

**SENSATA TECHNOLOGIES HOLDING N.V.**  
**AUDIT COMMITTEE CHARTER**

**Organization**

The Audit Committee of Sensata Technologies Holding N.V. (the “Company”) shall consist of at least three members of the Company’s board of directors (the “Board”). Members of the Committee shall be appointed by the Board. Each member of the Committee shall be “independent” within the meaning of the applicable listing rules of the New York Stock Exchange, Section 10A of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and, as applicable, the Sarbanes-Oxley Act of 2002, as determined by the Board. The composition of the Committee shall be subject to any applicable “phase-in” provisions under the listing rules of the New York Stock Exchange and Section 10A of the Exchange Act.

Each member of the Committee shall satisfy the financial literacy requirements of the New York Stock Exchange or must become financially literate within a reasonable period of time after appointment, and at least one member of the Committee shall have accounting or related financial management expertise and shall be deemed an “audit committee financial expert” in accordance with the rules and regulations of the Securities and Exchange Commission (“SEC”). All such determinations shall be in the judgment of the Board. No member of the Committee may serve on the audit committee of more than three public companies, including the Company, unless the Board determines that such concurrent service would not impair the ability of such member to effectively serve on the Committee and discloses such determination in the Company’s annual proxy statement or annual report on Form 10-K.

The Committee shall meet at least one time per calendar quarter, or more frequently as circumstances dictate. To foster open communication, the Committee should meet at least annually with management and the internal audit staff and the independent auditor in separate sessions. 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.

Committee members shall hold their offices until their successors are appointed and qualified, or until their earlier death, 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, provided that neither the chairman of the Board nor a former executive officer of the Company shall be designated Chairman of the Committee. The Committee shall keep a separate book of minutes of their proceedings and actions. The Committee may form one or more subcommittees, each of which may take such actions as may be delegated by the Committee. The Committee shall periodically report on its activities to the Board and make such recommendations and findings as it deems appropriate. Committee members may not accept directly or indirectly any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries, other than compensation as a Board member or a member of any Board committee.

**Purpose**

The Committee shall provide assistance to the Board in fulfilling its oversight responsibility relating to:

- the integrity of the Company’s financial statements and its financial reporting process;

- the systems of internal accounting and financial controls;
- the performance of the Company's internal audit function and independent auditor;
- the independent auditor's qualifications and independence;
- the Company's compliance with legal and regulatory requirements and certain Company policies;
- the evaluation of the Company's policies with respect to risk assessment and risk management; and
- the evaluation of its own performance and the adequacy of its Charter on an annual basis.

The Committee shall also prepare the report that SEC rules require to be included in the Company's annual proxy statement. In so doing, it is the responsibility of the Committee to maintain free and open communication with the Board, the independent auditor and the management of the Company.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, personnel of the Company and the independent auditor and, in its sole discretion and at the Company's expense, the Committee shall have the authority to retain and terminate independent counsel and other advisers as it determines necessary to carry out its duties. The Committee, in its discretion, may request any officer or employee of the Company, or the Company's outside counsel or independent auditor, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee and to provide pertinent information as necessary.

### **Scope of Oversight**

The primary responsibility of the Committee is to oversee the Company's financial reporting process on behalf of the Board and report the results of its activities to the Board. In fulfilling their responsibilities hereunder, it is recognized that members of the Committee are not employees of the Company. It is not the duty or responsibility of the Committee or its members to conduct "field work" or other types of auditing or accounting reviews or procedures.

Each member of the Committee shall be entitled to rely, to the maximum extent permitted under applicable law, on (i) the integrity of those persons and organizations within and outside the Company from which it receives information and (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board). Such information shall include, but is not limited to, the certifications of the Chief Executive Officer and Chief Financial Officer required by the SEC and the New York Stock Exchange as well as the reports to the Committee on the due diligence processes which support said certifications.

Management of the Company is responsible for the preparation, presentation and integrity of the Company's financial statements. Management also is responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations.

The independent auditor is responsible for planning and carrying out a proper audit and reviews, including reviews of the Company's financial statements prior to filing with the SEC and other procedures. The independent auditor shall report directly to the Committee.

### **Duties and Responsibilities**

The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The following shall be the principal duties and responsibilities of the Committee. These are set forth as a guide with the understanding that the Committee may supplement them as appropriate.

1. *Oversight of the Company's Relationship with the Independent Auditor.*

The Committee shall:

- (a) recommend to the Company's shareholders the appointment, retention, termination and compensation of the independent auditor, and shall be responsible for the oversight of the independent auditor;
- (b) ensure the rotation of the lead audit partner as required by law;
- (c) pre-approve all audit and permitted non-audit services provided by the independent auditor;
- (d) obtain and review, at least annually, a report by the independent auditor describing:
  - the independent auditors' internal quality control procedures;
  - any material issues raised by the most recent internal quality control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and
  - all relationships between the independent auditor and the Company (to assess the auditor's independence), as well as all relationships between the independent auditor and the Company's subsidiaries, affiliates and other related entities;
- (e) set clear hiring policies for employees or former employees of the independent auditor, and shall ensure that such policies meet SEC regulations and stock exchange listing standards;
- (f) resolve any disagreements between management and the independent auditor regarding financial reporting; and evaluate, at least annually, the qualifications, performance and independence of the independent auditor and the lead audit partner of the independent auditor.

2. *Financial Statement and Disclosure Matters.*

The Committee shall:

- (a) discuss with the internal auditors, if such exists, (or other personnel responsible for the internal audit function) and the independent auditor the overall scope and plans for their respective audits, including the adequacy of staffing and compensation. The Committee shall also discuss with management, the internal auditors, if such exists, and the independent auditor the adequacy and effectiveness of the accounting and financial controls, including the Company's policies and procedures to assess, monitor, and manage business risk, and legal and ethical compliance programs;
- (b) discuss with management and the independent auditor the interim financial statements and disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations to be included in the Company's Quarterly Report on Form 10-Q prior to the filing of Form 10-Q. Also, the Committee shall discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditor under generally accepted auditing standards;
- (c) discuss with management and the independent auditor the financial statements and disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations to be included in the Company's Annual Report on Form 10-K prior to the filing of Form 10-K (or the annual report to shareholders if distributed prior to the filing of Form 10-K), including their judgment about the quality, not just the acceptability, of accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements. The Committee shall also discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditor under generally accepted auditing standards;
- (d) receive regular reports from the independent auditor on the critical accounting policies and practices of the Company, and all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management;
- (e) review management's assertion on its assessment of the effectiveness of internal controls as of the end of the most recent fiscal year and the independent auditor's report on management's assertion (if the preparation of such report is required by applicable law);
- (f) review with the independent auditor any audit problems or difficulties, including any restrictions on the scope of the independent auditor's activities or on access to requested information, and any significant disagreements with management, and management's response; serve as the principal contact for the independent auditor if the auditor discovers any irregularities in the content of financial reporting;
- (g) discuss the types of information to be disclosed and types of presentations to be made in earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies. The Committee need not discuss in advance each release or each instance of guidance;

- (h) regularly report to the Board, including the results of the annual audit, and review with the full Board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements and the performance of the internal audit function and the independence of the internal auditor. If requested by the Board, the Committee shall invite the independent auditor to attend the full Board meeting to assist in reporting the results of the annual audit or to answer other directors' questions (alternatively, the other directors, particularly the other independent directors, may be invited to attend the Committee meeting during which the results of the annual audit are reviewed).

3. *Compliance and Other Oversight Responsibilities.*

The Committee shall:

- (a) establish procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (b) discuss policies with respect to risk assessment and risk management, including the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures;
- (c) meet separately, periodically, with management, with internal auditors and with independent auditors, as appropriate;
- (d) evaluate the need to create an internal audit function, and if one is created, the role and functioning of the internal audit function;
- (e) review the policy of the Company on tax planning;
- (f) discuss with and/or review reports from appropriate counsel to the Company or others regarding any significant legal, compliance or regulatory matters that may have a material effect on the financial statements or the Company's business, financial statements or compliance policies, including material notices to or inquiries received from governmental agencies, evidence of material violations of securities laws or breaches of fiduciary duties;
- (g) assess, monitor and manage related-party transactions and business relationships, as the case may be;
- (h) submit the minutes of all meetings of the Committee to, or discuss the matters discussed at each Committee meeting with, the Board;
- (i) prepare its report to be included in the Company's annual proxy statement, as required by SEC regulations;
- (j) review the Company's disclosure in the proxy statement for its general meeting of shareholders that describes whether the Committee has satisfied its responsibilities under this Charter for the prior year;

- (k) review this charter at least annually and recommend any changes to the Board;  
and
- (l) periodically evaluate its performance to determine whether it is functioning effectively.

**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*