

Sensata Technologies Holding N.V.
Form PRE 14A
April 07, 2017
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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

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 §240.14a-12

SENSATA TECHNOLOGIES HOLDING N.V.

(Name of Registrant as Specified in its Charter)

Not Applicable

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

2) Aggregate number of securities to which transaction applies:

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

4) Proposed maximum aggregate value of transaction:

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Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

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April 20, 2017

Dear Shareholders:

You are cordially invited to attend the 2017 Annual General Meeting of Shareholders of Sensata Technologies Holding N.V. (the “Company”), to be held on May 18, 2017, beginning at 6:00 p.m., Central European Time, at the offices of Loyens & Loeff N.V., located at Fred. Roeskestraat 100, 1076 ED Amsterdam, The Netherlands. Information about the meeting and the various matters on which the shareholders will vote is included in the Notice of Meeting and Proxy Statement which follows. Also included is a proxy card and postage-paid return envelope. Please sign, date, and mail the enclosed proxy card in the return envelope provided, as promptly as possible, whether or not you plan to attend the meeting. A copy of the Company’s 2016 Annual Report is also enclosed for your review.

Sincerely,

Paul Edgerley
Chairman of the Board

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NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

April 20, 2017

TO THE SHAREHOLDERS OF SENSATA TECHNOLOGIES HOLDING N.V.:

Notice is hereby given that the 2017 Annual General Meeting of Shareholders (the "General Meeting") of Sensata Technologies Holding N.V. (the "Company," "Sensata," "we," "our," or "us") will be held on May 18, 2017, beginning at 6:00 p.m. Central European Time, at the offices of Loyens & Loeff N.V., located at Fred. Roeskestraat 100, 1076 ED Amsterdam, The Netherlands, for the following purposes:

1. To elect the ten director nominees named in the Proxy Statement to hold office until the 2018 Annual General Meeting of Shareholders;
2. To ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2017;
- 3a. To discuss implementation of the remuneration policy in 2016;
To adopt our Dutch statutory annual accounts for fiscal year 2016, to discuss the annual report of our directors for fiscal year 2016, to authorize the preparation of our Dutch statutory annual accounts and the annual report of our directors for fiscal year 2016 in the English language, and to discuss our reservation and dividend policy;
- 3b.
4. To discharge members of the Board of Directors from certain liabilities for fiscal year 2016;
To extend to the Board of Directors for a period of 18 months from the date of the General Meeting the authority to repurchase up to 10% of the outstanding ordinary shares, as determined on the record date, in the capital of the Company, on the open market, through privately negotiated transactions or in one or more self tender offers, at prices per share not less than the nominal value of a share and not higher than 110% of the market price at the time of the transaction;
5. To approve executive compensation on an advisory basis;
To amend the Company's Articles of Association to change its registered office to Hengelo, The Netherlands and to authorize each member of the Board of Directors and each employee of Loyens & Loeff N.V. to execute the deed of amendment; and
6. To transact such other business as may properly come before the General Meeting or any adjournments thereof.

The Board of Directors recommends a FOR vote for each of the director nominees with respect to proposal (1), and a FOR vote for each of proposals (2), (3b), (4), (5), (6), and (7) above.

Important Notice Regarding the Availability of Proxy Materials for the Annual General Meeting of Shareholders to be held on May 18, 2017: Our Notice of Annual General Meeting of Shareholders, Proxy Statement, and Annual Report for fiscal year 2016 are available at <http://annualmeeting.sensata.com>.

Copies of the agenda for the General Meeting and related documents may be obtained free of charge at our offices in Hengelo, The Netherlands and Attleboro, Massachusetts by shareholders and other persons entitled to attend the General Meeting and their representatives as of the date hereof until the close of the General Meeting. Copies of these documents are also available on our website (www.sensata.com) or by contacting us at Sensata Technologies Holding N.V., c/o Sensata Technologies, Inc., Attention: Investor Relations, 529 Pleasant Street, Attleboro, Massachusetts 02703, or investors@sensata.com.

The Board of Directors has determined that all holders of ordinary shares of the Company as of the close of business on April 20, 2017 according to American Stock Transfer & Trust Company or our shareholders' register in The Netherlands, or such shareholders' proxies, are entitled to receive notice of, and to attend, address, and vote at, the General Meeting and any adjournments thereof.

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In accordance with our Articles of Association, if you wish to attend the General Meeting you must notify the Board of Directors of your intention no later than May 17, 2017, by submitting your name and number of shares beneficially owned to: Sensata Technologies Holding N.V., c/o Sensata Technologies, Inc., Attention: Investor Relations, 529 Pleasant Street, Attleboro, Massachusetts 02703, or to investors@sensata.com. If you own your ordinary shares through a broker and you wish to attend the General Meeting, you must provide us with appropriate evidence of ownership of and authority to vote the shares no later than May 17, 2017. Access to the General Meeting is permitted only after verification of personal identification.

If you do not plan to attend the General Meeting, please complete, date and sign the enclosed proxy and return it promptly in the enclosed envelope, which needs no postage if mailed in the United States. If you later desire to revoke your proxy, you may do so at any time before it is exercised.

* * * *

By Order of the Board of Directors,

Paul Edgerley
Chairman of the Board

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Sensata Technologies Holding N.V.
Jan Tinbergenstraat 80, 7559 SP Hengelo
The Netherlands
31-74-357-8000

PROXY STATEMENT
FOR
ANNUAL GENERAL MEETING OF SHAREHOLDERS
To Be Held On May 18, 2017

We are sending you our proxy materials in connection with the solicitation of the enclosed proxy by the Board of Directors of Sensata Technologies Holding N.V. (the "Company," "Sensata," "we," "our," or "us") for use at the 2017 Annual General Meeting of Shareholders (the "General Meeting"), and at any adjournments thereof.

If multiple shareholders reside at a shared address, only one copy of the proxy materials is being distributed per address, unless we have received contrary instructions from one or more of these shareholders. We will undertake to deliver promptly upon written or oral request a separate copy of the proxy materials to a shareholder at a shared address to which a single copy of these documents was delivered. Shareholders may make such a request, or modify a previous request, by contacting us at Sensata Technologies Holding N.V., c/o Sensata Technologies, Inc., Attention: Investor Relations, 529 Pleasant Street, Attleboro, Massachusetts 02703, +1 (508) 236-3800, or investors@sensata.com.

Attending the General Meeting

The General Meeting will be held on May 18, 2017, at 6:00 p.m. Central European Time, at the offices of Loyens & Loeff N.V., located at Fred. Roeskestraat 100, 1076 ED Amsterdam, The Netherlands, to consider the matters set forth in the Notice of Annual General Meeting of Shareholders. This Proxy Statement and the form of proxy enclosed are being mailed to shareholders with our 2016 Annual Report commencing on or about April 20, 2017.

In accordance with our Articles of Association, shareholders must inform us in writing of their intention to attend the General Meeting. Such notice should be sent to: Sensata Technologies Holding N.V., c/o Sensata Technologies, Inc., Attention: Investor Relations, 529 Pleasant Street, Attleboro, Massachusetts 02703 or investors@sensata.com. If you own your ordinary shares through a broker and you wish to attend the General Meeting, you must also provide us with appropriate evidence of ownership of and authority to vote the shares no later than May 17, 2017. Access to the General Meeting is permitted only after verification of personal identification.

Representatives of our independent auditor for fiscal year 2016 are expected to be present at the General Meeting. These representatives will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Shareholders Entitled to Vote

Only shareholders of record of the ordinary shares of the Company, €0.01 nominal value per share (the "ordinary shares"), at the close of business on April 20, 2017 according to American Stock Transfer & Trust Company, LLC, our registrar and transfer agent, or our shareholders' register in The Netherlands, or such shareholders' proxies, will be entitled to attend and vote at the General Meeting. Each ordinary share entitles the holder thereof to one vote on each matter that is voted on at the General Meeting. The number of outstanding ordinary shares entitled to vote on each proposal at the General Meeting is [***].

There are 178,562,449 legally issued ordinary shares under Dutch law, which, as of March 31, 2017, includes 7,412,147 legally issued ordinary shares that we have repurchased but that have not been legally retired and 125,915 legally issued ordinary shares that have been forfeited but not yet legally retired.

Street Name Holders and Record Holders

All of the ordinary shares of the Company traded on the New York Stock Exchange are held by Cede & Co. as nominee shareholder for the Depository Trust Company (the "DTC"). If you own ordinary shares through a broker, the registered holder of those ordinary shares in the book entry system of the DTC is Cede & Co. as the broker's nominee. Such ordinary shares are often referred to as held in "street name," and you, as the beneficial owner of those ordinary shares, do not appear in the book entry system of the DTC. For street name ordinary shares, there is a

two-step process for distributing our proxy materials and tabulating votes.

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Brokers inform us as to how many of their clients own ordinary shares in street name, and the broker forwards our proxy materials to those beneficial owners. If you receive our proxy materials, including a voting instruction card, from your broker, you should vote your ordinary shares by following the procedures specified on the voting instruction card. The ordinary shares represented by your properly signed proxy card will be voted in accordance with your directions. Shortly before the General Meeting, your broker will tabulate the votes it has received, and will submit a proxy card to us reflecting the aggregate votes of the street name holders. If you plan to attend the General Meeting and vote your street name ordinary shares in person, you should contact your broker to obtain a broker's proxy card and bring it to the General Meeting.

How to Vote

You can vote at the General Meeting in person or by proxy. We recommend that you vote by proxy even if you plan to attend the General Meeting. You can always attend the General Meeting and revoke your proxy by voting in person.

There are two ways to vote by proxy:

• **By Internet**—You can vote by going to the website www.voteproxy.com and following the instructions on the enclosed proxy card; or

• **By mail**—You can vote by completing, signing, dating, and mailing the enclosed proxy card.

By giving us your proxy, you are authorizing the individuals named on the proxy card, the proxies, to vote your ordinary shares in the manner you indicate. With respect to proposal (1) to be voted on by our shareholders, you may vote "FOR" the election of all ten director nominees, WITHHOLD authority to elect all ten director nominees, or indicate individual director nominees for whom you wish to withhold authority to elect. You may vote "FOR," "AGAINST," or "ABSTAIN" from voting on each of the proposals (2) through (7).

If you vote by proxy without indicating your instructions, your shares will be voted FOR:

- The election of the ten director nominees per the recommendation of the Board of Directors;
- The ratification of the appointment of Ernst & Young LLP as our independent auditor for fiscal year 2017;
- The adoption of our Dutch statutory annual accounts for fiscal year 2016 and the authorization of the preparation of our Dutch statutory annual accounts and annual report for fiscal year 2016 in the English language;
- The discharge of the members of the Board of Directors from certain liabilities for fiscal year 2016;
- The extension to the Board of Directors for a period of 18 months from the date of the General Meeting the authority to repurchase up to 10% of the outstanding ordinary shares, as determined on the record date, in the capital of the Company;
- The approval of the 2016 compensation of the Named Executive Officers in an advisory vote; and
- The amendment of the Company's Articles of Association in order to change the Company's registered office to Hengelo, The Netherlands and to authorize each member of the Board of Directors and each employee of Loyens & Loeff N.V. to execute the deed of amendment.

Revocation of Proxies

A shareholder may revoke a proxy at any time prior to its exercise by (i) giving to our Vice President, Investor Relations a written notice of revocation of the proxy's authority, (ii) submitting a duly elected proxy bearing a later date, or (iii) attending the General Meeting and voting in person. Your attendance at the meeting alone will not revoke your proxy.

Quorum and Votes Necessary for Action to be Taken

Our directors are elected by the affirmative vote of a majority of votes cast in person or by proxy at the General Meeting and entitled to vote. Our shareholders may set aside these binding nominations for any of the candidates by a vote of at least two-thirds of the votes cast at a meeting representing more than one-half of the issued capital, in which case a new list of nominees will be prepared by the Board of Directors for such vacant position and will be included in the agenda for a subsequent shareholders' meeting.

The affirmative vote of a majority of the votes cast in person or by proxy at the General Meeting and entitled to vote on the proposal is required to approve each of the other proposals (including the advisory proposal) set forth in this Proxy Statement.

Although there is no quorum requirement under our Articles of Association or Dutch law, ordinary shares abstaining from voting will count as ordinary shares present at the General Meeting but will not count for the purpose of determining the number of votes cast. Broker non-votes will not count as ordinary shares present at the General Meeting or for the purpose of determining the number of votes cast. “Broker non-votes” are ordinary shares that are held in “street name” by a bank or brokerage firm that indicates on its proxy that it does not have discretionary authority to vote on a particular matter.

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Each ordinary share will be counted as one vote according to the instructions contained on a properly completed proxy card or on a ballot voted in person at the General Meeting. Ordinary shares will not be voted in favor of a proposal if either (1) the shareholder abstains from voting on a particular matter or (2) the ordinary shares are broker non-votes.

Other Matters

As of the date of this Proxy Statement, the Board of Directors does not know of any business that will be presented for consideration at the General Meeting other than the matters described in this Proxy Statement. If any other matters are properly brought before the General Meeting, the persons named in the enclosed form of proxy will vote the proxies in accordance with their best judgment.

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PROPOSAL 1—ELECTION OF DIRECTORS

We maintain a single-tier Board of Directors (the "Board"), composed of both executive and non-executive directors. Under Dutch law, the Board of Directors is responsible for the implementation of our policies and day-to-day management. The non-executive directors supervise and provide guidance to the executive director(s).

Michael J. Jacobson, who has served as a director of the Company since our initial public offering in March 2010, has not been nominated for re-election and, accordingly, his service on the Board will terminate at the General Meeting.

The director nominees elected to the Board will serve until the 2018 Annual General Meeting of Shareholders, or until their respective successors are elected and qualified, or until his or her earlier death, resignation, or removal. In July 2015, we implemented a policy that specifies that directors may only serve until reaching 75 years of age or 12 years of service, whichever comes first. Under Dutch law and our Articles of Association, the Board of Directors has the right to make binding nominations for open positions on the Board. The binding nature of the Board's nominations may be overridden by a vote of two-thirds of the votes cast at a meeting if such two-thirds vote constitutes more than one-half of the issued share capital of the Company. In that case, a new list of nominees will be prepared by the Board of Directors for such vacant position and will be included in the agenda for a subsequent meeting of shareholders.

In accordance with the recommendation of the Nominating and Governance Committee of the Board of Directors, the Board has adopted unanimous resolutions to make the following binding nominations:

1. For the first open position, the Board has nominated Paul Edgerley to serve as a non-executive director for a term of approximately one year, ending on the date of the 2018 Annual General Meeting of Shareholders.
2. For the second open position, the Board has nominated Martha Sullivan to serve as an executive director for a term of approximately one year, ending on the date of the 2018 Annual General Meeting of Shareholders.
3. For the third open position, the Board has nominated Beda Bolzenius to serve as a non-executive director for a term of approximately one year, ending on the date of the 2018 Annual General Meeting of Shareholders.
4. For the fourth open position, the Board has nominated James E. Heppelmann to serve as a non-executive director for a term of approximately one year, ending on the date of the 2018 Annual General Meeting of Shareholders.
5. For the fifth open position, the Board has nominated Charles W. Peffer to serve as a non-executive director for a term of approximately one year, ending on the date of the 2018 Annual General Meeting of Shareholders.
6. For the sixth open position, the Board has nominated Kirk P. Pond to serve as a non-executive director for a term of approximately one year, ending on the date of the 2018 Annual General Meeting of Shareholders.
7. For the seventh open position, the Board has nominated Constance E. Skidmore to serve as a non-executive director for a term of approximately one year, ending on the date of the 2018 Annual General Meeting of Shareholders.
8. For the eighth open position, the Board has nominated Andrew Teich to serve as a non-executive director for a term of approximately one year, ending on the date of the 2018 Annual General Meeting of Shareholders.
9. For the ninth open position, the Board has nominated Thomas Wroe to serve as a non-executive director for a term of approximately one year, ending on the date of the 2018 Annual General Meeting of Shareholders.
10. For the tenth open position, the Board has nominated Stephen Zide to serve as a non-executive director for a term of approximately one year, ending on the date of the 2018 Annual General Meeting of Shareholders.

The persons named as proxies in the enclosed form of proxy will vote the proxies received by them for the election of Mr. Edgerley, Ms. Sullivan, Dr. Bolzenius, Mr. Heppelmann, Mr. Peffer, Mr. Pond, Ms. Skidmore, Mr. Teich, Mr. Wroe, and Mr. Zide, unless otherwise directed. In the event that any of the nominees become unavailable for election at the General Meeting, the persons named as proxies in the enclosed form of proxy may vote for a substitute nominee at their discretion as recommended by the Board of Directors. Each of the nominees, with the exception of Ms. Skidmore, is currently a member of the Board of Directors.

Information concerning the nominees to the Board of Directors is set forth below.

Paul Edgerley, 61, served as our Chairman from July 2012 until January 2013, and was again appointed as our Chairman in May 2015. Mr. Edgerley has served as a director of the Company since our initial public offering in March 2010. Prior to our initial public offering, Mr. Edgerley served as a director of our principal operating subsidiary, Sensata Technologies, Inc. ("STI") since the completion of the 2006 Acquisition (defined hereinafter). Mr. Edgerley is currently a Senior Advisor of Bain Capital and Managing Director of VantEdge Partners, a private investment firm. From 1990 through March 2016, Mr. Edgerley was a Managing Director of Bain Capital. Prior to

joining Bain Capital in 1988, Mr. Edgerley spent five years at Bain & Company where he worked as a consultant and a manager in the healthcare, information services, retail, and automobile industries. Previously, he was a Certified

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Public Accountant with Peat Marwick Mitchell & Company. Mr. Edgerley previously served as a director of HD Supply Holdings, Inc., a public company, from 2007 through 2015 and Steel Dynamics, Inc., a public company, from 2002 through 2015. In addition, Mr. Edgerley serves on the board of directors of MYOB, Apex Tool Group, LLC, Hero Moto Corporation, and TI Automotive. Mr. Edgerley is a former director of Keystone Automotive Operations, Inc. and MEI Conlux Holdings, Inc.

Mr. Edgerley brings to the Board extensive experience in corporate strategy development. Mr. Edgerley has had significant involvement with the Company since the 2006 Acquisition, and has served as a director of numerous public and private companies during his career in private equity, consulting, and accounting.

Martha Sullivan, 60, has served as a director of the Company since January 1, 2013. Ms. Sullivan has served as our Chief Executive Officer since January 1, 2013, as our President since September 2010, and was also our Chief Operating Officer from September 2010 until July 2012. Ms. Sullivan was Executive Vice President and Chief Operating Officer from March 2010 through September 2010. Ms. Sullivan served in the same capacities with STI from January 2007 through March 2010 and as Chief Operating Officer of STI from the completion of the 2006 Acquisition through January 2007. Prior to the 2006 Acquisition, Ms. Sullivan served as Sensor Products Manager for the Sensors & Controls business of Texas Instruments beginning in June 1997 and as a Vice President of Texas Instruments beginning in 1998. Ms. Sullivan was with Texas Instruments since 1984 in various engineering and management positions, including Automotive Marketing Manager, North American Automotive General Manager, and Automotive Sensors and Controls Global Business Unit Manager.

Ms. Sullivan has been a director of Avery Dennison Corporation, a public company, since 2013. Past and present external positions also include the Key Executive Council at Rensselaer Polytechnic Institute, President's Alumni Council at Michigan Technological University, and Ford International Supplier Advisory Council. She has been inducted into the Academy of Mechanical Engineering at Michigan Technological University and holds an Honorary Doctorate in Philosophy from that institution.

Ms. Sullivan brings significant senior leadership and operational, industry, and technical experience to the Board. She has extensive knowledge of the former Sensors & Controls business, including its historical development, and important relationships with our major customers. Ms. Sullivan has been an important contributor to the expansion of our business through both organic growth and acquisitions, and as President and Chief Executive Officer, she guides the execution of our strategy and operations.

Beda Bolzenius, 60, has served as a director of the Company since May 2016. Dr. Bolzenius served as Vice President and Vice Chairman, Asia Pacific and President, Automotive Experience at Johnson Controls International ("JCI") from May 2014 through March 2016. Dr. Bolzenius served as Vice President and President of Automotive Seating at JCI between October 2012 and May 2014, and Vice President and President of Automotive Experience between November 2006 and October 2012. Dr. Bolzenius joined JCI in 2004 from Robert Bosch GmbH, where he served in various senior management positions over a period of 18 years, culminating in his role as President, Business Division Body Electronics from 2002 through 2004. Dr. Bolzenius has served as a member of the Board of Directors at OptimalPlus Ltd., a privately held company, since January 1, 2017. OptimalPlus Ltd. is a Big Data Analytics Company providing end-to-end product analytics solutions for semiconductor and electronics companies. Dr. Bolzenius earned a PhD in Physics from the University of Bonn in 1986.

Through his experience at JCI as Vice President and Vice Chairman, Asia Pacific, Dr. Bolzenius brings to the Board a view into global markets relevant to us, including a deep knowledge about Asia, a key growth market for us. Dr. Bolzenius has experience as a board member on certain Asian joint ventures for JCI.

James E. Heppelmann, 52, has served as a director of the Company since August 2014. Mr. Heppelmann has been the President and Chief Executive Officer of PTC, Inc. ("PTC"), a public company, since 2010. PTC (formerly Parametric Technology Corporation) develops technology solutions that help companies transform the way they create, operate, and service smart, connected products. During his tenure at PTC, Mr. Heppelmann has served in various executive roles, including President, Chief Operating Officer, Chief Product Officer, and Executive Vice President, Software Products. Mr. Heppelmann joined PTC in 1998 when the company acquired Windchill Technologies, where he was co-founder, Chief Technical Officer, and Vice President of Marketing. Previously, Mr. Heppelmann served as Chief Technology Officer of Metaphase, Inc. from 1992 through 1997 and held various positions at Control Data

Corporation from 1985 through 1992.

Mr. Heppelmann has served on the board of directors of PTC since 2008. Mr. Heppelmann is on the Executive Advisory Board of FIRST (For Inspiration and Recognition of Science and Technology), and is on the Dean's Advisory Board of the University of Minnesota College of Science and Engineering.

Mr. Heppelmann brings to the Board a view into industries relevant to us, a detailed understanding of technological issues including the rapid evolution of smart, connected products and the Internet of Things, and insight into future directions of technology development.

Charles W. Peffer, 69, has served as a director of the Company since our initial public offering in March 2010. Mr. Peffer was a partner of KPMG LLP and its predecessor firms from 1979 until his retirement in 2002. Mr. Peffer served in KPMG's Kansas City

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office as Partner in Charge of Audit from 1986 to 1993 and as Managing Partner from 1993 to 2000. Mr. Peffer has been a director of Garmin, Ltd. and HD Supply Holdings, Inc., each public companies, since 2004 and 2013, respectively. Mr. Peffer is also a director of NPC International, a franchisee of over 1,200 Pizza Hut locations and approximately 150 Wendy's locations, the Commerce Funds, a family of seven funds with approximately \$2 billion in assets, and Lockton, Inc, a privately owned insurance brokerage company.

Mr. Peffer brings to the Board extensive practical and management experience in public accounting and corporate finance, including significant experience with KPMG and its predecessor firms. Mr. Peffer also brings leadership expertise through his directorship roles in other public companies, including service on audit committees.

Kirk P. Pond, 72, has served as a director of the Company since the 2011 Annual General Meeting of Shareholders. Mr. Pond was the President and Chief Executive Officer of Fairchild Semiconductor International, Inc. ("Fairchild"), a public company, from June 1996 until May 2005. He also served as the chairman of Fairchild's board of directors from March 1997 until June 2006. Prior to his service with Fairchild and its predecessor, National Semiconductor, Mr. Pond served in executive positions with Timex Corporation and Texas Instruments. Mr. Pond served as a member of the board of directors of the Federal Reserve Bank of Boston from January 2004 until January 2007, and he currently serves on the board of directors of WEX Inc. and Brooks Automation, Inc., each public companies, since 2005 and 2007, respectively. Mr. Pond has also served on the Advisory Board of the University of Arkansas Engineering School since 1987.

Mr. Pond brings to the Board significant executive leadership experience as the former Chief Executive Officer of a successful public company. In addition, his broad background in technology, manufacturing, global marketing, and finance provide the Board and our management additional insights and perspective on our business and strategy.

Constance E. Skidmore, 65, has been nominated to serve as a director of the Company for the first time, beginning after the General Meeting. Ms. Skidmore retired from PricewaterhouseCoopers ("PwC") in 2009, after serving for over two decades as a partner, including a term on its governing board. Ms. Skidmore has served as a member of the board of directors of Comfort Systems USA, Inc. and ShoreTel, Inc. (each public companies) since 2012 and 2014, respectively. Ms. Skidmore also serves on each of these companies' audit committees. Ms. Skidmore also serves on the board of directors of several other privately-held and non-profit companies, including Cyncadia Health, Inc., Ivis Technologies, The V Foundation for Cancer Research, and Viz Kinect. Ms. Skidmore holds a B.S. in psychology from Florida State University, and a M.S. in taxation from Golden Gate University.

Ms. Skidmore brings to the Board more than thirty years of experience in accounting and finance and significant experience and knowledge in talent management and strategic planning. Ms. Skidmore also brings leadership expertise through her directorship roles in other public companies, including service on audit committees. We believe that Ms. Skidmore's board experience at other companies and experience as a financial adviser to global clients has exposed her to best practices and approaches that are beneficial to us and our stockholders.

Ms. Skidmore was recommended to the Nominating and Governance Committee for consideration as a director by a third-party search firm. A fee was paid to the third-party search firm to evaluate potential candidates for director.

Andrew Teich, 56, has served as a director of the Company since the 2014 Annual General Meeting of Shareholders. Mr. Teich has been the President and Chief Executive Officer of FLIR Systems, Inc. ("FLIR"), a public company, since 2013. FLIR designs, develops, manufactures, markets and distributes a variety of systems, including thermal imaging systems, visible-light imaging systems, locator systems, measurement and diagnostic system, and advanced threat detection systems and technologies that enhance perception and awareness. Mr. Teich joined FLIR in 1999 as Senior Vice President, Marketing, and has held various positions within FLIR since that time, including President of Commercial Vision Systems and President of Commercial Systems. Prior to joining FLIR, Mr. Teich held various positions at Inframetrics, Inc. (acquired by FLIR in 1999), including Vice President of Sales and Marketing and various sales roles. Mr. Teich has served on the board of directors of FLIR since July 2013.

Mr. Teich is a seasoned executive who brings to the Board relevant industry experience combined with sales and marketing skills. Mr. Teich has spent a large part of his career at FLIR and its acquired companies, where he has been instrumental in building their organic and acquisition growth strategy.

Thomas Wroe, 66, was appointed our Chairman in January 2013, and served in that capacity until May 2015.

Previously, he served as Sensata's Chief Executive Officer and an executive director from our initial public offering in

March 2010 until December 31, 2012, and as Chairman of the Board of Directors from March 2010 until July 2012. Prior to our initial public offering, Mr. Wroe was the Chief Executive Officer and a director of STI since the completion of the 2006 Acquisition, and chairman of the board of STI since June 2006. Mr. Wroe served as the President of the Sensors & Controls business of Texas Instruments since June 1995 and as a Senior Vice President of Texas Instruments since March 1998. Mr. Wroe was with Texas Instruments since 1972, and prior to becoming President of the Sensors & Controls business, Mr. Wroe worked in various engineering and business management positions.

Mr. Wroe is a member of the Executive Committee of the Massachusetts Business Roundtable and the Board of Trustees of the Massachusetts Taxpayers Foundation. He has been a director of Chase Corporation and GT Advanced Technologies, Inc., each public

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companies, since 2008 and 2013, respectively. He has been the Chairman of the Board of Apex Tool Group, LLC since September 2013, and was its CEO from October 2014 through February 2016. In addition, he is a member of the Board of Advisors to Boston College's Carroll School of Management, and was formerly chairman of the board of directors of Cape Cod Healthcare and the Associated Industries of Massachusetts.

Mr. Wroe brings significant senior leadership, operational, industry, and technical experience to the Board. He has extensive knowledge of our business, including its historical development, and important relationships with our major customers. Mr. Wroe has been an important contributor to the expansion of our business through both organic growth and acquisitions, and as CEO, Mr. Wroe had direct responsibility for our strategy and operations.

Stephen Zide, 57, has served as a director of the Company since our initial public offering in March 2010. Prior to our initial public offering, Mr. Zide served as a director of STI since the completion of the 2006 Acquisition. Mr. Zide is currently a Senior Advisor of Bain Capital. From 2001 through 2015, Mr. Zide was a Managing Director of Bain Capital. Prior to joining Bain Capital in 1997, Mr. Zide was a partner of the law firm Kirkland & Ellis LLP, where he was a founding member of the New York office and specialized in representing private equity and venture capital firms. Mr. Zide has been a director of Trinseo S.A., a public company, since 2010. Mr. Zide also serves on the board of directors of Consolidated Container Corporation. Previously, Mr. Zide served on the board of directors of HD Supply Holdings, Inc., a public company, from 2007 through 2014, Apex Tool Group, LLC from 2013 through 2014, and Innophos Holdings, Inc., a public company, from 2004 through 2013.

Mr. Zide brings to the Board extensive negotiating and financing expertise gained from his training and experience as a legal advisor, and later as a private equity professional and financial advisor. In addition, Mr. Zide has had significant involvement with us since the 2006 Acquisition, and has served as a director of numerous public and private companies during his career in private equity and law.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF EDGERLEY, SULLIVAN, BOLZENIUS, HEPPELMANN, PEFFER, POND, SKIDMORE, TEICH, WROE, AND ZIDE.

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PROPOSAL 2—RATIFICATION OF THE SELECTION OF INDEPENDENT AUDITOR

The Audit Committee of the Board of Directors has selected Ernst & Young LLP ("Ernst & Young") as our independent auditor for fiscal year 2017. Ernst & Young was our independent auditor for fiscal year 2016. Dutch law requires shareholder ratification of the selection of our independent auditor. If this proposal is not approved by our shareholders at the General Meeting, the Audit Committee will reconsider its selection of Ernst & Young. The affirmative vote of the holders of a majority of the ordinary shares present in person or represented by proxy and entitled to vote at the General Meeting will be required to ratify the selection of Ernst & Young.

Audit Fees

The aggregate fees billed for professional services rendered for us by Ernst & Young, our independent auditor, for fiscal years 2016 and 2015 were:

	2016	2015
	(\$ in thousands)	
Audit Fees	\$3,768	\$3,785
Tax Fees	589	824
All Other Fees	3	3
Total Fees	\$4,360	\$4,612

“Audit Fees” include fees for professional services and expenses related to the respective fiscal year, irrespective of the period in which these services are rendered or billed, related to the audit and review of our financial statements. For fiscal years 2016 and 2015, audit fees included fees for professional services and expenses relating to the reviews of our quarterly financial statements filed on Form 10-Q for the quarters ended March 31, 2015 through September 30, 2016 and the audits of our annual financial statements filed on Form 10-K for each of