# SENSATA TECHNOLOGIES HOLDING N.V. COMPENSATION COMMITTEE CHARTER

## **Organization**

The Compensation Committee of Sensata Technologies Holding N.V. (the "Company") shall consist of at least two members of the Company's board of directors (the "Board"). Each member of the Committee shall be "independent" within the meaning of the applicable listing rules of the New York Stock Exchange ("NYSE"), as determined by the Board, provided that the composition of the Committee shall be subject to any applicable "phase-in" provisions under the listing rules of the NYSE. [See NYSE Rules 303A.05(a) and 303A.02(a)(ii), amended effective July 1, 2013.] Additionally, each member of the Committee must qualify as a "non-employee director" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and as an "outside director" within the meaning of Section 162(m) of the Internal Revenue Code; provided, however, in the event that any member of the Committee does not qualify as a "non-employee director" for purposes of Rule 16b-3, such member may continue to serve on the Committee so long as all equity-based awards and compensatory equity grants made by the Company are approved by the Committee and the Board.

Committee members shall be appointed by the Board. Committee members shall hold their offices until their successors are appointed and qualified, or until their earlier resignation or removal. All vacancies in the Committee shall be filled by the Board. The Board shall designate one of the members as Chairman of the Committee, and the Committee shall keep a separate book of minutes of their proceedings and actions. The Committee shall meet periodically, as deemed necessary by the Chairman of the Committee. All meetings shall be at the call of the Chairman of the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The Committee may act only upon approval of a majority of its members. The action of the Committee at a meeting at which a quorum is present shall be the act of the Committee. The Committee may act in writing by the unanimous consent of its members.

Except as otherwise provided herein, the Committee may form one or more subcommittees, each of which may take such actions as may be delegated by the Committee; provided, however, that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or stock exchange listing standard to be exercised by the Committee as a whole. The Committee shall periodically report on its activities to the Board and make such recommendations and findings as it deems appropriate. The Committee members shall perform an annual evaluation of the Committee. The Committee may, in its sole discretion and at the Company's expense, retain and terminate such legal, accounting or other advisors, including compensation consultants, as it deems necessary in the performance of its duties after considering all factors relevant to the advisor's independence, including the factors specified by applicable listing rules of the NYSE. The Committee shall have sole authority to approve related fees and retention terms and oversee the work of any such advisor. [See NYSE Rule 303A.05(c), effective July 1, 2013.]

## **Purpose and Responsibilities**

The Committee's primary purpose and responsibilities shall be to:

- review and approve goals and objectives relevant to the Chief Executive Officer's compensation, to evaluate the Chief Executive Officer's performance in light of these goals and objectives and to determine or recommend to the Board the Chief Executive Officer's compensation level based on this evaluation;
- make recommendations to the Board with respect to other executive officer compensation, including oversight of all senior executive benefit plans;

- screen and recommend to the Board individuals qualified to become Chief Executive Officer of the Company;
- establish total compensation for the Board;
- oversee the Company's general cash-based and equity-based incentive plans; and
- produce a compensation committee report on executive compensation as required by the SEC to be included in the Company's annual proxy statement or annual report on Form 10-K.

### **Duties**

To fulfill its purpose and responsibilities, the Committee shall:

- 1. Recommend to the Board, and the Board shall then recommend to the shareholders for approval, the amount and form of compensation to be paid to directors of the Company. The remuneration policy shall at least include the subject matters referred to in Sections 2:383c through 2:383e of the Dutch Civil Code. The remuneration policy shall be presented to the works council if such council has been established for the Company, for examination as referred to in Section 2:135 subsection 2 of the Dutch Civil Code. This shall be done in writing and simultaneously with the presentation to the general meeting of shareholders.
- 2. Establish the total compensation package provided to the Chief Executive Officer, approve the total compensation package provided to such other officers of the Company whose compensation is disclosed in the Company's proxy statement or annual report, and approve the actual compensation (including base pay adjustments and any annual and long-term incentive payouts) paid to senior executive officers of the Company.
- 3. Approve employment agreements, severance agreements or change of control agreements between the Company and its senior executive officers. Specifically as to the Chief Executive Officer, the Committee should review and approve the goals and objectives relevant to the Chief Executive Officer's compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives and determine or recommend to the Board the Chief Executive Officer's compensation level based on this evaluation.
- 4. Develop and review periodically succession plans of the Chief Executive Officer, and screen and recommend to the Board candidate(s) for Chief Executive Officer.
- 5. Review and consult with the Chief Executive Officer on the selection of officers and the evaluation of executive performance;
- 6. Review and approve the design of the benefit plans which pertain to directors, the Chief Executive Officer and other senior executive officers who report directly to the Chief Executive Officer.
- 7. Approve the creation and/or revision of incentive compensation plans and equity-based plans affecting Company officers and grants thereunder.
- 8. Produce and approve the Compensation Committee Report on Executive Compensation included in the Company's proxy statements and generally oversee compliance with the compensation reporting requirements of the SEC.
- 9. Approve overall compensation policy throughout the entire Company.
- 10. Evaluate and monitor how the Company's compensation policies or practices create incentives that affect risk taking and, when approving the form and amount of compensation to be paid to the

Company's executive officers or non-management directors, consider whether such compensation (including the grant of stock ownership) properly aligns the interests of the recipient with the long-term interests of the Company and its stockholders (including by taking into account the Company's risk management practices and any risk-taking incentives created by such compensation).

- 11. Review and approve or recommend to the Board for approval changes to or adoption of retirement plans of the Company and approve periodically funding guidelines developed by the Compensation Committee, including any matching contributions under the Company's 401(k) plan, if any.
- 12. Administer all plans entitled to the exemption under Rule 16b-3 of the Securities Exchange Act of 1934, as amended, including all stock option, restricted stock and deferred stock plans.

#### Miscellaneous

This Committee Charter is not intended to change or augment the obligations of the Company or its directors or management under the federal securities laws or to create new standards for determining whether directors or management have fulfilled their duties, including fiduciary duties under applicable law.

This charter is effective as of the date indicated below. Changes to this charter may only be made with the approval of the Board.

Originally adopted March 8, 2010 Amended as of July 16, 2013