



## SENSATA TECHNOLOGIES HOLDING PLC

### Charter of the Compensation Committee of the Board of Directors

Effective as of July 12, 2018

The Board of Directors (the “**Board**”) of Sensata Technologies Holding plc (the “**Company**”) has approved and adopted this Charter of the Compensation Committee of the Board (the “**Committee**”) effective as of the date set forth above.

#### I. Purpose

The primary purpose of the Committee is to provide assistance to the Board in fulfilling its oversight responsibilities relating to: (i) reviewing the compensation philosophy of the Company; (ii) reviewing, setting and approving compensation for the CEO and other executive officers and recommending compensation for the non-employee directors; (iii) reviewing and approving, as required, the Company’s executive equity compensation plans and granting awards thereunder; (iv) advising the Board on compensation-related disclosure to be included in the Company’s annual proxy statement or annual report on Form 10-K, as applicable; and (v) overseeing non-employee director remuneration, the director remuneration report and policy, and ensuring compliance with the UK Companies Act 2006, as amended (the “**UK Companies Act**”).

#### II. Composition and Qualifications

- A. **Committee Member Independence Requirements.** The Committee shall consist of at least two members of the Board. As determined by the business judgment of the Board, each member of the Committee shall: (i) meet the independence requirements of the New York Stock Exchange (the “**NYSE**”) and any other applicable laws and regulations; (ii) meet the requirements of a “non-employee director” contained in Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”); and, if needed, (iii) be an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended.
- B. **Appointment.** Committee members shall be appointed by the Board (upon the recommendation of the Nominating and Corporate Governance Committee), and shall hold his or her office until such time as his or her successor is duly appointed and qualified, or until his or her earlier death, disqualification, resignation or removal.
- C. **Chairperson.** The Board shall designate one of the members as Chairperson of the Committee. The Chairperson will supervise the conduct of all meetings and establish the meeting agendas with input from management.

#### III. Authority, Delegation and Resources

- A. **Authority to Engage Third Parties.** In discharging its oversight role, the Committee has the authority and is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate. In this regard, the Committee may, in its sole discretion, engage any consultant, legal counsel or other advisors or experts (collectively, “**Advisors**”) as it deems necessary or appropriate to carry out its duties. The Committee shall be directly responsible for the appointment, compensation, retention and oversight of the work of any Advisor retained by the Committee. The Committee shall have the sole authority to approve an Advisor’s retention terms,

including limitations on the Advisor's ability to perform work for the Company or management, except as approved by the Chairperson of the Committee and in support of the purpose and responsibilities of the Committee under this Charter. The Committee shall assess any conflicts of interests with an Advisor and may select an Advisor only after taking into consideration factors relevant to such Advisor's independence, including any factors required to be considered under the listing standards of the NYSE and any other applicable law. Notwithstanding the foregoing, the NYSE rules do not require an Advisor to be independent, only that the Committee consider the requisite independence factors before selecting or receiving advice from such Advisor and, the Committee may select or receive advice from any Advisor it prefers, including ones that are not independent, after considering the independence factors set forth under the NYSE rules or other applicable laws. In accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), if the Advisor is not considered independent by the Committee, then the Committee will need to disclose in the UK directors' remuneration report (see Section IV.C. 2 below) how the Committee was satisfied that the advice received was objective and independent.

- B. ***Delegation and Establishment of Subcommittees.*** To the extent permitted by applicable law and the listing standards of the NYSE, the Committee may establish subcommittees consisting of one or more members, other directors and management to carry out such duties as the Committee may delegate, including duties specified in this Charter. The Committee also may delegate any or all of its powers as it deems appropriate, including, without limitation, to the Board or any individual member of the Board.
- C. ***Access to and Funding of Resources.*** The Company shall provide appropriate funding, as determined by the Committee, for payment of the compensation to (i) any Advisor retained by the Committee and (ii) ordinary administrative expenses of the Committee.

#### **IV. Responsibilities**

The following functions are expected to be the common recurring activities of the Committee in carrying out its responsibilities. These functions serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be required or appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee also shall carry out any other responsibilities and duties delegated to it by the Board from time to time.

- A. ***Compensation Philosophy; Compensation of Executive Officers; Assessment of Compensation Risk***
  - 1. **Compensation Philosophy.** Review and oversee the overall compensation philosophy of the Company.
  - 2. **Executive Compensation Program.** The Committee shall oversee the development and implementation of the Company's executive compensation programs and annually review these programs, including the peer companies for competitive pay and performance comparisons, and make any modifications that it deems necessary or advisable.
  - 3. **Compensation of the Chief Executive Officer.** The Committee shall, either as a Committee or together with the independent Chairman of the Board or other independent directors (as directed by the Board): (i) annually establish the Company's goals and objectives relevant to the compensation of the Chief Executive Officer of the Company (the "**CEO**"); (ii) evaluate the performance of the CEO relative to those goals and objectives, the Company's financial performance and the CEO's individual performance; and (iii) approve the compensation of the CEO, including base salary, incentive compensation and equity-based awards.

4. Officer Compensation. The Committee shall annually review and consult with the CEO on the evaluation of performance of the Company's officers (other than the CEO) who are subject to Section 16 of the Exchange Act ("***Additional Section 16 Officers***"), and such other members of senior management as the Committee deems appropriate. The Committee shall approve, or make recommendations to the independent directors of the Board for approval, the compensation (including base salary, incentive compensation, equity-based awards and other executive benefits) of the Additional Section 16 Officers and other members of senior management as the Committee deems appropriate.
5. Employment and Other Compensation Arrangements. The Committee shall review and approve, or make recommendations to the independent directors of the Board for approval, the terms of any employment agreement, severance or transition agreement or other compensation arrangements to which the CEO or any Additional Section 16 Officer will be a party, and may, at its discretion, review the terms of any such agreements or arrangements to which any other member of senior management will be a party.
6. Perquisites and Benefits. The Committee shall periodically review and approve, as appropriate, policies in the area of senior management perquisites and benefits, including any retirement programs.
7. Review of Risk Assessment of Compensation Programs. The Committee shall review and discuss with management, on at least an annual basis: (i) management's assessment of whether the potential risks arising from the Company's compensation policies and practices for all employees are reasonably likely to have a material adverse effect on the Company; and (ii) the Company's compensation policies and practices for the purpose of ensuring that the compensation programs are aligned with shareholders' interests and do not motivate the Company's employees to take excessive risks.

**B. *Incentive and Equity-Based Compensation Plans***

1. Incentive and Equity-Based Compensation Plans. The Committee shall review and make recommendations to the independent members of the Board, when required by applicable laws, with respect to the Company's incentive-compensation plans and equity-based compensation plans. The Committee shall exercise such power and authority as may be permitted or required under such plans. The Committee also shall oversee compliance with the requirements of the NYSE with respect to shareholder approval of equity-based compensation plans, and any requirements of the Internal Revenue Code with respect to executive compensation.
2. Grants of Equity-Based Awards. Unless delegated to the CEO in accordance with applicable law, the Committee shall review and approve, or recommend to the Board for approval, grants of all equity-based awards, including those granted pursuant to the Company's equity-based plans.
3. Stock Ownership and Holding Guidelines. The Committee shall review and approve any stock ownership and holding guidelines of the Company that are applicable to directors and/or executive officers of the Company and monitor compliance therewith.

**C. *Non-Employee Directors' Compensation and Remuneration Report***

1. Directors Remuneration Policy. The Committee shall from time to time review and make recommendations for approval to the Board, and the Board shall then recommend to the shareholders for approval, the general policy with regard to the compensation of non-employee directors.

2. Directors' Remuneration. The Committee shall from time to time review and recommend to the Board for approval the compensation of the non-employee directors consistent with the non-employee director compensation policy approved by the shareholders.
3. Directors' Remuneration Report. The Committee shall ensure that the provisions regarding disclosure of director remuneration information and production of a directors' remuneration policy, as set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) are fulfilled and included in the Company's U.K. annual report and accounts, and ensure that this report and directors' remuneration policy are approved by the Board and put to the Company's shareholders for approval in accordance with the UK Companies Act.

**D. *Compensation Disclosures and Reports; Other Responsibilities***

1. Compensation Discussion and Analysis; Compensation Disclosures. The Committee shall oversee the preparation of, and review and discuss with management, the Compensation Discussion and Analysis ("**CD&A**") section proposed for inclusion in either the Company's Annual Report on Form 10-K (the "**Form 10-K**") or annual proxy statement with management, and recommend to the Board whether the CD&A should be included in the Form 10-K or proxy statement, as applicable. In connection with this review, the Committee also shall review the related tabular and other disclosures about executive and director compensation proposed by management for inclusion in the Form 10-K and proxy statement.
2. Annual Compensation Committee Report. The Committee shall prepare the Compensation Committee report on executive officer compensation as required by the SEC to be included in the Company's annual proxy statement or Form 10-K, in accordance with applicable rules and regulations.
3. Shareholder Voting. The Committee shall oversee the Company's submissions to shareholders on executive compensation matters, including the advisory votes on executive compensation, the frequency of such votes, and any approvals for the directors' remuneration report (including the directors' remuneration policy) and related follow-up with proxy advisory firms and other shareholder groups. The Committee shall review the results of any such votes and consider whether to make or recommend adjustments to the Company's executive or director compensation programs as a result of such votes.
4. Claw-back Policy. The Committee shall review and approve any applicable "claw-back" policy or provision and monitor compliance therewith.
5. Charter Review. The Committee shall review this Charter, at least annually, and recommend any proposed changes to the Nominating & Corporate Governance Committee and the Board.
6. Committee Evaluation. The Committee shall perform an annual review of its performance, including a review of compliance with this Charter. The Committee shall conduct such evaluation and review in such manner as it deems appropriate and report the results of the evaluation to the Board.

**V. *Procedural Matters***

- A. Conflicts with Articles of Association. This Charter will in no way alter, amend or repeal any provision of the Company's Articles of Association, as may be amended from time to time (the

“*Articles*”). To the extent that this Charter conflicts with any provision of the Company’s Articles, the Articles shall govern.

- B. ***Meetings.*** The Committee shall meet at the call of its Chairperson, two or more members of the Committee or the Chairman of the Board. Meetings may, at the discretion of the Committee, include members of the Company’s management, any Advisor and such other persons as the Committee or its Chairperson may determine. The Committee may request any officer or employee of the Company or the Company’s outside counsel to attend a meeting of the Committee or to meet with any members of, or Advisors to, the Committee. The Committee may meet in person, by telephone conference call or in any other manner in which the Board or the Committee is permitted to meet under law and the Company’s Articles. The Committee also may act by unanimous written consent in lieu of a meeting.
- C. ***Transaction of Business.*** A majority of the members of the Committee shall constitute a quorum for the transaction of business. A majority of the members of the Committee present at any meeting at which a quorum is present are competent to act. Except as expressly provided in this Charter or in the Company’s Articles or Corporate Governance Guidelines, the Committee may determine additional rules and procedures to govern it or any of its subcommittees, including designation at any meeting of a chairperson pro tempore in the absence of the Chairperson and of a secretary (who need not be a member of the Committee) for that meeting.
- D. ***Minutes; Reports to the Board.*** The Committee shall keep minutes of all meetings and of all actions taken by the Committee and file such minutes with the Secretary of the Company. The Committee, either directly or through its Chairperson, shall provide the Board with regular reports, orally or in writing, on its activities and any recommendations by the Committee to the Board.

*Approved by the Compensation Committee – July 10, 2018*

*Approved by the Board of Directors – July 12, 2018*

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*While the Committee members have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable law.*