

FMC CORP
Form DEF 14A
March 17, 2017
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)**

Filed by the Registrant 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))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to ss.240.14a-12

FMC 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):

No fee required.

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

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- (4) Proposed maximum aggregate value of transaction:
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Fee paid previously with preliminary materials.

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- (1) Amount Previously Paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

FMC Corporation

March 17, 2017

Dear Stockholder:

It is my pleasure to invite you to attend the Company's 2017 Annual Meeting of Stockholders. The meeting will be held on Tuesday, April 25, 2017, at 2:00 p.m. local time at the FMC Tower at Cira Centre South, 2929 Walnut Street, 24th Floor, Philadelphia, Pennsylvania. The Notice of Annual Meeting and Proxy Statement accompanying this letter describe the business to be conducted at the meeting.

During the meeting, I will report to you on the Company's earnings, results and other achievements during 2016 and on our outlook for 2017. We welcome this opportunity to have a dialogue with our stockholders and look forward to your comments and questions.

Your vote is important. **Please vote your proxy promptly so your shares can be represented.** Please see your proxy card for specific instructions on how to vote.

If you plan to attend the meeting, please send written notification to the Company's Investor Relations Department, FMC Tower at Cira Centre South, 2929 Walnut Street, Philadelphia, Pennsylvania 19104, so that your name can be put on an admission list held at the registration desk at the entrance to the meeting. If your shares are held by a bank, broker or other intermediary and you plan to attend, you must enclose with your notification evidence of your ownership, such as a letter from the bank, broker or intermediary confirming your ownership or a bank or brokerage firm account statement. If you wish to vote at the meeting, please refer to the section of this proxy statement entitled "How to Vote" for specific instructions.

I look forward to seeing you on April 25th.

Sincerely,

Pierre Brondeau

President, Chief Executive Officer and Chairman of the Board

Notice of Annual Meeting of Stockholders

Tuesday, April 25, 2017

2:00 p.m.

FMC Tower at Cira Centre South, 2929 Walnut Street, 24th Floor, Philadelphia, Pennsylvania

Dear Stockholder:

You are invited to the Annual Meeting of Stockholders of FMC Corporation. We will hold the meeting at the time and place noted above. At the meeting, we will ask you to:

1. Elect eleven directors, each for a term of one year.
2. Ratify the appointment of KPMG LLP as our independent registered public accounting firm for 2017.
3. Hold an advisory (non-binding) vote on executive compensation.
4. Hold an advisory (non-binding) vote on the frequency of executive compensation voting.
5. Approve an Amendment to the FMC Corporation Incentive Compensation and Stock Plan.
6. Consider and act upon any other business properly brought before the meeting.

THE BOARD RECOMMENDS A VOTE FOR ITS NOMINEES FOR DIRECTOR AND FOR PROPOSALS 2, 3 AND 5. THE BOARD RECOMMENDS A VOTE IN FAVOR OF A FREQUENCY OF ONE YEAR IN PROPOSAL 4.

Your vote is important. To be sure your vote counts and assure a quorum, please vote, sign, date and return the enclosed proxy card whether or not you plan to attend the meeting; or if you prefer, please follow the instructions on the enclosed proxy card for voting by Internet or by telephone whether or not you plan to attend the meeting in person.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON APRIL 25, 2017:

The proxy statement and the annual report to security holders are available at www.fmc.com

March 17, 2017

By order of the Board of Directors,

Andrea E. Utecht

Executive Vice President, General Counsel and Secretary

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I. INFORMATION ABOUT VOTING

Solicitation of Proxies

The Board of Directors of FMC Corporation (the “Company” or “FMC”) is soliciting proxies for use at the Company’s 2017 Annual Meeting of Stockholders and any postponements or adjournments of that meeting (as so postponed or adjourned, the “2017 Annual Meeting” or the “Annual Meeting”). The Company first mailed this proxy statement, the accompanying form of proxy and the Company’s Annual Report for 2016 on or about March 17, 2017.

Agenda Items

The agenda for the Annual Meeting is to:

1. Elect eleven directors;
2. Ratify the appointment of KPMG LLP as the Company’s independent registered public accounting firm for 2017;
3. Hold an advisory (non-binding) vote on executive compensation;
4. Hold an advisory (non-binding) vote on the frequency of executive compensation voting;
5. Approval of Amendment and Restatement of the FMC Corporation Incentive Compensation and Stock Plan; and
6. Conduct other business properly brought before the meeting.

Who Can Vote

You can vote at the Annual Meeting if you are a holder of the Company’s common stock, par value of \$0.10 per share (“Common Stock”), on the record date. The record date is the close of business on February 28, 2017. You will have one vote for each share of Common Stock. As of February 28, 2017, there were 133,826,580 shares of Common Stock outstanding.

How to Vote

You may vote in one of four ways:

- You can vote by signing and returning the enclosed proxy card. If you do, the individuals named on the card will vote your shares in the way you indicate;
- You can vote by Internet;
- You can vote by telephone; or
- You can cast your vote at the Annual Meeting.

If you plan to cast your vote at the meeting, please send written notification to the Company's Investor Relations Department, FMC Tower at Cira Centre South, 2929 Walnut Street, Philadelphia, PA, 19104, so that your name can be put on an admission list held at the registration desk at the entrance to the meeting. In addition, if you hold your shares through a broker, bank or other intermediary and you wish to vote at the Annual Meeting, you must obtain a legal proxy from them authorizing you to vote at the Annual Meeting. We will be unable to accept a vote from you at the Annual Meeting without that authorization. If you are a registered stockholder and wish to vote at the Annual Meeting, in addition to the above attendance notification, you must provide proper identification as the stockholder of record at the registration desk, but no additional authorization will be required in order to cast your vote.

Use of Proxies

Unless you tell us on the proxy card to vote differently, we plan to vote signed and returned proxies FOR the Board nominees for director, FOR Proposals 2, 3 and 5, and FOR a frequency of one year for Proposal 4, and in the discretion of the proxy holders as to any other matters that may properly come before the Annual Meeting.

Quorum Requirement

We need a quorum of stockholders to hold a valid Annual Meeting. A quorum will be present if the holders of at least a majority of the outstanding Common Stock entitled to vote at the meeting either attend the Annual Meeting in person or are represented by proxy at the Annual Meeting. Abstentions, broker non-votes (described below) and votes withheld are counted as present for the purpose of establishing a quorum.

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Vote Required for Action

Directors are elected by a majority of the votes cast in an uncontested election. Because the number of nominees properly nominated for the Annual Meeting is the same as the number of directors to be elected at the Annual Meeting, the election of directors is an uncontested election. As a result, any nominee who receives a majority of the votes cast with respect to his or her election at the Annual Meeting will be elected to the Board (or re-elected, in the case of any nominee who is an incumbent director). Incumbent nominees have tendered a contingent resignation which would become effective if (i) the nominee does not receive a majority of the votes cast with respect to his or her election at the Annual Meeting and (ii) the Board of Directors accepts such resignation. Adoption of Proposals 2 through 5 require the affirmative vote of the majority of shares present in person or represented by proxy and entitled to vote at the meeting.

Abstentions or Lack of Instructions to Banks, Brokers, or Employee Benefit Plan Trustees

Abstentions will not be counted as votes cast for the election of directors, and thus will have no effect on the election of directors. With respect to Proposals 2 through 5, abstentions will have the effect of a vote against such proposals.

A broker non-vote occurs when a bank, broker or other nominee holding shares on behalf of a stockholder does not receive voting instructions from the beneficial owner with respect to a non-routine matter to be voted on at the Annual Meeting by a specified date before the Annual Meeting. Banks, brokers and other nominees may vote undirected shares on matters deemed routine in accordance with New York Stock Exchange rules, but they may not vote undirected shares on matters deemed non-routine in accordance with such rules. For this purpose, the ratification of the appointment of the independent registered public accounting firm is considered a routine matter, but the election of directors, the advisory vote regarding executive compensation, the advisory vote regarding the frequency of executive compensation voting, and the approval of the Amendment to the FMC Corporation Incentive Compensation and Stock Plan are considered non-routine matters. In the event of a broker non-vote in the election of directors or with respect to Proposals 2 through 5 at the Annual Meeting, the broker non-vote will not have any effect on the outcome inasmuch as broker non-votes are not counted as votes cast or as shares present and entitled to be voted with respect to any matter on which the broker has expressly not voted.

If you are entitled to vote shares held under an employee benefit plan and you either do not direct the trustee by April 21, 2017 how to vote your shares, or if you vote on some but not all matters that come before the Annual Meeting, the trustee will, in the case of shares held in the FMC Corporation Savings and Investment Plan, vote your undirected shares in proportion to the votes received from other participants, and in the case of the Company's other employee plans, vote your shares in the trustee's discretion, except to the extent that the plan or applicable law provides otherwise.

Revoking a Proxy

You may revoke your proxy at any time before it is exercised. You can revoke a proxy by:

- Sending a written notice to the Corporate Secretary of FMC;
- Delivering a properly executed, later-dated proxy;
- Attending the Annual Meeting and voting in person, provided that you comply with the conditions set forth in the section of this proxy statement above entitled “How to Vote”; or
- If your shares are held through an employee benefit plan, your revocation must be received by the trustee by April 21, 2017.

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II. THE PROPOSALS TO BE VOTED ON

Proposal 1 Election of Directors

Nominees for Director

The Board of Directors consists of 11 directors, each of whom is elected to serve for a term of one year, expiring at the subsequent annual meeting of stockholders. The nominees for director this year are Pierre Brondeau, Eduardo E. Cordeiro, G. Peter D'Aloia, C. Scott Greer, K'Lynne Johnson, Dirk A. Kempthorne, Paul J. Norris, Robert C. Pallash, William H. Powell, and Vincent R. Volpe, Jr., each of whom is an incumbent director, and Margareth Øvrum, who was appointed to the Board of Directors in 2016. If elected, these directors' next term will expire at the 2018 Annual Meeting. Information about the nominees is contained in the section of this proxy statement entitled "Board of Directors".

The Board of Directors expects that all of the nominees will be able and willing to serve as directors. If any nominee becomes unavailable, the proxies may be voted for another person nominated by the Board of Directors to fill the vacancy, or the size of the Board of Directors may be reduced.

The Board of Directors recommends a vote FOR the election of Pierre Brondeau, Eduardo E. Cordeiro, G. Peter D'Aloia, C. Scott Greer, K'Lynne Johnson, Dirk A. Kempthorne, Paul J. Norris, Margareth Øvrum, Robert C. Pallash, William H. Powell and Vincent R. Volpe, Jr. to the Board of Directors as described above.

Proposal 2 Ratification of Appointment of Independent Registered Public Accounting Firm

The Audit Committee of the Board of Directors is directly responsible for the appointment, compensation, retention and oversight of the independent external audit firm retained to audit the Company's financial statements. The Audit Committee has approved KPMG LLP ("KPMG") continuing to serve as the Company's independent registered public accounting firm for 2017.

The Audit Committee periodically reviews the performance of the independent external audit firm. In conjunction with the mandated rotation of KPMG's lead engagement partner, the Audit Committee and its chairperson also evaluate and approve the selection of KPMG's new lead engagement partner.

The Audit Committee is responsible for the audit fee negotiations associated with the Company's retention of KPMG. For the years 2015 and 2016, KPMG's fees, all of which were approved by the Audit Committee, were as follows:

(\$000)	2016	2015
Audit Fees ⁽¹⁾	7,658	7,884
Audit Related Fees ⁽²⁾	232	921
Tax Fees ⁽³⁾	755	752
All Other Fees ⁽⁴⁾	536	455
TOTAL	9,181	10,012

Fees for professional services performed by KPMG for the integrated audit of the Company's annual consolidated financial statements included in the Company's Form 10-K filing and review of financial statements included in the (1) Company's Form 10-Q filings. The amount also includes other services that are normally provided by KPMG in connection with statutory and regulatory filings or engagements and, for 2015, audit services related to the acquisition of Cheminova A/S.

Fees for services performed by KPMG that are reasonably related to the performance of the audit or review of the (2) Company's financial statements. This includes employee benefit and compensation plan audits, as well as audit related services in connection with attestations by KPMG that are required by statute or regulation.

Fees for professional services performed by KPMG with respect to tax compliance, tax advice and tax planning. (3) This includes preparation of original and amended tax returns for the Company and its consolidated subsidiaries, refund claims, payment planning, and tax audit assistance.

Fees for other permissible work performed by KPMG that does not fall within the categories set forth above. For (4) the years listed above, this work consists of tax filings for individual employees involved in the Company's expatriate program.

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Pre-Approval of Independent Registered Public Accounting Firm Services

The Committee has adopted a Pre-Approval Policy with respect to audit and non-audit services performed by its independent registered public accounting firm. The following is a summary of the Policy.

Prior to the commencement of services for a given year, the Audit Committee will grant pre-approvals of expected services and estimated fees, as presented by the independent registered public accounting firm. The independent registered public accounting firm will routinely update the Committee during the year in which the services are performed as to the actual services provided and related fees pursuant to the Pre-Approval Policy.

Unexpected services or services for which the fees to be incurred would exceed pre-approved amounts, will require specific approval before the services may be rendered. Requests or applications to provide such services that require specific approval by the Audit Committee will be submitted to the Chairman of the Audit Committee and to the Company's Chief Financial Officer or his designee by the independent registered public accounting firm.

The request or application must include a statement as to whether, in the view of both the independent registered public accounting firm and the Chief Financial Officer or his designee, such request or application is consistent with the rules of the Securities and Exchange Commission ("SEC") regarding auditor independence. Authority to grant approval for such services has been delegated to the Chairman of the Audit Committee, provided that any such approval would then be reviewed by the full Committee at the next regularly scheduled meeting.

The Audit Committee has determined that the independence of KPMG has not been adversely impacted as a result of the non-audit services performed by such accounting firm.

We expect a representative of KPMG to attend the Annual Meeting. The representative will have an opportunity to make a statement if he or she desires and also will be available to respond to appropriate questions.

The Board of Directors recommends a vote FOR ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for 2017.

Proposal 3 Advisory (Non-Binding) Vote on Executive Compensation

In accordance with the requirements of Section 14A of the Securities Exchange Act of 1934 (the “Exchange Act”) and the related rules of the SEC, our Board of Directors is submitting a “Say on Pay” proposal to our stockholders for consideration. This proposal provides our stockholders the opportunity to cast a non-binding advisory vote on the executive compensation paid to the Company’s executive officers named in this proxy statement (“named executive officers” or “NEOs”).

This advisory vote on executive compensation is non-binding on the Board, will not overrule any decision by the Board and does not compel the Board to take any action. However, the Board and the Compensation and Organization Committee may consider the outcome of the vote when considering future executive compensation decisions. Specifically, to the extent there is any significant vote against the named executive officer compensation as disclosed in this proxy statement, the Board will consider our stockholders’ concerns and the Compensation and Organization Committee will evaluate whether any actions are necessary to address those concerns.

The Board and the Compensation and Organization Committee believe that the Company’s executive compensation programs and policies and the compensation decisions for 2017 described in this proxy statement (i) support the Company’s business objectives, (ii) link the interests of the executive officers and stockholders, (iii) align NEO pay with individual and the Company’s performance, without encouraging excessive risk-taking that could have a material adverse effect on the Company, (iv) provide NEOs with a competitive level of compensation and (v) promote retention of the NEOs and other senior leaders. In 2016, 45.73% of the shares voting approved the executive compensation discussed and disclosed in the Compensation Discussion and Analysis, the Summary Compensation Table and other related tabular and narrative disclosures contained in the 2016 Proxy Statement.

For the reasons discussed above (and further amplified in the compensation disclosures made in this proxy statement), the Board recommends that stockholders vote in favor of the following resolution:

RESOLVED that the stockholders approve, on an advisory basis, the compensation of the Company’s named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission (which disclosure includes the Compensation Discussion and Analysis, the Summary Compensation Table and other related tabular and narrative disclosures set forth in this proxy statement).

The Board of Directors recommends a vote FOR the above resolution.

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Proposal 4 Advisory (Non-Binding) Vote on the Frequency of Executive Compensation Voting

In accordance with the requirements of the Exchange Act and the related rules of the SEC, our stockholders have the opportunity to indicate how frequently we should seek an advisory vote on the compensation of our named executive officers, as disclosed pursuant to the SEC's compensation disclosure rules. By voting on this Proposal 4, stockholders may indicate whether they would prefer an advisory vote on named executive officer compensation every one, two or three calendar years.

Our stockholders voted on a similar proposal in 2011 with the majority voting to hold the say-on-pay vote every year. We continue to believe that say-on-pay votes should be conducted every year so that our stockholders may annually express their views on our executive compensation program.

Accordingly, the Board recommends that stockholders vote in favor of the following resolution:

RESOLVED that the Company hold a stockholder advisory vote to approve the compensation of the Company's named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, with a frequency of once every one year, two years or three years, whichever receives the affirmative vote of the majority of the shares present in person or represented by proxy and entitled to vote at the meeting.

You may cast your vote on your preferred voting frequency by choosing the option of one year, two years, three years, or abstain from voting. Because this vote is advisory and not binding on the Board or the Company in any way, the Board may decide that it is in the best interests of our stockholders and the Company to hold an advisory vote on executive compensation more or less frequently than the option approved by our stockholders.

The Board of Directors unanimously recommends a vote FOR an advisory vote on executive compensation once every calendar year.

Proposal 5 Approval of Amendment and Restatement of the FMC Corporation Incentive Compensation and Stock Plan

At its meeting held on February 28, 2017, the Board of Directors adopted a resolution approving an amendment and restatement of the FMC Corporation Incentive Compensation and Stock Plan (the "Plan") and directing that such amendment and restatement be submitted to the stockholders for their approval at the Annual Meeting. As a successor to prior plans dating back to 1995, the Plan provides for the grant of cash and equity-based awards to closely link the long-term financial rewards of the recipient with increases in Company stockholder value. The Board continues to believe that stock-based incentives are important factors in attracting, retaining and rewarding officers, employees,

directors and consultants and closely aligning their financial interests with those of the Company's stockholders. The Board believes that the capacity added by the proposed amendment and restatement will enhance the Company's ability to attract and retain effective and capable officers, employees, directors and consultants who will add to the continued growth and success of the Company.

The proposed amendment and restatement of the Plan ("Restatement"), summarized below, will make 1,250,000 additional shares available for issuance while implementing a number of best practices that protect stockholder interest.

Summary of Modifications to Plan

Conservative Request for Additional Shares

The Restatement seeks to make an additional 1,250,000 shares available for issuance under the Plan, bringing the total number of available shares to approximately 5,584,000. We anticipate that this will be sufficient to cover all grants made over the next three to four years, which are necessary in order to attract and retain talented executives. Once the increased share reserve is exhausted, we will again need to seek stockholder approval to authorize more shares. Requesting stockholder approval for only a limited number of shares at a given time means that stockholders will have the chance to weigh in regularly on our incentive compensation program.

Prohibition on Liberal Share Recycling

The Plan no longer allows liberal share recycling. By prohibiting liberal share recycling, stockholders will have a better sense of the size of the awards we are issuing and how many shares we have left in the share pool at any given time.

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Fungible Share Pool

Previously, the Plan limited the number of shares that could be granted as full-value awards and those that could be granted as stock options or stock appreciation rights (“SARs”). The Restatement introduces a fungible share pool with no such restrictions to give the Committee greater flexibility in determining the right mix of equity awards to incentivize participants. However, to the extent the Committee uses the share pool to grant more valuable awards, the share pool will be depleted quicker. Each full value share grant will reduce the share pool by two shares, while each option grant will reduce the pool by one share.

Expanded Performance Metrics and More Robust Annual Award Limits

Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”) limits the extent to which a public company’s compensation to executives is deductible, with an exception for qualified “performance-based compensation”. In order to designate awards as qualified performance-based compensation, the Company must establish performance metrics and impose annual award limits. We have expanded the performance metrics that can be used for this purpose, as discussed in the section of this proxy statement entitled “Approval of Amendment and Restatement of the FMC Corporation Incentive Compensation and Stock Plan—Summary of Plan Provisions—Performance Metrics”.

In addition, we have clarified in the Restatement annual caps for awards that may qualify as performance-based compensation. First, a participant may not receive stock options and SARs covering more than 500,000 shares of Common Stock in any year. Second, a participant may not receive awards of restricted stock units (“RSUs”) or restricted stock with respect to more than 500,000 shares of Common Stock in any year. Third, a participant may not be paid more than eleven million dollars in any year in respect of management incentive awards.

Additional Award Limits for Non-Employee Directors

The Restatement caps awards granted to non-employee directors (in their capacity as such) at \$500,000 annually, based on the grant-date fair value of the awards, as measured for accounting purposes. This limit on non-employee director awards excludes awards made to a non-executive chairman of the Board in that capacity.

Minimum Vesting Requirements

The Committee historically imposed a minimum vesting period of at least twelve months on most awards through individual award agreements, in order to promote the retention of executives and directors. In line with best practices,

the Restatement hardwires a minimum vesting requirement into the Plan so that awards granted will vest no sooner than twelve months following grant. Nonetheless, in order to maintain the flexibility to make special or one-time grants with shorter vesting periods in limited instances, the Committee retains the right to waive minimum vesting requirements with respect to a small percentage of awards (five percent of shares available for issuance and five percent of shares that again became available for issuance in the event of an award's forfeiture, cancellation or expiration).

No Automatic Acceleration upon a Change in Control

The Restatement reflects the Company's current practice not to provide for automatic acceleration of vesting of awards on a change in control. Rather, we believe that it is important for the Committee to maintain flexibility as to the proper treatment of awards upon a change in control, so the Plan leaves this to the Committee's judgment. In practice, we have entered into agreements with our NEOs that generally provide that awards only vest on an accelerated basis upon a change in control if the NEO also experiences a severance event (so-called "double trigger" arrangements).

Express Prohibition on Option and SAR Repricing

The Restatement expressly prohibits the Company from cashing out underwater options or SARs without stockholder approval. Previously, the Plan had prohibited the Committee from repricing a stock option without stockholder approval by (a) reducing its exercise price after the grant date or (b) canceling the option and replacing it with an option with a lower exercise price. The Restatement extends both of these prohibitions to SARs. In addition, it prohibits the Committee from, without stockholder approval, making a cash payment to a participant in exchange for his or her agreement to cancel a stock option or SAR where the exercise price is greater than the current fair market value.

Summary of Plan Provisions

The principal provisions of the Plan are summarized below. This summary is qualified in its entirety by reference to the actual Plan as revised by the Restatement proposed in this proxy statement, a copy of which is attached to the electronic copy of this proxy statement filed with the Securities and Exchange Commission ("SEC") and may be accessed from the SEC's home page (www.sec.gov) or the Investor Relations link of FMC's website (www.fmc.com). In addition, a copy of the Plan may be obtained upon written request to: Corporate Secretary, FMC Corporation, FMC Tower at Cira Centre South, 2929 Walnut Street, Philadelphia, PA, 19104.

Administration

The Plan vests broad powers in a committee to administer and interpret the Plan. Currently, that committee is the Compensation and Organization Committee of the Board of Directors. Except when limited by the terms of the Plan, the Committee has the authority to, among other things: select the persons to be granted awards; determine the type, size and term of awards; determine the time when awards will be granted and any conditions for receiving awards; establish performance objectives and conditions for earning awards; determine

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whether such performance objectives and conditions have been met; amend the plan at any time; and determine when awards may be settled in cash, stock or a combination of the two. Under Delaware Law, the Committee may delegate to officers of the Company the authority to grant awards to employees who are not executive officers. In those cases, any references to the Committee will also include the delegated officers.

Under the Plan, the Committee has discretion in making adjustments to outstanding awards; provided, however, that without stockholder approval, the Committee is not permitted to increase the number of shares of Common Stock available for issuance under the Plan or to reprice a previously granted stock option or SAR whose exercise price is higher than the current fair market value of a share. The prohibition on repricing without stockholder approval includes: reducing the instrument's exercise price, replacing it with an instrument that has a lower exercise price or making a cash payment to the participant in exchange for his or her cancellation of the instrument.

Nevertheless, the Plan specifically provides the Committee with discretion to make equitable adjustments or substitutions with respect to the number, kind and price of shares subject to outstanding awards and to the number of shares available for issuance under the Plan in the event of certain corporate events or transactions, including, but not limited to, stock splits, mergers, consolidations, separations, including spin-offs or other distribution of stock or property of FMC, reorganization, or liquidation.

The Plan is not a tax-qualified deferred compensation plan under Section 401(a) of the Code and is not subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended.

Types of Awards

The Plan provides for the grant of five basic types of awards to key participants selected by the Committee: (i) stock options, (ii) restricted stock, (iii) RSUs, (iv) SARs, and (v) management incentive awards, which are payable in cash. The Committee may designate awards of restricted stock, RSUs or management incentive awards as qualified performance-based awards, which will vest only if the Committee certifies that pre-determined performance goals have been achieved. In addition, the Plan gives the Committee discretion to craft other types of awards as it deems appropriate.

Stock Options

The Plan allows for the grant of stock options, which may be "incentive stock options" within the meaning of Section 422 of the Code or nonqualified stock options. Stock options must have an exercise price of no less than 100 percent of the fair market value of a share of Common Stock on the date of grant. The option exercise price is payable in cash or, with the consent of the Committee, in the form of shares of Common Stock, through a net cashless exercise of the

option (which involves the cancellation of a portion of the option to cover the cost of exercising the balance of the option), or through a loan made by a broker. If a participant neglects to exercise an in-the-money option by the end of the term, then immediately before the option expires, it will be automatically exercised through a net cashless exercise. An in-the-money option is an option with an exercise price that is lower than the then-fair market value of a share of Common Stock.

Restricted Stock

The Plan allows for the grant of shares of restricted stock. An award of restricted stock is a grant of outstanding shares of Common Stock which are subject to vesting conditions and transfer restrictions. Generally, shares of restricted stock that are not vested at the time of an employee's termination of employment will be forfeited.

Restricted Stock Units

The Plan allows for the grant of RSUs. RSUs represent a right to receive from the Company, following fulfillment of applicable vesting conditions, either a specified number of shares of Common Stock or a cash payment equal to the market value (at the time of the distribution) of a specified number of shares of Common Stock. Whether RSUs are payable in Common Stock and/or cash is determined by the Committee in its discretion. Generally, RSUs that are not vested at the time of an employee's termination of employment will be forfeited.

SARs

The Plan allows for the grant of SARs. A SAR represents the right to receive any appreciation in a share of Common Stock over a particular time period. These awards are intended to mirror the benefit the employee would have received if the Committee granted the employee a stock option.

Management Incentive Awards

The Plan allows for the grant of management incentive awards. Management incentive awards represent the right to receive a specified amount of cash upon the achievement of performance goals approved by the Committee. We grant these awards under our Annual Incentive program, described in more detail in the section in this proxy statement entitled "Compensation Discussion and Analysis—Components of Executive Compensation—Annual Incentive".

Eligibility

Key employees, directors and consultants of FMC and its divisions, subsidiaries and affiliates (including partnerships, joint ventures or other entities in which FMC has a substantial investment) are eligible to be granted awards under the Plan. As of February 28, 2017, approximately 200 people were eligible to participate in the Plan, including the Company's ten non-employee directors. The Committee selects participants from this pool of eligible individuals.

Expiration of Awards

Options and SARs typically expire ten years after grant, or earlier if the participant terminates employment before that time, unless otherwise provided in a participant's award agreement.

Vesting

The Committee determines the vesting conditions for awards. A time-based condition requires that the participant be employed or otherwise in the service of the Company for a certain amount of time in order for the award to vest. Equity awards granted under the Plan must have a minimum vesting period of twelve months. However,

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the Committee has discretion to vest a small number of equity awards sooner than twelve months: five percent of the shares available for issuance on April 25, 2017, and five percent of the shares that again became available for issuance in the event of an award's forfeiture, cancellation, or expiration. A performance-based condition requires that certain performance criteria be achieved in order for the award to vest. For a discussion of the performance-based vesting criteria the Committee may impose upon an award, see the section of this proxy statement entitled "Approval of Amendment and Restatement of the FMC Corporation Incentive Compensation and Stock Plan—Summary of Plan Provisions—Performance Metrics".

Shares of Stock Available for Issuance

As of February 28, 2017, 3,766,000 shares remained available for future awards under the Plan. The number of shares purchasable under all outstanding vested and unvested options granted under the Plan was 2,990,000. The number of shares underlying all outstanding RSUs under the Plan was 1,019,000, assuming all RSUs were settled at the highest return rate.

The Restatement seeks stockholder approval to authorize an additional 1,250,000 shares for issuance.

The Committee may utilize any of these shares toward the grant of any type of award under the Plan. If a stock option or SAR is granted, each share of stock underlying the award will deplete the available pool by one share. However, if any other type of award is granted, each share of stock underlying the award will deplete the available pool by two shares.

On February 28, 2017, the closing price per share of the Common Stock on the NYSE was \$57.62.

Award Limits

In a particular calendar year, no participant may (a) receive stock option and SAR awards covering more than 500,000 shares of Common Stock, (b) receive RSU or restricted stock awards with respect to more than 500,000 shares of Common Stock, or (c) be paid more than eleven million dollars in respect of management incentive awards. No non-employee director may receive, in his or her capacity as a non-employee director, awards in any calendar year that exceed \$500,000 in grant-date fair value, as measured for accounting purposes. This limit on non-employee director awards excludes awards made to a non-executive chairman of the Board in that capacity.

Performance Metrics

The following are performance metrics that the Committee may utilize in order to designate awards as qualified performance-based compensation: (i) the attainment of certain target levels of, or a specified percentage increase in, net sales, unit sales, revenues, market share, earnings, operating earnings, income before income taxes, net income, pretax income before allocation of corporate overhead and bonus, earnings before income tax, earnings before interest and taxes and earnings before interest, taxes, gross margins, depreciation and amortization, or a combination of any or all of the foregoing; (ii) the attainment of certain target levels of, or a percentage increase in, after-tax or pre-tax profits including that attributable to continuing and/or other operations; (iii) the attainment of certain target levels of, or a specified increase in, cash outflow or operational cash flow; (iv) the achievement of a certain level of, reduction of, or other specified objectives with regard to limiting the level of increase in, all or a portion of, the Company's bank debt or other long-term or short-term public or private debt or other similar financial obligations of the Company, which may be calculated net of such cash balances and/or other offsets and adjustments as may be established by the Committee; (v) the attainment of a specified level of, or specified percentage increase in, earnings per share or earnings per share from continuing operations; (vi) the attainment of certain target levels of, or a specified increase in, return on capital employed or return on invested capital or assets; (vii) the attainment of certain target levels of, or a percentage increase in, after-tax or pre-tax return on stockholders' equity or total shareholder return; (viii) the attainment of certain target levels of, or a specified increase in, economic value added targets based on a cash flow return on investment formula; (ix) the growth in the value of an investment in the shares of Common Stock assuming the reinvestment of dividends; (x) the attainment of a specified level of, or specified percentage rate of change in, all or certain costs, inventory, assets (specified or total) and/or working capital; and/or (xi) the attainment of a specified level of, or specified percentage rate of change in, customer satisfaction, employee satisfaction, diversity, and/or retention.

These performance metrics may be measured on a consolidated basis, or only with respect to certain entities, divisions or operational units. In addition, they may be measured in absolute terms, relative to prior periods, and/or relative to the performance of other peer companies or indices selected by the Committee. If applicable, the performance metrics may be measured on an aggregate or per share basis.

The Committee may adjust these performance metrics to exclude the effects (either on a before or after-tax basis) of any one or more of: (i) "extraordinary items" (meaning all items determined to be extraordinary or unusual in nature or infrequent in occurrence or related to a corporate transaction (including a disposition or acquisition) or related to a change in accounting principles, all as determined in accordance with standards established by the Accounting Principles Board), (ii) business restructurings, discontinued operations, non-operating pension and post-retirement charges, changes in foreign currency exchange rates, changes in estimates of tax matters related to prior years, changes in the realizability of deferred tax assets, changes in laws or regulations, or (iii) to the extent consistent with any applicable requirements of Section 162(m) of the Code, such other items specified by the Committee. These adjustments may be applied on a consolidated basis, or only with respect to certain entities, divisions or operational units.

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Recycling of Shares

Liberal share recycling is prohibited under the Plan. If a stock option or SAR is exercised, the full number of shares subject to the exercise will count against the number of shares remaining available for issuance under the Plan and cannot be recycled back into the available pool of shares. This is the case even if the participant satisfied the option price of the stock through a net cashless exercise of the option (cancellation of a portion of the option to cover the cost of exercising the balance of the option) or by delivering shares to the Company. Similarly, even if the Company delivered a net number of shares to a participant upon exercise of a SAR, the full number of shares subject to that SAR will count against the number of shares remaining for issuance under the Plan. Shares withheld to satisfy tax withholding requirements, and shares repurchased on the open market by the Company using proceeds from the exercise of a stock option, will also count against the number of shares remaining for issuance under the Plan.

Share recycling is permitted in the limited circumstance when an award is forfeited, cancelled or has expired. The shares subject to such an award will become available again for issuance under the Plan. Each full value grant of such shares will reduce the share pool by two shares, while each option grant will reduce the pool by one share.

Federal Tax Consequences

Under the Code as currently in effect, a grant under the Plan of stock options, SARs, restricted stock or RSUs would have no federal income tax consequence at the time of grant. All amounts taxable as ordinary income to participants under the Plan in respect of awards are expected to be deductible by FMC as compensation at the same time the participant recognizes the ordinary income, subject to the limitations of Section 162(m) of the Code.

Options and SARs

Upon exercise of a nonqualified stock option, the excess of the fair market value of the stock at the date of exercise over the exercise price is taxable to a participant as ordinary income. Similarly, upon exercise of a SAR, the value of the shares or cash received is taxable to the participant as ordinary income. Upon exercise of an incentive stock option that a participant has held for at least two years after the date of grant and at least one year after the date of exercise, the participant will not have taxable income, except that alternative minimum tax may apply. When there is a disposition of the shares subject to the incentive stock option, the difference, if any, between the sale price of the shares and the exercise price of the option, is treated as long-term capital gain or loss. If the participant does not satisfy these holding period requirements, a “disqualifying disposition” occurs and the participant will recognize ordinary income in the year of the disposition in an amount equal to the excess of the fair market value of the shares at the time the option was exercised over the exercise price of the option. Any gain realized in excess of the fair market value at the time of exercise will be short or long-term capital gain, depending on whether the shares were sold more than one year after the option was exercised.

Restricted Stock

Unless the participant elects to recognize its value as income at the time of the grant, restricted stock is taxable to a participant as ordinary income when it becomes vested.

RSUs

When shares of Common Stock or cash with respect to RSU awards are delivered to the participant, the value of the shares or cash is taxable to the participant as ordinary income. Delivery of shares or cash to participants under RSUs occurs either upon vesting or upon conclusion of any applicable deferral period, such as upon retirement from (or other termination of service on) the Board of Directors in the case of RSUs granted to Board members.

Adjustments

The Committee may adjust the awards of any participant or performance measures. To the extent that the exercise of such discretion subjects FMC to the limitation on its tax deduction of a participant's compensation as set forth in Section 162(m) of the Code, the Committee believes that it is in the best interest of FMC and its stockholders to preserve the Committee's authority to so act and that, in any event, such limitation should not have a material effect on FMC's tax liability or earnings.

Change in Control

In the event of a change in control of the Company, there is no automatic acceleration of the vesting of awards granted under the Plan. To the extent a participant's award agreement does not provide for particular treatment upon a change in control, the Committee will have discretion as to how to treat the awards. The Committee may make substitutions, adjustments or settlements of outstanding awards in its discretion upon a change in control, subject to applicable law. The Committee may cancel any outstanding vested stock options or SARs that have not been exercised prior to the change in control, irrespective of the terms set forth elsewhere in the Restatement or in a participant's award agreement.

Upon a change in control, the Committee may terminate the award cycle early for any outstanding management incentive awards. The participant will receive the greater of (a) an amount equal to what he or she would have earned had the Company achieved target performance at the end of the full award cycle, pro-rated to reflect the portion of the

award cycle that elapsed prior to the change in control, or (b) the amount that he or she otherwise would have earned based on the actual achievement of any performance goals prior to the change in control, unless the Committee determines otherwise.

Clawback

The awards are subject to recoupment by the Company if a participant engages in serious misconduct or if otherwise required by the Company's clawback policy.

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Equity Compensation Plan Information

The table below sets forth information with respect to compensation plans under which equity securities of the Company are authorized for issuance as of December 31, 2016. All of the equity compensation plans pursuant to which we are currently granting equity awards have been approved by stockholders:

Plan Category <i>(Shares in thousands, except per share data)</i>	Number of securities to be issued upon exercise of outstanding options and restricted stock unit awards (A)⁽¹⁾	Weighted-average exercise price of outstanding option awards (B)⁽²⁾	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in Column (A))
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