

MSA Safety Inc
Form DEF 14A
March 31, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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| <input type="checkbox"/> | Preliminary Proxy Statement | <input type="checkbox"/> | Confidential, for Use of the Commission |
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MSA Safety Incorporated

(Name of Registrant as Specified In Its Charter)

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

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2015 Proxy Statement

YOUR VOTE IS IMPORTANT

Please vote by using the internet, telephone, smartphone

or by signing, dating and returning the enclosed proxy card

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MSA SAFETY INCORPORATED n 1000 CRANBERRY WOODS DRIVE, CRANBERRY TOWNSHIP,
PENNSYLVANIA 16066 n PHONE (724) 776-8600

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO THE HOLDERS OF COMMON STOCK OF

MSA SAFETY INCORPORATED:

Notice is hereby given that the Annual Meeting of Shareholders of MSA Safety Incorporated will be held on Tuesday, May 12, 2015 at 9:00 A.M., local Pittsburgh time, at the MSA Corporate Center, 1000 Cranberry Woods Drive, Cranberry Township, Pennsylvania 16066 for the purpose of considering and acting upon the following:

- (1) *Election of Directors for 2018:* The election of three directors for a term of three years;

- (2) *Selection of Independent Registered Public Accounting Firm:* The selection of the independent registered public accounting firm for the year ending December 31, 2015;

- (3) *Say on Pay:* To provide an advisory vote to approve the executive compensation of the Company's named executive officers;

and such other business as may properly come before the Annual Meeting or any adjournment thereof.

Only the holders of Common Stock of the Company of record on the books of the Company at the close of business on February 12, 2015 are entitled to notice of and to vote at the meeting and any adjournment thereof.

You are cordially invited to attend the meeting. Whether or not you expect to attend the meeting, please vote by promptly submitting your proxy by mail, by the internet or by phone. If you attend the meeting, you may, if you wish, withdraw your proxy and vote your shares in person.

By Order of the Board of Directors,

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DOUGLAS K. McCLAIN

Secretary

March 31, 2015

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When: 9:00 a.m. EDT on May 12, 2015

Where: MSA Corporate Center

1000 Cranberry Woods Drive

Cranberry Township, PA 16066

Record Date: February 12, 2015

Voting: Shareholders of the Company as of the Record Date are entitled to vote on the matters presented at the meeting. Each share of common stock of the Company is entitled to one vote for each director nominee and for one vote on each of the other matters presented.

Voting Matters

Voting Matter		Board Recommendation	Proxy Page Reference
Proposal No. 1	Election of Directors	FOR each nominee	2
Proposal No. 2	Selection of Ernst & Young LLP	FOR	50
Proposal No. 3	Advisory Vote to Approve Executive Compensation	FOR	52

1. Director Nominees

Mr. Thomas B. Hotopp, Mr. John T. Ryan III, and Mr. Thomas H. Witmer were nominated by the Board for election in the Class of 2018. The table beginning on page 2 sets forth certain information about the nominees, all of whom are currently members of the Board, and about the other directors whose terms of office will continue after the Annual Meeting

2. Auditor

We are asking shareholders to approve the selection of Ernst & Young LLP as our independent registered public accounting firm for 2015.

3. Advisory Vote to Approve Executive Compensation

We are asking shareholders to vote FOR the Company's compensation of the named executive officers. The Board and the Compensation Committee will take into account the outcome when considering future executive compensation arrangements. In 2014, the shareholders voted in

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favor of the Company's executive compensation program, with 98.9% of the votes cast by shareholders voting FOR the proposal. The Board and Compensation Committee took this vote into consideration in designing the executive compensation program for 2015. Please see the Compensation Discussion and Analysis in the proxy statement for complete details about compensation for the named executive officers.

Your Vote is Important: Shareholders can vote using any of the following methods

BY INTERNET USING YOUR
COMPUTER

BY TELEPHONE

BY INTERNET USING YOUR
TABLET OR SMARTPHONE

BY MAILING YOUR PROXY
CARD

Please refer to your proxy card and/or voting instruction form for internet, telephone, smartphone or mail instructions

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FREQUENTLY ASKED QUESTIONS

1. What is a proxy statement?

Certain shareholder votes take place each year at the Annual Meeting of Shareholders. Since most shareholders do not attend the annual meeting in person, we request your authorization (or your proxy) in advance to instruct designated persons (your proxy holders) how to vote your shares at the meeting. A proxy statement is a document we are required to give you when requesting your voting authority and instructions. Regulations of the U.S. Securities and Exchange Commission (the SEC) also require that we include specific information about the Company in the proxy statement.

2. Why did I receive this proxy statement?

All shareholders of MSA Safety Incorporated as of February 12, 2015, the record date for this year's Annual Meeting of Shareholders, are entitled to vote at the meeting. We are furnishing this proxy statement and proxy card, along with our annual report, to all shareholders of record as of the record date.

3. What is a shareholder of record? What is a beneficial owner?

Shareholders of Record

Shareholders can own stock directly in their own name through our transfer agent, Wells Fargo Shareowner Services. Such shareholders are referred to as shareholders of record. When you are a shareholder of record, we will provide you with the proxy statement and an accompanying proxy card.

Beneficial Owners

Shareholders can also own stock indirectly, through one or more brokers or institutions. Such shareholders are referred to as beneficial owners. When you are a beneficial owner, your stock is registered in the name of your broker or other institution. We mail proxy statements for beneficial owners to the broker or other institution. It is their responsibility to forward you the proxy statement, along with instructions about how you can vote your shares. Shareholders can be both shareholders of record for some shares and beneficial owners for other shares, and may own shares through multiple brokerage or institutional accounts. In such cases, those shareholders will receive proxy materials for each account.

Important Information for MSA Employees

MSA employees may own stock a number of ways, including but not limited to: (a) as a shareholder of record, (b) as a beneficial owner through UBS Financial Services Inc., for shares earned through equity compensation plans, (c) as a beneficial owner through other brokers or

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institutions, and/or (d) by electing to purchase MSA stock in the MSA Stock Fund of the MSA Retirement Savings Plan (401(k)). If you hold shares in more than one of these ways, you should receive multiple sets of proxy materials.

4. What is a proxy card?

A proxy card or other voting instructions accompany each set of proxy materials. When you are a shareholder of record, we send you a proxy card along with your proxy statement. When you are a beneficial owner, the broker or other institution that holds your shares will forward you a voting instruction form. It is important to follow the instructions on each proxy card and voting instruction form you receive, or those particular shares will not be voted.

5. What do I do if I receive a proxy card AND voting instruction form(s)?

Please follow the voting instructions for each set of materials you receive. If you own stock through more than one account, you should receive multiple sets of materials. It is necessary to cast a vote for **all** sets of materials you receive or some of your shares will not be voted.

6. What happens if I do not complete a proxy or voting instruction form(s)?

If you do not complete a proxy or voting instruction form(s), then those particular shares will not be voted in director elections or the advisory vote to approve the executive compensation of the named executive officers.

7. When will the Company announce the voting results?

The Company will announce the preliminary voting results at the Annual Meeting of Shareholders. The Company will file the final voting results with the SEC and publish them on our investor relations website within four business days following the Annual Meeting of Shareholders.

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MSA SAFETY INCORPORATED

PROXY STATEMENT

Important Notice Regarding the Availability of Proxy Materials for the Shareholders Meeting

to be held on May 12, 2015

The 2015 Proxy Statement and the Annual Report to Shareholders for the year ended December 31, 2014 are also available at www.proxyvote.com

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors (the "Board") of MSA Safety Incorporated (the "Company" or "MSA") of proxies in the accompanying form to be voted at the Annual Meeting of Shareholders of the Company to be held on Tuesday, May 12, 2015, and at any and all adjournments thereof, for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders. You may vote in person by attending the meeting or by completing and returning a proxy by mail, by telephone or electronically, using a smartphone, tablet or the internet. To vote your proxy by mail, mark your vote on the proxy card, and follow the mailing directions on the card. To vote your proxy by telephone or electronically using a smartphone, tablet or the internet, follow the instructions on the proxy card. The proxy holders will vote your shares according to your directions. If you sign and return your proxy card but do not mark any selections, your shares represented by that proxy will be voted as recommended by the Board.

Whether you plan to attend the meeting or not, we encourage you to vote by proxy as soon as possible. A shareholder giving the accompanying proxy by mail has the power to revoke or change it at any time prior to its exercise upon written notice given to the Secretary of the Company. Please note that, in order to be effective, the revocation or change must be received by 11:59 p.m. EDT on May 11, 2015. The mailing address of the principal executive offices of the Company is 1000 Cranberry Woods Drive, Cranberry Township, PA 16066. A shareholder voting the proxy by telephone or by the internet has the power to revoke or change such proxy vote by voting again and following the instructions and meeting the deadlines for such vote as set forth on the proxy card.

VOTING SECURITIES AND RECORD DATE

As of February 12, 2015, the record date for the Annual Meeting, 37,451,901 shares of Common Stock were issued and outstanding.

Only holders of Common Stock of the Company of record on the books of the Company at the close of business on February 12, 2015, are entitled to notice of and to vote at the Annual Meeting and at any adjournment thereof. Such holders are entitled to one vote for each share held and do not have cumulative voting rights with respect to the election of directors. Holders of outstanding shares of the Company's 4% Cumulative Preferred Stock are not entitled to vote at the meeting.

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See Stock Ownership on page 47 below for information with respect to share ownership by the directors and executive officers of the Company and the beneficial owners of 5% or more of the Company's Common Stock.

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PROPOSAL NO. 1

ELECTION OF DIRECTORS

At the Annual Meeting, three directors will be elected to serve until the Annual Meeting in 2018. Mr. Thomas B. Hotopp, Mr. John T. Ryan III, and Mr. Thomas H. Witmer were nominated by the Board for election in the Class of 2018. **The Board of Directors and its Nominating and Corporate Governance Committee recommend a vote FOR the election of the nominees, each of whom has consented to be named as a nominee and to serve if elected.** Properly submitted proxies that are timely received will be voted for the election of the nominees named below, unless otherwise directed thereon, or for a substitute nominee designated by the Nominating and Corporate Governance Committee in the event a nominee named becomes unavailable for election.

The following table sets forth certain information about the nominees, all of whom are currently members of the Board, and about the other directors whose terms of office will continue after the Annual Meeting.

Nominees for terms expiring in 2018

Thomas B. Hotopp

Retired (2003); formerly President of the Company. As the former President, Mr. Hotopp brings to the Company's board extensive experience in the safety products industry with particular expertise in the Company's North American operations, markets, customers and competitors.

Age: 73

Director Since: 1998

John T. Ryan III

Retired (2008); formerly Chief Executive Officer of the Company; presently non-executive Chairman of the Board. As the former CEO, Mr. Ryan brings to the Company's board extensive experience in the safety products industry with particular expertise in international markets.

Age: 71

Director Since: 1981

Thomas H. Witmer

Retired (1998); formerly President and Chief Executive Officer, Medrad, Inc. (manufacturer of medical devices). As the former CEO of a publicly traded multinational company, Mr. Witmer brings to the Company's board specific expertise in global engineering, product design, operations and marketing in international markets.

Age: 72

Director Since: 1997

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Continuing Directors with terms expiring in 2016

Robert A. Bruggeworth

President and Chief Executive Officer, and a Director of, Qorvo, Inc. (high-performance RF components and compound semiconductors manufacturer) since January 2015. Prior to the merger of RF Micro Devices, Inc. (RFMD) and TriQuint Semiconductor, Inc. to form Qorvo, Inc., he was President and CEO of RFMD. As the CEO of a publicly traded multinational corporation, Mr. Bruggeworth brings to the Company's board specific expertise in global business, manufacturing, marketing and material sourcing for high technology products.

Age: 53

Director Since: 2007

Alvaro Garcia-Tunon

Retired (2013); formerly Executive Vice President and Chief Financial Officer of Wabtec Corporation (a provider of products and services for the global rail industry) since February 2012; Mr. Garcia-Tunon was Executive Vice President, Chief Financial Officer and Secretary of Wabtec from December 2010 to February 2012, and prior thereto was Senior Vice President, Chief Financial Officer and Secretary of Wabtec; currently a Director of Matthews International Corporation. As a former Chief Financial Officer of a public company with global operations, Mr. Garcia-Tunon has leadership skills in international business, corporate governance and risk management. He also provides the Company's board with strong financial and accounting skills.

Age: 62

Director Since: 2012

Rebecca B. Roberts

Retired (2011); formerly President of Chevron Pipe Line Company, a wholly owned subsidiary of Chevron Corp. (a petroleum producer), managing more than 10,000 miles of oil and petroleum products pipelines throughout North America since 2006; prior thereto, Ms. Roberts was President of Chevron Global Power Generation, managing a portfolio of commercial power plants in the U.S., Asia and Europe; currently a director of Black Hills Corporation; currently a director of Enbridge Energy Partners L.P. and Enbridge Energy Management LLC, which are affiliate companies to Enbridge Inc. Ms. Roberts brings to the Company's board extensive management, operations, and oil, gas and petrochemical industry expertise.

Age: 62

Director Since: 2013

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Continuing Directors with terms expiring in 2017

Diane M. Pearse

Senior Vice President, Operations and Merchandising for Redbox Automated Retail, LLC (a fully automated DVD rental company) since May 2011; prior thereto Ms. Pearse was Senior Vice President, Finance and Operations for Redbox from October 2010 to May 2011 and Senior Vice President, Finance for Redbox from May 2010 to October 2010; prior to joining Redbox, Ms. Pearse was Chief Financial Officer of Crate and Barrel (a home furnishings retailer). As the Senior Vice President, Operations and Merchandising for a large consumer products company, in addition to her prior financial management experience with a major retail company, Ms. Pearse brings extensive financial, accounting, and operational expertise to the Company's board.

Age: 57

Director Since: 2004

L. Edward Shaw, Jr.

Retired (2005) from full time position as Independent Counsel to the Board of Directors of the New York Stock Exchange on regulatory matters; Retired (2010) from part time position as Senior Managing Director of Breeden Capital Management LLC (investment management and multi-disciplinary professional services firm); currently a Director of HealthSouth Corporation. Formerly served in senior legal and executive roles with three multinational financial institutions including The Chase Manhattan Bank and as a partner in a major international law firm. Mr. Shaw brings to the Company's board expertise in the legal and financial aspects of operating a multinational company. Mr. Shaw is the brother-in-law of Mr. Ryan.

Age: 70

Director Since: 1998

William M. Lambert

President and Chief Executive Officer of the Company. As the Company's CEO, Mr. Lambert brings to the Company's board extensive experience in the Company's business with particular expertise in product development, marketing, finance and the global safety products industry.

Age: 56

Director Since: 2007

Director Independence

The Board has determined that each of directors Bruggeworth, Garcia-Tunon, Hotopp, Pearse, Roberts, Ryan, Shaw and Witmer is an independent director. An independent director is a director who 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 independent directors have specifically considered and determined that Mr. Ryan, who retired as CEO of the Company over six years ago, is an independent director (along with his brother-in-law Mr. Shaw). One reason for this is that, given Mr. Ryan's substantial ownership interest in MSA (see Stock Ownership, page 47 below), he is particularly aligned in independently representing the interests of shareholders.

In making its independence determinations, the Board reviewed the director's individual circumstances, the corporate governance standards of the New York Stock Exchange and the Board's independence standards. These standards are available in the Corporate Governance section of the Company's internet website at www.MSAafety.com. They are summarized below.

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Disqualifying Relationships

The following relationships are considered to be material relationships that would impair a director's independence:

If a director is an employee or has an immediate family member who is an executive officer of the Company, the director is not independent until three years after the end of the employment relationship.

If a director or an immediate family member receives more than \$120,000 per year in direct compensation from the Company, the director is not independent until three years after the director or family member ceases to receive such compensation. Disqualifying compensation does not include director and committee fees, pension or deferred compensation for prior service or compensation received by an immediate family member for service as a non-executive officer employee.

If:

the director is a partner of or employed by, or the director's immediate family member is a partner of, the firm that is the present internal or external auditor of the Company;

the director's immediate family member is employed by the firm that is the present internal or external auditor of MSA and such family member personally works on the Company's audit; or

the director, or the director's immediate family member, was within the last three years a partner or employee of the present internal or external auditor of MSA and personally worked on the Company's audit within that time.

If a director or an immediate family member is an executive officer of another company, and any of the Company's present executives serves on that company's compensation committee, the director is not independent until three years after the end of such employment or service.

If a director is an employee or an immediate family member is an executive officer of a company that makes payments to or receives payments from the Company for property or services, and the amount of such payments in a fiscal year exceeds the greater of \$1 million or 2% of the other company's consolidated gross revenue, the director is not independent until three years thereafter.

Non-Disqualifying Relationships

The following relationships are not considered to be material relationships that would impair a director's independence:

A director is an executive officer of another company that is indebted to the Company, or to which the Company is indebted, in an amount less than 5% of the other company's total consolidated assets;

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A director is an executive officer of another company in which the Company owns a common stock interest less than 5% of the other company's total shareholders' equity;

A director serves as an executive officer of a charitable organization, and the Company's discretionary contributions to the organization are less than 2% of the organization's annual revenue; or

A director is an executive officer of another company that owns a common stock interest in the Company.

Other Relationships

The Board will annually review commercial and charitable relationships of directors. If a relationship is not one of the non-disqualifying relationships described above, the determination of whether the relationship is material or not, and therefore whether the director is independent or not, is made by the directors who satisfy the independence guidelines set forth under the two preceding captions.

For example, if a director is the executive officer of a charitable organization, and the Company's discretionary contributions to the organization are more than 2% of that organization's annual revenue, the independent directors will determine, after considering all of the relevant circumstances, whether the relationship is material, and therefore whether or not the director should be considered independent. The Company will explain in its proxy statement the basis for any Board determination that a relationship is not material, despite the fact that it does not meet one of the safe-harbors under "Non-Disqualifying Relationships" above.

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Independence Determinations for Compensation Committee Members

In affirmatively determining the independence of any director who will serve on the Compensation Committee, the Board will consider all factors specifically relevant to determining whether the director has a relationship to the Company which is material to the director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director, and (ii) whether such director is affiliated with the Company, a subsidiary of the Company, or an affiliate of a subsidiary of the Company.

Board Committees

The Board has established an Audit Committee, a Compensation Committee, a Nominating and Corporate Governance Committee, a Finance Committee, a Law Committee and certain other committees. Each committee specified below presently consists of the directors listed. Committee appointments will expire at the 2015 organizational meeting of the Board which takes place following the Annual Meeting of Shareholders. At the organizational meeting of the Board, committee appointments will be made for the following year.

The Audit Committee presently consists of directors Bruggeworth, Garcia-Tunon, Pearse (Chair) and Witmer. The Audit Committee, which met six times during 2014, assists the Board in fulfilling its oversight responsibility relating to the integrity of the Company's financial statements and financial reporting process. The Committee selects and recommends annually to the Board and the shareholders the independent registered public accounting firm to audit the Company's financial statements, approves in advance all audit and non-audit services performed by the independent registered public accounting firm, reviews the plans, findings and recommendations of the independent registered public accounting firm, and reviews and evaluates the performance of the independent registered public accounting firm, its independence and its fees. The Committee reviews and discusses with management and the independent registered public accounting firm the Company's financial statements and reports and its internal and disclosure controls and matters relating to the Company's internal control structure. The Committee oversees the Company's Global Code of Business Conduct and related Company programs governing legal and regulatory compliance, which includes a periodic review with management of the implementation and effectiveness the Company's compliance programs. The Committee, along with the Board, also oversees the Company's enterprise risk management program. Pursuant to this program, the Committee reviews with management the Company's analyses of risks and contingency plans on a quarterly basis. The Board has determined that Director Pearse is an audit committee financial expert, as defined by the rules of the Securities and Exchange Commission.

The Compensation Committee presently consists of directors Bruggeworth (Chair), Hotopp, Roberts and Witmer. The Compensation Committee, which met three times in 2014, reviews and recommends (to the independent directors for approval) the annual goals, performance and compensation of the Company's chief executive officer, reviews and approves the compensation of all other executive officers and other key executives, monitors the effectiveness of all other employee benefit offerings, manages the Company's overall compensation strategy and compensation plans, assesses any risk inherent in these plans and attempts to ensure that such risk is not excessive and is acceptable to the Company and employs, compensates and oversees the Company's external compensation consultant and assures its independence. The Compensation Committee also administers the Company's 2008 Management Equity Incentive Plan and predecessor equity plans (collectively, the Management Equity Plans).

The Nominating and Corporate Governance Committee presently consists of directors Hotopp (Chair), Ryan, Shaw and Witmer. The Committee, which met three times in 2014, reviews and makes recommendations to the Board regarding the composition and structure of the Board, criteria and qualifications for Board membership, director compensation and evaluation of current directors and potential candidates for director. The Committee maintains formal processes for evaluating the performance of the Board, the lead director, and the individual directors. It is also responsible for establishing and monitoring policies and procedures concerning corporate governance. Further information concerning the Nominating and Corporate Governance Committee and its procedures appears below. The Nominating and Corporate Governance

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Committee and the Board continually assess the Company's Corporate Governance Guidelines and the corporate governance practices of the Board.

The Finance Committee presently consists of directors Garcia-Tunon, Pearse, Ryan and Shaw (Chair). The Committee, which met two times in 2014, reviews and makes recommendations to the Board regarding the Company's capital structure, dividend policy, financing activities, hedging policies and practices funding of the Company's employee benefit plans, liquidity management, corporate financial plans, and strategic financial analyses as requested by the Board.

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The Law Committee presently consists of directors Garcia-Tunon, Pearse, Ryan and Shaw (Chair). The Committee, which met four times in 2014, reviews legal matters that could present significant financial risk to the Company.

Corporate Governance Matters

The Board has adopted Corporate Governance Guidelines which cover a wide range of subjects, such as the role of the Board and its responsibilities, Board composition and election, operations and Committees, director compensation, director retirement, Board and management evaluation and succession planning, director orientation and training and communications with the Board. The Corporate Governance Guidelines, as well as the Charters of the Board's Audit, Compensation, Nominating and Corporate Governance, Finance and Law Committees and the Company's Global Code of Business Conduct for directors, officers and employees, are available in the Corporate Governance section of the Company's internet website at www.MSAafety.com. Such material will also be furnished without charge to any shareholder upon written request to the Corporate Secretary at the Company's address appearing on page one.

The fundamental criterion for selecting a prospective director is the ability to contribute to the well-being of the Company and its shareholders. Good judgment, integrity and a commitment to the mission of the Company are essential. The Board also considers, but does not choose solely on the basis of, the distinctive experiences and perspectives of candidates diverse in race, gender, national origin and past professional accomplishments, when recommending prospective directors for the Company. Other criteria include business and professional experience, public service, other skills and experience needed by the Board, and any other factor considered relevant by the Nominating and Corporate Governance Committee and/or the Board. The Committee may prioritize the criteria depending on the current needs of the Board and the Company.

The Board presently separates the position of Chairman of the Board and Chief Executive Officer. The current Chairman is Mr. Ryan. Mr. Ryan was Chairman and Chief Executive Officer of the Company from October 1991 until he retired as Chief Executive Officer in May 2008.

While the Board has determined Mr. Ryan to be an independent director, given Mr. Ryan's prior service as CEO of the Company, the Board annually selects a lead director to further augment its corporate governance practices. Mr. Witmer has served as lead director since May 2012. In such role Mr. Witmer, among other things, works with the Chief Executive Officer in setting meeting agendas and goals, oversees the conduct and administration of board meetings, facilitates communication among directors, supports the Chief Executive Officer in ensuring proper communications between the Board and management, supports the chairman of the Nominating and Corporate Governance Committee in continuing to enhance corporate governance, and acts as chairman of the executive sessions of independent directors.

The Board and its committees annually assess their own performance based on the results of performance evaluations, the results of which are reviewed with the Board. Management, and in some cases the committees' outside advisors, participate in the assessments. The Board maintains an annual process through which directors are individually evaluated and provided feedback by other directors. The Board also annually evaluates and gives feedback to the lead director.

The Board has adopted a resignation policy with respect to uncontested director elections. In accordance with this resignation policy, a director nominee who does not receive a majority of the votes cast in an uncontested election of directors must promptly tender a resignation to the Board. The Board's procedures for (i) identifying an uncontested election of directors, (ii) determining the majority of votes cast, and (iii) responding to a tender of resignation, are specified in the Corporate Governance Guidelines, which are available in the Corporate Governance section of the Company's website at www.MSAafety.com.

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The Board maintains an active structure of independent director leadership. In furtherance of this, the Corporate Governance Guidelines provide that it is the Company's practice for the independent directors to meet at each Board meeting in executive session, with no members of management present. The lead director serves as the chairman of the executive sessions. The audit, compensation, nominating and corporate governance, finance and law committees are also each comprised solely of and led by an independent director, as defined by the director independence standards of the New York Stock Exchange and the Board's independence standards.

The Board met five times during 2014. All directors attended at least 75% of the combined total of the meetings of the Board and of all committees on which they served. Directors are expected to attend the Annual Meeting of Shareholders. All directors attended last year's annual meeting.

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The Board as a whole exercises oversight of the Company's strategic risks and other risks identified through the Company's enterprise risk management program. Strategic risks are identified in the course of the Board's review and approval of the Company's plans and there is regular monitoring of the Company's performance against the strategic objectives including customer satisfaction metrics as well as periodic review of the activities of competitors. The Board, directly and through its Audit Committee, also has oversight of the enterprise risk management program which is managed by the chief financial officer. The enterprise risk management program is designed to enable effective and efficient identification and management of critical enterprise risks and to facilitate the incorporation of risk considerations into decision making. The Director of Internal Audit is responsible for leading the formal risk assessment and reporting process within the Company. The Director of Internal Audit, through consultation with the Company's senior management, periodically assesses the major risks facing the Company and works with the executive leadership team and others responsible for managing each risk to identify and consider appropriate mitigation elements to each risk, and develop risk contingency plans as appropriate. This analysis is reviewed two times each year with the Audit Committee and annually with the full Board, and input from the Board is considered in the analysis. Emerging risks are discussed as needed.

In addition to the Board oversight described above, each committee has various risks that it oversees. For example, the Audit Committee is responsible for reviewing the Company's risk management policies and procedures, as well as its major financial risk exposures, and the processes management has established to monitor and control such exposures. The Compensation Committee monitors risk inherent in the Company's compensation policies and practices and those related to the recruitment and retention of employees. The Nominating and Corporate Governance Committee monitors risks related to Board performance and the Company's governance practices.

The Compensation Committee has evaluated the risks arising from the Company's compensation policies and practices for its employees, including review of examinations by Pay Governance, LLC, the Compensation Committee's compensation consultant, of the compensation philosophy, design, governance and administration of compensation policies and practices provided to MSA's executives, and information developed by management regarding programs provided to other non-executive employees. Based on this, the Committee concluded again in 2014 that the risks arising from the Company's compensation policies and practices for its employees are not reasonably likely to have a material adverse effect on the Company.

Compensation of Directors

The following table shows the compensation earned by the Company's non-employee directors for services during 2014:

Name	Fees earned or paid in cash	Restricted stock awards (1)
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