign holding companies. As a result, we are subject to taxation from multiple tax jurisdictions, and it can be inefficient, from a tax perspective, for us to repatriate or otherwise transfer funds. In addition, we must comply with a greater level of tax- related regulation and reviews by multiple governmental units than do companies with a more simplified structure. Our foreign and U. S. operations also routinely sell products to, and license technology to, other operations of ours. The pricing of these intra- company transactions is subject to regulation and review as well. While we make every effort to comply with all applicable tax laws, audits and other reviews by governmental ~~units~~ **entities for non- compliance** could result in our **companies** being required to pay additional taxes, interest and penalties. We face significant competition, and, if we are unable to compete successfully against other agricultural equipment manufacturers, we will lose dealers and their retail customers and our performance will decline. The agricultural equipment business is highly competitive, particularly in our major markets. Our two key competitors, Deere & Company and CNH Industrial N. V., are substantially larger than we are and have greater financial and other resources. In addition, in some markets, we compete with smaller regional competitors with significant market share in a single country or group of countries. Our competitors may substantially increase the resources devoted to the development and marketing, including discounting, of products that compete with our products, which would necessitate our making similar expenditures. In addition, competitive pressures in the agricultural equipment business may affect the market prices of new and used equipment, which, in turn, may adversely affect our performance. We maintain an independent dealer and distribution network in the markets where we sell products. The financial and operational capabilities of our dealers and distributors are critical to our ability to compete in these markets. In addition, we compete with other manufacturers of agricultural equipment for dealers. If we are unable to compete successfully against other agricultural equipment manufacturers, we could lose dealers and their retail customers and performance may decline. Our expansion plans in emerging markets entail significant risks. Our long- term strategy includes establishing a greater manufacturing and supply- chain and / or marketing presence in emerging markets such as India ~~, China~~ and Africa. As we progress with these efforts, it will involve a significant investment of capital and other resources and entail various risks. These include risks attendant to obtaining necessary governmental approvals and the construction of facilities in a timely manner and within cost estimates, the establishment of supply channels, the commencement of efficient manufacturing operations, and, ultimately, the acceptance of the products by retail customers. While we expect the expansion to be successful, should we encounter difficulties involving these or similar factors, it may not be as successful as we anticipate **and could adversely impact our performance** . Brexit and political uncertainty in the United Kingdom and the European Union could disrupt our operations and adversely affect our performance. ~~We have significant~~ **A majority of our** operations **are** in the

United Kingdom and the European Union. The United Kingdom withdrew from the European Union, in a process known as " Brexit, " effective December 31, 2020. While **to date** the **consequences to** ~~United Kingdom and~~ the ~~European Union~~ **Company from Brexit** have ~~agreed that there will be no~~ **not been significant** ~~taxes on goods or limits on the amount that can be traded between the two jurisdictions~~ , ~~new documentation requirements, safety checks~~ **the implementation of Brexit is not complete** and ~~procedures at ports and new documentation requirements could lead to disruptions in trade. Over~~ **over** the longer term, changes in the regulatory environment ~~likely will~~ **, particularly changes that restrict the movement of capital, goods and personnel that result in** ~~increase~~ **increases** ~~our~~ **in** compliance **obligations** ~~costs. We may find it more difficult to conduct business in the United Kingdom and the European Union~~ , **could** ~~as Brexit likely will result in increased regulatory complexity and increased restrictions and costs on the movement of capital, goods and personnel. We may decide to relocate or otherwise alter certain of our European or United Kingdom operations to respond to the new business, legal, regulatory, tax and trade environments. Brexit may~~ adversely **impact** ~~affect our relationships with our dealers and their retail customers, suppliers and employees, which could materially adversely affect~~ our performance. There ~~could be~~ **also is** a risk that other countries may leave the European Union, leaving uncertainty regarding debt burden of certain Eurozone countries and their ability to meet future financial obligations, as well as uncertainty over the long- term stability of the Euro as a single common currency. These uncertainties and implications could materially adversely impact the financial markets in Europe and globally, as well as our customers, suppliers and lenders **and ultimately our performance** . Inflation can impact our costs and sales. During 2022 **and 2023** , we experienced significant inflation in a range of costs, including for parts and components, **labor,** transportation, logistics, and energy. While **inflation has eased over 2023 and** we have been able to pass along these **higher** costs through increased prices, there can be no assurance that we will be able to continue to do so. If we are not, it will **adversely** impact our performance. **Product Development,** Manufacturing and Operations Our success depends on the introduction of new products, which requires substantial expenditures. Our long- term results depend upon our ability to introduce and market new products successfully. The success of our new products will depend on a number of factors, including: • innovation; • customer acceptance; • the efficiency of our suppliers in providing component parts and of our manufacturing facilities in producing final products; and • the performance and quality of our products relative to those of our competitors. As both we and our competitors continuously introduce new products or refine versions of existing products, we cannot predict the level of market acceptance or the amount of market share our new products will achieve. We have experienced delays in the introduction of new products in the past, and we may experience delays in the future. Any delays or other problems with our new product launches **, such as high warranty costs,** will adversely affect our performance. In addition, introducing new products can result in decreases in revenues from our existing products. Consistent with our strategy of offering new products and product refinements, we expect to make substantial investments in product development and refinement. We may need more funding for product development and refinement than is readily available, which could adversely affect our ~~business~~ **performance** . If we are unable to deliver precision agriculture and high- tech solutions to our customers, it could materially adversely affect our performance **. Increasingly our customers are implementing precision farming solutions. In order to remain competitive, we have been able to successfully acquire or develop and introduce new solutions that improve profitability and sustainable farming techniques** . Our precision technology products include both hardware and software components that relate to guidance, telemetry, automation, autonomy and connectivity solutions. We ~~have to be able to successfully acquire and develop and introduce new solutions that improve profitability and result in sustainable farming techniques in order to remain competitive. We~~ expect to make significant investments in research and development expenses, acquisitions of businesses, collaborative arrangements and other sources of technology to drive these outcomes **. These investments include the recently announced planned acquisition of the agriculture assets and technologies of Trimble through the formation of a joint venture of which we will own 85 % further discussed in the Trimble Ag joint venture transaction risk factor below** . Such investments may not produce attractive solutions for our customers. We also may have to depend on third parties to supply certain hardware or software components or data services in our precision technology products. Our dealers **'** ability to support such solutions also may impact our customers, acceptance and demand of such products. Rationalization or restructuring of manufacturing facilities, and plant expansions and system upgrades at our manufacturing facilities, may cause production capacity constraints and inventory fluctuations. The rationalization of our manufacturing facilities has at times resulted in, and similar rationalizations or restructurings (including relocating production from one facility to another) in the future may result in, temporary constraints upon our ability to produce the quantity of products necessary to fill orders and thereby complete sales in a timely manner. In addition, system upgrades at our manufacturing facilities that impact ordering, production scheduling, manufacturing and other related processes are complex, and could impact or delay production. A prolonged delay in our ability to fill orders on a timely basis could affect customer demand for our products and increase the size of our product inventories, causing future reductions in our manufacturing schedules and adversely affecting our performance. Moreover, our continuous development and production of new products often involve the retooling of existing manufacturing facilities. This retooling may limit our production capacity at certain times in the future, which could adversely affect our performance. In addition, the expansion and reconfiguration of existing manufacturing facilities, as well as new or expanded manufacturing operations in emerging markets, such as China, could increase the risk of production delays, as well as require significant investments. We depend on suppliers for components, parts and raw materials for our products, and any failure by our suppliers to provide products as needed, or by us to promptly address supplier issues, will adversely impact our ability to timely and efficiently manufacture and sell products. We also are subject to raw material price fluctuations, which can adversely affect our manufacturing costs. Our products include components and parts manufactured by others. As a result, our ability to timely and efficiently manufacture ~~existing~~ **current** products, to introduce new products, and to shift manufacturing of products from one facility to another depends on the quality of these components and parts and the timeliness of their delivery to our facilities. During 2022, we experienced significant supply chain interruptions, including delays in timely deliveries of components **. While**

supply chain disruptions eased in 2023, there can be no assurance that there will not be future disruptions . At any particular time, we depend on numerous suppliers, and the failure by one or more of our suppliers to perform as needed will result in fewer products being manufactured, shipped and sold. If the quality of the components or parts provided by our suppliers is less than required and we do not recognize that failure prior to the shipment of our products, we will incur higher warranty costs. The timely supply of component parts for our products also depends on our ability to manage our relationships with suppliers, to identify and replace suppliers that fail to meet our schedules or quality standards, and to monitor the flow of components and accurately project our needs. The shift from our existing suppliers to new suppliers, including suppliers in emerging markets, also may impact the quality and efficiency of our manufacturing capabilities, as well as warranty costs. Changes in the availability and prices of certain raw materials, components and parts could result in production disruptions or increased costs and lower profits on the sale of our products. Changes in the availability and price of these raw materials, components and parts, which have fluctuated significantly in the past and are more likely to fluctuate during times of economic volatility, as well as regulatory instability or change in tariffs, can significantly increase the costs of production. This, in turn, could have a material negative effect on performance, particularly if, due to pricing considerations or other factors, we are unable to recover the increased costs through pricing from our dealers. We may encounter difficulties in integrating businesses we acquire and may not fully achieve, or achieve within a reasonable time frame, expected strategic objectives and other expected benefits of the acquisitions. From time- to- time we seek to expand through acquisitions of other businesses **, including, our planned acquisition of the agricultural assets and technologies of Trimble through the formation of a joint venture of which we will own 85 %, which is further discussed in the Trimble Ag joint venture transaction risk factor below** . We expect to realize strategic and other benefits as a result of our acquisitions, including, among other things, the opportunity to extend our reach in the agricultural industry and provide our dealers and their retail customers with an even wider range of products and services. However, it is impossible to predict with certainty whether, or to what extent, these benefits will be realized or whether we will be able to integrate acquired businesses in a timely and effective manner. For example: • the costs of integrating acquired businesses and their operations may be higher than we expect and may require significant attention from our management; • the businesses we acquire may have undisclosed liabilities, such as environmental liabilities or liabilities for violations of laws, such as the FCPA, that we did not expect ~~.~~ **;** • our ability to successfully carry out our growth strategies for acquired businesses often will be affected by, among other things, our ability to maintain and enhance our relationships with their existing customers, our ability to provide additional product distribution opportunities to the acquired businesses through our existing distribution channels, changes in the spending patterns and preferences of customers and potential customers, fluctuating economic and competitive conditions and our ability to retain their key personnel; and • our approach and strategies with respect to the development and introduction of new precision technology solutions to improve the profitability and sustainability for our farmer customers, including technologies we obtain through acquisitions, investments and joint ventures, may not provide the desired results for our customers. Our ability to address these issues will determine the extent to which we are able to successfully integrate, develop and grow acquired businesses and **technologies** to realize the expected benefits of these transactions. Our failure to do so could have a material adverse effect on our performance **. We may not be able to complete the Trimble Ag joint venture transaction or successfully integrate the joint venture into our business, which could adversely affect our business or results of operations. We recently announced the planned acquisition of the agriculture assets and technologies of Trimble through the formation of the Trimble Ag joint venture, of which we will own 85 %. Closing the transaction is dependent upon obtaining required regulatory approvals (primarily competition and antitrust approvals), obtaining the necessary financing, and fulfilling other closing conditions, all of which, at least in part, are not within our control. The Sale and Contribution Agreement (" the Agreement") entitles Trimble and AGCO to terminate the Agreement under certain circumstances, including the failure of the closing to occur nine months following the date of entry into the Agreement (followed by two three- month extensions in the event that the delay is the result of the failure to obtain certain antitrust approvals). Under certain circumstances, we could be obligated to pay Trimble a termination fee of $ 94 million. In addition, acquisitions and joint venture transactions involve many risks, including the difficulty of determining the appropriate valuation, which is based upon a number of factors, including projections provided by the seller, which may not prove accurate, the challenges attendant to integrating the operations, technologies, services and products of the acquired lines of businesses, reactions by customers to the transaction, particularly the rate at which Trimble' s largest OEM customer reduces purchases of Trimble equipment, and the rate of replacement by the joint venture of those sales, personnel turnover, and the diversion of management' s attention from other business matters. In addition, we may be unable to achieve anticipated benefits from the transaction in the time frame that we anticipate, or at all. All of these risks, as well as the others that typically accompany a large transaction, could adversely affect our business or results of operations** . Our business routinely is subject to claims and legal actions, some of which could be material. We routinely are a party to claims and legal actions incidental to our business. These include claims for personal injuries by users of farm equipment, disputes with distributors, vendors and others with respect to commercial matters, and disputes with taxing and other governmental authorities regarding the conduct of our business, including environmental matters. While these matters generally are not material to our business, it is entirely possible that a matter will arise that is material. In addition, we use a broad range of technology in our products. We developed some of this technology, we license some of this technology from others, and some of the technology is embedded in the components and parts that we purchase from suppliers. From time- to- time, third parties make claims that the technology that we use violates their patent rights. While to date none of these claims have been significant, we cannot provide any assurances that there will not be significant claims in the future or that currently existing claims will not prove to be more significant than anticipated. Financial Risks We can experience substantial and sustained volatility with respect to currency exchange rates and interest rates, which can adversely affect our performance and the competitiveness of our products. We conduct operations in a variety of currencies. Our production costs, profit margins and competitive position are affected by the strength of the currencies in countries where we manufacture or purchase goods relative to the strength of the currencies in countries where our products are sold. We also are subject to currency exchange rate risk to the extent that our costs are denominated in currencies other than those in which we denominate sales, and to risks associated with translating the financial statements of our foreign subsidiaries from local currencies into United States dollars. Similarly, changes in interest rates affect us by increasing or decreasing borrowing costs and finance income. Our most significant transactional foreign currency exposures are the Euro, the Brazilian real and the Canadian dollar in relation to the United States dollar, and the Euro in relation to the British pound. Where naturally offsetting currency positions do not occur, we attempt to manage these risks by economically hedging some, but not necessarily all, of our exposures through the use of foreign currency forward exchange or option contracts. As with all hedging instruments, there are risks associated with the use of foreign currency forward exchange or option contracts, interest rate swap agreements and other risk management contracts. While the use of such hedging instruments provides us with protection for a finite period of time from certain fluctuations in currency exchange and interest rates, when we hedge we forego part or all the benefits that might result from favorable fluctuations in currency exchange and interest rates. In addition, any default by the counterparties to these transactions could adversely affect our performance. Despite our use of economic hedging transactions, currency exchange rate or interest rate fluctuations may adversely affect our performance. We also are subject to the risk of the imposition of limitations by governments on international transfers of funds. **In** ~~For example, in~~ recent years, the Argentine government has substantially limited the ability of companies to transfer funds out of Argentina. As a consequence of these limitations, the spread between the official government exchange rate and the exchange rates resulting implicitly from certain capital market operations, usually effected to obtain **United States** ~~U. S.~~ dollars, has broadened significantly. ~~The net monetary assets~~ **In December 2023, the central bank** of ~~our operations in~~ Argentina **adjusted** ~~denominated in pesos at~~ the official ~~government~~ **foreign currency exchange** rate ~~were approximately 4. 1 billion (or~~ **for the Argentine peso, significantly devaluing the currency relative to the United States dollar. In December 2023, we recorded losses of** approximately $ ~~23~~ **80** . ~~0~~ **4** million ~~) as~~ **related to the devaluation** of **the Argentine** ~~December 31, 2022, inclusive of approximately 6. 8 billion pesos~~ - **peso** ~~(or approximately $ 38. 1 million) in cash and cash equivalents. In addition, we have an~~ **and** ~~obligation~~ **the related impacts** to ~~reimburse~~ **our** AGCO ~~Capital Argentina S. A., one of our finance joint ventures with Rabobank, up to $ 10 million under a guarantee related to the ability of AGCO Capital Argentina S. A. to transfer funds out of Argentina. The~~ finance joint venture in Argentina ~~has net monetary assets denominated in pesos at the official government rate of approximately 4. 1 billion (or approximately $ 22. 9 million)~~ as ~~of December 31~~ **included within Item 8** , ~~2022,~~ **“ Financial Statements and Supplementary Data." Further devaluation** of **the peso or continuation or expansion of limitations of transfer of funds in Argentina or in other markets in** which ~~a majority is cash and cash equivalents~~ **we operate, would adversely affect our performance** . ~~Future impairments and charges are possible in connection~~ **Please refer to the" Foreign Currency Risk Management" section** ~~with~~ **within** ~~these exposures~~ **Item 7, “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations, ” for more information** . We have significant pension and retiree healthcare obligations with respect to our employees, and our cash flow available for other purposes may be adversely affected in the event that payments become due under any pension plans that are unfunded or underfunded. Declines in the market value of the securities used to fund these obligations will result in increased pension expense in future periods. A portion of our active and retired employees participate in defined benefit pension and retiree healthcare plans under which we are obligated to provide prescribed levels of benefits regardless of the value of the underlying assets, if any, of the applicable plans. To the extent that our obligations are unfunded or underfunded, we will have to use cash flow from operations and other sources to fulfill our obligations either as they become due or over some shorter funding period. In addition, since the assets that we already have provided to fund these obligations are invested in debt instruments and other securities, the value of these assets varies due to market factors. Historically, these fluctuations have been significant and sometimes adverse, and there can be no assurances that they will not be significant or adverse in the future. Similarly the amount of our obligations varies depending upon mortality assumptions, discount rates, salary growth, retirement rates and ages, inflation, changes in health care costs and similar factors, which generally are not in our control. We also are subject to laws and regulations governing the administration of our plans in certain countries, and the specific provisions, benefit formulas and related interpretations of such laws, regulations and provisions can be complex. Failure to properly administer the provisions of our plans and comply with applicable laws and regulations could have an adverse impact to our results of operations. We have unfunded or underfunded obligations related to our pension and other postretirement health care benefits. See the notes to our Consolidated Financial Statements contained in Item 8, “ Financial Statements and Supplementary Data, ” for more information regarding our unfunded or underfunded obligations. We have **substantial goodwill, and impairment of that goodwill could materially impact our results of operation. As of December 31, 2023, we had approximately $ 1, 333. 4 million of goodwill reflected on our consolidated balance sheet. While we will not know with certainty the amount of goodwill that will be created as part of the planned Trimble Ag joint venture until after the closing date, we currently expect the amount to be material. As discussed in Note 1 to our Consolidated Financial Statements in Item 8, “ Financial Statements and Supplementary Data," we test goodwill for impairment annually or more often under certain circumstances. Goodwill can be difficult to value, and in all events valuation requires the use of estimates and judgment as discussed in" Critical Accounting Estimates" in Item 7, “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations ”. Our goodwill was created in connection with business acquisitions. If those businesses do not perform as expected, future valuations may not support the amount of goodwill, and we could conclude that an impairment has occurred. Similarly, if the estimates and judgment used in our annual impairment tests prove to be incorrect, impairment could be required. Given the magnitude of the goodwill expected to be added as part of the planned Trimble Ag joint venture, an impairment of that goodwill could be significant and could materially impact our results of operations. We have** a substantial amount of indebtedness **and will incur more as part of the planned Trimble Ag joint venture** , and, as a result, we are subject to certain restrictive covenants and payment obligations that may adversely affect our ability to operate and expand our business. Our credit facility and certain other debt agreements have various financial and other covenants that require us to maintain certain total debt to EBITDA and interest coverage ratios **. As previously announced, in connection with the planned Trimble Ag joint venture, we expect to incur a substantial amount of additional indebtedness** . In addition, the credit facility and certain other debt agreements contain other restrictive covenants, such as ones that limit the incurrence of indebtedness and the making of certain payments, including dividends, and are subject to acceleration in the event of default. If we fail to comply with these covenants and are unable to obtain a waiver or amendment, an event of default would result. If any event of default were to occur, our lenders could, among other things, declare outstanding amounts due and payable, and our cash may become restricted. In addition, an event of default or declaration of acceleration under our credit facility or certain other debt agreements also could result in an event of default under our other financing agreements. Our substantial indebtedness could have other important adverse consequences such as: • requiring us to dedicate a substantial portion of our cash ~~flow~~ **flows** from operations to payments on our indebtedness, which would reduce the availability of our cash flow to fund future working capital, capital expenditures, acquisitions and other general corporate purposes; • increasing our vulnerability to general adverse economic and industry conditions; • limiting our flexibility in planning for, or reacting to, changes in our business and the agricultural industry; • restricting us from being able to introduce new products or pursuing business opportunities; • placing us at a competitive disadvantage compared to our competitors that may have less indebtedness; and • limiting, along with the financial and other restrictive covenants in our indebtedness, among other things, our ability to borrow additional funds, repurchase shares, pay cash dividends or engage in or enter into certain transactions. Changes to United States tax, tariff, trade and import / export regulations may have a negative effect on global economic conditions, financial markets and our business. There have been ongoing discussions and significant changes to United States trade policies, treaties, tariffs and taxes. Although the levels change from period to period, we generally have substantial imports into the United States of products and components that are either produced in our foreign locations or are purchased from foreign suppliers, and also have substantial exports of products and components that we manufacture in the United States. The impact of any changes to current trade, tariff or tax policies relating to imports and exports of goods is dependent on factors such as the treatment of exports as a credit to imports, and the introduction of any tariffs or taxes relating to imports from specific countries. The most significant changes have been the imposition of tariffs by the United States on imports from China and the imposition by China of tariffs on imports from the United States. These trade restrictions include withdrawal from or modification of existing trade agreements, negotiation of new trade agreements, or tariffs on the import of agricultural commodities into China, which are critical to our customers. Policies impacting exchange rates and commodity and protein prices or limiting the export of commodities could have a material adverse impact on the international flow of agricultural and other commodities that may result in a corresponding negative impact on the demand for agricultural equipment across the world. Our sales could be negatively impacted by such policies because farm income strongly influences sales of such equipment globally. In the past, we have had moderate amounts of imports into the U. S. from China. To date, the impact of U. S. import tariffs on China- sourced equipment has not been material to us because we have been able to redirect production and employ sourcing alternatives for products previously imported into the U. S. from our China manufacturing facility. In addition, we do not export significant amounts from the United States into China. It is unclear what other changes might be considered or implemented and what response to any such changes may be by the governments of other countries. Any changes that increase the cost of international trade or otherwise impact the global economy, including through the increase in domestic prices for raw materials, could have a material adverse effect on our performance. **Further, the Pacific Rim region is an important producer of parts and components that are critical to our products, particularly semiconductor chips. Should events in that region or between governments in that region and the countries in which we manufacture products deteriorate, it could significantly adversely impact the availability of parts and components to us, and, correspondingly, our ability to produce products at targeted levels.** Changes to income tax laws and regulations, or the interpretation of such laws, in any of the jurisdictions in which we operate could significantly increase our effective tax rate and ultimately reduce our cash flows from operating activities and otherwise have a material adverse effect on our financial condition. ~~In~~ **On December 15,** 2022, the **European Union Member States formally adopted** ~~U. S. Inflation Reduction Act and the CHIPS and Science Act of 2022 (the " Acts ") were signed into law. These acts include, among other~~ -- **the** ~~provisions~~ **EU' s Pillar Two Directive** , **which generally provides for** a ~~corporate alternative~~ minimum **effective** tax **rate** of 15 %, **as established by** ~~an excise tax on~~ the **Organization** ~~repurchase of corporate stock, various climate and energy provisions, and incentives~~ for ~~investment in semiconductor manufacturing~~ **Economic Co- operation and Development (OECD) Pillar Two Framework that was supported by over 130 countries worldwide** . The **European Union effective dates** ~~primary provisions of the Acts~~ are ~~effective during~~ **January 1,** ~~2023~~ **2024 ,** and ~~forward~~ **January 1, 2025, for different aspects of the directive** . The Company is evaluating the impact ~~these acts~~ **this directive** could have on the Company' s future tax provision and the effective tax rate, as well as any other impacts on the Company' s financial position and results of operations. ~~Further changes in the tax laws of foreign jurisdictions~~ **The COVID- 19 pandemic has disrupted our business and operations, and future public health crises** could **materially adversely impact our** ~~arise as a result of the base erosion and profit shifting projects, including Pillar One and Pillar Two, undertaken by the Organisation for Economic Co- operation and Development. If implemented by taxing authorities in countries where we do~~ business, ~~such changes, could have a material adverse effect on our business, results of operations, or~~ financial condition **, liquidity and results of operations. The COVID- 19 pandemic has previously disrupted our business. The COVID- 19 pandemic or other new public health crises may disrupt our business in the future, which could materially affect our results of operations, financial condition, liquidity and future expectations. Any such events may adversely impact our global supply chain and global manufacturing operations and cause us to suspend our operations in the**

affected markets. In particular, we could experience, among other things: continued or additional global supply chain and logistics disruptions; labor disruptions or shortages; an inability to manufacture; and an inability to sell to our customers . Climate Change and Other Environmental Risks We increasingly are subject to risks attendant to climate change. Failure to understand and prepare for the risks related to the transition to a lower- carbon economy, and risks related to the physical impacts of climate change could impact our performance. It is widely recognized that global climate change is occurring. We are unable to predict with any certainty the impacts upon our business of climate change, although we recognize that they are likely to be significant. Among the risks that we face are (i) increased governmental regulation of both our manufacturing operations and the equipment that we produce, (ii) the possibility that we will not become as resource- efficient in our operations as we need to, both as a result of our own actions (or inactions) and those of our suppliers, (iii) that we will not be able to develop new and improved products that help our farmer customers address climate- related changes and opportunities and that keep our products competitive with the products of others, (iv) that climate change will reduce demand for our products, **and** (v) the impacts on our physical facilities, including from increased severe weather condition risks ~~, and (vi) the cost of complying with the SEC' s proposed climate change disclosure rules if implemented as proposed~~ . The first three of these risks may be considered " transition " risks. Addressing each of these risks is likely to entail the incurrence of significant costs by us, although, in the case of transition risks, we already may be incurring many, if not most, of these costs through our ongoing engine development programs and our precision farming research and development. However, we may not be able to address these risks effectively and efficiently, which would impact our performance. In addition, **we are increasingly subject to requirements for disclosure regarding our GHG emissions as well as those of our upstream vendors and downstream customers. The European Union recently adopted the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD) that will impose disclosure of the risks and opportunities arising from social and environmental issues, and on the impact of companies' activities on people and the environment. The CSRD will need to be transposed into Member State law before it becomes effective, which is expected to occur in 2024. Similarly, the State of California recently passed the Climate Corporate Data Accountability Act and the Climate-Related Financial Risk Act that will impose broad climate- related disclosure obligations on certain companies doing business in California, including us, starting in 2026. The SEC has included in its regulatory agenda potential rulemaking on climate change disclosures that, if adopted, could significantly increase compliance burdens and associated regulatory costs and complexity. Further, the International Sustainability Standards Board issued sustainability and climate change disclosure standards in June 2023, which the U. K. and other countries in which we operate indicated they will adopt as their own binding standards. Our failure to comply with any applicable rules or regulations or other criticisms of our sustainability disclosures could lead to penalties or claims and other litigation, impact our reputation, customer attraction and retention, access to capital and employee retention, and otherwise adversely impact our performance. Compliance with these requirements will be complex and expensive. Investors and financial institutions increasingly are expecting the disclosures described above, and some financial institutional** investors ~~increasingly~~ are assessing their investments and investment opportunities based upon how businesses are addressing climate change. Any failure by us to satisfy their assessments could impact the desirability of an investment in AGCO **, our access to capital could be restricted** and the share price of our common stock **could be impacted** . For a discussion of some of the actions that we have taken, see Item 1, " Business ", above. We are subject to extensive environmental laws and regulations, including increasingly stringent engine emissions standards, and our compliance with, or our failure to comply with, existing or future laws and regulations could delay production of our products or otherwise adversely affect our business. ~~We~~ **In addition to the more general climate change regulation described above, we** are subject to increasingly stringent environmental laws and regulations in the countries in which we operate. These regulations govern, among other things, emissions into the air, discharges into water, the use, handling and disposal of hazardous substances, waste disposal and the prevention and remediation of soil and groundwater contamination. Our costs of complying with these or any other current or future environmental regulations may be significant. For example, several countries have adopted more stringent environmental regulations regarding emissions into the air, and it is possible that new emissions- related legislation or regulations will be adopted in connection with concerns regarding GHG. The regulation of GHG emissions from certain stationary or mobile sources could result in additional costs to us in the form of taxes or emission allowances, facilities improvements and energy costs, which would increase our operating costs through higher utility and transportation expenses and costs of materials. Increased input costs, such as fuel and fertilizer, and compliance- related costs also could impact retail customer operations and demand for our equipment. Because the impact of any future GHG legislative, regulatory or product standard requirements on our global businesses and products is dependent on the timing and design of mandates or standards, we are unable to predict its potential impact at this time. We also may be subject to liability...... it could adversely affect our performance. In addition, the products that we manufacture or sell, particularly engines, are subject to increasingly stringent environmental regulations, including those that limit GHG emissions. As a result, on an ongoing basis we incur significant engineering expenses and capital expenditures to modify our products to comply with these regulations. Further, we may experience production delays if we or our suppliers are unable to design and manufacture components for our products that comply with environmental standards. For instance, as we are required to meet more stringent engine emission reduction standards that are applicable to engines we manufacture or incorporate into our products, we expect to meet these requirements through the introduction of new technology to our products, engines and exhaust after- treatment systems, as necessary. Failure to meet applicable requirements could materially affect our performance ~~.~~ We also may be subject to liability in connection with properties and businesses that we no longer own or operate.We may be adversely impacted by costs,liabilities or claims with respect to our operations under existing laws or those that may be adopted in the future that could apply to both future and prior conduct.If we fail to comply with existing or future laws and regulations,we may be subject to governmental or judicial fines or sanctions,or we may not be able to sell our products and,therefore,it could adversely affect our performance **.** . We are subject to SEC disclosure obligations relating to " conflict minerals " (columbite- tantalite, cassiterite (tin), wolframite (tungsten) and gold) that are sourced from the Democratic Republic of Congo or adjacent countries. Complying with these requirements has and will require us to incur additional costs, including the costs to determine the sources of any conflict minerals used in our products and to modify our processes or products, if required. As a result, we may choose to modify the sourcing, supply and pricing of materials in our products. In addition, we may face reputational and regulatory risks if the information that we receive from our suppliers is inaccurate or inadequate, or our process for obtaining that information does not fulfill the SEC' s requirements. We have a formal policy with respect to the use of conflict minerals in our products that is intended to minimize, if not eliminate, conflict minerals sourced from the covered countries to the extent that we are unable to document that they have been obtained from conflict- free sources. Human Capital Risks Our labor force is heavily unionized, and our obligations under collective bargaining agreements and labor laws subject us to the risks of work interruption or stoppage and could cause our costs to be higher. Most of our employees, most notably at our manufacturing facilities, are subject to collective bargaining agreements and union contracts with terms that expire on varying dates. Several of our collective bargaining agreements and union contracts generally are of limited duration and, therefore, must be re- negotiated frequently. As a result, we are at greater risk of work interruptions or stoppages than non- unionized companies, and any work interruption or stoppage could significantly impact the volume of products we have available for sale. In addition, collective bargaining agreements, union contracts and labor laws may impair our ability to streamline existing manufacturing facilities, restructure our business or otherwise reduce our labor costs because of limitations on personnel and salary changes and similar restrictions. Our ability to recruit, develop, train and retain qualified and skilled employees could impact our ability to execute strategies. Our success is dependent, in part, on our ability to recruit, develop, train and retain qualified employees with the relevant education, background and experience. Equally we must be able to retain such skilled employees through our efforts to develop, train, compensate and engage them. Failure to do so could impair our ability to execute our business strategies and could ultimately impact our performance. Data Security, Privacy and Cybersecurity Risks Our business increasingly is subject to regulations relating to privacy and data protection, and if we violate any of those regulations we could be subject to significant claims, penalties and damages. Increasingly, the United States, the European Union, Brazil and other governmental entities are imposing regulations designed to protect the collection, maintenance and transfer of personal information. For example, the European Union adopted the General Data Protection Regulation (the " GDPR ") that imposed stringent data protection requirements and greater penalties for non- compliance beginning in May 2018. The GDPR also protects a broader set of personal information than traditionally has been protected in the United States and provides for a right of " erasure. " Other regulations govern the collection and transfer of financial data and data security generally. These regulations generally impose penalties in the event of violations, and private lawsuits in the event of a release of personal information are common. While we attempt to comply with all applicable privacy regulations, their implementation is complex, and, if we are not successful, we may be subject to penalties and claims for damages from regulators and the impacted parties. Cybersecurity breaches and other disruptions to our information technology infrastructure could interfere with our operations and could compromise confidential information, exposing us to liability that could cause our business and reputation to suffer. We rely upon information technology networks and systems, some of which are managed by third parties, to process, transmit and store electronic information, and to manage or support a variety of business processes and activities, including supply chain, manufacturing, distribution, invoicing and collection of payments from dealers or other purchasers of our equipment. We also use information technology systems to record, process and summarize financial information and results of operations for internal reporting purposes and to comply with regulatory financial reporting, legal and tax requirements. Additionally, we collect and store sensitive data, including intellectual property and proprietary business information, in data centers and on information technology networks. The secure operation of these information technology networks and the processing and maintenance of this information is critical to our business operations and strategy. Despite security measures and business continuity plans, our information technology networks and infrastructure are vulnerable to damage, disruptions or shutdowns due to attacks by cyber criminals or breaches due to employee error or malfeasance or other disruptions during the process of upgrading or replacing computer software or hardware, power outages, computer viruses, telecommunication or utility failures, terrorist acts or, natural disasters or other catastrophic events. On May 5, 2022, we discovered that we had been subject to a ransomware cyberattack. The attack resulted in the temporary closure of most of our production sites and parts operations. A majority of the affected locations resumed operations within approximately two weeks after the attack was discovered. There was some data exfiltration as a result of the attack, and a portion of the exfiltrated data subsequently was released publicly. We do not have significant retail operations, and we do not believe that the exfiltrated data included privacy-protected consumer data or that the exfiltration was consequential. We **have invested heavily in maturing our information technology and cybersecurity operations and** continue to review and improve our safeguards to minimize our exposure to future attacks. **The** ~~We do not believe the~~ cost of remediation to the impacted systems ~~will be material. To date, the cost of those efforts~~ has not been ~~consequential~~ **material** . We ~~have~~ **maintain a** cyber **liability** insurance **program, although the** coverage **may not be sufficient in some circumstances** ~~, and we recently have filed a claim associated with the attack~~ . While we do not believe that the ultimate consequences of the attack were material to our performance, ~~over the course of 2022~~ the occurrence of any ~~of~~ similar or other events in the future could compromise our networks, and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability or regulatory penalties under laws protecting the privacy of personal information, and could disrupt our operations and damage our reputation, which could adversely affect our performance. In addition, as security threats continue to evolve and increase in frequency and sophistication, we increasingly are needing to invest additional resources to protect the security of our systems and likely will need to invest even more in the future.