

Sensata Technologies Holding N.V.
Form PRE 14A
April 10, 2012
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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)

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1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

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April 24, 2012

Dear Shareholders:

You are cordially invited to attend the 2012 Annual General Meeting of Shareholders of Sensata Technologies Holding N.V. (the Company), to be held on May 22, 2012, beginning at 10:00 a.m. at the Company's office located at Kolthofsingel 8, 7602 EM Almelo, 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 follow. 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 2011 Annual Report is also enclosed for your review.

Sincerely,

Thomas Wroe, Jr.
Chairman and Chief Executive Officer

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NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

April 24, 2012

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

Notice is hereby given that the Annual General Meeting of Shareholders (the "General Meeting") of Sensata Technologies Holding N.V. (the "Company") will be held on May 22, 2012, beginning at 10:00 a.m., at the Company's office located at Kolthofsingel 8, 7602 EM Almelo, The Netherlands, for the following purposes:

Open.

1. To elect ten (10) directors (including Martha Sullivan, who, if elected, will become a director on January 1, 2013) to serve until the 2013 Annual General Meeting of Shareholders, or until their respective successors are elected and qualified or until his or her earlier death, resignation or removal;
2. To ratify the selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2012;
3. To adopt our Dutch statutory annual accounts for the fiscal year ended December 31, 2011, to discuss the annual report of our management for fiscal year 2011, to authorize the preparation of our 2011 Dutch statutory annual accounts and the annual report of our management for fiscal year 2011 in the English language and to discuss our reservation and dividend policy;
4. To discharge members of our Board of Directors from certain liabilities for fiscal year 2011;
5. To approve the amendment to the remuneration policy of our Board of Directors;
6. To extend the authority of our Board of Directors for a period of 18 months from the date of the General Meeting to repurchase as many shares in the capital of the Company as is permitted by law and the Company's Articles of Association, 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;
7. To extend the authority of our Board of Directors to issue ordinary shares and/or preferred shares and/or grant rights to acquire our shares (including options to subscribe for shares), never to exceed the number of authorized but unissued shares as of the date of the General Meeting or any time thereafter, and to limit or exclude the preemptive rights of shareholders with respect to the issuance of shares and/or the grant of the right to acquire shares, for a period of five (5) years from the date of the General Meeting;
8. To amend our Articles of Association to provide that only a non-executive director may serve as Chairman of our Board of Directors, and to authorize the Chairman of our Board of Directors and each employee of Loyens & Loeff N.V. to execute the deed of amendment; and
9. To transact such other business as may properly come before the General Meeting or any adjournments thereof.

Close.

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The Company's Board of Directors recommends a FOR vote of each of the director nominees recommended by the Board of Directors with respect to proposal (1), and a FOR vote for each of proposals (2), (3), (4), (5), (6), (7) and (8) above.

Only holders of record of our ordinary shares as of the close of business on April 24, 2012 are entitled to notice of and to vote at the General Meeting and any adjournments thereof.

Important Notice Regarding the Availability of Proxy Materials for the General Meeting of Shareholders to be Held on May 22, 2012: The 2012 Proxy Statement and the Company's 2011 Annual Report are available at www.sensata.com.

Copies of the agenda for the General Meeting and related documents may be obtained free of charge at the Company's offices in Almelo, The Netherlands and Attleboro, Massachusetts by shareholders and other persons

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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 the Company's website (www.sensata.com) or by contacting the Company at Sensata Technologies Holding N.V., c/o Sensata Technologies, Inc., Attention: Director, Investor Relations, 529 Pleasant Street, Attleboro, Massachusetts 02703, or investors@sensata.com.

The Board of Directors has determined that all holders of the ordinary shares of the Company as of the close of business on April 24, 2012 according to American Stock Transfer & Trust Company or the Company's shareholders' register in The Netherlands, or such shareholders' proxies, are entitled to attend and vote at the General Meeting and any adjournments thereof.

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 21, 2012, by submitting your name and number of shares beneficially owned to: Sensata Technologies Holding N.V., c/o Sensata Technologies, Inc., Attention: Director, Investor Relations, 529 Pleasant Street, Attleboro, Massachusetts 02703, or to investors@sensata.com. If you own ordinary shares through a broker, the registered holder of those shares is the broker or its nominee. Such shares are often referred to as held in street name, and you, as the beneficial owner of those shares, do not appear in our share register. If you own your ordinary shares through a broker and you wish to attend the General Meeting, you must provide the Company with appropriate evidence of ownership of and authority to vote the shares no later than May 21, 2012. 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,

Thomas Wroe, Jr.
Chairman and Chief Executive Officer

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Sensata Technologies Holding N.V.

Kolthofsingel 8, 7602 EM Almelo

The Netherlands

31-546-879-555

PROXY STATEMENT

FOR

ANNUAL GENERAL MEETING OF SHAREHOLDERS

To Be Held On May 22, 2012

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) for use at the 2012 Annual General Meeting of Shareholders, and at any adjournments thereof.

Attending the General Meeting

The General Meeting will be held on May 22, 2012, at 10:00 a.m., at the Company's office located at Kolthofsingel 8, 7602 EM Almelo, The Netherlands, to consider the matters set forth in the Notice of General Meeting of Shareholders. This Proxy Statement and the form of proxy enclosed are being mailed to shareholders with the Company's Annual Report to Shareholders commencing on or about April 24, 2012.

In accordance with our Articles of Association, shareholders must inform the Company 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: Director, Investor Relations, 529 Pleasant Street, Attleboro, Massachusetts 02703, or investors@sensata.com. If you own your ordinary shares through a broker, you must also provide the Company with appropriate evidence of ownership of and authority to vote the shares no later than May 21, 2012. Access to the General Meeting is permitted only after verification of personal identification.

Shareholders Entitled to Vote

Only shareholders of record of the ordinary shares, 0.01 nominal value per share, of the Company (the ordinary shares) at the close of business on April 24, 2012 according to American Stock Transfer & Trust Company, LLC, our registrar and transfer agent, or the Company's 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 [****].

Street Name Holders and Record Holders

If you own ordinary shares through a broker, the registered holder of those shares is the broker or its nominee. Such shares are often referred to as held in street name, and you, as the beneficial owner of those shares, do not appear in our share register. For street name shares, there is a two-step process for distributing our proxy materials and tabulating votes. Brokers inform us 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 shares by following the procedures specified on the voting instruction card. Shortly

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before the General Meeting, your broker will tabulate the votes it has received and 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 shares in person, you should contact your broker to obtain a broker's proxy card and bring it to the General Meeting.

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If you are the registered holder of ordinary shares, you are the record holder of those shares, and you should vote your shares as described below under **How Record Holders Vote**.

How Record Holders 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 Internet by going to the website www.voteproxy.com and following the instructions on our proxy card; or

By mail You can vote by mail by completing, signing, dating and mailing our enclosed proxy card. By giving us your proxy, you are authorizing the individuals named on our proxy card, the proxies, to vote your shares in the manner you indicate. You may vote FOR or AGAINST or ABSTAIN from voting on each of the proposals to be voted on by our shareholders.

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

The election of our ten (10) director nominees (including Martha Sullivan, who, if elected, will become a director on January 1, 2013) per the recommendation of our Board of Directors;

The ratification of the appointment of Ernst & Young LLP as the Company's independent auditor for fiscal year 2012;

The adoption of our Dutch statutory annual accounts for fiscal year 2011 and the authorization of the preparation of our Dutch statutory annual accounts and annual report for fiscal year 2011 (the 2011 Management Report) in the English language;

The discharge of the members of our Board of Directors from certain liability for fiscal year 2011;

The amendment to the remuneration policy for directors;

The extension of the authority of our Board of Directors for a period of 18 months from the date of the General Meeting to repurchase as many shares in the capital of the Company as is permitted by law and the Company's Articles of Association;

The extension of the authority of our Board of Directors to issue ordinary shares and/or preferred shares and/or grant rights to acquire our shares for a period of five (5) years from the date of the General Meeting; and

The amendment to our Articles of Association to provide that only a non-executive director may serve as Chairman of our Board of Directors.

Revocation of Proxies

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A shareholder may revoke a proxy at any time prior to its exercise (i) by giving to the Company's Director, Investor Relations a written notice of revocation of the proxy's authority, (ii) by submitting a duly elected proxy bearing a later date or (iii) by 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. In accordance with our Articles of Association, the Board of Directors

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adopted a list of candidates containing the names of at least two persons for each vacancy to be filled. 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.

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 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 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 shares present at the General Meeting or for the purpose of determining the number of votes cast. Broker non-votes are shares that are held in street name by a bank or brokerage that indicates on its proxy that it does not have discretionary authority to vote on a particular matter.

Each ordinary share will be counted as one vote according to the instructions contained on a properly completed proxy or on a ballot voted in person at the General Meeting. 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 shares are broker non-votes.

Other Matters

As of the date of this Proxy Statement, our 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 comprised of both Executive Directors and Non-Executive Directors. Under Dutch law, the Board of Directors is responsible for the policy and day-to-day management of the Company. The Non-Executive Directors supervise and provide guidance to the Executive Directors.

The members of our Board of Directors will serve until the 2013 annual general meeting of shareholders, and there is no limit to the number of terms a director may serve. Under Dutch law and our Articles of Association, our Board of Directors has the right to make binding nominations for open positions on the Board. Dutch law also requires us to nominate at least two candidates for each open position and allows us to recommend that shareholders vote for one of the two candidates for each position. The candidate receiving the greater number of votes for each position will be appointed as a member of our Board of Directors. The binding nature of our Board's nominations may be overridden by a vote of two-thirds of the votes cast at the meeting if such two-thirds vote constitutes more than one-half of the issued share capital of the Company. In that case, shareholders would be free to cast their votes for persons other than those nominated below.

Under Dutch law, a person may be elected to our Board of Directors to take office at a future date. In such case, the person will not be considered a director until the future date. Our Board has nominated Martha Sullivan to our Board of Directors. If she is elected to our Board of Directors at the General Meeting, she will become a director on January 1, 2013.

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

1. For the first open position, the Board has nominated Thomas Wroe, Jr. and Marc Roskam to serve as an Executive Director for a term of approximately one year ending on the date of our annual general meeting of shareholders in 2013. The Board recommends that shareholders vote for the appointment of Mr. Wroe for this position.

In order to comply with changes to Dutch law prohibiting an Executive Director from serving as Chairman of the Board, Mr. Wroe will resign as Chairman before July 1, 2012. The Board will appoint a new Chairman from among its Non-Executive Directors at that time.

2. For the second open position, the Board has nominated Martha Sullivan and Marc Roskam to serve as Executive Director for a term starting on January 1, 2013, and ending on the date of our annual general meeting of shareholders in 2013. The Board recommends that shareholders vote for the appointment of Ms. Sullivan for this position;
3. For the third open position, the Board has nominated Lewis B. Campbell and Marc Roskam to serve as a Non-Executive Director for a term of approximately one year ending on the date of our annual general meeting of shareholders in 2013. The Board recommends that shareholders vote for the appointment of Mr. Campbell for this position.
4. For the fourth open position, the Board has nominated Paul Edgerley and Marc Roskam to serve as a Non-Executive Director for a term of approximately one year ending on the date of our annual general meeting of shareholders in 2013. The Board recommends that shareholders vote for the appointment of Mr. Edgerley for this position.
5. For the fifth open position, the Board has nominated Michael J. Jacobson and Marc Roskam to serve as a Non-Executive Director for a term of approximately one year ending on the date of our annual general meeting of shareholders in 2013. The Board recommends that shareholders vote for the appointment of Mr. Jacobson for this position.

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6. For the sixth open position, the Board has nominated John Lewis and Marc Roskam to serve as a Non-Executive Director for a term of approximately one year ending on the date of our annual general meeting of shareholders in 2013. The Board recommends that shareholders vote for the appointment of Mr. Lewis for this position.
7. For the seventh open position, the Board has nominated Charles W. Peffer and Marc Roskam to serve as a Non-Executive Director for a term of approximately one year ending on the date of our annual general meeting of shareholders in 2013. The Board recommends that shareholders vote for the appointment of Mr. Peffer for this position.
8. For the eighth open position, the Board has nominated Kirk P. Pond and Marc Roskam to serve as a Non-Executive Director for a term of approximately one year ending on the date of our annual general meeting of shareholders in 2013. The Board recommends that shareholders vote for the appointment of Mr. Pond for this position.
9. For the ninth open position, the Board has nominated Michael Ward and Marc Roskam to serve as a Non-Executive Director for a term of approximately one year ending on the date of our annual general meeting of shareholders in 2013. The Board recommends that shareholders vote for the appointment of Mr. Ward for this position.
10. For the tenth open position, the Board has nominated Stephen Zide and Marc Roskam to serve as a Non-Executive Director for a term of approximately one year ending on the date of our annual general meeting of shareholders in 2013. The Board recommends that shareholders vote for the appointment of Mr. Zide for this position.

The persons named as proxies in the enclosed form of proxy will vote the proxies received by them for the election of Mr. Wroe, Ms. Sullivan, Mr. Campbell, Mr. Edgerley, Mr. Jacobson, Mr. Lewis, Mr. Peffer, Mr. Pond, Mr. Ward 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 in their discretion as recommended by the Board of Directors. Except for Ms. Sullivan and Mr. Campbell, each of the nominees is currently a member of our Board of Directors.

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

Thomas Wroe, Jr., 61, has served as Chief Executive Officer, Executive Director and Chairman of the Board of Directors of the Company since its initial public offering in March 2010. Prior to the initial public offering, Mr. Wroe was the Chief Executive Officer and a Director of our principal operating subsidiary, Sensata Technologies, Inc. (STI), since the completion of the 2006 Acquisition (as defined in Certain Relationships and Related Transactions-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, is a member of the Board of Trustees of the Massachusetts Taxpayers Foundation, and is a Director of the Chase Corporation. In addition, he is a member of the Board of Advisors to Boston College's Carroll School of Management, and he is the Chairman of the Board of Directors of Cape Cod Healthcare and past Chairman of the Board of the Associated Industries of Massachusetts.

Mr. Wroe brings significant senior leadership, operational, industry and technical experience to the Board. He has extensive knowledge of the former Sensors & Controls 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 has direct responsibility for our strategy and operations.

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Martha Sullivan, 55, has served as President and Chief Operating Officer of the Company since September 2010. Ms. Sullivan previously served as Executive Vice President and Chief Operating Officer since the Company's initial public offering. Ms. Sullivan served in the same capacity with STI since September 2010 and previously served as Executive Vice President and Chief Operating Officer of STI since January 2007 and as Chief Operating Officer of STI since the completion of the 2006 Acquisition. Ms. Sullivan served as Sensor Products Manager for the sensors and controls business of Texas Instruments since June 1997 and as a Vice President of Texas Instruments since 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.

Past and present external positions include the Key Executive Council at Rensselaer Polytechnic Institute, President's Alumni Council at Michigan Technological University, and Ford International Supplier Advisory Council. She was recently inducted into the Academy of Mechanical Engineering at Michigan Tech, and holds an Honorary Doctorate in Philosophy from that institution. Ms. Sullivan would join the Board effective January 1, 2013.

Ms. Sullivan brings significant senior leadership, 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 COO, she has guided the execution of our strategy and operations.

Lewis Campbell, 65, was Chairman of the Board and Chief Executive Officer of Textron Inc. before retiring on December 1, 2009. Following his retirement from the company, he continued as non-executive Chairman until he retired from the board on August 31, 2010. During his tenure at Textron, Mr. Campbell played a key role in transforming Textron's strategic and operational focus, reshaping its portfolio of businesses, and leading the company to realize enterprise-wide synergies to achieve greater operating efficiencies. Mr. Campbell joined Textron in 1992, was named CEO in July 1998 and was appointed Chairman in February 1999. Previously, Mr. Campbell had a 24-year career at General Motors (GM) and held a number of key management positions in GM's Rochester Products Division; Chevrolet-Pontiac, GM Canada Group; and GM/UAW Quality Network. In 1988, he was named a Vice President of GM as the General Manager of the Flint Automotive Group. In 1991, he served as General Manager of GMC's Truck Division. Mr. Campbell is a Director of Bristol-Myers Squibb, a member of the Business Council, and a member of the Board of Trustees for Noblis; a nonprofit science, technology, and strategy organization. He is also an advisor to Caldera Ventures, LLC and a member of their investment committee.

Mr. Campbell has demonstrated exceptional operational and executive leadership ability as the former CEO of a successful global, multi-industry company. With his focus on operational efficiencies and his experience in a wide range of industries coupled with his firsthand knowledge of the many issues facing public company boards and their committees, he is well positioned to help guide the Company through its next phase of global growth.

Paul Edgerley, 56, has served as a Director of the Company since its initial public offering. Prior to the initial public offering, Mr. Edgerley served as a Director of STI since the completion of the 2006 Acquisition. Since 1990, Mr. Edgerley has been a Managing Director of Bain Capital, and prior to that was a Principal at Bain Capital since 1988. Prior to joining Bain Capital, 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 Public Accountant with Peat Marwick Mitchell & Company. Mr. Edgerley also serves on the Board of Directors of Steel Dynamics, Inc., HD Supply Inc., MEI Conlux Holdings, Inc., The Boston Celtics, and Hero Moto Corporation.

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.

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Michael J. Jacobson, 61, has served as a Director of the Company since its initial public offering. Mr. Jacobson is a Director and the President of PGE Management, Inc. and Jacobson Group, Inc., both of which are real estate investment and development companies, where he has worked since 1992 and 1994, respectively. Prior to founding PGE Management, Mr. Jacobson was the President and Chief Executive Officer of Vetco Gray, Inc. from 1988 until 1991. Previously, Mr. Jacobson was a Vice President at Bain & Company, where he worked in the health care, oil field services, steel and textile industries. From 2004 until 2007, Mr. Jacobson also served on the Springfield, Massachusetts Finance Control Board, a position to which he was appointed by former Governor Mitt Romney.

Mr. Jacobson brings to the Board strong practical financial, consulting and executive experience.

John Lewis, 47, has served as a Director of the Company since its initial public offering. Prior to the initial public offering, Mr. Lewis served as a Director of STI since the completion of the 2006 Acquisition. John Lewis is a Partner and Chief Investment Officer of Unitas Capital, which he joined in 1999. Prior to that, Mr. Lewis was at Chase Capital Partners in Asia and New York. Mr. Lewis also serves on the Board of Directors of Edwards Group Ltd., AITS Cayman Limited, Exego Group Pty Ltd., and HYVA Group.

Through his extensive experience in investment banking and private equity, Mr. Lewis brings to the Board deep knowledge about Asia, a key growth market for the Company, a strong financial background and experience serving on the Boards of numerous companies.

Charles W. Peffer, 64, has served as a Director of the Company since its initial public offering. 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 office as Partner in Charge of Audit from 1986 to 1993 and as Managing Partner from 1993 to 2000. Mr. Peffer is a Director of Garmin, Ltd., and the Commerce Funds, a family of eight mutual funds.

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, 67, has served as a Director of the Company since its 2011 annual general meeting of shareholders. Mr. Pond was the President and Chief Executive Officer of Fairchild Semiconductor International, Inc. from June 1996 until May 2005. He also served as the Chairman of Fairchild's Board of Directors from 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 Wright Express Corporation and Brooks Automation, Inc. 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 will give the Board and the Company's management additional insights and perspective on the Company's business and strategy.

Michael Ward, 48, has served as a Director of the Company since its initial public offering. Prior to the initial public offering, Mr. Ward served as Director of STI since the completion of the 2006 Acquisition. Mr. Ward is a Managing Director of Bain Capital and joined the firm in 2003. Prior to joining Bain Capital, Mr. Ward was President and Chief Operating Officer of Digitas Inc. from March 1998 to 2003 and previously was Vice President of Digitas from August 1997. Prior to Digitas, Mr. Ward spent four years with Bain & Company and nine years with PricewaterhouseCoopers LLP. Mr. Ward serves on the Board of Directors of The Weather Channel.

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Through his experience in private equity and accounting and as a Senior Executive at Digitas, Mr. Ward brings to the Board senior leadership experience and significant expertise in the operations and finances of multinational companies. In addition, Mr. Ward 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, industry and accounting.

Stephen Zide, 52, has served as a Director of the Company since its initial public offering. Prior to the initial public offering, Mr. Zide served as a director of STI since the completion of the 2006 Acquisition. Mr. Zide has been a Managing Director of Bain Capital since 2001 and joined the firm in 1997. From 1998 to 2000, Mr. Zide was a Managing Director of Pacific Equity Partners, a strategic partner of Bain Capital in Sydney, Australia. Prior to joining Bain Capital, 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 also serves on the Board of Directors of Innophos Holdings, Inc., HD Supply Inc., The Weather Channel, and Trinseo (f/k/a Styron, LLC).

Mr. Zide brings to the Board extensive negotiating and financing expertise gained from his training and experience as a legal advisor and then a private equity professional and financial advisor. In addition, Mr. Zide 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 and law.

Marc Roskam, 47, has served as the Company's Director of European Finance since February 2010. Prior to that, Mr. Roskam served as Manager of Finance and Information Technology for RPC Group, a European producer of rigid plastic packaging, from January 2009 to January 2010, and as Director of European Finance and International Treasurer for Polaroid from January 2000 to October 2008.

Mr. Roskam brings to the Board more than twenty years of experience with managing the financial aspects of multinational companies.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF WROE, SULLIVAN, CAMPBELL, EDGERLEY, JACOBSON, LEWIS, PEFFER, POND, WARD AND ZIDE.

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PROPOSAL 2 RATIFICATION OF THE SELECTION OF INDEPENDENT AUDITOR

The Audit Committee of our Board of Directors has selected Ernst & Young LLP as independent auditor for the fiscal year ending December 31, 2012 and has further directed that management submit the selection of the independent auditor for ratification by the shareholders at the General Meeting. A proposal to ratify the appointment of Ernst & Young will be presented at the General Meeting. Ernst & Young was the Company's independent auditor during the fiscal year ended December 31, 2011.

Dutch law requires shareholder ratification of the selection of Ernst & Young as 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 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 the Company by Ernst & Young, the Company's independent auditor, for the years ended December 31, 2011 and 2010 were:

	2011	2010
	(in thousands)	
Audit Fees	\$ 3,217	\$ 3,392
Audit-Related Fees	107	96
Tax Fees	756	694
All Other Fees	3	10
Total Fees	\$ 4,083	\$ 4,192

Audit Fees include fees billed to the Company for professional services and expenses relating to the audit and review of the financial statements of the respective years. For the fiscal years ended December 31, 2011 and 2010, audit fees included fees for professional services and expenses relating to the reviews of our and/or Sensata Technologies B.V.'s quarterly financial statements for the quarters ended March 31, 2010 through September 30, 2011 filed on Form 10-Q and the audit of our and/or Sensata Technologies B.V.'s annual financial statements and our and/or Sensata Technologies B.V.'s Annual Report on Form 10-K for each of fiscal years 2011 and 2010. Audit Fees also include fees relating to the performance of statutory audits at certain of our non-U.S. subsidiaries and procedures relating to our Form S-1 and Form S-8 filings with the U.S. Securities and Exchange Commission.

Audit-Related Fees include fees billed to the Company in the respective fiscal year for professional services and expenses primarily related to the audit of the Company's employee benefit plans.

Tax Fees include fees billed to the Company for professional services and expenses principally related to tax planning, tax consulting and tax compliance. Fees associated with tax compliance services were approximately \$474 thousand and \$433 thousand for the years ended December 31, 2011 and 2010, respectively.

All Other Fees include fees billed to the Company for subscription to Ernst & Young's accounting research tool.

No other professional services were rendered or fees were billed by Ernst & Young for the years ended December 31, 2011 and 2010.

Pre-Approval Policies and Procedures

The Audit Committee has adopted policies and procedures for the pre-approval of audit and non-audit services rendered by our independent auditor, Ernst & Young. The policy generally pre-approves specified

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services in the defined categories of audit services, audit-related services and tax services up to specified amounts. Pre-approval may also be given as part of our Audit Committee's approval of the scope of the engagement of the independent auditor or on an individual explicit case-by-case basis before the independent auditor is engaged to provide each service. The pre-approval of services may be delegated to one or more of our Audit Committee members, but the decision must be reported to the full Audit Committee at its next scheduled meeting. All audit-related and tax services for fiscal years 2011 and 2010 were pre-approved by the Audit Committee of the Company or, prior to our initial public offering, the Audit Committee of our subsidiary, Sensata Technologies, Inc.

The Audit Committee has determined that the rendering of the services, other than the audit services, by Ernst & Young, is compatible with maintaining the principal accountant's independence.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RATIFICATION OF ERNST & YOUNG LLP AS THE COMPANY'S INDEPENDENT AUDITOR FOR FISCAL YEAR 2012.

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PROPOSAL 3 ADOPTION OF DUTCH STATUTORY ANNUAL ACCOUNTS FOR 2011

At the General Meeting, our shareholders will be asked to adopt our Dutch statutory annual accounts for the year ended December 31, 2011 (the 2011 Annual Accounts) and to authorize the preparation of our 2011 Annual Accounts and annual report of our management (the 2011 Management Report) in the English language, as required under Dutch law and our Articles of Association. We will also report on the business and the results of operations for the year ended December 31, 2011 based on the 2011 Annual Accounts.

Our 2011 Annual Accounts are audited and prepared in accordance with International Financial Reporting Standards. The 2011 Annual Accounts contain certain disclosures not required under generally accepted accounting principles in the United States (US GAAP). The 2011 Management Report required by Dutch law, which is similar to the Management s Discussion and Analysis of Results of Operations and Financial Condition included in the 2011 Annual Report to Shareholders, also contains information included in our Annual Report on Form 10-K and other information required by Dutch law. A copy of the 2011 Annual Accounts can be accessed through our website, www.sensata.com, and may be obtained free of charge by request to Sensata Technologies Holding N.V., c/o Sensata Technologies, Inc., Attention: Director, Investor Relations, 529 Pleasant Street, Attleboro, Massachusetts 02703, or investors@sensata.com. Approval of this proposal will constitute approval of the matters set forth in the 2011 Annual Accounts and the 2011 Management Report.

In addition, under Dutch law, we are required to provide shareholders with an opportunity at the General Meeting to discuss our dividend policy and any major changes in that policy. Shareholders will not be entitled to adopt a binding resolution determining our future dividend policy.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ADOPTION OF OUR 2011

ANNUAL ACCOUNTS AND THE AUTHORIZATION OF THE PREPARATION OF OUR 2011

ANNUAL ACCOUNTS AND 2011 MANAGEMENT REPORT IN THE ENGLISH LANGUAGE.

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PROPOSAL 4 DISCHARGE OF MEMBERS OF OUR BOARD OF DIRECTORS FROM CERTAIN LIABILITIES FOR FISCAL YEAR 2011

At the General Meeting, as permitted under Dutch law and customary for Dutch companies, we are asking our shareholders to discharge the members of our Board of Directors from liability with respect to the exercise of their management and supervisory duties during our fiscal year ended December 31, 2011. If our shareholders approve this discharge of liability, then our Board members will not be liable to the Company for actions that they took on behalf of the Company in the exercise of their duties during fiscal year 2011. However, the discharge does not apply to matters that are not disclosed to our shareholders, and it does not affect the liability, if any, of our Board of Directors to our shareholders. The discharge is also subject to the provisions of Dutch law relating to liability upon bankruptcy.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE DISCHARGE OF THE MEMBERS OF OUR BOARD OF DIRECTORS FROM LIABILITY FOR FISCAL YEAR 2011.

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PROPOSAL 5 AMENDMENT TO THE REMUNERATION POLICY

At the General Meeting, our shareholders will be asked to approve a proposed amendment to the remuneration policy of our Board of Directors. Currently, directors receive, inter alia, compensation in the form of stock options to purchase ordinary shares with an aggregate value as of the grant date of \$80,000, which options are granted annually for service as a director. Our Board of Directors has proposed to increase the value of the stock options to \$120,000, which our Board believes is competitive with our peer companies as described in Executive Compensation-Compensation Discussion and Analysis-Compensation Benchmarking and Survey Data. If the amendment to the value of the stock option grant is approved by shareholders, the remuneration policy of our Board of Directors would consist of the following:

1. \$50,000 annually for service on the Board of Directors;
2. Stock options to purchase ordinary shares with an aggregate value as of the grant date of \$120,000, which options shall be granted in connection with an individual's first election to the Board of Directors;
3. Stock options to purchase ordinary shares with an aggregate value as of the grant date of \$120,000, which options shall be granted annually for service of the Board of Directors;
4. \$10,000 annually for service on the Audit Committee, and an additional \$10,000 annually for service as the Chairman of the Audit Committee;
5. \$5,000 annually for service on the Compensation Committee, and an additional \$5,000 annually for service as the Chairman of the Compensation Committee; and
6. \$4,000 annually for service on the Nominating and Governance Committee, and an additional \$4,000 annually for service as the Chairman of the Nominating and Governance Committee.

Additionally, all members of the Board of Directors are eligible to receive stock options and other equity-based awards, when and as determined by the Compensation Committee. The Company is authorized to reimburse each member of the Board of Directors for all reasonable out-of-pocket expenses incurred in connection with their service as a member of the Board of Directors.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE AMENDMENT TO THE REMUNERATION POLICY OF THE BOARD OF DIRECTORS.

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PROPOSAL 6 EXTENSION OF AUTHORITY OF OUR BOARD OF DIRECTORS TO REPURCHASE AS MANY SHARES IN THE CAPITAL OF THE COMPANY AS IS PERMITTED BY LAW AND THE COMPANY'S ARTICLES OF ASSOCIATION FOR 18 MONTHS

Under Dutch law and our Articles of Association, our Board of Directors may, subject to certain Dutch statutory provisions, be authorized to repurchase issued ordinary shares on our behalf in an amount, at prices and in the manner authorized by the general meeting of shareholders. Adoption of this proposal will allow us to have the flexibility to repurchase our ordinary shares without the expense of calling special shareholder meetings. Such authorization may not continue for more than 18 months, but may be given on a rolling basis. At a special meeting of shareholders held on May 10, 2011, our shareholders authorized our Board of Directors for a period of 18 months to repurchase as many shares in the capital of the Company as is permitted by law and the Company's Articles of Association, on the open market, through privately negotiated repurchases or in 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. During the fiscal year ended December 31, 2011, we did not repurchase any ordinary shares under this authority.

Our Board of Directors believes that we would benefit by extending the authority of the Board to repurchase our ordinary shares. For example, to the extent our Board of Directors believes that our ordinary shares may be undervalued at the market levels at which they are then trading, repurchases of our share capital may represent an attractive investment for us. Such ordinary shares could be used for any valid corporate purpose, including use under our compensation plans, sale in connection with the exercise of outstanding options, or for acquisitions, mergers or similar transactions. The reduction in our issued capital resulting from any such purchases will increase the proportionate interest of the remaining shareholders in our net worth and whatever future profits we may earn. However, the number of shares repurchased, if any, and the timing and manner of any repurchases would be determined by our Board of Directors in light of prevailing market conditions, our available resources and other factors that cannot now be predicted.

In order to provide us with sufficient flexibility, our Board of Directors proposes that our shareholders again grant authority for the repurchase of as many shares in the capital of the Company as is permitted by law and the Company's Articles of Association, on the open market, through privately negotiated repurchases or in 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. Such authority would extend for 18 months from the date of the General Meeting.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE EXTENSION OF AUTHORITY OF THE BOARD OF DIRECTORS TO REPURCHASE AS MANY SHARES IN THE CAPITAL OF THE COMPANY AS IS PERMITTED BY LAW AND THE COMPANY'S ARTICLES OF ASSOCIATION FOR 18 MONTHS.

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PROPOSAL 7 EXTENSION OF AUTHORITY OF OUR BOARD OF DIRECTORS TO ISSUE ORDINARY SHARES AND/OR PREFERRED SHARES AND/OR GRANT RIGHTS TO ACQUIRE OUR SHARES, AND TO LIMIT OR EXCLUDE PREEMPTIVE RIGHTS FOR A PERIOD OF 5 YEARS

At the General Meeting, our shareholders will be asked to approve a further extension of the designation of our Board of Directors to issue ordinary shares and/or preferred shares and/or grant rights to acquire shares (including options to subscribe for shares), never to exceed the number of authorized but unissued shares as of the date of the General Meeting or any time in the future, and to limit or exclude preemptive rights in respect of the issuance of shares or the grant of the right to acquire shares, for a five-year period from the date of the General Meeting. Under Dutch law and our Articles of Association, shareholders have a pro rata preemptive right to subscribe for any shares issued for cash unless such right is limited or excluded. Shareholders have no preemptive right with respect to any shares issued for consideration other than cash or pursuant to certain employee share plans. Shareholders also have a pro rata preemptive right to participate in any grant of the right to acquire shares for cash, other than certain grants under employee share plans.

At the general meeting of our shareholders held on May 10, 2011, our shareholders approved a proposal similar to the one set forth herein. That five-year period will expire on May 10, 2016.

If this proposal is approved by shareholders, our Board of Directors will have the authority to issue ordinary shares and/or preferred shares at such price (but not less than nominal value), and upon such terms and conditions, as our Board of Directors in its discretion deems appropriate, based on the Board's determination of what is in the best interests of the Company at the time such shares are issued or the right to acquire such shares is granted. Our Board of Directors will also, if this proposal is approved by shareholders, have the authority to exclude pre-emptive rights with respect to any issuance of ordinary shares and/or preferred shares or grant of the right to acquire shares, in the event that the Board in its discretion believes that exclusion of pre-emptive rights with respect to any issuance of ordinary shares and/or preferred shares, or grant of the right to acquire shares, is in the best interests of the Company.

The authority of the Board of Directors to issue shares would be subject to compliance with the applicable rules of the New York Stock Exchange.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE EXTENSION OF AUTHORITY OF THE BOARD OF DIRECTORS TO ISSUE ORDINARY SHARES AND/OR PREFERRED SHARES AND/OR GRANT RIGHTS TO ACQUIRE OUR SHARES, AND TO LIMIT OR EXCLUDE PREEMPTIVE RIGHTS FOR A PERIOD OF 5 YEARS.

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PROPOSAL 8 AMENDMENT TO OUR ARTICLES OF ASSOCIATION

At the General Meeting, our shareholders will be asked to approve an amendment to our Articles of Association and to authorize the Chairman of our Board of Directors and each employee of Loyens & Loeff to execute the amendment in front of R. van Bork, Civil Law Notary in Amsterdam, The Netherlands or his Deputy.

Our Board of Directors, in its continuing review of corporate governance matters and after careful consideration, has concluded that it is advisable and in the best interests of the Company and its shareholders to amend and restate Article 18.1 of our Articles of Association to state in its entirety:

18.1 The Board may appoint one of its Non-Executive Directors to be its chairman for such period as the Board may decide.
Our Articles of Association currently provide that our Board of Directors will appoint one of the Company's Executive Directors or Non-Executive Directors to be Chairman for such period as our Board may decide. Our Board of Directors has proposed this change in order to align this provision of our Articles of Association with a change to Dutch law which provides that Executive Directors cannot be appointed as Chairman of the Board. The change to Dutch law is expected to take effect on July 1, 2012.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE AMENDMENT TO OUR ARTICLES OF ASSOCIATION AND THE AUTHORIZATION OF THE CHAIRMAN OF

THE BOARD OF DIRECTORS AND EACH EMPLOYEE OF LOYENS & LOEFF N.V.

TO EXECUTE THE AMENDMENT.

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CORPORATE GOVERNANCE STANDARDS AND BOARD OF DIRECTORS

Corporate Governance Guidelines

We have adopted Corporate Governance Guidelines that specify, among other things, the responsibilities, expectations and operations of our Board of Directors as well as general qualification criteria for directors. Our Corporate Governance Guidelines are available on our website at www.sensata.com. In addition, free copies of the guidelines may be obtained by shareholders upon request by contacting the Director, Investor Relations at (508) 236-1069. The Corporate Governance Guidelines are reviewed by our Nominating and Governance Committee, and changes are recommended to our