SENSIENT TECHNOLOGIES CORP
Form PRER14A
March 14, 2014

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No. 1)

Filed by the Registrantx

Filed by a Party other than the Registranto

Check the appropriate box:

xPreliminary Proxy Statement

oConfidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

oDefinitive Proxy Statement

oDefinitive Additional Materials

oSoliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

SENSIENT TECHNOLOGIES CORPORATION
(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

x No fee required

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

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(1)Amount Previously Paid:

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(3)Filing Party:

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PRELIMINARY COPY

March __, 2014

Dear Fellow Shareholder:

You are invited to attend the Annual Meeting of Shareholders of Sensient Technologies Corporation. The meeting will be held on Thursday, April 24, 2014, at 2:00 p.m., Central Daylight Time, at the Trump International Hotel, 401 North Wabash Avenue, Chicago, Illinois.

I hope that you will be able to join us at the meeting to review the year and take a look at what the future holds for our Company. In addition, the business to be transacted is: (i) to elect nine directors of the Company as described in the accompanying Proxy Statement; (ii) to give an advisory vote on our executive compensation; (iii) to consider and act upon a proposal to approve the Sensient Technologies Corporation Incentive Compensation Plan for Elected Corporate Officers; (iv) to ratify the appointment of Ernst & Young LLP, certified public accountants, as the independent auditors of the Company for 2014; and (v) to transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors strongly urges you to vote FOR the nine nominees recommended by the Board of Directors.

You should know that FrontFour Master Fund, Ltd., an exempted company organized under laws of the Cayman Islands (together with its affiliates, "FrontFour"), has stated that it intends to nominate a slate of four nominees for election as directors at the meeting in opposition to the nominees recommended by our Board of Directors. The Board of Directors does not endorse the election of any of FrontFour's nominees.

You may receive solicitation materials from FrontFour or its affiliates, including a proxy statement and a green proxy card. We are not responsible for the accuracy of any information provided by or relating to FrontFour or its nominees contained in solicitation materials filed or disseminated by or on behalf of FrontFour or any other statements FrontFour may make.

The Board of Directors unanimously recommends that you vote FOR the election of each of our Director nominees on the enclosed white proxy card. The Board of Directors strongly urges you not to sign or return any green proxy card sent to you by or on behalf of FrontFour. If you have already returned a proxy card for FrontFour, you can revoke that proxy by using the enclosed proxy card to vote your shares today by telephone, by Internet or signing, dating and returning the enclosed proxy card. Only your latest-dated proxy will count.

Regardless of the number of shares you own and whether or not you plan to attend the Annual Meeting, it is important that you exercise your right to vote as a shareholder. Please indicate your vote on the enclosed white proxy card and return it promptly using the envelope provided or vote by telephone or by Internet according to the instructions on the enclosed proxy card. Be assured that your votes are completely confidential.

On behalf of the officers and directors of the Company, thank you for your continued support and confidence.

Sincerely,

Paul Manning
President and Chief Executive Officer

Enclosures

PRELIMINARY COPY

SENSIENT TECHNOLOGIES CORPORATION
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

Notice of Annual Meeting
To Be Held April 24, 2014

To the Shareholders of
Sensient Technologies Corporation:

NOTICE IS HEREBY GIVEN that the 2014 Annual Meeting of Shareholders ("Meeting") of Sensient Technologies Corporation, a Wisconsin corporation ("Company"), will be held at the Trump International Hotel, 401 North Wabash Avenue, Chicago, Illinois on Thursday, April 24, 2014, at 2:00 p.m., Central Time, for the following purposes:

1. To elect nine directors of the Company as described in the accompanying proxy statement;

2. To give an advisory vote to approve the compensation of the Company's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion in the accompanying proxy statement;

3. To consider and act upon a proposal to approve the Sensient Technologies Corporation Incentive Compensation Plan for Elected Corporate Officers;

4. To ratify the appointment of Ernst & Young LLP, certified public accountants, as the independent auditors of the Company for 2014; and

5. To transact such other business as may properly come before the Meeting or any adjournments thereof.

Important Notice Regarding the Internet Availability of Proxy Materials
for the Shareholder Meeting to Be Held on April 24, 2014

The Proxy Statement and Notice of Annual Meeting and the 2013 Annual Report to Shareholders are available on Sensient's website at http://www.sensient.com/financial/annualreport_and_proxy.htm

The Board of Directors has fixed the close of business on February 28, 2014, as the record date for the determination of shareholders entitled to notice of, and to vote at, the Meeting and any adjournments thereof.

The Company encourages you to attend the Meeting and vote your shares in person. However, whether or not you are able to attend the Meeting, please complete the enclosed proxy and return it promptly using the envelope provided or vote by telephone or by Internet according to the instructions on the enclosed proxy card, so that your shares will be represented at the Meeting. You may revoke your proxy at any time before it is actually voted by notice in writing to the undersigned, by delivering a later executed proxy or by attending the Meeting and voting in person. Your attention is directed to the attached proxy statement and accompanying proxy.

For directions to the Meeting site, contact the Company's Secretary at (414) 271-6755. Shareholders of record who wish to vote in person may do so at the Meeting.

On Behalf of the Board of Directors

John L. Hammond
Secretary

Milwaukee, Wisconsin
March ___ , 2014

PROXY VOTING INSTRUCTIONS

You may cast your vote in person at the meeting or by any one of the following ways:

By Telephone: You may call the toll-free number indicated on your proxy card. Follow the simple instructions and use the personalized control number specified on your proxy card to vote your shares. You will be able to confirm that your vote has been properly recorded. Your telephone vote authorizes the named proxies to vote your shares in the same manner as if you had marked, signed and returned a proxy card.

Over the Internet: You may visit the Web site indicated on your proxy card. Follow the simple instructions and use the personalized control number specified on your proxy card to vote your shares. You will be able to confirm that your vote has been properly recorded. Your Internet vote authorizes the named proxies to vote your shares in the same manner as if you had marked, signed and returned a proxy card.

By Mail: You may mark, sign and date the enclosed WHITE proxy card and return it in the postage-paid envelope provided.

If you are a beneficial holder (that is, if your shares are held through your bank or broker), you will receive instructions on how to vote your shares with these proxy materials. If a broker does not receive voting instructions from the beneficial owner on the election of directors, on the approval of our executive compensation or on any matter relating to executive compensation (including the proposed Sensient Technologies Corporation Incentive Compensation Plan for Elected Corporate Officers), the broker may not vote such shares without specific instructions and may return a proxy card with no vote on these matters, in which case such shares will have no effect in the outcome of such matters.

If you are a participant in a Sensient employee benefit plan, you have the right to instruct the trustees and/or administrators of such plans to vote the shares allocated to your plan account. If no instructions are given or if your voting instructions are not received by the deadline shown on the enclosed voting instruction form, the uninstructed shares will be voted in accordance with the provisions of the applicable plan.

You should know that FrontFour Master Fund, Ltd., an exempted company organized under laws of the Cayman Islands (together with its affiliates, "FrontFour"), has stated that it intends to nominate a slate of four nominees for election as directors at the meeting in opposition to the nominees recommended by our Board of Directors. The Board of Directors does not endorse the election of any of FrontFour's nominees.

You may receive solicitation materials from FrontFour or its affiliates, including a proxy statement and a green proxy card. We are not responsible for the accuracy of any information provided by or relating to FrontFour or its nominees contained in solicitation materials filed or disseminated by or on behalf of FrontFour or any other statements FrontFour may make.

The Board of Directors unanimously recommends that you vote FOR the election of each of our Director nominees on the enclosed WHITE proxy card. The Board of Directors strongly urges you not to sign or return any green proxy card sent to you by or on behalf of FrontFour. If you have already returned a proxy card for FrontFour, you can revoke that proxy by using the enclosed WHITE proxy card to vote your shares today by telephone, by Internet or by signing, dating and returning the enclosed WHITE proxy card. Only your latest-dated proxy will count.

The Board of Directors urges you NOT to sign or return any green proxy card sent to you by or on behalf of FrontFour. Voting against FrontFour's nominees on its proxy card is not the same as voting for the Board of Directors' nominees, because a vote against FrontFour's nominees on its proxy card will revoke any previous proxy card submitted by you. If you have previously voted using the green proxy card sent to you by or on behalf of FrontFour, you can change your vote by executing the WHITE proxy card or by voting by telephone or through the Internet by following the instructions shown on the WHITE proxy card. Only your latest-dated proxy will count.

IF YOU HAVE ANY QUESTIONS OR NEED ASSISTANCE VOTING, PLEASE CONTACT OUR PROXY SOLICITOR,
D. F. KING & CO., INC.
TOLL FREE AT (888) 886-4425.

PRELIMINARY COPY

SENSIENT TECHNOLOGIES CORPORATION
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202
(414) 271-6755

PROXY STATEMENT
for
ANNUAL MEETING OF SHAREHOLDERS
to be held on
April 24, 2014

GENERAL

This proxy statement and accompanying proxy are first being furnished to the shareholders of Sensient Technologies Corporation, a Wisconsin corporation ("Company"), beginning on or about March ____, 2014, in connection with the solicitation by the Board of Directors of the Company ("Board") of proxies for use at the Company's 2014 Annual Meeting of Shareholders to be held at the Trump International Hotel, 401 North Wabash Avenue, Chicago, Illinois on Thursday, April 24, 2014, at 2:00 p.m., Central Time, and at any adjournments thereof ("Meeting"), for the purposes set forth in the attached Notice of Annual Meeting and in this proxy statement.

Accompanying this proxy statement are a Notice of Annual Meeting and a form of proxy solicited by the Board for the Meeting. This proxy statement and the accompanying Notice of Annual Meeting and the 2013 Annual Report to Shareholders are also available on our website at http://www.sensient.com/financial/annualreport_and_proxy.htm. The 2013 Annual Report to Shareholders, which also accompanies this proxy statement, contains financial statements for the three years ended December 31, 2013, and certain other information concerning the Company. The 2013 Annual Report to Shareholders and financial statements are neither a part of this proxy statement nor incorporated herein by reference.

Only holders of record of the Company's Common Stock ("Common Stock") as of the close of business on February 28, 2014, are entitled to notice of, and to vote at, the Meeting. On that date, the Company had 50,199,509 shares of Common Stock outstanding, each of which is entitled to one vote on each proposal submitted for shareholder consideration at the Meeting.

Subject to the applicable New York Stock Exchange regulations regarding discretionary voting by brokers, a proxy, in the enclosed form, that is properly executed, duly returned to the Company or its authorized representatives or agents and not revoked, or that has been properly voted by telephone or by Internet according to the instructions on the enclosed proxy card and not revoked, will be voted in accordance with the shareholder's instructions contained in the proxy. If no instructions are indicated on the proxy, the shares represented thereby will be voted as follows:

- FOR the election of the Board's nine nominees for director;
- FOR approval of the compensation of our named executive officers, as disclosed herein pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion in this proxy statement;
- FOR approval of the Sensient Technologies Corporation Incentive Compensation Plan for Elected Corporate Officers;
-

FOR ratification of the Board's appointment of Ernst & Young LLP as the Company's independent auditors for 2014; and

- On such other matters that may properly come before the Meeting in accordance with the best judgment of the individual proxies named in the proxy.

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Brokers are not entitled to vote on the election of directors, on the approval of our executive compensation or on any matter relating to executive compensation (including the proposed Sensient Technologies Corporation Incentive Compensation Plan for Elected Corporate Officers) unless they receive voting instructions from the beneficial owner, but they will be able to vote with respect to ratification of Ernst & Young LLP as our auditors for 2014. If a broker does not receive voting instructions from the beneficial owner, the broker may return a proxy card with no vote on these matters, which is usually referred to as a broker non-vote. The shares subject to a broker non-vote will be counted for purposes of determining whether a quorum is present at the Meeting if the shares are represented at the Meeting by proxy from the broker. A broker non-vote will have no effect with respect to the election of directors, the advisory shareholder vote on our executive compensation and the approval of the proposed Sensient Technologies Corporation Incentive Compensation Plan for Elected Corporate Officers.

Beginning in 2014, shares held in the same registration (for example, shares held by an individual directly and through an employee benefit plan) will be combined into the same proxy card whenever possible. However, shares held with different registrations cannot be combined and therefore a shareholder may receive more than one proxy card. If you hold shares in multiple accounts with different registrations, you must vote each proxy card you receive to ensure that all shares you own are voted in accordance with your directions.

Any shareholder giving a proxy may revoke it at any time before it is exercised at the Meeting by delivering written notice thereof to the Secretary of the Company or by delivering a later executed proxy. Any shareholder attending the Meeting may vote in person whether or not the shareholder has previously filed a proxy. Presence at the Meeting by a shareholder who has signed a proxy does not in itself revoke the proxy. The shares represented by all properly executed proxies received prior to the Meeting and not revoked will be voted as directed by the shareholders.

The cost of soliciting proxies will be borne by the Company. Proxies may be solicited by directors, officers or employees of the Company in person, by telephone or by Internet. The Company will use the services of D. F. King & Co., Inc., New York, New York, to aid in the solicitation of proxies. Sensient expects that it will pay D. F. King & Co., Inc., its customary fees, estimated not to exceed approximately $750,000 in the aggregate, plus reasonable out-of-pocket expenses incurred in the process of soliciting proxies. This proxy solicitation firm estimates that approximately 50 of its employees will assist in this proxy solicitation, which they may conduct by personal interview, mail, telephone, facsimile, email, other electronic channels of communication or otherwise. Excluding amounts normally expended by Sensient for a solicitation for an election of directors in the absence of a contest and costs represented by salaries and wages of Sensient’s regular employees and officers, Sensient's aggregate expenses, including those of D. F. King & Co., Inc., related to this proxy solicitation are expected to be approximately $3,250,000, of which approximately $80,000 has been spent to date. The Company will also reimburse brokerage houses and other custodians, nominees and fiduciaries for their expenses in sending proxy materials to the beneficial owners.

Other than the Change of Control Employment and Severance Agreements with our named executive officers, each of which are described in this proxy statement, and standard agreements between the Company and its directors and executive officers covering equity awards under our compensation plans, the forms of which have been filed as exhibits to Sensient's Annual Report on Form 10-K with respect to the period ending December 31, 2013, no participant is, or was within the past year, a party to any contract, arrangements or understandings with any person with respect to any securities of Sensient, including, but not limited to joint ventures, loan or option arrangements, puts or calls, guarantees against loss or guarantees of profit, division of losses or profits or the giving or withholding of proxies.

Other than Mr. Paul Manning’s employment agreement and the Change of Control Employment and Severance Agreements with our named executive officers, each of which are described in this proxy statement, no participant, nor any associate of a participant, has any arrangement or understanding with any person (i) with respect to any future employment by Sensient or its affiliates or (ii) with respect to any future transactions to which Sensient or any of its affiliates will or may be a party.

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ITEM 1.

ELECTION OF DIRECTORS

The Board of Directors currently consists of nine members who are all elected each year for one-year terms. The Board has re-nominated all nine of its current directors: Messrs. Brown, Cichurski, Croft, Hickey, Kenneth Manning and Paul Manning, Drs. Clydesdale and Wedral, and Ms. Whitelaw.

The Company intends that the persons named as proxies in the accompanying proxy cards will vote FOR the election of the Board's nine nominees. If any nominee should become unable to serve as a director prior to the Meeting, the shares represented by proxy cards that include directions to vote in favor of that nominee or that do not contain any instructions will be voted FOR the election of such other person as the Board may recommend, subject to the rules for broker non-votes described under "General" above.

Under Wisconsin law, unless otherwise provided in a corporation's articles of incorporation (Sensient's articles of incorporation do not otherwise provide), directors are elected by a plurality of the votes cast by the shares entitled to vote in the election of directors, assuming a quorum is present. For this purpose, "plurality" means that the individuals receiving the largest number of votes are elected as directors, up to the maximum number of directors to be chosen at the election. Therefore, any shares of Common Stock that are not voted on this matter at the Meeting (whether by abstention, broker non-vote or otherwise) will have no effect on the election of directors at the Meeting. Brokers do not have discretion to cast votes in the election of directors with respect to any shares for which they have not received voting directions from the beneficial owners.

Sensient's Corporate Governance Guidelines, a copy of which is available on the Company's website (www.sensient.com) by following links to "About Sensient" and "Corporate Governance," include a director resignation policy for directors in uncontested elections. Pursuant to the policy, any director who fails to receive a greater number of votes "for" his or her election than votes "withheld" at the Meeting must tender his or her irrevocable resignation to the Board of Directors. The Nominating and Corporate Governance Committee will act to determine whether to accept the director's resignation and will submit such recommendation for consideration by the Board of Directors, and the Board of Directors will act on the Nominating and Corporate Governance Committee's recommendation. The Nominating and Corporate Governance Committee and the Board of Directors may consider any factors they deem relevant in deciding whether to accept a director's resignation.

Pursuant to the Company's Bylaws, written notice of other qualifying nominations by shareholders for election to the Board, together with a completed Directors and Executive Officers Questionnaire, affirmation and consent, must have been received by the Secretary no later than 50 days before the meeting, or March 5, 2014, with respect to the Meeting. On February 19, 2014, FrontFour Master Fund, Ltd., an exempted company formed under the laws of the Cayman Islands ("FrontFour"), notified the Company of its intention to nominate and solicit proxies in support of four individuals, James R. Henderson, James E. Hyman, Stephen E. Loukas and William R. Redford, Jr., for election as directors of the Company at the Meeting. FrontFour has stated that FrontFour and its affiliates may be deemed to collectively beneficially own an aggregate of 762,935 shares of our Common Stock as of February 28, 2014.

The Board of Directors does not endorse the election of any of FrontFour's nominees.

Each of Sensient's nine nominees and Sensient's Board as a whole possess a combination of the qualifications, skills, professional experiences, education and other attributes that the Nominating and Corporate Governance Committee seeks out in potential Board members. In particular, Sensient's Board includes directors with significant experience in the specialty chemicals industry, directors with a demonstrated history of driving sustainable operational improvements, directors with technical and food science backgrounds, directors with financial and accounting expertise and directors with diverse backgrounds and experiences.

Based on the biographies FrontFour has provided regarding its nominees, Sensient does not believe that any of FrontFour's nominees would add any meaningful specialty chemical industry experience, diversity or scientific, technical, accounting or operational skills to the Board.

Sensient's Board, together with its management team, has articulated and continues to implement a clearly defined strategy to create sustainable, long-term value for all of our shareholders. In the opinion of Sensient's Board, shareholders will be better served by supporting the Board's nine nominees on the WHITE proxy card and allowing Sensient to continue to execute on its strategy.

You may receive solicitation materials from FrontFour or its affiliates, including a proxy statement and a green proxy card. The Company is not responsible for the accuracy of any information provided by or relating to FrontFour or its nominees contained in solicitation materials filed or disseminated by or on behalf of FrontFour or any other statement FrontFour may make. Sensient's Board unanimously recommends that shareholders vote on the WHITE proxy card for all nine of Sensient's nominees.

Director Selection Criteria; Director Qualifications and Experience

The Company has included its criteria for selecting nominees to the Board both on its website and as an attachment to its annual meeting proxy statement for many years. Those criteria, which are periodically reviewed by the Nominating and Corporate Governance Committee, are included as Appendix A to this proxy statement. The criteria emphasize the need for independence and an absence of material conflicts of interest of all directors other than the Company's Chairman of the Board and the Company's President and Chief Executive Officer, the personal attributes the Company seeks in all directors, and the broad mix of skills and experience that should be included among its directors to enhance both the diversity of perspectives, professional experience, education and other attributes and the overall strength of the composition of the Board. The skills and experience that we consider most important for membership on the Board include a background in at least one of the following areas:

- substantial recent business experience at the senior management level, preferably as chief executive officer;

- a recent leadership position in the administration of a major college or university;

- recent specialized expertise at the doctoral level in a science or discipline important to the Company’s business;
- recent prior senior level governmental or military service;
- financial expertise; or
- risk assessment, risk management or employee benefit skills or experience.

The particular skills, experience, qualifications and other attributes that the Board believes qualify each of Sensient’s nominees to serve on the Board are briefly described below.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR ALL NINE NOMINEES DESCRIBED BELOW. SHARES OF COMMON STOCK REPRESENTED AT THE MEETING BY EXECUTED BUT UNMARKED PROXIES (EXCLUDING BROKER NON-VOTES) WILL BE VOTED FOR ALL NINE NOMINEES DESCRIBED BELOW.

Hank Brown	Director Since 2004
Age 73	Audit Committee (Chairman)
	Finance Committee
	Nominating and Corporate Governance Committee

Mr. Brown is President Emeritus of the University of Colorado and Senior Counsel with the law firm of Brownstein, Hyatt, Farber and Scheck P.C. Mr. Brown was President of the University of Colorado from 2005 to 2008, and President of the University of Northern Colorado from 1998 to 2002, in both cases leading the institution to greater enrollment and financial support. In between his stints as president of a university, Mr. Brown served from 2002 to 2005 as President and Chief Executive Officer of the Daniels Fund, a billion dollar charitable foundation, where he continues to serve as Chairman of the Board. Mr. Brown served as a United States Senator from Colorado from 1991 to 1997 (serving on the Foreign Relations and Judiciary Committees), and five terms in the U.S. House of Representatives from 1981 to 1991 (serving on the Ways and Means and Budget Committees). Prior to that, Mr. Brown served as Vice President of Monfort of Colorado, Inc. (a public food company with international operations, later acquired by ConAgra Foods, Inc.) from 1969 to 1980. While at Monfort, Mr. Brown started and/or directed several divisions with increasing responsibilities, including Corporate Development, International Sales and Operations and the Lamb Feeding, Processing and Sales Division. Mr. Brown currently serves as a director of Sealed Air Corporation (since 1997) and First Bank Corp. (since 2013). Within the past five years he was a director of Delta Petroleum Corporation (from 2007 to 2010) and Guaranty Bancorp (from 2008 to 2009); prior to that time he was a director of several other public companies.

Mr. Brown earned a bachelor of science degree in accounting from the University of Colorado in 1961. Mr. Brown volunteered for the U.S. Navy, earning his commission at Newport, Rhode Island, and his navigator wings at Pensacola, Florida, and Corpus Christi, Texas. Following his service with VR – 22 and a tour in Viet Nam, Mr. Brown retired from the Navy as a Lieutenant and enrolled in law school in 1966. In 1969, Mr. Brown received his Juris Doctorate from the University of Colorado and passed the Colorado Bar Exam. Mr. Brown earned an LLM in taxation from George Washington University in 1986 by attending night classes while serving in Congress. In 1988, he passed the CPA exam and is a certified public accountant (currently inactive).

For the following reasons, the Board concluded that Mr. Brown should serve as a director of Sensient, in light of its business and structure, at the time it files this proxy statement. Mr. Brown's extensive management experience in private, public and non-profit sector enterprises, including public corporations with extensive international operations in food-related businesses, provides Sensient with a broad perspective in addressing issues of governance, financial management, executive recruitment and risk management that are relevant to any large organization. Mr. Brown’s background as an attorney and CPA, and his experiences developing financial and governmental expertise, allow him to make valuable contributions to Sensient’s Audit Committee and Finance Committee and allow him to assist with the Board’s oversight of risk management and compliance matters. Further, Mr. Brown’s background in government service provides special insights into legislative and regulatory trends impacting Sensient’s business.

Edward H. Cichurski	Director Since 2013
Age 72	Audit Committee
	Finance Committee
	Scientific Advisory Committee

Mr. Cichurski spent 35 years practicing as a CPA for clients throughout the world with the international accounting firm PricewaterhouseCoopers and its predecessors (he retired from that firm in 2000), including service in Barcelona, Spain from 1978-1981, and service as the Managing Partner of the Milwaukee office (serving Wisconsin and parts of the upper Midwest) from 1989 to 1996. From mid-1996 to 2000, he was at the firm's National Office in New York working with the firm's Office of General Counsel. From 2000 to 2007, he served as Executive Vice President of Merchants & Manufacturers Bancorporation and as president of its financial services subsidiary. Following his retirement from that position, he has served as an advisor to several public and private companies on business development, accounting and financial reporting matters. That includes providing advisory services to Sensient from 2007 until his 2013 selection as a nominee for Sensient's Board by the Nominating and Corporate Governance Committee. Mr. Cichurski serves on the boards of numerous community and charitable organizations in the Milwaukee area and is a member of both the American Institute of Certified Public Accountants and the Wisconsin Institute of Certified Public Accountants.

Mr. Cichurski received his bachelor of science degree from St Peter's College, Jersey City, New Jersey, in 1963 and his MBA from Fairleigh Dickinson University in 1971. He served as a First Lieutenant in the U.S. Army from 1963 to 1965, where he earned the Army Commendation Medal.

For the following reasons, the Board concluded that Mr. Cichurski should serve as a director of Sensient, in light of its business and structure, at the time it files this proxy statement. Mr. Cichurski's accounting and auditing experience and expertise and his substantial U.S. and international experience assisting global businesses in a variety of industries are particularly valuable to Sensient. His recent business experience, both at a senior management level and as an advisor to growing businesses in a variety of manufacturing and consumer products businesses, is of particular value as Sensient pursues both its growth program and its cost reduction initiatives throughout the Company.

Dr. Fergus M. Clydesdale	Director Since 1998
Age 77	Compensation and Development Committee Executive Committee Nominating and Corporate Governance Committee Scientific Advisory Committee (Chairman)

Dr. Clydesdale has had a distinguished career as a university professor and administrator, scientific researcher and advisor to public and private agencies both in the U.S. and around the world in research, product development and scientific policy and regulation to optimize food quality, food acceptability, food safety, nutrition and overall health and quality of life. Dr. Clydesdale's honors and accomplishments in the field of food science and nutrition are legion and too numerous to mention. Dr. Clydesdale is currently Distinguished University Professor, Department of Food Science, College of Natural Sciences, University of Massachusetts Amherst, and Director of the University of Massachusetts Food Science Policy Alliance, which he founded in 2004. From 1990 to 2008, he was head of the University of Massachusetts Amherst Department of Food Science, which at the time of his retirement was ranked nationally among the top three university food science departments in research and the top department in the university in student satisfaction.

In 2010, the National Research Council of the National Academies, based on the performance of the Department in the last year of Dr. Clydesdale's tenure as its Head, ranked the Department as number one among all Food Science Departments in the United States for PhD research and education. Recently elected a Fellow of the American Institute of Nutrition, he is now a fellow of the four premier societies in the field of food science and nutrition. Dr. Clydesdale is the editor of Critical Reviews in Food Science and Nutrition, the top ranked journal in food science with a worldwide audience. He has published some 375 scientific articles and coauthored or edited 20 books, including Food Colorimetry: Theory and

Applications (1975), which is still considered a leading authority in its field. In addition, Dr. Clydesdale has done extensive work related to the science and technology of formulating and measuring natural and synthetic colors in foods and emulsions and the sensory effects, benefits and interactions of food and beverage colorants and flavors. Dr. Clydesdale initiated and organized the University of Massachusetts Food Science Strategic Research Alliance, which has approximately 25 member companies including many of the major multinationals. He also chaired the Strategic Research Alliance from 1988 to 2008, along with the Strategic Policy Alliance from its inception in 2004. Dr. Clydesdale helped in the formation of a venture company (Wesfolk) at the University of Massachusetts Amherst to commercialize the scientific discoveries being made by his department. Dr. Clydesdale also has served on numerous standing and special committees of the FDA and the National Academy of Sciences focusing on food and ingredient safety, nutrition, policy and labeling (e.g., he chaired the FDA working panel that evaluated Olestra, the last food additive to gain approval, and in 2009-2010 served on an FDA committee which evaluated FDA's Research Mission), including three terms as chair of the Food Forum of the Food and Nutrition Board of the National Academy. In 2010, he was reappointed to another three year term on the National Academies, Institute of Medicine, Food and Nutrition Board. Dr. Clydesdale served as Chair and currently serves on the Board of Trustees of the American branch of the International Life Sciences Institute. He has served on the board of the Global International Life Sciences Institute. Each of these entities promotes scientific research to optimize food safety and health globally. He has been active worldwide speaking on the challenges and opportunities of using technology to improve food safety, nutrition and health while increasing the global food supply.

For the following reasons, the Board concluded that Dr. Clydesdale should serve as a director of Sensient, in light of its business and structure, at the time it files this proxy statement. Dr. Clydesdale is a globally-known expert in the science of food colors, especially natural colors, and their use in food and the effects of color on perceptions of flavor and wholesomeness, all of which are central to Sensient's worldwide businesses and its plans for future growth. Dr. Clydesdale's background in food science, experience with industry from the Food Science Research and Policy Alliances and service on government and university advisory committees, as well as his leadership of a major university department, give him unique experience in risk assessment, food safety, food processing, nutrition, national and international food and ingredient policies, labeling, and regulatory and scientific trends. Dr. Clydesdale's university service has included chairing and serving on search committees for top university positions, including chair of the committee for dean of the school of management and serving on search committees for chancellor and provost, as well as developing metrics for promotion, tenure and salary increases within his department. These and other university responsibilities, along with his board activities with the International Life Sciences Institute, allow him to make valuable contributions to Sensient's Nominating and Corporate Governance Committee and

Compensation and Development Committee. Dr. Clydesdale's experience in academics and with industry and government also position him to provide valuable advice and oversight to Sensient's Scientific Advisory Committee (which he chairs) regarding Sensient's product research and development activities, future scientific, product and policy trends, its marketing and labeling of both functional and health effects of natural and other ingredients and its food safety policies and procedures.

James A.D. Croft	Director Since 1997
Age 76	Audit Committee Compensation and Development Committee (Chairman) Executive Committee Scientific Advisory Committee

Mr. Croft has extensive international and entrepreneurial experience, including having served as an executive officer, director and leader of business development at various multi-national businesses. In 1967, he became a general partner in the London-based real estate consulting firm of Richard Ellis, and was one of the senior partners in the firm until his retirement in 1998 at the time of its merger with California-based CB Commercial (CB Richard Ellis). From 1968 through the early 1980s, Mr. Croft was Executive Chairman of Richard Ellis International, the firm's international development arm. During this time, he travelled extensively, and led the firm's business development and office openings throughout Europe, the United States and Latin America. He then established the firm's international Hotels and Leisure division based in London. During his career with Richard Ellis, Mr. Croft served as a director of most of the firm's subsidiary and associated companies throughout the world, and was also a consultant to several major international investors. By the time of Mr. Croft's retirement, Richard Ellis had 67 offices worldwide, with around 2,000 employees and annual fee income of approximately US$250 million. In 1993, Mr. Croft co-founded SRAB Shipping AB, where he served as a director until 1998. Mr. Croft helped take that company public in 1997 (it is quoted on the Stockholm OMX Stock Exchange) and it now owns and operates nine tanker and dry cargo vessels.

Although he is retired from Richard Ellis and SRAB Shipping, Mr. Croft continues an active role in entrepreneurial ventures, currently serving as the Chairman and sole shareholder of Bartlodge Ltd, a property development and investment firm he founded specializing in office development in the United Kingdom and residential development in Portugal.

Mr. Croft attended the University of London where he received a bachelor's degree in Real Estate Management, graduating as Student of the Year in 1960. He currently resides in Kent, England, is fluent in French and has a working knowledge of Spanish and Portuguese.

For the following reasons, the Board concluded that Mr. Croft should serve as a director of Sensient, in light of its business and structure, at the time it files this proxy statement. More than half of Sensient's revenues come from outside the United States, and expanding its worldwide operations is a key strategy. As a lifetime resident of the United Kingdom, Mr. Croft brings an international perspective to the challenges of creating and building businesses that span multiple countries, cultures, languages, regulatory structures and business traditions, having spent over 40 years creating, building and managing multi-national businesses that focus on the specific needs of the local market and individual customer. Mr. Croft also brings the unique skills of an entrepreneur who has developed several successful multi-national businesses, often as start-ups. This international and management experience enables him to provide unique insights regarding the management and expansion of Sensient's international operations.

William V. Hickey	Director Since 1997
Age 69	Audit Committee
	Executive Committee
	Finance Committee (Chairman)
	Nominating and Corporate Governance Committee

Mr. Hickey is currently an Operating Advisor at Ares Management (since July 1, 2013), a global alternate investment manager with $68 billion under management and based in Los Angeles. He previously served as Chief Executive Officer of Sealed Air Corporation, a Fortune 300 global manufacturer of protective, food and specialty packaging materials and systems, from March 1, 2000 until February 28, 2013, and he served as Chairman of the Board of Sealed Air Corporation from September 1, 2012 until May 16, 2013. He also served as President (since 1996) of Sealed Air Corporation until September 1, 2012.

Prior to becoming Chief Executive Officer at Sealed Air Corporation, Mr. Hickey served in various executive positions, including Chief Operating Officer, Executive Vice President, Chief Financial Officer and Vice President and General Manager of the Food Packaging Division and the Cellu Products Division.

Prior to joining Sealed Air Corporation, he served as Chief Financial Officer of the W.R. Grace and Co. Pacific and Latin American operations in the 1970s. He was previously employed by Arthur Young, where he worked as a CPA and consultant.

Mr. Hickey serves as a director (including a member of the compensation committee and chairman of the finance committee) of Public Service Enterprise Group Incorporated, a diversified energy company that is traded on the New York Stock Exchange and one of the ten largest electric utility companies in the United States. In addition, he serves on the Board of Governors of the Hackensack University Medical Center. He is also a Member of the American Business Conference and a Member of the Executive Board of the Northern New Jersey Council of the Boy Scouts of America.

For the following reasons, the Board concluded that Mr. Hickey should serve as a director of Sensient, in light of its business and structure, at the time it files this proxy statement. Mr. Hickey has considerable business, management, leadership and financial experience, including expertise directly related to the food industry. Through his service, including first as Chief Financial Officer and then as Chief Executive Officer, with Sealed Air Corporation, a large public company with extensive international operations and substantial interests in food-related businesses (approximately two-thirds of its revenue), Mr. Hickey has a knowledge and expertise in serving the international food industry that is critical to Sensient's business. Further, Mr. Hickey has been extremely successful in managing and growing businesses. During Mr. Hickey's tenure, Sealed Air Corporation grew its net sales from $78 million to over $7.5 billion, and expanded, both domestically and internationally, through acquisitions and start-ups. In addition to his leadership and management skills, Mr. Hickey has considerable financial, auditing, risk management and corporate governance experience and is an audit committee financial expert under the SEC’s rules, all of which enable him to make valuable contributions to Sensient’s Board and various Board committees, including the Audit Committee.

Kenneth P. Manning	Director Since 1989
Age 72	Executive Committee (Chairman)
	Scientific Advisory Committee

Mr. Kenneth Manning is Sensient's Chairman of the Board (since 1997). Mr. Manning joined Sensient as a Group Vice President in 1987. Mr. Manning became Sensient's Executive Vice President in 1989, President in 1992 and Chief Executive Officer in 1996. He has been the architect of Sensient's numerous key strategic moves, such as increasing its presence overseas and its moves into high-performance specialty ingredients for food and beverage systems, cosmetic and pharmaceutical ingredient systems and specialty chemicals for various applications. Mr. Manning is also a director of Sealed Air Corporation (since 2002) and a former director of Badger Meter, Inc. (from 1996 to 2010), Firstar Corporation (from 1997 to 1999), Firstar Trust Company (from 1992 to 1997) and numerous other public and charitable organizations.

Before joining Sensient, Mr. Manning served as assistant to the Chairman and Chief Executive Officer of W.R. Grace and Company and in other positions within W.R. Grace of increasing responsibility both domestically and overseas, including as Vice President of Operations — European Division and later as President of its Ambrosia Chocolate Division.

Mr. Manning holds a Bachelor of Science degree in Mechanical Engineering from Rensselaer Polytechnic Institute and a Master's degree in Business Administration from American University. Mr. Manning served as an officer on active duty in the U.S. Navy from 1963 to 1967 and retired from the U.S. Naval Reserve in 1995 with the rank of Rear Admiral. He was awarded the Legion of Merit (awarded for exceptionally meritorious conduct in the performance of outstanding services and achievements) in 1994. Mr. Manning is a member of the American Society of Mechanical Engineers, the American Chemical Society, Navy League, the United States Naval Institute, the Naval Reserve Association, and the National Maritime Historic Association. He is also a Knight of Malta.

For the following reasons, the Board concluded that Mr. Manning should serve as a director of Sensient, in light of its business and structure, at the time it files this proxy statement. Mr. Manning is the longest-serving director. As Sensient's Chief Executive Officer from

1996 until February 1, 2014, he was the leader of Sensient's transformation into a global developer, manufacturer and marketer of advanced color, flavor and fragrance systems for the food, beverage, pharmaceutical, personal care and other industries. With over 25 years of service to the Company, Mr. Manning's unique knowledge and understanding of its businesses makes him especially well-suited to deal with future challenges and opportunities, as Sensient strives to sustain its growth in the current economic and competitive environment. Mr. Manning's leadership and excellent business judgment are essential to Sensient's Board.

Paul Manning	Director Since 2012
Age 39	Executive Committee
	Finance Committee
	Scientific Advisory Committee

Mr. Paul Manning is Sensient's President and Chief Executive Officer (since February 2, 2014). He joined the Company in 2009 as General Manager, Food Colors North America, and became President of the Color Group in 2010. He became President and Chief Operating Officer of the Company in October 2012. Before joining the Company he worked for Danaher Corporation from 2008 to 2009 as Mergers and Acquisitions Integration Manager of the Fluke Division. From 2003 to 2007, he held various supply chain and project manager positions with McMaster-Carr Supply Company. He holds a B.S. degree in Chemistry from Stanford University and an MBA from Northwestern University. He attended Stanford University on a Naval ROTC scholarship and served in the U.S. Navy as a Surface Warfare Officer for four years.

During his years with the Color Group, Mr. Manning gained a thorough understanding of both the opportunities and the challenges facing the Company's Color businesses and made critical contributions to their improved performance. During his 15 months as the Company's President and Chief Operating Officer, the Company's stock price increased from $37.71 to $48.92, an increase of more than 29%. In his current position as the Company's President and Chief Executive Officer, he is applying his management skills and experience to make similar contributions in the Company's other businesses and he has played a critical role in the relocation of the Flavor Group headquarters from Indianapolis to the Chicago area on time and on budget. His detailed knowledge of the Company's operations enables him to keep the Board well informed regarding the Company's performance and opportunities. Mr. Manning's strong background in chemistry allows him to direct product and technology research and development efforts and to be a valuable member of the Scientific Advisory

Committee. Mr. Manning's prior experience in mergers and acquisitions and supply chain management is valuable to the Board because these areas are of particular importance for the Company's growth and profitability.

For the following reasons, the Board concluded that Mr. Manning should serve as a director of Sensient, in light of its business and structure, at the time it files this proxy statement. As Sensient's President and Chief Executive Officer, Mr. Manning brings the Board unique insights that will be critical to Sensient's long-term strategic planning and to issues that may arise in connection with the management succession occasioned by the recent retirement of Mr. Kenneth Manning.

Dr. Elaine R. Wedral	Director Since 2006
Age 69	Finance Committee
	Scientific Advisory Committee

Dr. Wedral has served as President of the International Life Sciences Institute-North America, a nonprofit organization based in Washington, D.C., that provides a forum for academic, government and industry scientists to identify important nutrition and food safety issues and work toward solutions for the benefit of the general public. Dr. Wedral is also a director of Balchem Corporation (where she is chair of the governance and nominating committee and a member of the compensation committee), which is engaged in the development, manufacture and marketing of specialty performance ingredients and products for the food, nutritional, feed, pharmaceutical and medical sterilization industries. Dr. Wedral also serves on the editorial board of Food Processing magazine, serves on the board of the Women's Global Health Institute at Purdue University and continues to work with several industry groups and universities on food science issues in an advisory capacity.

From 1972 to 2006, Dr. Wedral served in various capacities with the Nestle Company, including as President of Nestle R&D Center, Inc. and director of Nestle R&D Food Service Systems Worldwide from 2000 to 2006, and as President of all Nestle U.S. R&D Centers from 1988 to 1999. During her tenure with Nestle, Dr. Wedral developed the strategy and accompanying R&D program for its foodservice systems. Among other things, she was responsible for the reorganization and supervision of Nestle’s existing R&D facilities in North America, with over 700 personnel, and the development, construction and management of a new state-of-the-art pet food and nutrition facility, a new beverage, confection and ice cream facility and renovation of a consolidated food and nutrition laboratory, each combining an emphasis on proprietary innovation with production efficiencies and commercialization opportunities. Dr. Wedral holds over 38 U.S. and European patents in food science, chemistry, and foodservice systems to deliver foods and beverages, most related to food flavors and colors and food fortifications (e.g., adding bioavailable iron to fortify a product without discoloring it). Dr. Wedral's work often helped create new product categories (e.g., shelf-stable liquid coffee creamers and refrigerated pizzas) while emphasizing food safety and quality. Dr. Wedral also has experience and expertise in helping to commercialize food and beverage products and delivery systems designed for local tastes and preferences around the world.

For the following reasons, the Board concluded that Dr. Wedral should serve as a director of Sensient, in light of its business and structure, at the time it files this proxy statement. Dr. Wedral combines food science expertise with substantial business and personnel management and leadership experience in developing innovative and commercially successful food and beverage products. Dr. Wedral has experience in successfully building or consolidating food and beverage research facilities within budget and managing and motivating large staffs of research scientists and engineers to work collaboratively and efficiently to serve customer needs, all while emphasizing the development of proprietary products and systems that meet the highest standards of food quality and safety. These experiences and technical expertise allow Dr. Wedral to make valuable contributions to Sensient's Board and Board committees, including the Finance Committee and Scientific Advisory Committee.

Essie Whitelaw	Director Since 1993
Age 66	Compensation and Development Committee Nominating and Corporate Governance Committee (Chairman) Scientific Advisory Committee

Ms. Whitelaw served as Senior Vice President of Operations of Wisconsin Physician Services, a provider of health insurance and benefit plan administration, from 2001 until her retirement in 2010, where she was responsible for managing over 430 employees. Prior to that, Ms. Whitelaw served over 15 years in various executive positions, including as President and Chief Operating Officer (1992 to 1997) and Vice President of National Business Development, at Blue Cross Blue Shield of Wisconsin, a comprehensive health and dental insurer. Among other things, while at Blue Cross Blue Shield, Ms. Whitelaw was responsible for managing insurance risk underwriting activities, regulatory compliance and the development and implementation of appropriate sales incentive programs. Prior to its merger into another public utility in 2000, Ms. Whitelaw served on the board and on the audit, nominating and retirement plan investment committees of WICOR Corporation, a Wisconsin energy utility.

Ms. Whitelaw is active in the local Wisconsin community. She currently serves on the Milwaukee Public Museum board of directors, the Wisconsin Lutheran Foundation Board, the Atonement Lutheran School board and the board of the Wisconsin Women's Health Foundation, a non-profit organization dedicated to improving the health and lives of women and their families, through education, outreach programs and partnerships. Ms. Whitelaw's prior board service includes Goodwill Industries, United Way of Greater Milwaukee, Blue Cross Blue Shield Foundation, Metropolitan Milwaukee Association of Commerce, Greater Milwaukee Committee and Bradley Center Sports and Entertainment Corp.

For the following reasons, the Board concluded that Ms. Whitelaw should serve as a director of Sensient, in light of its business and structure, at the time it files this proxy statement. Ms. Whitelaw has significant regulatory compliance and human resources experience, including developing and implementing compensation policies and designing incentive programs for sales and customer service employees to achieve business objectives while managing risk. Ms. Whitelaw is Sensient's longest serving independent director. Sensient values Ms. Whitelaw's involvement in civic and community activities, and her experiences with regulatory compliance, risk management and human resources allow her to make valuable contributions to Sensient's Board and Board committees, including the Compensation and Development Committee and the Nominating and Corporate Governance Committee.

Except as noted, all nominees have held their current positions or otherwise have served in their respective positions with the listed organizations for more than five years. No director, nominee for director or executive officer had any material interest, direct or indirect, in any business transaction of the Company or any subsidiary since the beginning of 2013 nor does any director, nominee or executive officer have any material interest, direct or indirect, in any such proposed transaction, except that: (1) Sealed Air Corporation, of which Mr. Hickey was Chief Executive Officer until March 1, 2013, was a director until December 19, 2013, and of which Messrs. Brown and Kenneth Manning are directors, purchased $170,008 and $130,076 in colors from one or more units of the Company in 2013 and 2012, respectively; (2) a Sensient subsidiary purchased $355,161 and $217,849 in packaging or industrial cleaner from Sealed Air in 2013 and 2012, respectively; (3) during 2009 the Company hired Mr. Paul Manning, the son of Mr. Kenneth Manning (Sensient's Chairman of the Board), and he currently serves as the President and Chief Executive Officer of the Company, and in January 2013 the Company hired Mr. John Manning (son of Mr. Kenneth Manning and brother of Mr. Paul Manning), and he currently serves as Vice President and Assistant General Counsel; and (4) Mr. Cichurski provided accounting consulting services to the Company from 2007 until his 2013 nomination as a director in exchange for an annual consulting fee of $35,000. See "Transactions with Related Persons" below. The Board has determined that all members of the Board, except Mr. Kenneth Manning and Mr. Paul Manning, are independent under the applicable rules of the New York Stock Exchange and the Securities and Exchange Commission (the "SEC"), and that the relationships of Mr. Hickey and Mr. Cichurski did not impair their independence. See "Corporate Governance - Director Independence" below.

Corporate Governance

General

The Board is responsible for exercising the corporate powers of the Company and overseeing the management of the business and affairs of the Company, including management's establishment and implementation of key strategic priorities and initiatives. Long-term, sustainable value creation and preservation are possible only through the prudent assumption and management of both risks and potential rewards, and Sensient's Board as a whole takes a leading role in overseeing the Company's overall risk tolerances as a part of the strategic planning process and in overseeing the Company's management of strategic risks. The Board has delegated to the Audit Committee primary responsibility for overseeing the executives' risk assessments and implementation of appropriate risk management policies and guidelines, including those related to financial reporting and regulatory compliance. It has delegated to the Compensation and Development Committee primary oversight responsibility to insure that compensation programs and practices do not encourage unreasonable or excessive risk-taking and that any risks are subject to appropriate controls. It has delegated to the Finance Committee primary oversight responsibility with respect to Sensient's capital structure and the types and amounts of insurance and with respect to foreign currency management.

Board Meetings and Meeting Attendance

The Board of Directors met five times during 2013. Each director attended at least 75% of the meetings of the Board and the Board Committees on which he or she served at the time of the meetings that were held during 2013. The Company's Corporate Governance Guidelines provide that all directors are expected to regularly attend meetings of the Board and the committees of which they are members and to attend the Annual Meeting of Shareholders. In 2013, all Board members attended the Annual Meeting of Shareholders.

Committees of the Board of Directors

Executive Committee

The Executive Committee of the Board of Directors, which currently consists of Messrs. Croft, Hickey, Kenneth Manning (Chairman) and Paul Manning and Dr. Clydesdale, did not meet in 2013. This Committee has the power and authority of the Board of Directors in directing the management of the business and affairs of the Company in the intervals between Board of Directors meetings, except to the extent limited by law, and reports its actions at regular meetings of the Board.

Audit Committee

The Audit Committee of the Board of Directors met ten times during 2013. Messrs. Brown (Chairman), Cichurski, Croft and Hickey are the current members of the Audit Committee. All members of the Audit Committee meet the independence and experience requirements of the New York Stock Exchange and the SEC applicable to directors generally, and to members of audit committees specifically. None of them serves on the audit committee of more than three public companies.

This Committee, among other things:

- has sole responsibility to appoint, terminate, compensate and oversee the independent auditors of the Company and to approve any audit and permitted non-audit work by the independent auditors;

- reviews the adequacy and appropriateness of the Company's internal control structure and recommends improvements thereto, including management's assessment of internal controls and the internal audit function and risk management activities in general;

- reviews with the independent auditors their reports on the consolidated financial statements of the Company and the adequacy of the financial reporting process, including the selection of accounting policies;

- reviews and discusses with management the Company's practices regarding earnings press releases and the provision of financial information and earnings guidance to analysts and ratings agencies;

- obtains and reviews an annual report of the independent auditor covering the independent auditor's independence, quality control and any inquiry or investigation of the independent auditors by governmental or professional authorities within the past five years;

- sets hiring policies for employees or former employees of the independent auditor;

- establishes procedures for receipt of complaints about accounting, internal accounting controls, auditing and other compliance matters;

- reviews and oversees management's risk assessment and risk management policies and guidelines generally, including those related to financial reporting and regulatory compliance; and

- reviews the adequacy and appropriateness of the various policies of the Company dealing with the principles governing performance of corporate activities. These policies, which are set forth in the Company's Code of Conduct and Standards of Conduct for International Employees, include antitrust compliance, conflicts of interest, anti-bribery and business ethics.

The Board has adopted a written charter for the Audit Committee, which is included in the Company's Bylaws and posted on its website. The Audit Committee reviews and reassesses the adequacy of this charter at least annually. The Board has also adopted a Code of Ethics for Senior Financial Officers, as contemplated by the Sarbanes-Oxley Act of 2002. The Board has determined that Mr. Hickey is an audit committee financial expert in accordance with SEC rules. Any changes made to the Code of Ethics, and any waivers granted thereunder, will be posted and available on the Company's website.

Compensation and Development Committee

The current members of the Compensation and Development Committee of the Board of Directors, which held five meetings during 2013, are Mr. Croft (Chairman), Dr. Clydesdale and Ms. Whitelaw. Each member of the Committee has been determined by the Board of Directors to satisfy the independence requirements of the New York Stock Exchange and the SEC applicable to directors generally and to members of compensation committees.

Among the Committee's responsibilities are:

- to review and approve all compensation plans and programs (philosophy and guidelines) of the Company and, in consultation with senior management and taking into consideration recent shareholder advisory votes and any other shareholder communications regarding executive compensation, oversee the development and implementation of the Company's compensation program, including salary structure, base salary, short- and long-term incentive compensation such as restricted stock awards (including the relationships between incentive compensation and risk-taking) and nonqualified benefit plans and programs, including fringe benefit programs;

- to review and discuss with management the policies and practices of the Company and its subsidiaries for compensating their employees, including non-executive officers and employees, to insure those policies do not encourage unreasonable or excessive risk-taking and that any risks are subject to appropriate controls;

- to review and make recommendations to the Board with respect to all compensation arrangements and changes in the compensation of the officers appointed by the Board, including, without limitation (i) base salary; (ii) short- and long-term incentive compensation plans and equity-based plans (including overseeing the administration of these plans and discharging any responsibilities imposed on the Committee by any of these plans); (iii) employment agreements, severance arrangements and change of control agreements/provisions, in each case as, when and if appropriate; and (iv) any special or supplemental benefits; and

- at least annually, to review and approve corporate goals and objectives relevant to compensation of the Chief Executive Officer, evaluate the performance of the Chief Executive Officer in light of those goals and objectives, report the results of the evaluation to the Board and set the Chief Executive Officer's compensation level based on this evaluation.

Sensient designs its overall compensation programs and practices, including incentive compensation for both executives and non-executive employees, in a manner intended to support its strategic priorities and initiatives to enhance long-term sustainable value without encouraging unnecessary or unreasonable risk-taking. At the same time, the Company recognizes that its goals cannot be fully achieved while avoiding all risk. Management periodically reviews Sensient's compensation programs and practices in the context of its risk profile, together with its other risk mitigation and risk management programs, to ensure that these programs and practices work together for the long-term benefit of the Company and its shareholders. Based on its recently completed review of Sensient's compensation programs, management concluded that Sensient's incentive compensation policies for both executive and non-executive employees have not materially and adversely affected Sensient in the recent past, and are not likely to have a material adverse effect in the future. See "Compensation Discussion and Analysis" for an analysis of material compensation policies and procedures with respect to the Company's named executive officers and "Compensation and Development Committee Report" for the Committee's 2013 report on compensation matters.

Finance Committee

The Finance Committee of the Board of Directors, which currently consists of Messrs. Brown, Cichurski, Hickey (Chairman) and Paul Manning and Dr. Wedral, held four meetings during 2013. Among other things, this Committee reviews and monitors the Company's financial planning and structure to ensure conformity with the Company's requirements for growth and fiscally sound operation, and also reviews and approves:

- the Company's annual capital budget, long-term financing plans, borrowings, notes and credit facilities, investments and commercial and investment banking relationships;
- existing insurance programs, foreign currency management and the stock repurchase program;
- the financial management and administrative operation of the Company's qualified and nonqualified benefit plans; and
- such other matters as may from time to time be delegated to the Committee by the Board or as provided in the Bylaws.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee of the Board of Directors, which currently consists of Messrs. Brown and Hickey, Dr. Clydesdale and Ms. Whitelaw (Chairman), met three times during 2013. Each member of the Committee satisfies the independence requirements of the New York Stock Exchange and the SEC applicable to directors generally.

Among other functions, this Committee:

- studies and makes recommendations concerning the composition of the Board and its committee structure, including the Company's Director Selection Criteria, and reviews the compensation of Board and Committee members;
- recommends persons to be nominated by the Board for election as directors of the Company and to serve as proxies at the Annual Meeting of Shareholders;
- considers any nominees recommended by shareholders;
- assists the Board in its determination of the independence of each director;
- develops corporate governance guidelines for the Company and reassesses such guidelines annually; and
- oversees the system of corporate governance and the evaluation of the Board and management from a corporate governance standpoint.

The Committee identifies and recommends Board candidates it determines are qualified and suitable to serve as a director consistent with the criteria for selection of directors adopted by the Board, including seeking a variety of perspectives, professional experience, education, skills and other individual qualities and attributes. A copy of the Company's Director Selection Criteria is attached as Appendix A to this proxy statement. Recommendations for Board candidates may be made to the Committee by the Company's President and Chief Executive Officer, other current Board members and Company shareholders. The Committee also from time to time utilizes the services of third-party search firms. Once appropriate candidates are identified, the Committee evaluates their qualifications to determine which candidate best meets the Company's Director Selection Criteria, without regard to the source of the recommendation. Recommendations by shareholders for director nominees should be forwarded to the Secretary of the Company, who will relay such information to the Committee Chair. The recommendations should identify the proposed nominee by name, should describe every arrangement or understanding with such person, should describe how the nominee would contribute to the variety of perspectives, professional experience, education, skills or other individual qualities and attributes of Sensient's Board and should provide at least the questionnaire, nominee affirmations and other materials specified in the Bylaws, including the detailed information about the nominee that is required by SEC rules for the solicitation of proxies for election of directors. Shareholders should look to the information required pursuant to the Company's Bylaws for shareholder nominations and to the information included in this proxy statement regarding directors and nominees as a guide to the information required. Shareholders also have the right to directly nominate a person for election as a director so long as the advance notice, nominee affirmations and informational requirements contained in the Bylaws and applicable law are satisfied. All nominees must affirm that they have truthfully completed a directors' and officers' questionnaire; that they are not an employee, director or affiliate of a competitor; that they will protect confidential information and serve the interests of Sensient and its shareholders collectively; and that they will comply with applicable law and Sensient's Code of Conduct and other policies and guidelines. See "Future Shareholder Proposals and Nominations" below.

Scientific Advisory Committee

The Scientific Advisory Committee of the Board of Directors, which currently consists of Drs. Clydesdale (Chairman) and Wedral, Messrs. Cichurski, Croft, Kenneth Manning, and Paul Manning and Ms. Whitelaw, met twice during 2013.

Among other functions, this Committee:

- reviews the Company's research and development programs with respect to the quality and scope of work undertaken;
- advises the Company on maintaining product leadership through technological innovation; and
- reports on new technological trends and regulatory developments that would significantly affect the Company and suggests possible new emphases with respect to its research programs and new business opportunities.

Committee Charters, Codes of Conduct and Ethics, and Other Governance Documents

The Charters for the Audit, Compensation and Development, and Nominating and Corporate Governance Committees of the Company's Board of Directors are included in the Company's Bylaws and are available on the Company's website (www.sensient.com). The Company is strongly committed to the highest standards of ethical conduct, and its Code of Conduct, Standards of Conduct for International Employees, Code of Ethics for Senior Financial Officers, Corporate Governance Guidelines, Stock Ownership Guidelines for Elected Officers and Stock Ownership Guidelines for Independent Directors are also posted on the Company's website. If there are any amendments to the Code of Conduct, the Standards of Conduct, the Code of Ethics, the Corporate Governance Guidelines or the Stock Ownership Guidelines, or if waivers from any of them are granted for executive officers or directors, those amendments or waivers also will be posted on the Company's website.

Board Leadership Structure; Executive Sessions of Non-Management and Independent Directors; Separation of Chief Executive Officer and Chairman of the Board Roles

The Board's leadership structure is driven by the needs of the Company at any point in time and has varied over time. The Company does not have a policy requiring a combination or separation of the Chief Executive Officer and Chairman of the Board roles and the Company's governing documents do not mandate a particular structure. This allows the Board the flexibility to establish the most appropriate structure for the Company at any given time. The Board has determined that the Company and its shareholders are currently best served by having a separation of the Chief Executive Officer and Chairman of the Board roles.

Mr. Kenneth Manning was an officer and has been a director of the Company for over 26 years. He is Sensient's Chairman of the Board (since 1997). He retired from his position as Chief Executive Officer of the Company on February 1, 2014. Mr. Kenneth Manning was also President until October 18, 2012. The Board has great confidence in his continued leadership as Chairman of the Board. Mr. Kenneth Manning's employment agreement with the Company (which expired by its terms on February 1, 2014) expressed his and the Company's intention that he will continue as a non-employee Chairman of the Board through December 31, 2015 to assist both the Board and management during the transition to new leadership. As a result of his retirement as Chief Executive Officer, the roles of Chief Executive Officer and Chairman of the Board are now separated.

The Company's non-management directors meet at regularly scheduled executive sessions without management not less frequently than three times per year. The independent directors must meet in executive session at least once per year without any other non-management directors present. In 2013, all of the Company's non-management directors were also independent directors and the non-management, independent directors held three executive sessions during 2013. Because the Company's Chairman of the Board was also its Chief Executive Officer until February 1, 2014 and therefore did not attend any of the 2013 executive sessions, the responsibility for presiding at these meetings was rotated among all independent members of the Board of Directors in alphabetical order.

The separation of the Chief Executive Officer and Chairman of the Board roles, the use of executive sessions of the Board, the Board's strong committee system and substantial majority of independent directors, allows the Board to maintain effective risk oversight and provides that independent directors oversee the Company's financial statements, the executive compensation program, the selection and evaluation of directors, and the development and implementation of our corporate governance programs.

This proxy statement describes our philosophy, policies and practices regarding corporate governance, risk management and executive compensation. Interested parties who wish to make their views or concerns known regarding these matters may communicate with management or with any non-management or independent directors or the Board as a whole in writing addressed to the attention of the Company Secretary. The Company's Corporate Governance Guidelines provide that all communications to Board members will be relayed by the Company Secretary to the appropriate Board members unless the content is obviously inappropriate for Board review.

Board Role in Risk Oversight

As noted above, Sensient is convinced that long-term, sustainable value creation and preservation are possible only through the prudent assumption and management of both risks and potential rewards, and Sensient's Board as a whole takes a leading role in establishing the Company's overall risk tolerances as a part of the strategic planning process and in overseeing the Company's management of strategic risks. The Board has delegated to the Audit Committee primary responsibility for overseeing the executives' risk assessments and implementation of appropriate risk management policies and guidelines generally, including those related to financial reporting and regulatory compliance, provided that it has delegated to the Compensation and Development Committee primary oversight responsibility to insure that compensation programs and practices do not encourage unreasonable or excessive risk-taking and that any risks are subject to appropriate controls. The Board has delegated to the Finance Committee primary oversight responsibility with respect to each of Sensient's capital structure, its types and amounts of insurance and its foreign currency management. The Board and these committees receive periodic reports on these matters from management and the personnel in charge of the related risk management activities.

Director Independence

The Company's Corporate Governance Guidelines provide guidelines for determining whether a director is independent from management. For a director to be considered independent, the Board must make an affirmative determination that the director has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). The guidelines contain the following specific criteria, which reflect the currently applicable SEC and New York Stock Exchange rules, to assist the Board in determining whether a director has a material relationship with the Company. A director is not considered independent if:

- The director is, or has been within the last three years, an employee of the Company, or an immediate family member is, or has been within the last three years, an executive officer of the Company.

- The director has received, or has an immediate family member who has received for service as an executive officer, during any twelve-month period within the last three years, more than $120,000 in direct compensation from the

Company (other than director and committee fees and pension or other non-contingent deferred compensation for prior service).

- (A) The director is a current partner or employee of a firm that is the Company's internal or external auditor; (B) the director has an immediate family member who is a current partner of such a firm; (C) the director has an immediate family member who is a current employee of such a firm and who personally works on the Company's audit; or (D) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the Company's audit within that time.

- The director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company and any of the Company's present executive officers at the same time serves or served on that company's compensation committee.

- The director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to or received payments from the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1 million or 2% of the other company's consolidated gross revenues.

In addition, the guidelines state that no director shall be independent unless he or she shall meet the requirements for independence under applicable securities laws. Members of the Audit Committee and of the Compensation and Development Committee are subject to additional independence requirements. For purposes of determining independence, the "Company" includes any parent or subsidiary in a consolidated group with the Company.

Based on these criteria, the Board has affirmatively determined that Messrs. Brown, Cichurski, Croft and Hickey, Drs. Clydesdale and Wedral and Ms. Whitelaw (who constitute all of the director nominees and current members of the Board except Mr. Kenneth Manning and Mr. Paul Manning) are independent under the applicable rules of the New York Stock Exchange and the SEC and the Company's independence criteria. In making this determination, the Board reviewed information provided by each of the nominees to the Company. The Company has no relationships with any of the independent nominees (other than as a director and a shareholder), except that: (1) Sealed Air Corporation, of which Mr. Hickey was Chief Executive Officer until March 1, 2013, was a director until December 19, 2013, and of which Messrs. Brown and Kenneth Manning are directors, purchased $170,008 and $130,076 in colors from one or more units of the Company in 2013 and 2012, respectively; (2) a Sensient subsidiary purchased $355,161 and $217,849 in packaging or industrial cleaner from Sealed Air in 2013 and 2012, respectively, and (3) Mr. Cichurski provided accounting consulting services to the Company from 2007 until his 2013 nomination as a director in exchange for a consulting fee of $35,000 per annum. These amounts are immaterial in size to both Sensient and the other parties involved, and the Board determined that these relationships did not impair the independence of the applicable nominees.

Director Compensation and Benefits

Directors who are not employees of the Company are entitled to receive an annual retainer of $40,000 and fees of $1,500 for each Board and Committee meeting attended ($3,000 per meeting attended in the case of the Scientific Advisory Committee) in addition to reimbursable expenses for such attendance. Each Committee chairperson is entitled to receive an additional $8,000 annually for serving in that capacity, except that the chairperson of the Audit Committee is instead entitled to receive $12,000 annually for serving in that capacity.

The Company has an unfunded retirement plan for non-employee directors who have completed at least one year of service with the Company as a director. The plan provides a benefit equal to the base annual retainer for directors (without including additional amounts received for services as Chairman or an advisor) in effect at the time of the director's departure from the Board. This benefit, payable only during the lifetime of the participant, continues for a period equal to the amount of time the individual was an active non-employee director. During the benefit period, the participant must be available to the Chairman of the Board for consultation.

The Company has a Directors' Deferred Compensation Plan available to any director who is entitled to compensation as a Board member. Under this plan, the maximum amount that is eligible to be deferred is the total of all fees paid to the director by reason of his or her membership on the Board or any Committee thereof. The plan provides that directors may defer all or part of their director fees and the deferral may be in cash or Common Stock. The fees deferred in cash are credited to individual deferred compensation accounts that bear interest at the rate of 8.0% per annum. The amounts deferred pursuant to this plan will be paid either: (i) in a lump sum on January 31st of the calendar year following the year in which the director ceases to be a director or on January 31st of any year thereafter; or (ii) in five equal consecutive annual installments commencing on January 31st of the first calendar year after the director ceases to serve as a director. In the event of death, the balance in a director's account will be paid in a lump sum to a designated beneficiary or to the director's estate.

The Company has a director stock plan for any director who is not an employee of the Company. For 2014 the director stock plan provides for an annual grant of 1,800 shares of the Company's common stock to each non-employee director on the Annual Meeting date. The shares vest in increments of one-third of the total grant on each of the first, second and third anniversaries of the date of grant. Even after vesting, the shares are subject to Sensient's stock ownership guidelines for non-employee directors, including a requirement that directors hold at least 75% of future awards (net of taxes and any exercise price) until separation from the Board, with limited exceptions for exercise and sale of shares from stock options expiring within one year and for sale of up to 50% of vesting restricted stock to permit payment of related taxes.

As previously announced, the Company entered into a compensatory arrangement with Kenneth Manning in consideration of the duties he will perform and the additional advisory services that he will provide as Sensient's non-employee Chairman of the Board and Advisor to the Company, which commenced on February 2, 2014. The compensatory arrangement was approved by the Board consistent with the recommendation of the Nominating and Corporate Governance Committee and a proposal prepared by Towers Watson, Sensient's independent compensation consultant, based on a review of competitive practices with regard to compensation levels and structures for employee and non-employee chairman roles at other public companies. Mr. Kenneth Manning's duties as non-employee Chairman of the Board and his additional advisory services will include administering Board activities; providing strategic planning and support, including providing input on the global economy, preparing strategic memoranda and conducting annual strategy meetings; reviewing and advising training programs, including conducting General Manager training sessions and the annual review of training programs; continuing to act as a liaison to Wall Street analysts; advising on and participating in activities related to mergers and acquisitions; serving on the Company's Executive Committee and Scientific Advisory Committee; chairing the Sensient Foundation; advising on industry and technical matters; and being available to the successor Chief Executive Officer as required. In consideration for his services as non-employee Chairman of the Board and Advisor to the Company, the Company will provide (in lieu of the annual retainer fee set forth above) to Mr. Kenneth Manning total direct compensation of approximately $850,000 annually, which consists of a $205,000 annual retainer and $530,000 in annual advisory fees, with the remainder being comprised of meeting fees, pension benefits and long-term incentive awards applicable to all non-employee members of the Board.

Set forth below is a summary of the compensation paid to each non-employee director in fiscal 2013:

2013 DIRECTOR COMPENSATION TABLE

Name	Fees Earned or Paid in Cash ($)(1)	Stock Awards ($)(2)(3)(4)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
H. Brown	$ 86,500	$ 70,218	$ 9,000	$ -	$ 165,718
E. Cichurski	51,000	70,218	38,000	-	159,218
Dr. F. M. Clydesdale	75,000	70,218	-	-	145,218
J. A.D. Croft	82,500	70,218	-	-	152,718
W. V. Hickey	79,500	70,218	-	-	149,718
Dr. E. R. Wedral	61,000	70,218	21,000	-	152,218
E. Whitelaw	75,000	70,218	3,734	-	148,952

(1) Includes annual retainer, meeting attendance and chairmanship fees.

(2) The amounts in the table reflect the grant date fair value of stock awards to the named director in 2013. Accounting Standards Codification ("ASC") 718 requires recognition of compensation expense over the vesting period (or until retirement age) for stock awards granted to employees and directors based on the estimated fair market value of the equity awards at the time of grant. The 2013 restricted stock awards to directors were made on April 25, 2013. The grant date fair value of the 2013 restricted stock award to each director was $39.01 per share.

(3) The shares of restricted stock awarded to directors vest in increments of one-third of the total grant on each of the first, second, and third anniversaries of the date of grant.

(4) Each non-employee director had the following equity awards outstanding as of the end of fiscal 2013:

Name	Option Awards Number of Securities Underlying Unexercised Options (#)	Stock Awards Number of Shares of Stock That Have Not Vested (#)
H. Brown	10,000	3,300
E. Cichurski	-	1,800
Dr. F. M. Clydesdale	8,000	3,300
J. A.D. Croft	-	3,300
W. V. Hickey	4,000	3,300

Dr. E. R. Wedral	6,000	3,300
E. Whitelaw	667	3,300

AUDIT COMMITTEE REPORT

In accordance with its written charter adopted by the Board, the Audit Committee of the Board of Directors (the "Committee") assists the Board in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing and financial reporting practices of the Company. During 2013, the Committee met ten times. The Committee discussed the financial information contained in each quarterly earnings announcement and in each of the Company's Forms 10-Q and 10-K with the Company's Senior Vice President and Chief Financial Officer, its Vice President, Controller and Chief Accounting Officer and its independent auditors prior to release of the earnings announcement and prior to filing the Company's Forms 10-Q and 10-K with the Securities and Exchange Commission, respectively. During each fiscal quarter of 2013, the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for Forms 10-Q and 10-K were reviewed, including the Company's disclosure controls and procedures and internal controls.

In discharging its oversight responsibility as to the audit process, the Committee obtained from the independent auditors a formal written statement describing all relationships between the auditors and the Company that might bear on the auditors' independence and information required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Committee concerning independence and discussed with the auditors any relationships that may impact their objectivity and independence. The Committee has also considered whether the provision of any non-audit services by the auditors is compatible with maintaining the auditors' independence. The Committee is satisfied as to the auditors' independence. The Committee also discussed with management, the Company's Director, Internal Audit and the independent auditors the quality and adequacy of the Company's internal controls and the internal audit function's organization, responsibilities, budget and staffing. The Committee reviewed the audit plans, audit scopes and identification of audit risks with both the independent auditor and the Director, Internal Audit.

The Committee discussed and reviewed with the independent auditors all communications required by the Public Company Accounting Oversight Board, including those described in AU-C Section 260, "The Auditor's Communication with Those Charged with Governance" and SEC Regulation S-X, Rule 2-07, "Communication with Audit Committees" and, with and without management present, discussed and reviewed the results of the independent auditors' examination of the financial statements. The Committee also discussed the results of the internal audit examinations and met separately with the Company's Director, Internal Audit.

Audit Fees

During the years ended December 31, 2013 and 2012, aggregate fees (including expenses) for the annual audit of the Company's financial statements were approximately $2,758,100 and $2,406,200, respectively. Audit fees include fees for the audit of the Company's consolidated financial statements, fees for statutory audits of foreign entities, fees for quarterly review services and fees related to the Company's SEC filings.

Audit-Related Fees

During the years ended December 31, 2013 and 2012, aggregate fees (including expenses) for audit-related services provided by the independent auditors were approximately $62,000 and $56,700, respectively. Audit-related fees include fees for audits of the Company's employee benefit plans and non-audit related accounting consultations, including due diligence.

Tax Fees

During the years ended December 31, 2013 and 2012, aggregate fees (including expenses) for tax services provided by the independent auditors were approximately $220,600 and $256,900, respectively. Tax services include tax compliance, tax advice and tax planning.

All Other Fees

No other fees were paid to the Company’s auditors in 2013 or 2012.

All of the services described above were approved by the Audit Committee. At its February 2014 meeting, the Committee reviewed and approved resolutions continuing the Company’s Audit Committee Pre-Approval Policy for a new twelve-month period. This policy provides that the Committee is required to pre-approve all audit and non-audit services performed by the independent auditor and specifies certain audit, audit-related and tax services that have general pre-approval for the next twelve months, subject to specified dollar limits. The policy also provides that any services by the independent auditor not generally pre-approved or above the specified dollar limits must be submitted for pre-approval by the Audit Committee. Pursuant to the resolutions and the policy, the Chairman of the Audit Committee has the authority to grant pre-approval when necessary, provided that such pre-approval is reported to the Committee at its next meeting.

The Committee reviewed the audited financial statements of the Company as of and for the year ended December 31, 2013, with management and the independent auditors. Management has the responsibility for the preparation of the Company’s financial statements and the independent auditors have the responsibility for the examination of those statements.

Based on the review and discussions with management and the independent auditors described above, the Committee recommended to the Board that the Company’s audited financial statements be included in its Annual Report on Form 10-K for the year ended December 31, 2013, for filing with the SEC. As further discussed in Item 4, “Ratification of Appointment of Independent Auditors,” the Committee has appointed Ernst & Young LLP, subject to shareholder approval, to be the independent auditors for 2014 and the Board recommended that the shareholders ratify that appointment.

Date: February 7, 2014

Hank Brown, Chairman
Edward H. Cichurski
James A.D. Croft
William V. Hickey

PRINCIPAL SHAREHOLDERS

Management

The following table sets forth certain information as of February 24, 2014, regarding the beneficial ownership of Common Stock by each of the executive officers of the Company who is named in the Summary Compensation Table below ("named executive officers"), each director and nominee of the Company, and all of the directors and executive officers of the Company as a group. Except as otherwise indicated, all shares listed are owned with sole voting and investment power.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership and Percent of Class (1)(2)(3)(4)
Hank Brown	29,301
Edward H. Cichurski	2,112
Dr. Fergus M. Clydesdale	25,423
James A.D. Croft	26,196
John L. Hammond	55,568
William V. Hickey	38,122
Richard F. Hobbs	66,448
Kenneth P. Manning	272,630
Paul Manning	82,062
Stephen J. Rolfs	134,584
Dr. Elaine R. Wedral	17,300
Essie Whitelaw	18,565
All directors and executive officers as a group (19 persons)	984,112

(1) No director or named executive officer beneficially owns 1% or more of the Company's Common Stock. The beneficial ownership of all directors and executive officers as a group represents 1.96% of the Company's outstanding Common Stock. In each case this percentage is based upon the assumed exercise of that number of options which are included in the total number of shares shown (See Note (2), below).

(2) Includes the following shares subject to stock options which are currently exercisable or exercisable within 60 days of February 24, 2014: Mr. Brown — 10,000 shares; Dr. Clydesdale — 8,000 shares; Mr. Hickey — 4,000 shares; Mr. Rolfs — 21,125 shares; Dr. Wedral — 6,000 shares; Ms. Whitelaw — 667 shares; and all directors and executive officers as a group — 67,667 shares.

(3) Includes 3,700 shares held by Mr. Brown's wife, 1,500 shares held by Mr. Croft's wife and 2,000 shares held by Mr. Kenneth Manning's wife.

(4) Shares owned through Sensient's Savings Plan stock fund and Sensient's ESOP are held on a unitized basis. The numbers of shares held through these plans have been estimated based on the closing stock price of $51.01 on February 24, 2014.

Other Beneficial Owners

The following table sets forth information regarding beneficial ownership by those persons whom the Company believes to be beneficial owners of more than 5% of the Common Stock of the Company as of February 24, 2014 (except as indicated in the footnotes), based solely on review of filings made with the Securities and Exchange Commission pursuant to Section 13(d) or 13(g).

Name and Address of Beneficial Owner	Amount and Nature of Ownership	Percent of Class (1)
Neuberger Berman Group LLC (2)	5,115,336 shares	10.2%
BlackRock, Inc. (3)	4,387,644 shares	8.7%
The Vanguard Group, Inc. (4)	2,867,573 shares	5.7%

(1) All percentages are based on 50,194,509 shares of Common Stock outstanding as of February 24, 2014.

(2) Neuberger Berman Group LLC filed a Schedule 13G dated February 7, 2012, with respect to itself and certain affiliates. Berman's address is 605 Third Avenue, New York, New York. Its Amendment No. 3 to Schedule 13G, dated February 12, 2014, reported that as of December 31, 2013, it held shared power to vote 5,079,515 shares of Common Stock and shared dispositive power with respect to 5,115,336 shares of Common Stock. It stated that all of the shares are held in the ordinary course of business and not with the purpose or effect of changing or influencing the control of the issuer.

(3) BlackRock, Inc. filed a Schedule 13G dated January 21, 2011, with respect to itself and certain subsidiaries. BlackRock's address is 40 East 52nd Street, New York, New York. Its Amendment No. 4 to Schedule 13G, dated January 17, 2014, reported that as of December 31, 2013, it held sole power to vote 4,219,620 shares of Common Stock and sole dispositive power with respect to 4,387,644 shares of Common Stock. It stated that all of the shares are held in the ordinary course of business and not with the purpose or effect of changing or influencing the control of the issuer.

(4) The Vanguard Group, Inc. filed a Schedule 13G dated February 7, 2013, with respect to itself and certain subsidiaries. Vanguard's address is 100 Vanguard Blvd., Malvern, Pennsylvania. Its Amendment No. 1 to Schedule 13G, dated February 6, 2014, reported that, as of December 31, 2013, it had sole power to vote 75,367 shares of Common Stock, sole power to dispose of 2,795,606 shares of Common Stock, and shared power to dispose of 71,967 shares of Common Stock. It stated that all of the shares were acquired in the ordinary course of business and not with the purpose or effect of changing or influencing the control of the issuer.

COMPENSATION AND DEVELOPMENT COMMITTEE REPORT

The duties and responsibilities of the Compensation and Development Committee of the Board of Directors (the "Compensation Committee") are set forth in a written charter adopted by the Board, as set forth in the Company's Bylaws and on the Company's website at www.Sensient.com. The Compensation Committee reviews and reassesses this charter annually and recommends any changes to the Board for approval.

As part of the exercise of its duties, the Compensation Committee has reviewed and discussed the following "Compensation Discussion and Analysis" contained in this proxy statement with management. Based upon that review and those discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be incorporated by reference in the Company's Annual Report to Shareholders on Form 10-K and included in this proxy statement.

James A.D. Croft, Chairman
Dr. Fergus M. Clydesdale
Essie Whitelaw

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Executive Summary

The pages below discuss the material elements of Sensient's compensation program for its executive officers. The following points may assist you in reviewing these disclosures and in understanding the Company's executive compensation decisions for 2011, 2012 and 2013 and its ongoing compensation program for 2014 and future years. When we refer to our named executive officers, we are referring to the following individuals who were senior officers of the Company as of December 31, 2013, and whose 2013 compensation is set forth below in the Summary Compensation Table and subsequent compensation tables:

- Kenneth P. Manning, Chairman of the Board and Chief Executive Officer (until February 1, 2014);
- Paul Manning, President and Chief Operating Officer (Chief Executive Officer beginning February 2, 2014);
- Richard F. Hobbs, Senior Vice President and Chief Financial Officer;
- John L. Hammond, Senior Vice President, General Counsel and Secretary; and
- Stephen J. Rolfs, Senior Vice President, Administration.

Effect of Management Transition. In connection with Mr. Kenneth Manning's retirement, the Board of Directors appointed Mr. Paul Manning as President and Chief Executive Officer on February 2, 2014. It is important to note three salient facts in reviewing Sensient's executive compensation for 2013. First, Mr. Kenneth Manning has been with Sensient for over 26 years, including nearly 17 years as our Chairman and over 17 years as our Chief Executive Officer; Mr. Richard Hobbs has been with Sensient for over 40 years, including nearly 14 years as our Chief Financial Officer; and Mr. John L. Hammond has been with Sensient for over 16 years serving as our General Counsel and Secretary. Second, on February 1, 2014, Mr. Kenneth Manning retired as Chief Executive Officer; and both Messrs. Hobbs and Hammond are retirement eligible. Third, the compensation of Messrs. Kenneth Manning, Hobbs and Hammond reflect their exceptional contributions in 2013 and throughout their extremely long service to the Company. As they are succeeded by younger executives at lower levels of compensation, there will be a significant impact on the aggregate levels of compensation for the named executive officers in 2014 and beyond. Additionally, and as a result of the Company's effective succession planning processes, it is anticipated that Messrs. Hobbs and Hammond will be succeeded by current employees of the Company, thus obviating the need for sign-on bonuses or other extraordinary expenditures potentially necessary to attract external executives. Our compensation program for the named executive officers reflects this dedicated service and the succession planning actions taken to date by the Company.

2013 Highlights: Strong Performance in a Transitional Year. As outlined below, the Company turned in an extraordinary financial and operating performance in 2013 while transitioning to a new Chief Executive Officer and making significant adjustments in executive compensation.

- Our stock price increased from $35.56 to $48.52 per share during 2013, reflecting strong year over year stock price appreciation of approximately 36% and a one-year total shareholder return of 39.4%, including the impact of our dividends.

- Our solid operating performance in 2013 grew earnings per share, before restructuring costs, by 8.8% over 2012 to a record level of $2.71 during 2013. Cash flow from operations also rose sharply, increasing by 10.2% to $153.6 million. Our strong financial position allowed us to invest over $104 million in capital projects during 2013. Sensient also increased its quarterly dividend to 23 cents per share in April 2013. With this increase, Sensient returned $45.5 million of cash to our shareholders through dividends during 2013.

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In July 2013, we announced that Mr. Kenneth Manning, our Chairman and Chief Executive Officer, notified us of his plan to step down as Chief Executive Officer on February 1, 2014. The Board announced that Mr. Paul Manning, our President and Chief Operating Officer, would succeed Mr. Kenneth Manning as Chief Executive Officer effective February 2, 2014. There is no separation agreement with Mr. Kenneth Manning and the terms of Mr. Paul Manning's employment agreement are described below.

- Our annual incentive plan for 2013 (which is the subject of proposal Item 3 below) resulted in payment of 200% of target bonus opportunity based on our financial and operational objectives. This annual incentive plan payment was primarily driven by our strong earnings performance and, to a lesser degree, our improvement in gross profit margin and cash flows from operations. In October 2013, we announced significant changes to our annual incentive plan to incorporate feedback received from shareholders during the 2013 proxy season. These changes, which will be effective for awards tied to performance in 2014, were designed to reduce the emphasis placed on consolidated earnings per share and also to assign more meaningful weight to other financial objectives that we believe from shareholder feedback are more highly valued by our shareholders. More detail regarding the changes made to the annual incentive plan is included below.

- In December 2013, the Compensation Committee set each element of Mr. Paul Manning's compensation as Chief Executive Officer, including annual base pay, targeted annual incentive award and targeted long-term incentive award, to be below the median level of our 2013 peer group described below. Therefore, at targeted levels, Mr. Paul Manning's total direct compensation is set below the median level of our peer group, resulting in target compensation that is 33% lower than the former Chief Executive Officer's 2013 total target compensation. This lower target compensation is reflective of the former Chief Executive Officer's service as our CEO for over 17 years. As described in greater detail below, the modifications to our annual incentive award plan and changes to the mix of our long-term equity incentive plan were designed to ensure that both are more closely tied to performance. As a result of this positioning and these new changes, Mr. Paul Manning's total direct compensation will only exceed the median of our peer group if the Company performs extremely well and maximum payouts are earned under the annual incentive awards and long-term equity incentive awards. In addition, because of these changes, a much more significant portion of this compensation is at risk (the annual incentive plan awards and 50% of the long-term equity incentive awards).

2013 Say-on-Pay Vote. At the 2013 Annual Meeting of Shareholders, we held our third annual advisory vote to approve named executive officer compensation. Approximately 54% of the votes cast voted in favor of our executive compensation as disclosed in our 2013 Proxy Statement. While representing majority shareholder support for the named executive officer compensation, the vote result was significantly lower than the vote results from our 2012 Annual Meeting of Shareholders (where approximately 89% of the votes cast voted in favor of our executive compensation as disclosed in our 2012 Proxy Statement) and lower than what we would deem satisfactory. We were disappointed in our vote result and recognized the need to better understand our shareholders' concerns.

During 2013, both before and after the 2013 Annual Meeting of Shareholders, members of our senior management engaged directly with key stakeholders to gather their feedback regarding our executive compensation programs as disclosed in our 2013 Proxy statement. This included over a dozen telephone meetings with institutional shareholders (representing over 40% of our total outstanding shares and over 50% of our shares held by institutional shareholders), internal discussions with senior management and employees, analysis of market practices, advice from Towers Watson, the Compensation Committee's independent compensation consultant and discussions with proxy advisory services. The Compensation Committee further reviewed the results of our Say-on-Pay votes, feedback from institutional shareholders, advice from Towers Watson, input from proxy advisory services and management recommendations based on Sensient's strategic direction and market practices.

As a result of their review, we determined that shareholders and other key stakeholders wanted to see an enhanced linkage of pay and performance embedded in the design of our compensation programs. Specifically, shareholders and other key stakeholders asked us to (1) issue performance-based equity awards, (2) modify our annual cash incentive awards to decrease our reliance on earnings per share as the primary performance measure, (3) increase our reliance on return on invested capital and cash flow, and (4) eliminate tax gross-up provisions from our change of control agreements. Consequently, the following actions were taken by our Board of Directors and Compensation Committee in 2013:

- We introduced new performance stock unit awards under our long-term incentive awards with payouts that are determined based on a weighted average of the Company's achievement of two performance goals – EBIT growth

(70% weight) and return on invested capital (30% weight) – over a two-year performance period and that thereafter vest (subject to continued employment) on the third anniversary of their grant date (subject to early vesting after the two-year performance period for executives that have reached retirement age);

- We significantly changed the mix of our long-term equity incentive awards – the largest component of compensation for our named executive officers – that we issued in 2013 so that 50% of the long-term equity incentive awards issued consisted of the new performance stock unit awards described above and 50% of the long-term equity incentive awards issued consisted of traditional time-vesting restricted stock awards;

- We modified our annual incentive plan to rebalance performance measures used to calculate annual incentive awards which are now determined based on a weighted average of the Company’s achievement of three performance goals – earnings per share (50% weight), gross profit as a percentage of revenue (30% weight) and cash flow (20% weight); and

- We eliminated all tax gross-up provisions from our change of control agreements with executive officers.

Increased Direct Linkage Between Executive Compensation and Company Performance. As a result of the Company’s implementation of performance equity awards in 2013, executive compensation was more closely linked to the Company’s financial performance. This is reflected in the following pie charts detailing the components of named executive officer compensation in 2012 and 2013 (assuming target performance levels):

Portion Of Compensation Tied To Performance Has Increased From 22% To 52%
(* denotes performance based components)

The pie chart above for 2012 (which excludes the change in pension values from 2012 executive compensation to provide a better comparison to the components of 2013 executive compensation) illustrates that 22% of the average compensation for 2012 to Sensient’s named executive officers (excluding change in pension values) was based on achieving performance goals under our annual incentive program. The pie chart above for 2013 shows that 52% of the average compensation for 2013 to Sensient’s named executives officers, based on awards at target under each of our annual cash incentive plan and the performance component of our long-term equity incentive plan, was contingent upon the Company’s financial performance. As a result, the amount of executive average compensation directly linked to Company performance has significantly increased and it is anticipated that a similar percentage of executive compensation will consist of at-risk compensation that is directly linked to Company performance in 2014 and beyond.

Compensation Aligned with Shareholder Interests. Apart from the increase in the percentage of compensation that will be directly linked to Company performance, the Company’s compensation policies for 2013 continue to strongly emphasize alignment with shareholder interest. The pie chart above for 2013 illustrates that only 17% of compensation for 2013 to Sensient’s named executive officers consisted of base salary. As illustrated in the pie chart, a majority of the named executive officers’ compensation consists of long-term equity incentive awards (performance stock units and restricted shares) which align executive compensation with shareholder returns. Sensient’s long-term incentive awards consist of equity grants that the officer cannot expect to access right away or even within a period of a few years. Instead, under our unique compensation program, the long-term incentive plan consists of stock awards that the executive generally cannot sell (even when fully vested, except in amounts intended to cover taxes) until at or near retirement from Sensient. As a result, the interests of our senior executives are fully aligned with the interests of our long-term shareholders because both this year’s stock awards and all of the stock accumulated by an executive during a career at Sensient are generally nontransferable until retirement.

Sensient's Relative Performance and Executive Compensation. For those who wish to consider total shareholder return when evaluating executive compensation, the graph below compares Sensient's one-year and annualized three-year total shareholder returns on common stock with the annualized total returns of the Standard & Poor's Midcap 400 index (of which Sensient is a component) and Sensient's peer group (which consists of the companies listed in the Comparable Company Data under the section "Compensation Committee Practices" below).

For the one year ended December 31, 2013, Sensient's total return to shareholders outperformed the return earned by the Standard & Poor's Midcap 400 Index and by our peer group. For the three years ended December 31, 2013, Sensient's annualized total return to shareholders fell below the returns earned by the Standard & Poor's Midcap 400 Index and by our peer group.

During the five-year period ending December 31, 2012 (the most recent year for which this information was available), Sensient's total direct compensation (salary, annual incentive bonus and equity awards) for our Chief Executive Officer and our five named executive officers as a group were at the 63rd and 67th percentiles of our peer group, respectively. Our former Chief Executive Officer's total compensation, as reported in the Summary Compensation Table, has been appropriate and in alignment with the returns earned by shareholders over this five-year period. The compound annual rate of change in the former Chief Executive Officer's total compensation over the five-year period ending December 31, 2013 reflects an annual increase in total pay of 2.6%. The total returns to our shareholders over this same five-year period equated to a positive compound annual rate of return of 18.2%.

Sensient's Executive Compensation Program Highlights. Sensient's executive compensation program features the following shareholder favorable "best practices":

Compensation Program Feature	Description
Proactive engagement	In addition to our annual say-on-pay vote, our senior management engages directly with institutional shareholders and other key stakeholders throughout the year to gather feedback regarding our performance and executive compensation programs.
Pay for performance	A significant percentage, 52% of the average compensation for our named executive officers, of 2013 total target direct compensation is "pay at risk" that is contingent upon actual performance.
Performance measures	Performance measures for incentive compensation are closely linked to challenging strategic and near-term operating objectives, selected after consultation with our largest institutional shareholders and other key stakeholders and designed to create long-term shareholder value.
Compensation Committee membership and independent compensation consultant	Our Compensation Committee is composed entirely of independent, non-employee directors and engages an independent compensation consultant to perform an annual independent risk assessment of our executive compensation program.
Annual review and modification of executive compensation	Our Compensation Committee reviews and modifies executive compensation on an annual basis to achieve program objectives.
No discretionary or multi-year guaranteed bonuses	We have no discretionary bonuses and no multi-year guaranteed bonuses for any of our executives.
No tax gross-ups	We no longer have any tax gross-ups in any of our change of control agreements with any of our executive officers.
No equity repricing or exchange	Our equity incentive plans prohibit repricing or exchange of underwater stock options or stock appreciation rights.
No equity short sales, hedging or pledging	Our insider trading policy explicitly prohibits short sales, hedging, pledging and entering into any derivative or similar transaction involving our securities.
Double-Triggers	Our change of control agreements have a "double-trigger" such that benefits payable under such agreements are not paid unless a change in control is also accompanied by a qualifying termination of employment within 36 months.
Clawbacks	In the event of certain financial restatements as a result of misconduct by any former or current executive officer, the Compensation Committee has discretion to recover any bonus or other incentive-based or equity-based compensation received by, and any profits realized by, the offending officer from the sale of Sensient securities during the 12-month period following the first public issuance or filing of the noncompliant financial document.
"Hold-to-retirement" policy	With limited exceptions, executives are required to hold 100% of any additional net shares awarded in the future until the executive retires or is no longer employed by the Company and independent directors are required to hold at least 75% of any additional net shares awarded to them until the director retires from the Board.

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Stock ownership guidelines	Our Chief Executive Officer is required to hold stock equal to a multiple of six times his salary and the other named executive officers are required to hold stock equal to a multiple of four times their salary (in each such case, excluding unexercised stock options but including restricted stock and performance stock units). Our independent directors are required to hold at least 1,000 shares of Sensient common stock within a year following their initial election to the Board and shares with a value of at least five times the annual retainer for directors after five years of service on the Board (in each such case, excluding unexercised stock options but including restricted stock).
No excessive "burn rate"	Our three-year average equity burn rate (the number of shares subject to equity awards granted during the year divided by total common shares outstanding) is 1.31%, well within typical proxy advisory service guidelines (for example, Institutional Shareholder Services' 2014 burn rate cap for similar companies is 2.85%).

Compensation Design and Philosophy

Sensient's Business Strategies and Investments Focus on Value Creation, Primarily Over the Long Term. Our approach to executive compensation flows directly from our approach to value creation for the Company and our shareholders. Although all timeframes are relevant, Sensient is primarily focused on long-term investments both in our employees and through acquisitions and strategic capital investments in state-of-the-art facilities and equipment designed with product safety and regulatory compliance in mind. As evidenced by our strong 2013 performance, we have begun to see the returns from our past and continuing substantial investments in new product development, much of which is proprietary, and expanded distribution capabilities, domestically and around the world. Our equity compensation program and our robust stock ownership guidelines and hold-to-retirement policy are designed to align our executive compensation program with this long-term value creation focus.

Our Management and Compensation Philosophy Demands and Rewards Excellence. Sensient's management and compensation philosophy demands excellence from each of its executive officers and from the management team as a whole. Sensient has relatively few high level executives and operates with an extremely lean staff compared to our peer group. As a result, the executives we do have are required to assume greater levels of responsibility and accountability than executives who operate with larger staffs in matrix organizations. Additionally, Sensient's named executive officers have been carefully selected and are continually evaluated through rigorous performance assessment and succession planning processes over the length of their careers with the Company. Sensient's compensation program reflects these realities and when evaluating compensation data and making compensation decisions the Compensation Committee takes into consideration this and other differences between Sensient and its peer group, including complexity of operations and tenure of officers.

The Compensation Committee

The Compensation Committee is composed entirely of independent, non-employee directors, as determined using New York Stock Exchange listing standards both for directors generally and for compensation committee members. The Committee oversees Sensient's executive compensation programs and monitors incentives for risk-taking from compensation programs for all employees. See "Committees of the Board of Directors — Compensation and Development Committee" above for a description of the Committee's responsibilities. This discussion and analysis is designed to assist your understanding of Sensient's compensation objectives and philosophy, the Compensation Committee's practices, and the elements of compensation for the named executive officers.

Compensation Objectives and Philosophy

Sensient's compensation program is designed:

- to demand and reward excellence from each of its executive officers and from the management team as a whole;
- to align Sensient's interests with the interests of executives and other employees through compensation programs that recognize individual contributions toward the achievement of corporate goals and objectives without encouraging taking unnecessary or unreasonable risks;
- to further link executive and shareholder interests through equity-based compensation and long-term stock ownership arrangements;
- to attract and retain high caliber executive and employee talent; and
- to encourage management practices, controls and oversight that minimize the risks present in Sensient's business.

The Committee determines specific compensation levels for Sensient's executive officers based on several factors, including:

- achievement of specific financial and performance targets without taking unnecessary or excessive risks;
- each executive officer's role and his or her experience and tenure in the position and with the Company;
- the total salary and other compensation for the executive officer during the prior fiscal year; and
- how the executive officer may contribute to Sensient's future success.

In sum, the Committee intends that Sensient's compensation programs both help the Company to attract and retain key executives and other employees and give the executive officers and other employees appropriate and meaningful incentives to achieve superior corporate and individual performance without undertaking unnecessary or excessive risks.

The Committee determines the amounts and mixture of compensation for Sensient's executives based on the compensation design and other factors described above, including the philosophy of demanding and rewarding excellence. Sensient reviews its compensation awards compared to compensation levels for comparable positions at Sensient's stable peer group of competing public companies of similar size and complexity as well as published survey data, adjusted as described below (together, the "Comparable Company Data"), using regression analysis for the survey data because of differences in size between the comparable companies and the Company. This review is performed to ensure that Sensient's compensation programs are reasonably applied and also to ensure that they are competitive for purposes of attracting and retaining key executives. The selection of our peer group and each material element of compensation are discussed further below.

Key elements of the executive compensation program tie a significant portion of executive compensation to the Company's performance and success in meeting specified financial goals and objectives. The Committee also considers other compensation and amounts payable to executive officers, including retirement compensation and potential payments in a situation involving a change of control of the Company. Retirement compensation is intended both to recognize, over the long term, services rendered to the Company as well as the practice that employers provide employees with retirement benefits. The supplemental retirement arrangements adopted by the Company also reflect a decision that limitations on covered compensation and potential benefits which would apply under the Internal Revenue Code generally ought not limit the retirement benefits that would otherwise apply to the Company's most highly compensated employees and that our executive officers should have protections regarding increases in interest rates and individual income tax rates in order to avoid incentives for earlier retirement.

The Committee also recognizes that situations involving a potential change of control of a company can be very disruptive to all of its employees, including executive officers, because a change of control could affect the employees' job security, authority or compensation. To help address the inherent potential conflict of interest between executive officers' personal interests and other interests of the Company and its shareholders, since 1988 we have provided key decision-making officers with agreements that will help mitigate their concerns about such personal matters in the case of a change of control and thereby assure that management provides guidance to the Board and shareholders that is divorced from such concerns. Change of control agreements can also help insure that the management team stays intact before, during and after a change of control, thereby protecting the interests of not only the target company's shareholders but also those of any acquirer. These change of control agreements remain important to the Company and therefore we have continued them, although in 2010 we revised them to remove the right for the executive to receive specified benefits in the event that he or she chooses to leave the Company during the 13th month following a change of control. We also changed our policy so that change of control agreements entered into during 2010 and thereafter did not and will not include excise tax gross-up payments in connection with a change of control. In 2013 we entered into new change of control agreements with those executive officers that entered into change of control agreements before 2010 to eliminate all excise tax gross-up payments to executives in the event of a change of control.

Finally, as with most companies, the Company provides various other benefits to its employees, including its executive officers. Many of these benefits, such as health insurance, are provided on the same basis to all salaried employees. In many respects, the types and amounts of those benefits have historically been driven by reference to the Company's past practices. The Committee regularly reviews these and other benefits, including special benefits or "perks," for executive officers.

Compensation Committee Practices

Each year the Committee conducts a review of the Company's executive compensation program. As required by Section 14A of the Securities Exchange Act, the Company obtained formal shareholder advisory votes regarding executive compensation at the 2011, 2012 and 2013 Annual Meetings of Shareholders, and we will obtain a new advisory vote at the 2014 Annual Meeting of Shareholders and annually thereafter. The Committee considers the results of the recent shareholder advisory votes regarding executive compensation in determining its ongoing compensation policies and decisions. To better understand the concerns of its shareholders and to give them an opportunity to make more specific recommendations, the Company initiated discussions of its compensation policies with some of its larger shareholders beginning in 2011. The Company's executive compensation clawback policy, its higher executive and director stock ownership requirements, its revised policies generally requiring executives and directors to retain their Sensient stock ownership until retirement (with limited exceptions for Rule 10b5-1 sales by executives approaching retirement), its new performance stock units, its issuance of an equal mix of time-vesting restricted stock awards and performance stock unit awards under the Company's long-term equity incentive plan, its modification of the performance metrics used to determine annual cash incentive awards, and its elimination of tax gross-ups from change of control agreements (each of which is described elsewhere in this proxy statement) were all influenced by the Company's belief that these revisions would strengthen the alignment of the interests of our executives and directors with the interests of our shareholders and therefore should be viewed favorably by the Company's shareholders and their advisors. We believe that our hold-to-retirement policy is unique within our peer group.

Generally, the Committee begins its consideration of annual cash and long-term equity incentive compensation at its Fall meeting to preliminarily discuss related considerations and to receive and begin review of the Comparable Company Data discussed above. Final determinations of salaries, annual cash incentive awards and long-term equity incentive compensation awards are made at the Committee's meeting in connection with the Board's regular meeting in December. Generally, salary changes become effective on January 1 of the following year. Most restricted stock awards (and starting in 2013, our awards of performance stock units) are granted effective as of the December meeting date. Sensient has not granted stock options to its executive officers in recent years (relying instead on awards of restricted stock and, beginning in 2013, an equal mix of time-based restricted stock awards and performance stock unit awards).

As part of its annual review of the Company's executive compensation program, the Committee retains a consultant who, among other things, prepares a report comparing Sensient's executive compensation to the Comparable Company Data. The Comparable Company Data ordinarily includes information that is from the year prior to the date of the analysis.

Establishing a stable and appropriate peer group for the Company has been challenging because Sensient has few direct competitors of similar size that are publicly traded in the United States. The colors and flavors and fragrances industries are highly fragmented geographically and are diversified among product lines. In light of these challenges, Sensient has determined the appropriate peer group by considering:

- companies of comparable size (based primarily on market capitalizations ranging from approximately $161 million to $11.2 billion as of December 31, 2013 with a median of $2.6 billion and most recently reported annual revenues ranging from approximately $277 million to $4 billion with a median of $2.2 billion);
- companies with which it competes for business (primarily in the specialty chemicals industry);
- companies with significant international operations; and
- companies with generally consistent financial performance or other business attributes (based primarily on gross, operating and net profits; gross, operating and net margins; full-time employees and total assets; and total shareholder return).

The peer group is reviewed annually and while companies are added or removed as circumstances warrant, the Compensation Committee believes it is beneficial to keep the peer group fairly stable from year to year for comparison purposes.

The Comparable Company Data included in the 2010 analysis that was considered by the Compensation Committee in making decisions for 2010 restricted stock awards, 2011 base salaries and 2011 annual incentive plan awards was based in part on published survey data of a broad group of public and private companies and in part on an analysis of the proxy statements of a peer group of 19 public companies. Data regarding the same group of 19 public companies was considered when making Compensation Committee decisions in 2011 relating to 2011 restricted stock awards, 2012 base salaries and 2012 annual incentive plan awards, and again in 2012 when making Compensation Committee decisions relating to 2012 restricted stock awards, 2013 base salaries and 2013 annual incentive plan awards. The peer group of 19 public companies included in these years was:

Aceto Corporation	Cambrex Corporation	International Flavors & Fragrances Inc.	PolyOne Corporation
Albemarle Corporation	Church & Dwight Co., Inc.	McCormick & Company, Incorporated	A. Schulman, Inc.
Alberto-Culver Company	Elizabeth Arden, Inc.	Minerals Technologies Inc.	Sigma-Aldrich Corporation
Arch Chemicals, Inc.	FMC Corporation	Nu Skin Enterprises, Inc.	Stepan Company
Cabot Corporation	H.B. Fuller Company	Penford Corporation	

Alberto-Culver Company and Arch Chemicals were both acquired in 2011 and are no longer publicly traded entities. Accordingly, data regarding them was not available in 2012 when making decisions relating to 2012 restricted stock awards, 2013 base salaries and 2013 annual incentive plan awards. For that reason the peer group used in 2012 consisted of the remaining 17 public companies plus Olin Corp. and Revlon, Inc., a chemical company and a beauty care and personal products company, respectively. These two additions to the peer group were selected because they each possess business and competitive profiles that are similar to the companies that were displaced from the peer group. The relevant financial characteristics of these companies that were added to the peer group also fell within an acceptable range in relation to Sensient's own financial characteristics. Data regarding the same group of the remaining 17 public companies plus Olin Corp. and Revlon, Inc. was also considered when making Compensation Committee decisions in 2013 relating to 2013 restricted stock awards, 2013 performance stock unit awards, 2014 base salaries and 2014 annual incentive plan awards.

This public company peer group is comparable to Sensient in complexity and market challenges. Although Sensient's 2012 revenues were below the median of the peer companies (ranking at the 30th percentile), our market capitalization and operating income were at or near the median (ranking at the 52nd and 47th percentiles, respectively) and our net income was at the median (at the 50th percentile). Using generally the same peer companies for the past several years should minimize any shareholder concerns that Sensient's selection of peer companies could be outcome oriented.

Using this peer group for comparison purposes, the Compensation Committee noted that Sensient's recent realizable pay (salary, actual bonus plus realizable value of equity awards) for its Chief Executive Officer and named executive officers over the prior three-year and five-year periods ended December 31, 2012, ranked near the median (at the 63rd percentile for its Chief Executive Officer during each period and at the 68th and 67th percentiles for its named executive officers, respectively), based on publicly available data for the peer companies for 2012 and assuming the peers perform at "target" for purposes of their unearned long-term incentive performance awards, and that the average annual return to Sensient's shareholders for those same periods ranked below the median (at the 26th and 32nd percentiles, respectively). As noted above, the Compensation Committee has targeted Mr. Paul Manning's compensation as Chief Executive Officer to be below the median level of our 2013 peer group and his total direct compensation will only exceed the median of our peer group if the Company performs extremely well and maximum payouts are earned under the annual cash incentive awards and long-term equity incentive awards.

The Compensation Committee has the sole authority to retain and terminate a compensation consulting firm to assist it in the evaluation of compensation of the Chief Executive Officer and other executives and employees of the Company and the sole authority to approve the consultant's fees and other retention terms. The Compensation Committee is directly responsible for the oversight of the work of any compensation consulting firm retained by the Compensation Committee to assist it by compiling the Comparable Company Data. The Compensation Committee may select a compensation consultant only after taking into consideration all factors relevant to that person's independence from management, including the following: (A) the provision of other services to the corporation or its affiliates by the person that employs the compensation consultant; (B) the amount of fees received from the corporation or its affiliates by the person that employs the compensation consultant, as a percentage of the total revenue of the person that employs the compensation consultant; (C) the policies and procedures of the person that employs the compensation consultant that are designed to prevent conflicts of interest; (D) any business or personal relationship of the compensation consultant with a member of the Committee; (E) any corporation stock owned by the compensation consultant; and (F) any business or personal relationship of the compensation consultant with an executive officer of the corporation.

As part of the process to retain Towers Watson, the Compensation Committee evaluated the independence of that firm and its advisers by considering (among other factors that the Committee considered relevant) (1) what other services Towers Watson has provided to Sensient, (2) the amount of fees Towers Watson has received for those services as a percentage of its total revenue, (3) the policies and procedures of Towers Watson that are designed to prevent conflicts of interest, (4) any business or personal relationships between Sensient's advisers and members of the Committee or other directors or between Sensient executives and Towers Watson or its advisers, (5) the advisers' holdings of Sensient stock, if any, and (6) the factors set forth in Rule 10C-1(b) of the Securities Exchange Act of 1934, as amended. The Compensation Committee considered that the Company has also used Towers Watson for certain other services and that the compensation to Towers Watson for these other services for recent years has not exceeded $120,000 annually. On the basis of the Compensation Committee's evaluation of the factors listed above, the Committee determined that the advisers' relationships and other services did not create conflicts of interest and did not adversely affect Towers Watson's independence and advice.

The Company's Senior Vice President, Administration customarily assists the Compensation Committee in its determinations by helping compile and organize information, arranging meetings and acting as Company support for the Compensation Committee's work. He also serves as the Compensation Committee's officer contact, but has no decision-making authority on the Compensation Committee. In reviewing the performance and establishing the compensation levels of other elected officers, the Compensation Committee also takes into account the recommendations of the Company’s Chief Executive Officer.

Components of our Executive Compensation and Benefits Programs

The following table summarizes the components of our executive compensation and benefits programs for named executive officers in 2014. Each component is designed to align the interests of our named executive officers with the Company and our shareholders and is discussed in further detail below.

	Component	Type	Objective
1.	Base Salary	Fixed	- Attract and retain talented executives by providing base pay at market levels
2.	Annual Cash Incentive Plan Awards	Performance Based	- Drive Company and individual annual performance - Focus on growing earnings per share (50% weight of awards), gross profit as a percentage of revenue (30% weight of awards) and cash flow (20% weight of awards)
3.	Long-Term Equity Incentive Awards	Performance Based (50% of 2013 awards)	- Align executive officers' interests with those of the Company and its shareholders over a three-year vesting period - Focus on Company's operating performance in terms of EBIT Growth and Return on Invested Capital over a two-year performance period (January 1, 2014 – December 31, 2015)
4.	Long-Term Equity Incentive Awards	Fixed, Time Based (50% of 2013 awards)	- Align executive officers' interests with those of the Company and its shareholders over a three-year vesting period
5.	Retirement Benefits	Fixed	- Attract and retain talented executives by providing retirement benefits to executives that have contributed to the Company's success over an extended period of time
6.	Other Benefits	Fixed	- Attract and retain talented executives by providing other benefits at market levels

Base Salary

As with most companies, base salary is one of the key elements in attracting and retaining Sensient's key officers. When determining the amount of base salary for a particular executive, the Committee considers prior salary (and the proposed percentage change in salary), job responsibilities and changes in job responsibilities, individual experience, demonstrated leadership, performance potential, Company and individual performance, retention considerations, years of service at Sensient, years in the officer's current position and market data regarding salary changes for similar positions. These factors ordinarily are not specifically weighted or ranked; instead they are considered in a holistic way.

For 2013, the Committee began with market data (comprised of the Comparable Company Data) indicating that base salaries of executives at similar companies were generally expected to increase from 2012 levels by approximately 3%, and then determined actual base salaries for Sensient's executives after considering management's recommendations. The Company continues to believe that the unique skills and qualifications of its executive officers are important to the ongoing growth and success of the Company. The annual salary increase for 2012 to 2013 given to the named executive officers was between 3% and 4.5%.

Annual Incentive Plan Bonuses

Sensient maintains annual incentive plans for its elected officers (one of which is the subject of the proposal Item 3 below). Annual incentive compensation is intended to provide cash-based incentives based upon achieving overall Company or group financial goals and to place a significant part of each elected officer's total compensation at risk depending upon achievement of those goals. In 2013, the Compensation Committee significantly modified the Company's annual incentive plan to reduce the emphasis placed on consolidated earnings per share and assign more meaningful weight to other financial objectives used to calculate annual incentive awards. For annual incentive awards issued in 2012 and prior years, which were generally set in December of the year but based on performance during the following year, Sensient's primary reliance was on earnings per share with supplemental targets based on improvements in revenue, cash flow, return on invested capital, expense levels and gross profit as a percentage of revenue, subject to an overall maximum on the aggregate incentive compensation awarded. For some officers the Company also used a measure of group operating profit. In October 2013, we announced significant changes to our annual cash-based incentive plan to incorporate feedback received from shareholders during the 2013 proxy season. As a result of this feedback, we reduced the emphasis placed on consolidated earnings per share and assigned more meaningful weight to other financial objectives. In December 2013, Sensient issued annual cash incentive awards which are to be based on performance during 2014 and which are calculated using a weighted average of the Company's achievement of three performance goals – earnings per share (50% weight), gross profit as a percentage of revenue (30% weight) and cash flow (20% weight). The annual cash incentive bonuses are subject to a target level for each of the three performance goals, with bonuses for the executive officers in the range of 50% to 85% of annual base salary (depending on the officer's position in the Company) paid if the target levels are achieved with respect to each performance goal. Performance in excess of the targeted levels allows for an increased award, but awards are capped at 200% of the bonus at the targeted levels. Performance below the targeted levels can result in a reduced award, or no award at all if none of the minimum threshold levels are achieved. The particular targets and financial goals used are those which the Compensation Committee determines best reflect or which are important to achieving increased shareholder value over the long term without undertaking unnecessary or excessive risks. The Compensation Committee generally sets target bonus award levels that keep Sensient's levels at least competitive with its industry and provide meaningful incentives for superior performance. The Committee has discretion to reduce any award by up to 20% if the Committee determines a reduction to be appropriate, such as if the Committee determines that the executive caused the Company to take unreasonable or unnecessary risks.

In light of the foregoing, th