

TELEFLEX INC  
Form DEF 14A  
March 17, 2015  
Table of Contents

**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:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**Teleflex Incorporated**

**(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):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

**Table of Contents**

**550 East Swedesford Road, Suite 400**

**Wayne, Pennsylvania 19087**

**Notice of Annual Meeting of Stockholders**

**To Be Held on May 1, 2015**

March 17, 2015

TO THE STOCKHOLDERS OF TELEFLEX INCORPORATED:

The annual meeting of stockholders (the Annual Meeting ) of Teleflex Incorporated will be held on Friday, May 1, 2015 at 11:00 a.m., local time, at the Company s headquarters, located at 550 East Swedesford Road, Wayne, Pennsylvania 19087, for the following purposes:

1. To elect three directors to serve on our Board of Directors for a term of three years or until their successors have been duly elected and qualified;
2. To vote upon a proposal to approve, on an advisory basis, the compensation of our named executive officers;
3. To vote upon a proposal to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2015; and
4. To transact such other business as may properly come before the meeting.

Our Board of Directors has fixed Monday, March 2, 2015 as the record date for the Annual Meeting. This means that owners of our common stock at the close of business on that date are entitled to receive notice of, and to vote at, the Annual Meeting.

*Stockholders are requested to date, sign and return the enclosed proxy card in the enclosed envelope. No postage is necessary if mailed in the United States or Canada. You may also vote by telephone by calling toll free 1-800-PROXIES (776-9437), or via the internet at [www.voteproxy.com](http://www.voteproxy.com).*

By Order of the Board of Directors,

James J. Leyden, Secretary

**PLEASE VOTE YOUR VOTE IS IMPORTANT**

**Table of Contents****TABLE OF CONTENTS**

	<i>Page</i>
<u>GENERAL INFORMATION</u>	1
<u>QUESTIONS AND ANSWERS</u>	2
<u>PROPOSAL 1: ELECTION OF DIRECTORS</u>	4
<u>CORPORATE GOVERNANCE</u>	9
<u>Corporate Governance Principles and Other Corporate Governance Documents</u>	9
<u>Board Independence</u>	9
<u>Lead Director</u>	10
<u>Positions of Chairman and Chief Executive Officer</u>	11
<u>Executive Sessions of Non-Management Directors</u>	11
<u>The Board and Board Committees</u>	11
<u>Risk Oversight and Management</u>	14
<u>Director Compensation 2014</u>	15
<u>Director Stock Ownership Guidelines</u>	16
<u>AUDIT COMMITTEE REPORT</u>	17
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	18
<u>Introduction</u>	18
<u>Executive Compensation Overview</u>	18
<u>2014 Compensation</u>	20
<u>Ongoing and Post-Employment Arrangements</u>	28
<u>Tax Considerations</u>	30
<u>Stock Ownership Guidelines</u>	30
<u>2014 Stockholder Advisory Vote on Executive Compensation</u>	31
<u>COMPENSATION COMMITTEE REPORT</u>	31
<u>SUMMARY COMPENSATION TABLE 2014</u>	32
<u>GRANTS OF PLAN-BASED AWARDS 2014</u>	34
<u>OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2014</u>	35
<u>OPTION EXERCISES AND STOCK VESTED 2014</u>	36
<u>NONQUALIFIED DEFERRED COMPENSATION 2014</u>	37
<u>POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL</u>	39
<u>Employment and Severance Arrangements</u>	39
<u>Change-of-Control Arrangements</u>	40
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	43
<u>CERTAIN TRANSACTIONS</u>	45
<u>Related Person Transactions Policy</u>	45
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	45
<u>PROPOSAL 2: ADVISORY VOTE ON COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS</u>	46
<u>PROPOSAL 3: RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	47
<u>Audit and Non-Audit Fees</u>	47
<u>Audit Committee Pre-Approval Procedures</u>	47
<u>STOCKHOLDER PROPOSALS</u>	48
<u>OTHER MATTERS</u>	48

**Table of Contents**

**TELEFLEX INCORPORATED**

**550 East Swedesford Road, Suite 400**

**Wayne, Pennsylvania 19087**

**PROXY STATEMENT**

**GENERAL INFORMATION**

This proxy statement is furnished to stockholders in connection with the solicitation of proxies by the Board of Directors of Teleflex Incorporated (the Company) for use at the Company's annual meeting of stockholders (the Annual Meeting) to be held on Friday, May 1, 2015, 11:00 a.m. local time, at the Company's headquarters, located at 550 East Swedesford Road, Wayne, Pennsylvania 19087. The proxies may also be voted at any adjournment or postponement of the Annual Meeting. Only stockholders of record at the close of business on March 2, 2015, the record date for the meeting, are entitled to vote. Each owner of record on the record date is entitled to one vote for each share of common stock held. On the record date, the Company had 41,464,219 shares of common stock outstanding.

This proxy statement and the enclosed form of proxy are being mailed to stockholders on or about March 24, 2015. A copy of the Company's 2014 Annual Report is provided with this proxy statement.

The Company will pay the cost of solicitation of proxies. In addition to this mailing, proxies may be solicited, without extra compensation, by our officers and employees, by mail, telephone, facsimile, electronic mail and other methods of communication. The Company reimburses banks, brokerage houses and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses in forwarding solicitation materials to the beneficial owners of the Company's common stock.

**Important Notice Regarding the Availability of Proxy Materials**

**for the Stockholder Meeting to be Held on May 1, 2015**

This proxy statement, the accompanying Notice of Annual Meeting, proxy card and our 2014 Annual Report are available at <http://www.teleflex.com/ProxyMaterials>.

**Table of Contents**

**QUESTIONS AND ANSWERS**

**1. What is a proxy ?**

It is your way of legally designating another person to vote for you. That other person is called a proxy. If you designate another person as your proxy in writing, the written document is called a proxy or proxy card.

**2. What is a proxy statement ?**

It is a document required by the Securities and Exchange Commission (the SEC) that contains information about the matters that stockholders will vote upon at the Annual Meeting. The proxy statement also includes other information required by SEC regulations.

**3. What is a quorum ?**

A quorum is the minimum number of stockholders who must be present at the Annual Meeting or voting by proxy in order to conduct business at the meeting. A majority of the outstanding shares, whether present in person or represented by proxy, will constitute a quorum at the Annual Meeting.

**4. How many votes are required to elect director nominees and approve the proposals?**

To be elected at the meeting, a director nominee must receive the affirmative vote of a majority of the votes cast. For this purpose, a majority of the votes cast means that the number of votes cast in favor of a director nominee must exceed the number of votes cast against that director nominee. Abstentions and broker non-votes will have no effect on the vote.

Approval of each of the other proposals requires the affirmative vote of a majority of the shares present in person or represented by proxy at the meeting and entitled to vote on the proposal. Abstentions are counted as votes against a proposal, while broker non-votes will not be included in the vote count and will have no effect on the vote.

**5. What is a broker non-vote ?**

A broker non-vote occurs when a broker holding shares for a beneficial owner does not vote on a particular proposal because the broker does not have discretionary voting power with respect to that proposal and has not received voting instructions from the beneficial owner.

**6. How do I vote?**

You may vote through any of the following methods:

- attend the Annual Meeting in person and submit a ballot,
- sign and date each proxy card you receive and return it in the prepaid envelope included in your proxy package,
- vote by telephone by calling 1-800-PROXIES (776-9437) or
- vote via the internet at [www.voteproxy.com](http://www.voteproxy.com).

The shares represented by a proxy will be voted in accordance with the instructions you provide in the proxy card or that you submit via telephone or the internet, unless the proxy is revoked before it is exercised. Any proxy card which is signed and returned but does not indicate voting instructions will be counted as a vote FOR the election of the director nominees described in this proxy statement, FOR the approval, on an advisory basis, of the compensation of our named executive officers and FOR the ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2015.





**Table of Contents**

If your shares are held by a broker, bank or other holder of record, please refer to the instructions it provides for voting your shares. If you want to vote those shares in person at the Annual Meeting, you must bring a signed proxy from the broker, bank or other holder of record giving you the right to vote the shares.

**7. What should I do if I receive more than one proxy card?**

If you hold shares registered in more than one account, you may receive more than one copy of the proxy materials, including multiple paper copies of this proxy statement and multiple proxy cards. To vote all of your shares by proxy, you must complete, sign, date and return each proxy card that you receive or, if you submit a proxy by telephone or the internet, submit one proxy for each proxy card you receive.

**8. How can I revoke my proxy?**

You may revoke your proxy at any time before the proxy is exercised by delivering a signed statement indicating your revocation to our Corporate Secretary at our principal executive offices at 550 East Swedesford Road, Suite 400, Wayne, Pennsylvania 19087 at or prior to the Annual Meeting. Alternatively, you may revoke your proxy by timely executing and delivering, by internet, telephone, mail, or in person at the Annual Meeting, another proxy dated as of a later date. You also may revoke your proxy by attending the Annual Meeting in person and voting by ballot. Attendance at the Annual Meeting will not by itself revoke a previously granted proxy.

**Table of Contents**

**PROPOSAL 1:**

**ELECTION OF DIRECTORS**

Our Board of Directors (the Board) currently consists of ten members divided into three classes, with one class being elected each year for a three-year term. Sigismundus W.W. Lubsen, who is in the director class having a term that expires at the Annual Meeting, has reached the mandatory retirement age under our corporate governance principles and will retire from the Board effective immediately prior to the Annual Meeting. Harold L. Yoh III, who also is in the director class having a term that expires at the Annual Meeting, is retiring from the Board, effective immediately prior to the Annual Meeting, to devote additional time to his position as Chairman and Chief Executive Officer of The Day & Zimmermann Group, Inc. and his family. The Board extends its gratitude to Messrs. Lubsen and Yoh for their contributions to our company during their tenure on the Board. In connection with Messrs. Lubsen's and Yoh's retirement, our Board approved a decrease in the size of the Board from ten to nine directors, effective upon Messrs. Lubsen's and Yoh's retirement from the Board.

At the Annual Meeting, three directors will be elected for terms expiring at our annual meeting of stockholders in 2018 or until their successors are duly elected and qualified. The Board, upon the recommendation of the Governance Committee, has nominated Candace R. Duncan, Stephen K. Klasko and Stuart A. Randle for election to the Board for three-year terms. Ms. Duncan is a new nominee who, if elected, will fill the vacancy created as a result of Mr. Lubsen's retirement from the Board. Dr. Klasko and Mr. Randle are continuing directors who previously were elected by our stockholders. Our bylaws require that each class of our directors must be as nearly equal as possible. Therefore, Dr. Klasko, who currently is serving in the class having a term expiring in 2017, has been nominated to fill the seat in the class to be elected at the Annual Meeting created as a result of Mr. Yoh's retirement and will vacate his current seat following the election of Directors at the Annual Meeting.

Our bylaws generally require that, in order to be elected in an uncontested election of directors, a director nominee must receive a majority of the votes cast with respect to that director's election (for this purpose, a majority of the votes cast means that the number of votes cast for a director nominee must exceed the number of votes cast against that nominee). If a nominee who is currently serving as a director is not re-elected, Delaware law provides that the director will continue to serve on the board of directors. However, under our Corporate Governance Principles, the Board will not nominate for director any incumbent director unless the director has submitted in writing his or her irrevocable resignation, which would be effective if the director does not receive the required majority vote and the Board accepts the resignation. Generally, if an incumbent director does not receive the required majority vote, our Governance Committee will make a recommendation to the Board on whether to accept or reject the resignation, or whether to take other action. The Board would act on the resignation, generally within 90 days from the date that the election results are certified. The Board's decision and an explanation of any determination with respect to the director's resignation will be disclosed promptly in a current report on Form 8-K filed with the SEC.

**Table of Contents**

Our goal is to assemble a Board that operates cohesively and works with management in a constructive way so as to deliver long term stockholder value. In addition, the Board believes it operates best when its membership reflects a diverse range of experiences and areas of expertise. To this end, the Board seeks to identify candidates whose respective experience expands or complements the Board's existing expertise in overseeing our company. Our Corporate Governance Principles provide that directors are expected to possess the highest character and integrity and to have business, professional, academic, government or other experience which is relevant to our business and operations. In evaluating nominees for election to the Board, our Board and Governance Committee consider diversity principally from the standpoint of differences in occupational experience, education, skills, race, gender and national origin. However, there is no set list of qualities or areas of expertise used by the Board in its analysis because it assesses the attributes each particular candidate could bring to the Board in light of the then-current composition of the Board. We believe our current directors possess valuable experience in a variety of areas, which enables them to guide Teleflex in the best interests of the stockholders. Information regarding each of our nominees and continuing directors is set forth below.

**Nominees for election to the Board of Directors**

*Candace H. Duncan*

- Ms. Duncan, 61, retired in November 2013 after a 35-year career with KPMG LLP, a public accounting firm. From 2009 until her retirement, she was the managing partner of KPMG's Washington, D.C. office and served on KPMG's board of directors. Earlier, Ms. Duncan served in various capacities at the firm, including managing partner for audit for the Mid-Atlantic area and audit partner in charge of KPMG's Virginia business unit. Ms. Duncan is currently a director of Discover Financial Services and FTD Companies, Inc.

Ms. Duncan's extensive experience in public accounting will enable her to provide helpful insights to the Board on financial matters. Her background renders her especially well-qualified to assist the Board in addressing a variety of financial and budgeting matters and in its oversight of the integrity of our financial statements and our internal controls.

*Stephen K. Klasko, M.D.*

- Dr. Klasko, 61, has been a director of Teleflex since 2008 and currently serves as a member of the Audit Committee. Since June 2013, he has been the President of Thomas Jefferson University and President and Chief Executive Officer of Thomas Jefferson University Hospitals System. From September 2004 to June 2013, Dr. Klasko served as Dean of the College of Medicine of the University of South Florida. From 2009 to June 2013, Dr. Klasko also served as the Chief Executive Officer of USF Health, which encompasses the University of South Florida's colleges of medicine, nursing and public health. He was a Vice President of USF Health from 2004 to 2009. Dr. Klasko served as Dean of the College of Medicine of Drexel University from 2000 to 2004.

Dr. Klasko's background in medicine and business enables him to provide valuable insights with regard to our strategic and growth initiatives. His background in medicine enables him to provide a unique and practical perspective regarding the application and marketing of our medical device products, as well as trends in global healthcare markets.

*Stuart A. Randle*

- Mr. Randle, 55, has been a director of Teleflex since 2009 and currently serves as a member of the Compensation Committee. Mr. Randle retired in September 2014 after serving as the President and Chief Executive Officer of GI Dynamics, Inc., a medical device company, since February 2004. From 2003 to 2004, he served as Interim Chief Executive Officer of Optobionics Corporation, a medical device company. From 2002 to 2003, Mr. Randle held the position of Entrepreneur in Residence of Advanced Technology Ventures, a healthcare and information

---

**Table of Contents**

technology venture capital firm. From 1998 to 2001, he was President and Chief Executive Officer of Act Medical, Inc. Prior to 1998, Mr. Randle held various senior management positions with Allegiance Healthcare Corporation and Baxter International Inc. Mr. Randle currently serves as a director of Beacon Roofing Supply, Inc. and Flex Pharma, Inc.

Mr. Randle's medical device company experience, coupled with past senior management positions at medical device companies, enables him to provide valuable insights regarding a variety of business, management and technical issues.

In the unlikely event that any nominee becomes unable or unwilling to stand for election, the proxies may be voted for one or more substitute nominees designated by the Board, or the Board may decide to reduce the number of directors.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF ALL NOMINEES.**

The following individuals currently serve as directors in the two other classes. Their terms will end at the Annual Meetings in 2016 and 2017, respectively. Biographical information regarding Dr. Klasko, who currently is in the class with a term that expires at the annual meeting in 2017, is set forth above under Nominees for election to the Board of Directors. As described above, Dr. Klasko will vacate his current seat following the election of Directors at the Annual Meeting.

**Terms expiring in 2016**

*Patricia C. Barron*

- Ms. Barron, 72, has been a director of Teleflex since 1998 and currently serves as our Lead Director and as chair of the Governance Committee. Ms. Barron retired in 2003 after serving, from 2000 to 2003, as a clinical professor at the Leonard N. Stern School of Business of New York University, where she focused on issues of corporate governance and leadership. Prior to 2003, Ms. Barron had a 28 year career in business, which included various positions with Xerox Corporation. Most recently, she was Vice President of Business Operations Support for Xerox in 1998 and President of Engineering Systems from 1994 to 1998. Prior to joining Xerox, Ms. Barron was an associate with McKinsey and Company. Ms. Barron currently serves on the boards of Quaker Chemical Corporation and United Services Automobile Association.

Ms. Barron's business experience enables her to contribute to the Board with regard to a wide range of operational, financial and strategic planning matters. In addition, her academic and business experience renders her well qualified to address corporate governance and other Board matters as our Lead Director. Her 17 year tenure as a Teleflex director also gives her an institutional knowledge regarding our company that is helpful to the Board in addressing strategic and governance issues.

*W. Kim Foster*

- Mr. Foster, 66, has been a director of Teleflex since 2013 and currently serves as a member of the Audit Committee. Mr. Foster retired in 2012 after a 34-year career with FMC Corporation, a chemical manufacturer. Most recently, he served as Executive Vice

**Table of Contents**

President and Chief Financial Officer of FMC from 2001 to 2012. From 1998 to 2000, he was Vice President and General Manager of FMC's agricultural products group. From 1978 to 1997, Mr. Foster held various management and financial positions with FMC. Mr. Foster currently serves as a director of Hexcel Corporation.

Mr. Foster's extensive executive and management experience, which includes significant international experience, enables him to provide a wide range of perspectives on financial and business initiatives. In addition, his long experience as a financial executive renders him especially well qualified to assist the Board in addressing a variety of financial and budgeting matters and in its oversight of the integrity of our financial statements and our internal controls.

*Jeffrey A. Graves, Ph.D.*

- Dr. Graves, 53, has been a director of Teleflex since 2007 and currently serves as a member of the Compensation Committee. Since May 2012, he has been President and Chief Executive Officer of MTS Systems Corporation, a provider of mechanical test systems and position sensors for machine automation. From July 2005 to May 2012, he was the President and Chief Executive Officer of C&D Technologies, Inc., a producer of electrical power storage systems. From 2001 to 2005 he was employed by Kemet Corporation, where he served as Chief Executive Officer from 2003 to 2005, President and Chief Operating Officer from 2002 to 2003 and Vice President of Technology and Engineering from 2001 to 2002. From 1994 to 2001, Dr. Graves was employed by General Electric Company, holding a variety of management positions in its Power Systems Division and in research and development. Prior to joining General Electric, Dr. Graves was employed by Rockwell International and Howmet Corporation, now a part of Alcoa Corporation. Dr. Graves currently serves as a director of MTS Systems Corporation and Hexcel Corporation.

Dr. Graves' extensive experience in executive and management roles with companies engaged in manufacturing and development enables him to share valuable perspectives with the Board on manufacturing, engineering, operations and finance matters. In addition, Dr. Graves' significant experience with respect to matters related to international market development, particularly in China, enables him to provide valuable insights with respect to our global marketing efforts and strategic initiatives.

**Terms expiring in 2017**

*George Babich, Jr.*

- Mr. Babich, 63, has been a director of Teleflex since 2005 and currently serves as a member of the Audit Committee. Since February 2013, he has been the President and Chief Executive Officer of Checkpoint Systems, Inc., a provider of retail security, labeling and merchandising systems and products. He served as interim President and Chief Executive Officer of Checkpoint from May 2012 to February 2013. Previously, Mr. Babich had been retired since 2005 after serving for nine years in various executive and senior level positions at The Pep Boys - Manny Moe & Jack, an automotive retail and service chain. Most recently, Mr. Babich served as President of Pep Boys

**Table of Contents**

from 2004 to 2005 and as President and Chief Financial Officer from 2002 to 2004. Prior to joining Pep Boys, Mr. Babich held various financial executive positions with Morgan, Lewis & Bockius LLP, The Franklin Mint, PepsiCo Inc. and Ford Motor Company. Mr. Babich currently serves as a director of Checkpoint Systems, Inc.

Mr. Babich's executive and senior management experience enables him to address a wide range of perspectives on management, operations and strategic planning. In addition, his long experience as a financial executive enables him to assist the Board in addressing a variety of financial and budgeting matters and to contribute meaningfully to the Audit Committee.

*William R. Cook*

- Mr. Cook, 71, has been a director of Teleflex since 1998 and currently serves as chair of the Compensation Committee. Mr. Cook retired after having served, from 1999 to 2002, as President and Chief Executive Officer of Severn Trent Services, Inc., a water and waste utility company. From 1993 to 1998, Mr. Cook was the Chairman, President and Chief Executive Officer of Betz Dearborn, Inc. Mr. Cook currently serves as a director of Quaker Chemical Corporation and The Penn Mutual Life Insurance Company.

Mr. Cook's experience as a chief executive officer enables him to address a wide range of perspectives on management, strategic and financial planning and budgeting processes, and also enables him to contribute meaningfully to the Compensation Committee. His 17 year tenure as a Teleflex director also gives him an institutional knowledge regarding our company that is helpful to the Board in addressing strategic and governance issues.

*Benson F. Smith*

- Mr. Smith, 67, has been a director of Teleflex since 2005 and became our Chairman, President and Chief Executive Officer in January 2011. Earlier, Mr. Smith was the managing partner of Sales Research Group, a research and consulting organization, and also served as the Chief Executive Officer of BFS & Associates LLC, which specialized in strategic planning and venture investing. Prior to that, Mr. Smith worked for C.R. Bard, Inc., a company specializing in medical devices, for approximately 25 years, where he held various executive and senior level positions. Most recently, Mr. Smith served as President and Chief Operating Officer of C.R. Bard from 1994 to 1998. Mr. Smith currently serves on the boards of a variety of academic and health-related organizations, including the Advanced Medical Technology Association.

Mr. Smith's extensive experience in the medical device industry and intimate knowledge of our business enables him to share meaningful perspectives regarding our operations, strategic planning and growth initiatives. In addition, his management and consulting experience enables Mr. Smith to provide a wide range of perspectives on management issues.

---

**Table of Contents**

**CORPORATE GOVERNANCE**

**Corporate Governance Principles and Other Corporate Governance Documents**

Our Corporate Governance Principles, which include guidelines for the determination of director independence, the operation, structure and meetings of the Board, the committees of the Board and other matters relating to our corporate governance, are available on the Investors page of our website, [www.teleflex.com](http://www.teleflex.com). Also available on the Investors page are other corporate governance documents, including the Code of Ethics, the Code of Ethics for Chief Executive Officer and Senior Financial Officers and the charters of the Audit, Compensation and Governance Committees. You may also request these documents in print form by contacting us at Teleflex Incorporated, 550 East Swedesford Road, Suite 400, Wayne, Pennsylvania 19087, Attention: Secretary. Any amendments to, or waivers of, the codes of ethics will be disclosed on our website promptly following the date of such amendment or waiver.

**Board Independence**

The Board has affirmatively determined that George Babich, Jr., Patricia C. Barron, William R. Cook, W. Kim Foster, Jeffrey A. Graves, Stephen K. Klasko, Sigismundus W.W. Lubsen, Stuart A. Randle and Harold L. Yoh III are independent within the meaning of the listing standards of the New York Stock Exchange (the "NYSE"). The Board also has determined that Candace H. Duncan, a nominee who is not currently a director, is independent within the meaning of the NYSE listing standards. All of the independent directors and Ms. Duncan meet the categorical standards set forth in the Corporate Governance Principles described below, which were adopted by the Board to assist it in making determinations of independence. The Board has further determined that the members of the Audit, Compensation and Governance Committees are independent within the meaning of the NYSE listing standards, and that the members of the Audit Committee meet the additional independence requirements of the NYSE applicable to Audit Committee members. In making its determination with respect to Mr. Klasko, the Board considered his position as President of Thomas Jefferson University, a health sciences university ( "TJU" ), and President and Chief Executive Officer of Thomas Jefferson University Hospitals, an academic medical center ( "TJUH" ), to which we have sold products for many years. After reviewing the transactions and our business relationship with TJU and TJUH, the Board determined that Mr. Klasko does not have a direct or indirect material interest in the transactions and that our business relationships with TJU and TJUH do not diminish the ability of Mr. Klasko to exercise his independent judgment on issues affecting our business.

To assist the Board in making independence determinations, the Board has adopted the following categorical standards. The Board may determine that a director is not independent notwithstanding that none of the following categorical disqualifications apply. However, if any of the following categorical disqualifications apply to a director, he or she may not be considered independent:

A director who is an employee of our company, or whose immediate family member is an executive officer of our company, may not be considered independent until the expiration of three years after the end of such employment.

A director who has received, or who has an immediate family member (unless such immediate family member has ceased to be an immediate family member or has become incapacitated) that has been an executive officer of ours who, while an executive officer, has received more than \$120,000 in direct compensation from us during any twelve-month period during the preceding three years, other than director and committee fees, pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service) and compensation received by the director for former service as an interim Chairman or CEO during the immediately preceding three-year period, may not be considered independent.

## **Table of Contents**

A director who is a current partner or is employed by, or whose immediate family member is a current partner of a firm that is our internal or external auditor, or is an immediate family member who is a current employee of such a firm and personally works on the Company's audit, may not be considered independent.

A director who was, or whose immediate family member was, during the immediately preceding three years, a partner or employee of a firm that is our internal or external auditor and personally worked on our audit during that period may not be considered independent.

A director who is employed, or whose immediate family member is employed, as an executive officer of another company where any of our present executives serve on such other company's compensation committee may not be considered independent until the expiration of three years after the end of such service or employment relationship or such person ceases to be an immediate family member or becomes incapacitated, as may be applicable.

A director who is an employee, or whose immediate family member is an executive officer, of a company that makes payments to us, or receives payments from us, for property or services in an amount which, in any single fiscal year, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues may not be considered independent until the expiration of the three years after such receipts or payments fall below such threshold or after such person ceases to be an immediate family member or becomes incapacitated, as may be applicable.

### **Lead Director**

The Lead Director is an independent director of the Board whose duties and responsibilities include:

coordinating and developing the agenda for, and presiding over, executive sessions of the Board's independent directors;

discussing with our directors any concerns our directors may have about our company and our performance, relaying those concerns, where appropriate, to the full Board, and consulting with our Chief Executive Officer regarding those concerns;

consulting with our senior executives as to any concerns they may have;

providing the Chairman of the Board with input as to the agendas for Board and Board committee meetings;

advising the Chairman of the Board as to the quality, quantity and timeliness of the flow of information from our management to the Board;

interviewing, along with the Governance Committee Chair, and making recommendations to the Governance Committee and the Board concerning Board candidates; and

providing input to the members of the Compensation Committee regarding the Chief Executive Officer's performance, and, along with the Compensation Committee Chair, meeting with the Chief Executive Officer to discuss the Board's evaluation.

The Lead Director is appointed annually by the independent directors of the Board. The independent directors of the Board have the authority to modify the Lead Director's duties and responsibilities, remove the Lead Director and appoint a successor. Ms. Barron currently serves as our Lead Director.





## **Table of Contents**

### **Positions of Chairman and Chief Executive Officer**

The positions of Chairman and Chief Executive Officer are combined at Teleflex. We believe that our Chief Executive Officer is best situated to serve as Chairman because he is the director most familiar with our business and most capable of effectively identifying strategic priorities and leading the discussion and execution of strategy. Moreover, our Chief Executive Officer is able to effectively communicate Board strategy to the other members of management and efficiently implement Board directives.

All of the other directors on our Board are independent, which facilitates the provision of independent oversight and input. Our Chief Executive Officer is not a member of our principal Board committees, and the independent directors regularly meet in executive session outside the presence of management and under the leadership of our Lead Director, as discussed in more detail below under Executive Sessions of Non-Management Directors. The activities of the Lead Director further enhance the Board's ability to evaluate management performance and otherwise fulfill its oversight responsibilities. Our Chief Executive Officer consults with the Lead Director on the proposed agendas for Board and committee meetings in order to make sure that key issues and concerns of the Board are addressed.

### **Executive Sessions of Non-Management Directors**

Directors who are not executive officers or otherwise employed by us or any of our subsidiaries, who we refer to as the non-management directors, meet regularly in accordance with a schedule adopted at the beginning of each year and on such additional occasions as a non-management director may request. Such meetings are held in executive session, outside the presence of any directors who are executive officers. The Lead Director presides over such meetings.

Stockholders or other interested persons wishing to communicate with members of the Board should send such communications to Teleflex Incorporated, 550 East Swedesford Road, Suite 400, Wayne, Pennsylvania 19087, Attention: Secretary. These communications will be forwarded to specified individual directors, or, if applicable, to all the members of the Board as deemed appropriate. Stockholders or other interested persons may also communicate directly and confidentially with the Lead Director, the non-management directors as a group or the Chairman or other members of the Audit Committee through the Teleflex ethics line website at [www.teleflexethicsline.com](http://www.teleflexethicsline.com).

### **The Board and Board Committees**

The Board held seven meetings in 2014. Each of the directors attended at least 75 percent of the total number of meetings of the Board and the Board committees of which the director was a member during 2014. The Board does not have a formal policy concerning attendance at our annual meeting of stockholders, but encourages all directors to attend. All of the Board members attended the 2014 annual meeting of stockholders.

The Board has established a Governance Committee, a Compensation Committee and an Audit Committee. The Board also has established a Non-Executive Equity Awards Committee, whose sole member is Mr. Smith. The Non-Executive Equity Awards Committee has authority to grant equity awards, under specified circumstances, to employees who are neither executive officers nor persons reporting to Mr. Smith. See Compensation Discussion and Analysis 2014 Compensation Equity Incentive Compensation Stock Option Awards for additional information.

#### *Governance Committee*

The Governance Committee is responsible for identifying qualified individuals to be nominees for election to the Board. In addition, the Governance Committee reviews and makes recommendations to the Board as to the size and composition of the Board and Board committees and eligibility criteria for

---

**Table of Contents**

Board and Board committee membership. The Governance Committee also is responsible for developing and recommending to the Board corporate governance principles and overseeing the evaluation of the Board and management.

The Governance Committee considers candidates for Board membership. Our Corporate Governance Principles provide that directors are expected to possess the highest character and integrity, and to have business, professional, academic, government or other experience which is relevant to our business and operations. In addition, directors must be able to devote substantial time to our affairs. The charter of the Governance Committee provides that in evaluating nominees, the Governance Committee should consider the attributes set forth above. Under our Corporate Governance Principles, a director must retire from the Board at the expiration of his or her term following attainment of age 71, except in special circumstances that must be described in a resolution adopted by the Board requesting such director to defer retirement. In the event of such a deferral, our Corporate Governance Principles require the director whose service has been extended to offer to resign from the Board each year thereafter, providing the Board with an opportunity to re-evaluate the deferral of the director's retirement on an annual basis.

To assist in identifying candidates for nomination as directors, the Governance Committee sometimes employs a third party search firm and also receives recommendations of candidates from Board members. Ms. Duncan was recommended by a third party search firm.

In addition, the Governance Committee will consider recommendations for director candidates from stockholders. Stockholders can recommend candidates for nomination by delivering or mailing written recommendations to Teleflex Incorporated, 550 East Swedesford Road, Suite 400, Wayne, Pennsylvania 19087, Attention: Secretary. In order to enable consideration of the candidate in connection with our 2016 Annual Meeting, a stockholder must submit the following information by no later than February 1, 2016:

the name of the candidate and information about the candidate that would be required to be included in a proxy statement under SEC rules;

information about the relationship between the candidate and the recommending stockholder;

the consent of the candidate to serve as a director; and

proof of the number of shares of our common stock that the recommending stockholder owns and the length of time the shares have been owned.

In considering any candidate proposed by a stockholder, the Governance Committee will reach a conclusion based on the criteria described above. The Governance Committee may seek additional information regarding the candidate. After full consideration, the stockholder proponent will be notified of the decision of the Governance Committee. The Governance Committee will consider all potential candidates in the same manner regardless of the source of the recommendation.

The current members of the Governance Committee are Ms. Barron and Messrs. Lubsen and Yoh. Ms. Barron currently serves as chair of the Governance Committee. The Governance Committee held four meetings in 2014.

*Compensation Committee*

The duties and responsibilities of the Compensation Committee include, among others, the following:

review and recommend to the Board for approval all compensation plans in which any director or executive officer may participate;

**Table of Contents**

review and recommend to the other independent directors for approval corporate goals and objectives relevant to the compensation of our Chief Executive Officer and, together with the Lead Director, evaluate annually our Chief Executive Officer's performance in light of those goals and objectives;

review and recommend to the independent directors for approval our Chief Executive Officer's compensation and any employment agreements, severance agreements, retention agreements, change in control agreements and other similar agreements for the benefit of our Chief Executive Officer;

review and approve compensation of our senior executives, which include our executive officers (other than our Chief Executive Officer) and such other executives of our company as the Compensation Committee may determine (other than our Chief Executive Officer), and any employment agreements, severance agreements, retention agreements, change in control agreements and other similar agreements for the benefit of any of our senior executives (other than our Chief Executive Officer);

establish goals for performance-based awards under incentive compensation plans (including stock compensation plans);

administer and grant, or recommend to the Board the grant of, stock options and other equity-based compensation awards under our stock compensation plans (the Board has delegated to its Non-Executive Equity Awards Committee, whose sole member is Mr. Smith, authority to grant equity awards under specified circumstances to employees other than executive officers and persons reporting to the Chief Executive Officer);

review and recommend to the other independent directors for approval all material executive benefits and perquisites for the Chief Executive Officer's benefit;

review and approve all material executive benefits and perquisites for the benefit of any of our senior executives (other than the Chief Executive Officer); and

review succession and management development plans and policies for our Chief Executive Officer and our other senior executives.

The Compensation Committee has the authority to select, retain and terminate compensation consultants, legal counsel and other advisers to assist it in connection with the performance of its responsibilities. During 2014, the Compensation Committee considered the recommendations of and data provided by Frederick W. Cook & Co., Inc. See Compensation Discussion and Analysis for additional information.

The current members of the Compensation Committee are Messrs. Cook, Graves and Randle. Mr. Cook currently serves as the chair of the Compensation Committee. The Compensation Committee held five meetings in 2014.

*Audit Committee*

The Audit Committee has responsibility to assist the Board in its oversight of the following matters, among others:

the integrity of our financial statements;

our internal control compliance;

Edgar Filing: TELEFLEX INC - Form DEF 14A

our compliance with legal and regulatory requirements;

our independent registered public accounting firm's qualifications, performance and independence;

**Table of Contents**

the performance of our internal audit function;

our risk management process; and

the funding of our defined benefit pension plan and the investment performance of plan assets.

The Audit Committee has sole authority to appoint, retain, compensate, evaluate and terminate our independent registered public accounting firm, and reviews and approves in advance all audit and lawfully permitted non-audit services performed by the independent registered public accounting firm. In addition, the Audit Committee periodically meets separately with management, our independent auditors and our own internal auditors. The Audit Committee also periodically discusses with management our policies with respect to risk assessment and risk management.

Stockholders may contact our Audit Committee to report complaints about our accounting, internal accounting controls or auditing matters by writing to the following address: Teleflex Incorporated, 550 East Swedesford Road, Suite 400, Wayne, Pennsylvania 19087, Attention: Audit Committee. Stockholders can report their concerns to the Audit Committee anonymously or confidentially.

The current members of the Audit Committee are Messrs. Babich, Foster and Klasko. Mr. Foster currently serves as the chair of the Audit Committee. The Audit Committee held seven meetings in 2014. The Board has determined that each of the Audit Committee members is an audit committee financial expert as that term is defined in SEC regulations.

**Risk Oversight and Management**

The Board, acting principally through the Audit Committee, is actively involved in the oversight and management of risks that could affect us. It fulfills this function largely through its oversight of our annual company-wide risk assessment process, which is designed to identify our key strategic, operational, compliance and financial risks, as well as steps to mitigate and manage each risk. The risk assessment process is conducted by our Business Ethics and Compliance Committee, or BECC, which is comprised of several members of Teleflex senior management. The BECC directs our compliance officers to survey and conduct interviews of several of our key business leaders, functional heads and other managers to identify and discuss the key risks pertaining to Teleflex, including the potential magnitude and likelihood of each risk. As part of this process, the senior executive responsible for managing the risk, the potential impact of the risk and management's initiatives to manage the risk are identified and discussed. After receiving a report of the risk assessment results from the compliance officers, the BECC reviews and discusses the results with the Audit Committee. Thereafter, the Audit Committee provides the full Board with an overview of the risk assessment process, the key risks identified and measures being taken to address those risks. Due to the dynamic nature of risk, the overall status of our enterprise risks are updated periodically during the course of each year and reviewed with the Audit Committee. We believe this process facilitates the Board's ability to fulfill its oversight responsibilities of our risks.

The Compensation Committee oversees the review and assessment of our compensation policies and practices. We use a number of approaches to mitigate excessive risk taking in designing our compensation programs, including significant weighting towards long-term incentive compensation, emphasis on qualitative goals in addition to quantitative metrics in our incentive programs and maintenance of equity ownership guidelines. We believe the risks arising from our compensation policies and practices for our employees are not reasonably likely to have a material adverse effect on our company.

**Table of Contents****Director Compensation 2014**

Each director who is not a Teleflex employee receives compensation for his or her service as a director, which consists of an annual cash retainer, payable in equal monthly installments, annual stock option and restricted stock grants and meeting attendance fees. The chairpersons of our Audit, Compensation and Governance committees receive an additional annual cash retainer, and our Lead Director receives an additional annual restricted stock award. In addition, upon their first election or appointment to the Board, non-management directors receive a grant of an option to purchase shares of our common stock.

For 2014, the amounts payable under our non-management director compensation program were as follows:

Annual Retainer	All Non-Management Directors	\$40,000
Additional Annual Retainer Committee Chairs:		
i	Audit Committee Chair	\$15,000
i	Compensation Committee Chair	\$12,500
i	Governance Committee Chair	\$10,000
Annual Equity Grants All Non-Management Directors:		
i	Restricted Stock	\$78,000
i	Stock Options	\$52,000
Additional Annual Equity Grant Lead Director:		
i	Restricted Stock	\$20,000
Stock Option Grant Upon Initial Election		\$104,000
Meeting Fees (per meeting):		
i	Board of Directors (participation in person)	\$2,000
i	Board of Directors (participation by phone)	\$1,000
i	Committees (participation in person or by phone)	\$1,000

We provide the non-management directors with \$100,000 of life insurance and \$100,000 of accidental death or dismemberment coverage during their service on the Board. We do not provide any pension benefits to the non-management directors.

The table below summarizes the compensation paid to non-management directors during the fiscal year ended December 31, 2014.

Name	Fees Earned Or Paid in Cash	Stock Awards (1)	Option Awards (2)	Change in Pension Value and Nonqualified Deferred Compensation		Total
				Compensation Earnings	All Other Compensation	
George Babich, Jr.	\$61,333	\$65,183	\$54,227			\$180,743
Patricia C. Barron	\$65,125	\$85,351	\$54,227			\$204,703
William R. Cook	\$69,625	\$65,183	\$54,227			\$189,035
W. Kim Foster	\$70,003	\$65,183	\$54,227			\$189,413
Jeffrey A. Graves	\$56,333	\$65,183	\$54,227			\$175,743
Stephen K. Klasko	\$60,333	\$65,183	\$54,227			\$179,743
Sigismundus W.W. Lubsen	\$55,333	\$65,183	\$54,227			\$174,743
Stuart A. Randle	\$57,333	\$65,183	\$54,227			\$176,743
Harold L. Yoh III	\$56,333	\$65,183	\$54,227			\$175,743
James W. Zug(3)	\$32,337		\$54,227			\$86,564

## Edgar Filing: TELEFLEX INC - Form DEF 14A

- (1) The amounts shown in this column represent the aggregate grant date fair value of the restricted stock awards granted in 2014, determined in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718,



**Table of Contents**

Compensation Stock Compensation ( ASC Topic 718 ). A discussion of the assumptions used in calculating grant date fair values may be found in Notes 1 and 12 to our 2014 audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as filed with the SEC. Each non-management director, other than Mr. Zug, was granted a restricted stock award for 627 shares of our common stock in May 2014, which have a grant date fair value per share of \$103.96. Due to an administrative error, each of these restricted stock awards included approximately 128 fewer shares than each director was entitled to receive under our non-management director compensation program. A supplemental grant will be made to each director in 2015 to correct this error. Ms. Barron received an additional 194 shares of restricted stock in May 2014, which have a grant date fair value per share of \$103.96, in respect of her service as Lead Director. These restricted stock awards vested six months after the date of grant. Mr. Zug did not receive a restricted stock award because he retired from the Board prior to the time the awards were granted.

(2) The amounts shown in this column represent the aggregate grant date fair value of the stock option awards granted in 2014, determined in accordance with ASC Topic 718. A discussion of the assumptions used in calculating grant date fair values may be found in Notes 1 and 12 to our 2014 audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as filed with the SEC. Each non-management director was granted stock options to purchase 3,021 shares in February 2014, which have a grant date fair value per share of \$17.95. These options are fully vested at the time of grant. As of December 31, 2014, the number of shares underlying options held by the current directors listed in the table were: Mr. Babich: 21,599; Ms. Barron: 23,599; Mr. Cook: 23,599; Mr. Foster: 8,784; Mr. Graves: 22,599; Mr. Klasko: 20,599; Mr. Lubsen: 23,599; Mr. Randle: 18,599; and Mr. Yoh: 23,599.

(3) Mr. Zug retired as a director on May 2, 2014.

**Director Stock Ownership Guidelines**

We have stock ownership guidelines for our non-management directors to further align the interests of our directors with those of our stockholders. The ownership guidelines require our non-management directors to own shares of our common stock with an aggregate value equal to five times the annual cash retainer paid to our directors (exclusive of additional amounts provided to the committee chairs), which, based on the current \$40,000 annual cash retainer, is equal to \$200,000. Directors may not sell shares of stock underlying equity awards granted to them in respect of their service on our Board until such time as they have met the required ownership level; provided, however, that, prior to meeting the required ownership level, directors may sell shares to cover the exercise price of stock options and taxes.

As set forth in the table below, at December 31, 2014, each of our non-management directors, other than Mr. Foster, who is our most recently elected director, satisfied the ownership guidelines.

<i>Name</i>	<i>Stock Ownership Value at 12/31/2014(1)</i>
George Babich, Jr.	\$931,190
Patricia C. Barron	\$1,513,098
William R. Cook	\$1,905,782
W. Kim Foster	\$162,126
Jeffrey A. Graves	\$739,441
Stephen K. Klasko	\$700,517
Sigismundus W.W. Lubsen	\$1,581,875
Stuart A. Randle	\$599,360
Harold L. Yoh III	\$1,263,135

(1) Stock ownership value is calculated based on the number of shares owned by the director or members of his or her immediate family residing in the same household and restricted stock held by the director, multiplied by \$114.82, which was the closing stock price of a share of our common stock on December 31, 2014, as reported by the New York Stock Exchange.

**Table of Contents**

**AUDIT COMMITTEE REPORT**

The Audit Committee assists the Board in its oversight of the integrity of Teleflex's financial statements, Teleflex's internal control over financial reporting, the performance and independence of Teleflex's independent registered public accounting firm, the performance of the internal audit function and compliance with legal and regulatory requirements. Management has primary responsibility for preparing Teleflex's consolidated financial statements and for its financial reporting process. Management also has the responsibility to assess the effectiveness of Teleflex's internal control over financial reporting. PricewaterhouseCoopers LLP, Teleflex's independent registered public accounting firm, is responsible for expressing an opinion on (i) whether Teleflex's financial statements present fairly, in all material respects, its financial position and results of operations in accordance with generally accepted accounting principles and (ii) the effectiveness of Teleflex's internal control over financial reporting.

In this context, the Audit Committee has:

reviewed and discussed with management and PricewaterhouseCoopers LLP Teleflex's audited consolidated financial statements for the fiscal year ended December 31, 2014;

discussed with PricewaterhouseCoopers LLP the matters required to be discussed pursuant to Public Company Accounting Oversight Board Auditing Standard No. 16, Communications with Audit Committees; and

received the written disclosures and the letter from PricewaterhouseCoopers LLP regarding PricewaterhouseCoopers LLP's independence, as required by the applicable requirements of the Public Company Accounting Oversight Board, and has discussed with PricewaterhouseCoopers LLP that firm's independence.

Based on the review and discussions referred to above, the Audit Committee recommended to our Board, and the Board has approved, the inclusion of the audited consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2014, for filing with the Securities and Exchange Commission.

AUDIT COMMITTEE

W. KIM FOSTER, *CHAIRMAN*

GEORGE BABICH, JR.

STEPHEN K. KLASKO

**Table of Contents**

**COMPENSATION DISCUSSION AND ANALYSIS**

**INTRODUCTION**

In this Compensation Discussion and Analysis, we address the compensation paid or awarded to the following executive officers of our company, who are listed in the Summary Compensation Table that follows this discussion and who we refer to as our named executive officers :

<i>Name</i>	<i>Title</i>
Benson F. Smith	Chairman, President and Chief Executive Officer
Thomas E. Powell	Executive Vice President and Chief Financial Officer
Liam Kelly	Executive Vice President and President, the Americas
Tony Kennedy	Senior Vice President, Global Operations
Cameron P. Hicks	Vice President, Global Human Resources

**EXECUTIVE COMPENSATION OVERVIEW**

**Compensation Objectives**

Our executive compensation program is designed to promote the achievement of specific annual and long-term goals by our executive management team and to align our executives' interests with those of our stockholders. In this regard, the components of the compensation program for our executives, including the named executive officers, are intended to meet the following objectives:

Provide compensation that enables us to attract and retain highly-skilled executives. We refer to this objective as competitive compensation.

Create a compensation structure that in large part is based on the achievement of performance goals. We refer to this objective as performance incentives.

Provide long-term incentives to align executive and stockholder interests. We refer to this objective as stakeholder incentives.

Provide an incentive for long-term continued employment with us. We refer to this objective as retention incentives. We fashioned the components of our 2014 executive compensation program to meet these objectives as follows:

<i>Type of Compensation</i>	<i>Objectives Addressed</i>
Salary	Competitive Compensation
Annual Bonus	Performance Incentives Competitive Compensation
Equity Incentive Compensation	Stakeholder Incentives Performance Incentives Competitive Compensation Retention Incentives

**Role of Compensation Committee, Chief Executive Officer and Compensation Consultant**

## Edgar Filing: TELEFLEX INC - Form DEF 14A

The Compensation Committee of our Board of Directors is responsible for the oversight of our executive compensation program. In 2014, the Compensation Committee generally made all decisions concerning compensation awarded to Messrs. Powell and Kelly. Determinations concerning

---

## **Table of Contents**

Mr. Smith's compensation were made by the independent members of our Board of Directors. Messrs. Kennedy and Hicks were not executive officers, within the meaning of SEC regulations, at the time their 2014 base salaries, annual incentive targets and equity incentive awards were approved. Accordingly, those compensation determinations were made by Mr. Smith rather than by the Compensation Committee. No changes in their compensation occurred at the time they were designated executive officers in December 2014 or through the remainder of 2014. All compensation decisions with respect to Messrs. Kennedy and Hicks will be made by the Compensation Committee in 2015.

In making its compensation determinations and its recommendations to the independent directors regarding Mr. Smith's compensation, the Compensation Committee was assisted by its independent compensation consultant, Frederic W. Cook & Co., Inc., which we refer to below as FW Cook. FW Cook was engaged directly by the Compensation Committee. The Compensation Committee has assessed the independence of FW Cook pursuant to SEC rules and concluded that the work of FW Cook has not raised any conflict of interest in connection with its service as an independent consultant to the Compensation Committee.

Mr. Smith, with the assistance of our human resources department and FW Cook, provides statistical data to the Compensation Committee to assist it in determining appropriate compensation levels for our executives. He also provided the Compensation Committee with recommendations as to components of the compensation of our executives. Mr. Smith did not make recommendations as to his own compensation. While the Compensation Committee utilizes this information, and considered Mr. Smith's observations with regard to other executive officers, the ultimate determinations regarding executive compensation are made by the Compensation Committee. In the case of Mr. Smith, the Compensation Committee provides recommendations regarding his compensation, subject to approval by the independent directors.

### **Determination of Compensation**

In making its compensation determinations for 2014, the Compensation Committee took into account an executive compensation review report prepared by FW Cook that the Compensation Committee previously used in 2012 and referred to again in 2013 to assess compensation for executives serving in capacities similar to Messrs. Smith, Powell and Kelly. The report provided an analysis of the compensation of these executives in comparison to peer group and national survey data. In the case of Mr. Kelly, the data also was referenced in connection with his change in position from Executive Vice President and President, International to Executive Vice President and President, Americas. See Promotion of Liam Kelly below. Because the Compensation Committee used the same data in determining competitive compensation for 2014 as it used for 2013 and 2012, the amounts in the report were increased by three percent per annum, on a compounded basis, to approximate market compensation increases.

Our peer group consists of companies with annual revenues generally within the range of one-half to two times our annual revenues. In selecting the peer group, our Compensation Committee considers various additional factors relating to similarly-situated medical device companies, including operating and net income, market capitalization and number of employees. The Compensation Committee reviews this peer group on an ongoing basis and modifies it as circumstances warrant. In making its 2014 compensation determinations, the Compensation Committee used the same peer group companies as it did in 2013, which consisted of the following:

CareFusion Corporation  
CONMED Corporation  
The Cooper Companies, Inc.  
C.R. Bard, Inc.  
DENTSPLY International Inc.  
Edwards Lifesciences Corporation  
Hill-Rom Holdings, Inc.

Hologic, Inc.  
Integra LifeSciences Holdings Corporation  
Merit Medical Systems, Inc.  
ResMed Inc.  
St. Jude Medical, Inc.  
STERIS Corporation  
Wright Medical Group, Inc.

## **Table of Contents**

We refer to this peer group as our Executive Compensation Peer Group.

To provide an additional competitive reference source, the Compensation Committee also considered data that it used in 2012 with respect to executives serving in comparable capacities, derived from the Hewitt Executive general industry survey (using all manufacturing companies), and the Radford Global Life Sciences Survey, a survey focused on life sciences companies. The Compensation Committee provides equal weight to the two surveys because the Radford Global Life Sciences survey included a number of companies other than medical device companies (e.g., pharmaceutical companies). In reviewing compensation levels against the survey data, the Compensation Committee considers only the aggregated survey data provided by the surveys. The identity of the individual companies comprising the survey data is not reviewed or considered by the Compensation Committee in its evaluation process. Therefore, the Compensation Committee does not consider the identity of the companies comprising the survey data to be material for this purpose.

The peer group data and the survey data described above were the Compensation Committee's primary sources of comparative data that it used in making compensation determinations.

We generally seek to position total compensation of our executives between the median and the 75<sup>th</sup> percentile of companies referenced in the comparative data reviewed by the Compensation Committee. However, this range is intended to serve only as a guideline in setting and adjusting our compensation programs, and actual amounts of compensation that we pay to our executives can be more or less than the competitive range in any given year.

### **Promotion of Liam Kelly**

In April 2014, we promoted Mr. Kelly to the position of Executive Vice President and President, the Americas. Mr. Kelly previously was our Executive Vice President and President, International, responsible for our EMEA and Asia segments. In connection with this promotion, we increased his salary from \$438,412 to \$473,678, increased his target award as a percentage of salary under our annual incentive program from 60 percent to 70 percent, and increased the percentage of salary used to determine the value of his equity incentive compensation from 140 percent to 150 percent. Mr. Kelly, who is an Irish national and whose appointment to his current position was made under an international assignment, also received relocation and international assignment benefits described in Note 5 to the 2014 Summary Compensation Table.

## **2014 COMPENSATION**

### **Salaries**

Base salary ranges for our executives are determined based on each executive's position and responsibility and are typically considered annually as part of our performance review process. In addition, salary reviews may occur at other times due to events such as a promotion or other change in job responsibility.

The Compensation Committee increased salaries for Messrs. Smith and Powell by five percent and raised Mr. Kelly's salary initially by two percent, and, in connection with his promotion, described above under Executive Compensation Overview Promotion of Liam Kelly, provided a further eight percent increase. Because a portion of Mr. Kelly's salary for 2014 was paid in Euros, the salary amounts in the Summary Compensation table reflect the exchange rate at December 31, 2014; all dollar information related to Mr. Kelly's compensation for 2014 reflects this exchange rate. Messrs. Kennedy's and Hicks' salary increases of two percent and three percent, respectively, were approved by Mr. Smith.

---

**Table of Contents**

**Annual Executive Incentive Compensation**

*General*

We structured our 2014 annual incentive program to provide a maximum payout based on Operating Profit. We used this structure in order to enhance our ability to deduct all amounts awarded under the plan by providing awards that would be deemed to constitute performance based compensation for purposes of Section 162(m) of the Internal Revenue Code. Section 162(m) limits to \$1 million the deductibility of taxable compensation received by our Chief Executive Officer and other specified executive officers, unless the compensation qualifies as performance based compensation.

Specifically, under the annual incentive program for 2014, we set maximum awards equal to three percent of our 2014 Operating Profit for Mr. Smith and equal to 1.5 percent of our 2014 Operating Profit for other executive officers subject to Section 162(m). Operating Profit means our net revenues, reduced by (a) cost of goods sold, (b) research and development expenses, (c) selling, general and administrative expenses and (d) non-controlling interest. Gain/loss on sales of businesses and assets, restructuring and impairment charges, interest income and expenses and taxes on income are excluded from the measure. In addition, the measure is adjusted to eliminate the impact of businesses acquired during the fiscal year. Further adjustments are made to eliminate the impact of any changes in accounting rules or in their application, and any changes in applicable laws, to the extent not contemplated as part of our annual operating plan. No such adjustments were made in 2014.

However, the actual annual incentive opportunities provided to our named executive officers were not designed to provide the maximum payout described above. Instead, we generally exercise negative discretion to reduce the awards to amounts that could not exceed a maximum of two times a specified percentage of an executive's salary. The actual amount awarded is principally based upon achievement of financial metrics, with a smaller component based on individual performance. Therefore, our annual incentive program subjects a meaningful amount of an executive's total cash compensation to the achievement of our business performance objectives.

For our named executive officers, 80 percent of the target award opportunity is based on financial performance measures, while the remaining 20 percent of the target award opportunity is based on individual performance. We have weighted the annual incentive awards largely to the financial performance measures because we believe that emphasizing financial performance encourages a unified commitment by our executives to performance that we believe directly affects stockholder value.

The amount of the annual incentive award to be paid to an executive in respect of the business performance objectives described above may be further adjusted, within the maximum award limit, upon consideration of additional factors. No such adjustments were made in 2014.

*2014 Award Components*

The Compensation Committee determined to use the same corporate performance measures in 2014 as it used in 2013 in exercising its negative discretion. However, as noted below, we adjusted the weighting of two of these measures in 2014. In addition to the adjustments described below, all of the financial performance measures are also subject to adjustment to eliminate the impact of any changes in accounting rules and applicable laws, to the extent not contemplated in our annual operating plan, or to address any extraordinary, unusual, non-recurring or otherwise unanticipated events.

The performance measures under our 2014 annual incentive program for our named executive officers who do not have responsibility for a specific business segment, namely Messrs. Smith, Powell and Hicks are set forth below. We also applied these metrics to Mr. Kelly because, in his recently assigned position as President, Americas, his responsibilities have become more global,

---

**Table of Contents**

encompassing not only responsibility for operations in the Americas, but also a significant amount of coordination and involvement with the executive s responsible for our EMEA and Asia Pacific segments and global operations.

Thirty-five percent of the target award was based on the amount of our corporate revenue, which is defined as our consolidated revenues, adjusted to eliminate the effect of foreign currency fluctuations. The actual amount of corporate revenue achieved is adjusted to exclude the impact of acquisitions completed during 2014 (other than our acquisition of Mayo Healthcare Pty. Ltd., which occurred on February 3, 2014 (the Mayo Healthcare Acquisition )).

We use corporate revenue as a performance measure because we believe that our success going forward will, to a meaningful extent, be dependent on our ability to generate sales growth in our core operations. We made the adjustments to the performance measure described above because we wanted to focus on the growth of our ongoing, core business without giving effect to currency fluctuations and transactions that can detract from the effectiveness of this measure in reflecting our core growth. While we reduced the weighting of the corporate revenue measure from 40 percent to 35 percent in 2014, the measure continued to have the highest percentage weighting among all of the measures, which we believe provided sufficient incentives to encourage desired performance.

Thirty percent of the target award was based on the amount of our EPS, which is defined as our consolidated earnings per share. The actual amount of EPS achieved is adjusted to eliminate the effect of acquisitions (other than the Mayo Healthcare Acquisition); restructuring and other special charges; intangible amortization expense; amortization of debt discount on convertible notes; increases or decreases in the accounting dilution associated with our 3.875 percent convertible notes due 2017, and the related call options and warrants; the impact of our repurchases, if any, of our common stock during 2014; gains/losses with respect to our investments in non-core, non-controlled affiliates prior to 2012; any debt refinancing or other transactions affecting the capital structure of our company, to the extent not otherwise contemplated by the annual business plan; the impact of increases or decreases in the liabilities associated with our contingent consideration payment obligations related to completed acquisitions; the impact of any changes to reserves related to uncertain tax positions (calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Section 740-10-25, Income Taxes Overall Recognition ) with respect to prior years, net of any costs of settlement or otherwise concluding such matters, but not including normal return to accrual adjustments booked in the ordinary course; tax benefits or detriments resulting from the retroactive application to any prior year of any newly enacted tax legislation; and the impact of any statutory rate changes on deferred taxes. Special charges include impairment charges, charges associated with accelerated depreciation of assets and other one time, extraordinary charges.

We use EPS as a performance measure because we believe that it provides a good indication of management s overall performance with respect to our enterprise. We also believe that EPS, which corresponds to the adjusted earnings per share guidance we provide to the investment community, is a key metric affecting share price and, therefore, stockholder value. We made the adjustments to EPS described above because the excluded charges are not contained within our principal earnings guidance provided to investors and because we do not believe these items reflect the performance of our executives.

Fifteen percent of the target award was based on cash flow, which is defined as cash flow from operations. The actual amount of cash flow achieved was adjusted to eliminate payments with respect to acquisitions, other than the Mayo Healthcare Acquisition; cash



---

**Table of Contents**

expended in connection with any debt refinancing or other transactions affecting our capital structure, to the extent not otherwise contemplated by our annual business plan; payments made in connection with repurchases of our common stock; tax payments on the gain on the sale of divested assets; payments made in connection with the settlement of tax audits; payments made to fund our defined benefit pension plans; and reductions in tax payments related to retroactive application to any prior year of any newly enacted tax legislation.

We use cash flow as a performance measure because we believe it is an important indicator of our ability to service indebtedness, make capital expenditures and provide flexibility with regard to the pursuit of other operating initiatives. We made the adjustments to cash flow described above because the adjusted payments, if not excluded, would impair the utility of the performance measure as a reflection of management's overall performance. We increased the weighting of the measure from 10 percent to 15 percent in 2014 to place a greater emphasis on balance sheet management.

Twenty percent of the target award was based upon satisfaction of individual performance objectives that are established at the beginning of the fiscal year. For 2014, the individual performance objectives established for Mr. Smith included the achievement of certain milestones related to our 2014 manufacturing footprint realignment plan; achievement of integration and financial targets related to our December 2013 acquisition of Vidacare Corporation; year over year sales growth from new products; and the completion of certain additional strategic and organizational objectives. The individual performance objectives established for each of our other named executive officers included various matters related to their specific functions, including matters relating to the development and implementation of our overall strategy and efforts related to development and execution of our organization strategy and structure.

We include individual performance as a performance measure in order to focus our executives on their individual performance and our corporate performance outside of the financial context. We evaluate the satisfaction of these objectives through our annual performance review process.

For Mr. Kennedy, who has responsibility with respect to our global operations, which generally encompasses management of our supply chain, manufacturing and distribution (referred to below as "Global Ops"), 40 percent of his target award was based upon the achievement of the corporate financial performance metrics described above (17.5 percent based on corporate revenue, 15 percent on EPS and 7.5 percent on cash flow). We included these performance measures because we believe all participants in the annual incentive program should have a stake in the performance of our company as a consolidated entity. An additional 40 percent of Mr. Kennedy's target award was based upon the following performance measures related to Global Ops:

20 percent of the target award was based on the Global Ops financial performance, which is defined as total operational variances, plus fixed expenses within our consolidated cost of goods sold for 2014. The actual Global Ops financial performance results were adjusted to eliminate the impact of foreign currency fluctuations with respect to currency translation; intercompany royalty arrangements; excess and obsolete inventory related to finished goods; service charges related to warehousing and distribution allocated to our business units; fixed overhead variance (related to increases/decreases in net sales compared to net sales budgeted in the annual operating plan) allocated to our business units; and the impact of acquisitions (other than the Mayo Healthcare Acquisition). In addition, the results of our OEM reporting segment are not included in the actual Global Ops financial performance results since Mr. Kennedy does not have responsibility for managing the operations of that reporting segment.

---

**Table of Contents**

We include Global Ops financial performance because we believe it is a reliable overall measure of the performance of our global operations function. Therefore, we believe a significant portion of the target award for an executive who is responsible for operations management should be based on this metric.

12 percent of the target award was based on the amount of Global Ops service performance, which measures the total products sold in North America that were shipped on or before their agreed upon shipment date.

We use Global Ops service performance as a performance measure to focus our Global Ops team on the timely delivery of products to our customers, which we believe is a key component to maintaining high customer satisfaction levels. For 2014, we limited the scope of this metric to North American product sales to focus our Global Ops team on implementing process improvements to our distribution operations in North America.

8 percent of the target award was based on Global Ops inventory, which is defined as the average of our consolidated inventory levels, measured on a quarterly basis. The actual Global Ops inventory results were adjusted to eliminate the impact of foreign currency fluctuations with respect to currency translation; and the impact of acquisitions (other than the Mayo Healthcare Acquisition). In addition, Global Ops inventory results exclude the results of our OEM reporting segment since Mr. Kennedy does not have responsibility for managing the inventory of that reporting segment.

We use Global Ops inventory as a performance measure because of the significance of inventory management on our working capital and operating efficiency.

As was the case for all of our other named executive officers, the remaining 20 percent of Mr. Kennedy's target award was based on the achievement of individual performance objectives.

With respect to each of the financial performance measures generally, an executive's incentive payout could range from a minimum of 25 percent for threshold performance to a maximum of 200 percent of the target payout, depending on the percentage variance from the target amount of the performance measure; there is no payout for performance below the threshold level. With respect to the 2014 payout ranges for corporate revenue, upon taking into consideration our historical performance and expected market dynamics and growth rates, the Compensation Committee established targets to incentivize achievement of business objectives and stretch goals. In this regard, the Compensation Committee referenced a group of companies consisting of industry peers, which we refer to as the Industry Peer Group, in determining the payout ranges under the annual incentive plan. The Industry Peer Group differs from the Executive Compensation Peer Group in that it consists of companies whose businesses are more like ours than some of the companies in the Executive Compensation Peer Group. Some companies are in both peer groups. While we believe the Executive Compensation Peer Group is better suited as a reference for total compensation due to the similar size of the constituent companies to ours, we believe the Industry Peer Group provides a better frame of reference for establishing our relative performance with respect to the markets within which we operate.

The Industry Peer Group consisted of the following companies:

Becton, Dickinson and Company  
Boston Scientific Corporation  
CareFusion Corporation  
C.R. Bard, Inc.  
Covidien Public Limited Company

Hill-Rom Holdings, Inc.  
Medtronic, Inc.  
St. Jude Medical, Inc.  
Stryker Corporation  
Zimmer Holdings, Inc.

**Table of Contents**

Based on the foregoing considerations, the target established for each performance measure and the percentage of target performance that would entitle a participant to a minimum or maximum payout with respect to each measure were as follows (percentages are approximate):

<i>Performance Measure</i>	<i>Target Performance</i>	<i>Percentage of Target Performance Required For</i>	
		<i>Minimum Payout (25% of Target)</i>	<i>Maximum Payout (200% of Target)</i>
Corporate Revenue	\$1,786.2 million	95% (\$1,696.9 million)	105% (\$1,875.5 million)
EPS	\$5.70	90% (\$5.13)	110% (\$6.27)
Cash Flow	\$250.0 million	80% (\$200.0 million)	120% (\$300.0 million)
Global Ops Financial Performance	\$44.1 million	92% (\$47.7 million)	109% (\$40.6 million)
Global Ops Service Performance	85%	98% (83.5%)	102% (87%)
Global Ops Inventory	\$365 million	99% (\$370 million)	101% (\$360 million)

*2014 Executive Incentive Compensation Targets and Awards*

The target award payable to a named executive officer for 2014 if the target financial performance-based objectives were achieved and 100 percent of the individual performance award opportunity was paid is equal to a percentage of the executive's salary, as shown on the following table:

<i>Name</i>	<i>Target Award</i>	
	<i>Opportunity as a percentage of Salary</i>	<i>Target Award Opportunity</i>
Benson F. Smith	150%	\$ 1,300,096
Thomas E. Powell	70%	\$ 328,024
Liam Kelly	67.5%*	\$ 312,411
Tony Kennedy	45%	\$ 140,475
Cameron P. Hicks	40%	\$ 112,729

\* See text below for an explanation of Mr. Kelly's target award opportunity as a percentage of salary.

The target award opportunity as a percentage of salary for Messrs. Smith and Powell were unchanged from 2013. Mr. Kelly's target award opportunity as a percentage of salary, and the salary amounts used were applied on a pro rata basis, based on his salary and target award percentage before and after his promotion. See Executive Compensation Overview Determination of Compensation Promotion of Liam Kelly.

**Table of Contents**

The following table provides information for each named executive officer regarding the applicable performance measures, target awards for each performance measure and actual payments with respect to each performance measure based on actual performance in 2014:

Name	Performance Measure	Performance Measure as a percentage of Total Target			Actual Award	Actual Award Opportunity for the Performance Measure
		Award Opportunity	Target	Amount Achieved		
B. Smith	Corporate Revenue	35%	\$1,786.2 million	\$1,834.2 million	\$638,278	140.3%
	EPS	30%	\$5.70	\$6.00	\$597,520	153.2%
	Cash Flow	15%	\$250.0 million	\$303.6 million	\$390,029	200.0%
	Individual Performance	20%	N/A	N/A	\$405,630	156.0%
T. Powell	Corporate Revenue	35%	\$1,786.2 million	\$1,834.2 million	\$161,042	140.3%
	EPS	30%	\$5.70	\$6.00	\$150,759	153.2%
	Cash Flow	15%	\$250.0 million	\$303.6 million	\$98,407	200.0%
	Individual Performance	20%	N/A	N/A	\$102,343	156.0%
L. Kelly	Corporate Revenue	35%	\$1,786.2 million	\$1,834.2 million	\$153,377	140.3%
	EPS	30%	\$5.70	\$6.00	\$143,583	153.2%
	Cash Flow	15%	\$250.0 million	\$303.6 million	\$93,723	200.0%
	Individual Performance	20%	N/A	N/A	\$97,477	156.0%
T. Kennedy	Corporate Revenue	17.5%	\$1,786.2 million	\$1,834.2 million	\$29,557	140.3%
	EPS	15%	\$5.70	\$6.00	\$38,737	153.2%
	Cash Flow	7.5%	\$250.0 million	\$303.6 million	\$19,667	200%
	Global Ops Financial Performance	20%	\$44.1 million	\$62.4 million	\$0	0%
	Global Ops Service Performance	12%	85%	85.8%	\$23,583	140%
	Global Ops Inventory	8%	\$365 million	\$367.9 million	\$6,428	57.2%
	Individual Performance	20%	N/A	N/A	\$49,344	176.0%
C. Hicks	Corporate Revenue	35%	\$1,786.2 million	\$1,834.2 million	\$55,344	140.3%
	EPS	30%	\$5.70	\$6.00	\$51,810	153.2%
	Cash Flow	15%	\$250.0 million	\$303.6 million	\$33,819	200.0%
	Individual Performance	20%	N/A	N/A	\$35,171	156.0%

Based on the applicable levels of achievement described above, aggregate payments to the named executive officers were as follows:

Named Executive Officer	Payout Based on Performance		
	Target Award Opportunity	Actual Award	Achieved (% of Target Award)
Benson F. Smith	\$ 1,300,096	\$ 2,031,457	156.3%
Thomas E. Powell	\$ 328,024	\$ 512,552	156.3%
Liam Kelly	\$ 312,411	\$ 488,161	156.3%
Tony Kennedy	\$ 140,475	\$ 167,316	119.1%
Cameron P. Hicks	\$ 112,729	\$ 176,144	156.3%

The actual award payments to our named executive officers are reflected in the Non-Equity Incentive Compensation column of the Summary Compensation Table.

**Equity Incentive Compensation**

Our equity incentive compensation program is designed to promote achievement of corporate goals, encourage the growth of stockholder value, enable participation in our long-term growth and profitability and serve as an incentive for continued employment. In setting the value of our equity incentive compensation for executives, we generally considered the extent to which the equity incentive compensation value would enable the total compensation paid to our executives to be within the competitive range of the median to 75th percentile of companies referenced in the comparative data that the Compensation Committee reviewed. In addition, the value of our equity compensation also reflected the

## Edgar Filing: TELEFLEX INC - Form DEF 14A

contribution of each executive position to our company's objectives, individual performance and other factors. With respect to Messrs. Smith, Powell and Kelly, we used a percentage of their salary to determine the value of our equity incentive compensation, which we refer to as the equity incentive percentage. The value of the equity incentive compensation provided to

**Table of Contents**

Messrs. Kennedy and Hicks was established using a dollar amount. The 2014 equity incentive percentage for Messrs. Smith Powell and Kelly and the dollar amount of the equity compensation opportunity for all of our named executive officers were as follows:

<i>Name</i>	<i>Equity Incentive Percentage</i>	<i>Total Equity Incentive Compensation Opportunity</i>
Benson F. Smith	250%	\$ 2,080,000
Thomas E. Powell	170%	\$ 765,000
Liam Kelly	150%*	\$ 702,455
Tony Kennedy		\$ 200,000
Cameron P. Hicks		\$ 150,000

\* See the text below for an explanation of Mr. Kelly's equity incentive percentage.

The equity incentive percentage for Messrs. Smith and Powell was unchanged from 2013. Mr. Kelly's equity incentive compensation opportunity was calculated based on his equity incentive percentage and salary before and after his promotion. See Executive Compensation Overview Determination of Compensation Promotion of Liam Kelly.

Our equity incentive compensation for 2014 consisted of stock options and restricted stock awards. We designed these components to align the interests of our named executive officers to our stockholders by providing an incentive to our executives to achieve performance that should have a favorable impact on the value of our common stock.

In 2014, we continued to allocate 65 percent of the equity incentive award to stock options because we believed that stock price appreciation should be the principal determinant of the economic return received by our executives from equity compensation, and absent such appreciation, stock options would have no value. As such, we consider stock options to be performance based compensation that provides a strong alignment between return to stockholders and the compensation of executives. The remaining 35 percent of the equity award was allocated to restricted stock awards, which we granted to provide a retention incentive for our executives and an incentive to increase stockholder value.

We routinely evaluate and consider the type of awards granted under our equity incentive program and may, in the future, decide that other types of awards are appropriate to provide incentives that promote our goals and objectives.

*Stock Option Awards*

In accordance with the equity award allocation described above, we granted stock options to our named executive officers in 2014 based upon 65 percent of their respective total equity incentive compensation opportunities. Using a Black-Scholes methodology, we valued the stock options granted in February and April of 2014 at \$17.95 and \$19.08 per underlying share, respectively.

As a result of these computations, the named executive officers received stock options for the respective numbers of underlying shares set forth below in the Grants of Plan-Based Awards table under the column heading, All Other Option Awards: Number of Securities Underlying Options. The dollar amount for option awards shown in the Summary Compensation Table generally reflects the aggregate grant date fair value of the named executive officer's award or awards determined in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation Stock Compensation, which we refer to below as ASC Topic 718. See note 3 to the Summary Compensation Table for further information.

Except as noted below, stock options awarded under the equity incentive compensation program are granted in the first quarter of each year, effective on the third business day after we announce our financial results for the preceding year, and have an exercise price equal to the closing price of our common stock on the effective date of grant. Our options generally vest in equal annual

---

## **Table of Contents**

increments on the first three anniversaries of the effective date of grant. We believe that these vesting terms, together with the restricted stock component of our equity incentive program, provide our executives with a meaningful incentive for continued employment. Our Board of Directors has delegated to Mr. Smith, as sole member of the Non-Executive Equity Awards Committee, authority to grant equity awards to employees who are not executive officers and who do not otherwise report to the Chief Executive Officer. The equity awards may be granted only in connection with commencement of employment or promotions to positions eligible to receive equity awards under guidelines previously approved by the Compensation Committee.

For additional information regarding terms of stock options granted to the named executive officers, see the footnotes accompanying the Grants of Plan-Based Awards table.

### *Restricted Stock Awards*

In 2014, we granted restricted stock awards to our named executive officers based upon 35 percent of the total equity incentive compensation opportunity. We valued the restricted stock granted in February and April of 2014 at \$97.08 and \$103.45 per share, respectively. These values were determined based upon the 30-day trailing average closing price of our common stock as of the date on which the restricted stock awards were approved, discounted by the present value of estimated future dividends to be declared on our common stock during the applicable vesting period.

As a result of these computations, the named executive officers received restricted stock awards for the respective numbers of underlying shares set forth below in the Grants of Plan-Based Awards table under the column heading, All Other Stock Awards: Number of Shares of Stock or Units. The dollar amounts for restricted stock awards shown in the Summary Compensation Table generally reflect the aggregate grant date fair value of each named executive officer's award or awards determined in accordance with ASC Topic 718. See note 2 to the Summary Compensation Table for further information.

Restricted stock awards under the equity incentive program are generally granted in the first quarter of each year, effective on the same date as the effective date of stock option grants, and vest in their entirety on the third anniversary of the date of grant. As noted above, we believe that these vesting terms, together with the stock option component of our equity incentive program, provide our executives with a meaningful incentive for continued employment. For additional information regarding restricted stock award terms, see the footnotes accompanying the Grants of Plan-Based Awards table.

### **Personal Benefits**

We provide our named executive officers with personal benefits that we believe are appropriate as part of a competitive compensation package designed to attract and retain highly skilled executives. We periodically review the levels of perquisites and other personal benefits provided to our named executive officers. The personal benefits provided to our named executive officers consist of a company car or car allowance, term life insurance coverage and, with respect to our Chief Executive Officer, personal use of our corporate aircraft for up to a maximum of 50 hours per year. Mr. Smith is fully responsible for personal income tax liability associated with personal use of our corporate aircraft, and we do not provide tax assistance with respect to this imputed income (i.e., no gross-ups). Additional information regarding these benefits is provided in the Summary Compensation Table and the accompanying footnotes.

### **ONGOING AND POST-EMPLOYMENT ARRANGEMENTS**

We have several plans and agreements addressing compensation for our named executive officers that accrue value as the executive continues to work for us, provide special benefits upon certain types of termination events and provide retirement benefits. These plans and agreements were designed to be a part of a competitive compensation package that would encourage our executives to remain employed by us. Not all plans apply to each named executive officer, and the participants are indicated in the discussion below.

## **Table of Contents**

### **Executive Severance Arrangements**

The severance agreements we have entered into with Messrs. Smith, Powell and Kelly provide payments and other benefits to the named executive officer if we terminate his employment for any reason other than death, disability (in the case of Messrs. Smith and Powell) or cause or (in the case of Messrs. Smith and Powell) if he terminates employment for good reason, except in circumstances covered by the change in control agreements described below. The severance compensation for each of Messrs. Smith, Powell and Kelly consists of continued payment of the executive's base salary during a severance compensation period of 24 months for Mr. Smith, 21 months for Mr. Powell (subject to an increase to 24 months based on the length of his continued employment) and 15 months for Mr. Kelly. Under these agreements, in the event the executive is terminated before the last day, but after the completion of at least six months, of a performance period, the executive also may receive payment of a pro-rated amount of the annual incentive award the executive would have been entitled to receive for the year in which his employment terminated. The agreements also provide the executive with continued health, life and accident insurance for up to the full severance compensation period, as well as certain additional benefits.

Under the terms of Mr. Kennedy's employment agreement, we have agreed to provide him with six months prior notice of termination or, at our election, continuation of his salary and contractual benefits for six months in lieu of providing such notice. Mr. Hicks' severance arrangement is covered by a letter agreement related to his employment, which provides that he would receive his salary and medical and dental benefits for a period of nine months following the effective date of his termination.

We believe that these severance arrangements provide a competitive benefit that enhances our ability to retain capable executive officers. See Potential Payments Upon Termination or Change in Control for additional information.

### **Change in Control Arrangements**

We have change in control agreements with Messrs. Smith, Powell and Kelly, which provide for payments and other benefits to the executive if we terminate the executive's employment for any reason other than disability or cause, or if, in the case of Messrs. Smith and Powell, the executive terminates employment for good reason, in each case within two years following a change in control. In determining to provide a higher level of benefits to Mr. Smith than to our other named executive officers, we reviewed data provided by FW Cook regarding peer group company practices, which indicated that most peer group companies provided a higher level of benefits to their chief executive officers than to other executives. For a more detailed discussion of these arrangements, see Potential Payments Upon Termination or Change in Control, below. We do not provide tax gross-ups in connection with our change of control arrangements.

We entered into the change in control arrangements so that our executives can focus their attention and energies on our business during periods of uncertainty that may occur due to a potential change in control. In addition, we want our executives to support a corporate transaction involving a change in control that is in the best interests of our stockholders, even though the transaction may have an effect on the executive's continued employment with us. We believe these arrangements provide an important incentive for our executives to remain with us.

### **Retirement Benefits**

We provide certain retirement benefits to our executive officers that also are offered to our other employees. In addition, we maintain certain supplemental plans for our executives that are intended to promote tax efficiency and replace the benefit opportunities lost due to regulatory limits on broad-based tax-qualified plans.



**Table of Contents**

*Deferred Compensation Plan*

We maintain a Deferred Compensation Plan, which is a non-qualified plan under which executives may defer specified amounts of their salary, compensation under the annual incentive compensation program and, if applicable, long-term cash incentive awards. Salary deferral elections are made annually by eligible executives in respect of salary amounts to be earned in the following year. Deferral elections with regard to a cash incentive award are made by executives no later than six months prior to the end of the performance period applicable to the award. Participants may direct the investment of deferred amounts into a fixed interest fund or one or more notional funds, including a notional Teleflex stock fund. Executives also may defer restricted stock awards. Each of our named executive officers, other than Messrs. Kelly and Kennedy, is eligible to participate in the Deferred Compensation Plan. Messrs. Kelly and Kennedy participate in a different plan, governed by Irish law, under which we provide contributions equal to 12 percent and seven percent, respectively, of their base salary, subject to their making required cash contributions to the plan.

In addition, Messrs. Smith and Powell are eligible to receive a company matching contribution of up to three percent of their annual cash compensation with respect to amounts they defer into the Deferred Compensation Plan. We also credit Messrs. Smith's and Powell's Deferred Compensation Plan accounts with an amount equal to five percent of their annual cash compensation, less the maximum matching contribution the participant was eligible to receive under our 401(k) Plan.

See the Non-qualified Deferred Compensation 2014 table for additional information.

**TAX CONSIDERATIONS**

Section 162(m) of the Internal Revenue Code limits to \$1 million the deductibility for federal income tax purposes of annual compensation paid by a publicly held company to its chief executive officer and other specified executive officers, unless certain conditions are met. To the extent feasible, we structure executive compensation to preserve deductibility for federal income tax purposes. Our Executive Incentive Plan, under which our annual incentive program is established, is designed to facilitate the deductibility of the annual bonus awards under Section 162(m). In addition, our stock compensation plans are designed to preserve, to the extent otherwise available, the deductibility of income realized upon the exercise of stock options. We retain the discretion to authorize compensation that may not be deductible, such as the annual restricted stock awards that we currently grant to our executives under our equity incentive program, and it is possible that some portion of compensation paid to our executives at present and in future years will be non-deductible, particularly if a change in control occurs.

**STOCK OWNERSHIP GUIDELINES**

In February 2008, our Board established stock ownership guidelines for our named executive officers and other executives to further align the interests of management with those of our stockholders and to further encourage long-term performance. The ownership guidelines are expressed in terms of the stock ownership value, which consists of value attributable to shares in our 401(k) plan, restricted stock and a portion of stock options held by the executive (described below), as a multiple of that executive's base salary, as follows:

<i>Position</i>	<i>Required Stock Ownership Value (as a multiple of base salary)</i>
Chief Executive Officer	5 x base salary
Other Executive Officers	2 x base salary

**Table of Contents**

Each of our executive officers has until five years after the date of his appointment or promotion to an executive officer position to satisfy the required stock ownership value. The guidelines applicable to each of our current executive officers at December 31, 2014, and the executive officer's progress towards achieving the required stock ownership value, are shown on the following table:

<i>Name</i>	<i>Applicable Base Salary(1)</i>	<i>Required Stock Ownership Value(2)</i>	<i>Stock Ownership Value at 12/31/2014(3)</i>
Benson F. Smith	\$874,000	\$4,370,000	\$12,689,000
Thomas E. Powell	\$472,500	\$ 945,000	\$ 2,070,000
Liam Kelly	\$473,678	\$ 947,356	\$ 1,350,000
Tony Kennedy	\$313,191	\$ 626,382	\$ 324,000
Cameron P. Hicks	\$283,249	\$ 566,498	\$ 335,000

- (1) Applicable base salary refers to the base salaries in effect on December 31, 2014.
- (2) Messrs. Smith, Powell, Kelly, Kennedy and Hicks must satisfy the required stock ownership value requirements by January 2016, March 2017, June 2017, December 2019 and December 2019, respectively.
- (3) Stock ownership value is calculated based on the number of shares owned by the executive officer or members of his immediate family residing in the same household, shares held for the executive officer's account in our 401(k) plan and restricted stock held by the executive officer, multiplied by the closing market price of a share of our common stock on December 31, 2014, as reported by the New York Stock Exchange. In addition, stock ownership value includes one-half of the aggregate amount by which shares underlying vested, in-the-money stock options held by the executive, multiplied by the closing stock price of a share of our common stock December 31, 2014, exceeds the aggregate exercise price of those options.

**2014 STOCKHOLDER ADVISORY VOTE ON EXECUTIVE COMPENSATION**

At our 2014 annual meeting, our stockholders approved, on an advisory basis, the compensation paid to our named executive officers, as disclosed under the SEC's compensation disclosure rules, including the compensation discussion and analysis, the compensation tables and any related materials disclosed in the proxy statement for the 2014 annual meeting. The stockholder vote in favor of named executive officer compensation totaled approximately 98.4 percent of all votes cast, including abstentions. We considered the results of the advisory vote and determined that, in light of this strong stockholder support, no revisions to our executive officer compensation program need be made in response to the vote.

**COMPENSATION COMMITTEE REPORT**

The Compensation Committee of the Company has reviewed and discussed with management the Compensation Discussion and Analysis. Based on this review and discussion, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement and, through incorporation by reference, in our Annual Report on Form 10-K for the year ended December 31, 2014.

WILLIAM R. COOK, *CHAIRMAN*

JEFFREY A. GRAVES

STUART A. RANDLE

**Table of Contents****SUMMARY COMPENSATION TABLE 2014**

The following table sets forth compensation information with respect to the Company's Chief Executive Officer, Chief Financial Officer and each of the three other most highly compensated executive officers during 2014, determined in accordance with SEC regulations. These individuals are referred to in this Proxy Statement as the named executive officers.

Name and Principal Position	Year	Salary		Stock	Option	Change in Pension Value Non-Equity and Incentive Non-qualified			Total
		(1)	Bonus	Awards (2)	Awards (3)	Plan Compensation (4)	Deferred Earnings (5)	All Other Compensation (5)	
Benson F. Smith Chairman, President and Chief Executive Officer	2014	\$866,731		\$819,335	\$1,480,929	\$2,031,457		\$342,169	\$5,540,621
	2013	\$826,585		\$761,486	\$1,335,472	\$1,416,442		\$261,426	\$4,601,411
	2012	\$800,000		\$698,552	\$1,299,257	\$2,598,882		\$363,359	\$5,760,050
Thomas E. Powell Executive Vice President and Chief Financial Officer	2014	\$468,606		\$301,232	\$544,424	\$512,552		\$93,035	\$1,919,849
	2013	\$441,461		\$280,049	\$491,168	\$343,759		\$240,899	\$1,797,336
	2012	\$380,192		\$93,111	\$173,050	\$262,789		\$57,588	\$966,730
Liam Kelly(6) Executive Vice President and President International	2014	\$431,450		\$262,757	\$474,768	\$488,161		\$540,805	\$2,197,941
	2013	\$427,060		\$211,079	\$369,968	\$280,320		\$83,092	\$1,371,519
	2012	\$355,383		\$113,830	\$211,651	\$260,123		\$72,234	\$1,013,221
Thomas Anthony Kennedy(7) Senior Vice President, Global Operations	2014	\$312,167		\$70,090	\$126,745	\$167,316		\$44,414	\$720,732
Cameron P. Hicks(8) Vice President, Global Human Resources	2014	\$281,822		\$56,208	\$101,669	\$176,144		\$23,364	\$639,207

- (1) Messrs. Smith and Powell deferred \$26,002 and \$14,058, respectively, of their 2014 salary into a deferral account under our Deferred Compensation Plan. See "Non-Qualified Deferred Compensation 2014" for additional information.
- (2) The amounts shown in this column represent the aggregate grant date fair value of the restricted stock awards granted in 2014, determined in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, "Compensation - Stock Compensation" (ASC Topic 718). A discussion of the assumptions used in calculating these values may be found in Notes 1 and 12 to our 2014 audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as filed with the SEC. See "Grants of Plan-Based Awards 2014" for additional information.
- (3) The amounts shown in this column represent the aggregate grant date fair value of the stock option awards granted in 2014, determined in accordance with ASC Topic 718. A discussion of the assumptions used in calculating these values may be found in Notes 1 and 12 to our 2014 audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as filed with the SEC. See "Grants of Plan-Based Awards 2014" for additional information.
- (4) The amounts shown in this column represent the amounts paid to the named executive officers under the Company's 2014 annual incentive program. See the section entitled "Annual Executive Incentive Compensation" under "Compensation Discussion and Analysis 2014 Compensation," for additional information regarding the annual incentive awards. Messrs. Smith and Powell elected to defer \$1,218,874 and \$51,255, respectively, of their 2014 non-equity incentive plan compensation into a deferral account under our Deferred Compensation Plan. See "Non-Qualified Deferred Compensation 2014" for additional information.



**Table of Contents**

- (5) The amounts shown in this column consist of the components set forth in the table below, which include the matching contributions we made with respect to each named executive officer's defined contribution retirement plan account, the dollar value of life insurance premiums that we paid for the benefit of each named executive officer and perquisites. With respect to Messrs. Smith and Powell, the amounts shown in this column also include the non-elective and matching contributions we made with respect to their deferred compensation accounts under our Deferred Compensation Plan. The amounts set forth below with respect to the costs we incurred to provide the named executive officers with a company car are calculated based upon the lease and insurance costs incurred by the Company with respect to the vehicle used by the named executive officer, as well as any fuel and maintenance costs reimbursed by the Company to the named executive officer. The amount set forth below with respect to the costs incurred by the Company to provide Mr. Smith with personal use of the Company aircraft is calculated based upon the actual incremental cost to the Company to operate the aircraft, including the cost of fuel, trip-related maintenance, crew travel expenses, on-board catering, landing fees, trip-related hangar and parking costs and other variable costs.

Name	Defined Contribution Plan Company Contributions	Deferred Compensation Plan Company Contributions	Life Insurance Premiums	Perquisites(a)
Mr. Smith	\$12,750	\$165,962	\$3,146	\$160,311
Mr. Powell	\$12,750	\$51,244	\$1,800	\$27,241
Mr. Kelly	\$49,687		\$745	\$490,373
Mr. Kennedy	\$21,852		\$602	\$21,960
Mr. Hicks	\$12,576		\$680	\$10,108

- (a) The amounts shown in this column include the following benefits: for Mr. Smith, \$118,532 in incremental costs we incurred to provide him with personal use of our aircraft and \$41,779 in incremental costs we incurred to provide him with use of a company car; for each of Messrs. Powell, Kennedy and Hicks, the incremental costs we incurred to provide the use of a company car; and for Mr. Kelly, \$469,924 in incremental costs we incurred to provide him with certain expatriate benefits and \$20,448 in incremental costs we incurred to provide him with use of a company car. The expatriate benefits provided to Mr. Kelly include \$48,038 in relocation expenses, \$51,458 in housing costs, \$104,750 in dependent tuition costs, and lesser amounts for transportation, home leave expenses for travel between the United States and Ireland, tax consultation and preparation services and reimbursement of health insurance premiums. The expatriate benefits also include \$243,250 in tax and tax gross up-payments related to Mr. Kelly's expatriate benefits.
- (6) Prior to April 2014, Mr. Kelly received all of his cash compensation in euros. After his promotion to the position of Executive Vice President and President, Americas in April 2014, a portion of Mr. Kelly's cash compensation continued to be paid in euros, with the balance being paid in U.S. dollars. Amounts reported in the Salary, Non-Equity Incentive Plan Compensation and the All Other Compensation columns that were paid to Mr. Kelly in euros were converted to U.S. dollars using the exchange rate in effect as of December 31 of the year presented. The exchange rate used for 2014 was 1.22 euros per dollar, for 2013 was 1.3776 euros per dollar and for 2012 was 1.3185 euros per dollar.
- (7) Mr. Kennedy, who initially was designated as an executive officer in December of 2014, receives his cash compensation in euros. The amounts reported for Mr. Kennedy in the Salary, Bonus, Non-Equity Incentive Plan Compensation and the All Other Compensation columns were converted to U.S. dollars using the exchange rate in effect as of December 31, 2014, which was 1.22 euros per dollar.
- (8) Mr. Hicks initially was designated as an executive officer in December of 2014.

**Table of Contents****GRANTS OF PLAN-BASED AWARDS 2014**

The following table sets forth information regarding our grants of plan based awards to the named executive officers during the fiscal year ended December 31, 2014.

Name	Grant Date	Approval Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards(1)			All Other Stock Awards: Number of Shares of Stock or Units(2)	All Other Option Awards: Number of Securities Underlying Options(3)	Exercise or Base Price of Option Awards(4)	Grant Date Fair Value of Stock and Option Awards(5)
			Threshold	Target	Maximum				
Benson F. Smith			\$325,024	\$1,300,096	\$2,600,192				
	2/19/2014	2/19/2014							
	2/26/2014	2/19/2014					82,502	\$148,029	
	2/26/2014	2/19/2014				8,440		\$81,335	
Thomas E. Powell				\$328,024	\$656,048				
			\$82,006						
	2/18/2014	2/18/2014							
	2/26/2014	2/18/2014					30,330	\$101,12	
	2/26/2014	2/18/2014				3,103		\$301,232	
Liam Kelly(6)				\$312,411	\$624,822				
			\$78,103						
	2/18/2014	2/18/2014							
	2/26/2014	2/18/2014				2,371	23,175	\$101,12	
	2/26/2014	2/18/2014						\$230,171	
	4/1/2014	2/18/2014					3,081	\$107,47	
	4/1/2014	2/18/2014				315		\$32,586	
T. Anthony Kennedy				\$140,475	\$280,951				
			\$35,119						
	2/18/2014	2/18/2014							
	2/26/2014	2/18/2014					7,061	\$101,12	
	2/26/2014	2/18/2014				722		\$70,090	
Cameron P. Hicks				\$112,729	\$225,457				
			\$28,182						
	2/18/2014	2/18/2014							
	2/26/2014	2/18/2014					5,664	\$101,12	
	2/26/2014	2/18/2014				579		\$56,208	

(1) Represents the threshold, target and maximum payments the named executive officer was eligible to receive based upon achievement of the metrics under our 2014 annual incentive program. The amounts actually paid to each named executive officer under this award are reported in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table. See the section entitled Annual Executive Incentive Compensation under Compensation Discussion and Analysis 2014 Compensation, for additional information regarding the annual incentive awards.

## Edgar Filing: TELEFLEX INC - Form DEF 14A

- (2) The amounts shown in this column reflect the number of shares of our common stock underlying restricted stock awards granted to each named executive officer under our 2008 Stock Incentive Plan. All of the shares of restricted stock granted to the named executive officers will vest on the third anniversary of the grant date. See the section entitled "Equity Incentive Compensation" under "Compensation Discussion and Analysis - 2014 Compensation," for additional information regarding the restricted stock awards.
- (3) The amounts shown in this column reflect the number of shares of our common stock underlying options granted to each named executive officer under our 2008 Stock Incentive Plan. The options vest in three equal annual installments beginning on the first anniversary of the grant date. See the section entitled "Equity Incentive Compensation" under "Compensation Discussion and Analysis - 2014 Compensation," for additional information regarding the stock option awards.
- (4) Stock options awarded under our 2008 Stock Compensation plan have an exercise price equal to the closing price of our common stock on the date of grant.
- (5) The amounts shown in this column represent the aggregate grant date fair value of the stock and option awards granted in 2014, determined in accordance with ASC Topic 718. A discussion of the assumptions used in calculating these values may be found in Notes 1 and 12 to our 2014 audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as filed with the SEC.
- (6) Mr. Kelly received additional stock option and stock award grants on April 1, 2014 in connection with his promotion to the position of Executive Vice President and President, Americas.

**Table of Contents****OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2014**

The following table sets forth information with respect to the outstanding stock options and unvested restricted stock held by each named executive officer on December 31, 2014.

Name	Grant Date	Option Awards				Stock Awards	
		Number of Securities Underlying Unexercised Options	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested(2)	Market Value of Shares or Units of Stock That Have Not Vested(3)
Benson F. Smith	2/26/2014					8,440	\$969,081
	2/26/2014		82,502	\$101.12	2/26/2024		
	3/14/2013					13,460	
	2/26/2013		62,876	\$78.62	2/26/2023		\$1,545,477
	2/26/2013					10,213	
	2/28/2012		36,827	\$59.75	2/28/2022		\$1,172,657
	2/28/2012	31,437				12,543	
	3/1/2011			\$57.78	3/1/2021		
	3/1/2010	73,654		\$61.34	3/1/2020		\$1,440,187
	3/2/2009			\$46.12	3/2/2019		
	3/4/2008	107,973		\$56.25	3/4/2018		
	2/27/2007	2,000		\$67.25	2/27/2017		
	2/22/2006	2,000		\$64.25	2/22/2016		
	4/29/2005	2,000		\$53.00	4/29/2015		
			2,000				
		2,000					
		5,000					
Thomas E. Powell	2/26/2014					3,103	\$356,286
	2/26/2014		30,330	\$101.12	2/26/2024		
	2/26/2013					3,756	
	2/26/2013		23,125	\$78.62	2/26/2023		
	3/13/2012						
	3/13/2012		2,043	\$59.81	3/13/2022		\$431,264
	2/28/2012	11,562				696	
	2/28/2012		2,861	\$59.75	2/28/2022		
	9/20/2011			\$56.00	9/20/2021		
			4,084			975	\$79,915
		5,721				\$111,950	
		14,758					
Liam Kelly						315	\$36,168



Edgar Filing: TELEFLEX INC - Form DEF 14A

	4/1/2014						
	4/1/2014	3,081	\$107.47	4/1/2024	2,371		
	2/26/2014						\$272,238
	2/26/2014	23,175	\$101.12	2/26/2024			
	3/14/2013				388		
	3/14/2013	2,386	\$82.26	3/14/2023			
	2/26/2013						
	2/26/2013	14,922	\$78.62	2/26/2023	2,424		\$44,550
	6/25/2012						
	6/25/2012	1,193	2,237	\$59.96	6/25/2022		
	2/28/2012						
	2/28/2012	3,755	\$59.75	2/28/2022	762		\$278,324
		7,461			1,279		
							\$87,493
		4,474					
							\$146,855
		7,508					
T. Anthony Kennedy	2/26/2014				722		\$82,900
	2/26/2014	7,061	\$101.12	2/26/2024			
	5/3/2013						
	5/3/2013	3,090	\$78.34	5/3/2023			
	2/26/2013						
	2/26/2013	2,024	\$78.62	2/26/2023	502		\$57,640
	2/28/2012						
	2/28/2012		\$59.75	2/28/2022			
		842					
					611		\$70,155
					989		\$113,557
Cameron P. Hicks	2/26/2014				579		\$66,481
	2/26/2014	5,664	\$101.12	2/26/2024			
	4/8/2013						
	4/8/2013	10,929	\$85.54	4/8/2023			
					688		\$78,996
		5,463					

- (1) The stock options granted to Mr. Smith (a) in 2014, 2013, 2012 and 2011 vest in three equal annual installments beginning on the first anniversary of the grant date; and (b) prior to 2011 were granted to him in respect of his service as a non-employee director and were fully vested at the time of grant, with the exception of the stock options granted on April 29, 2005, which fully vested on October 29, 2005. The stock options granted to Messrs. Powell, Kelly, Kennedy and Hicks vest in three equal annual increments beginning on the first anniversary of the date of grant.
- (2) The outstanding restricted stock awards vest 100% on the third anniversary of the grant date.
- (3) The amounts set forth in this column represent the market value of the unvested shares of restricted stock held by the named executive officer based on a market price of \$114.82 per share, which was the closing price of our common stock on December 31, 2014, as reported by the New York Stock Exchange.



**Table of Contents****OPTION EXERCISES AND STOCK VESTED 2014**

The following table sets forth information regarding the number of shares acquired on the exercise of stock options by, and the vesting of restricted stock held by, the named executive officers during the fiscal year ended December 31, 2014.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise	Value Realized on Exercise(1)	Number of Shares Acquired on Vesting	Value Realized on Vesting(2)
Benson F. Smith			12,471	\$1,271,917
Thomas E. Powell			1,700	\$184,195
Liam Kelly			4,000	\$407,960
Thomas Anthony Kennedy(3)	3,398	\$152,173	1,200	\$122,388
Cameron P. Hicks			1,346	\$141,236

- (1) The value realized is equal to the difference between the market price per share of the shares acquired on the date of exercise (the closing price per share of our common stock, as reported by the New York Stock Exchange, on the date of exercise) and the exercise price, multiplied by the number of shares underlying the options.
- (2) The value realized is equal to the market price per share on the vesting date (the closing price per share of our common stock, as reported by the New York Stock Exchange, on the vesting date) multiplied by the number of restricted shares that vested. The shares of restricted stock included in the table with respect to Messrs. Smith, Kelly and Kennedy vested on March 1, 2014 and reflect a market price per share of \$101.99; with respect to Mr. Powell vested on September 20, 2014 and reflect a market price per share of \$108.35; and with respect to Mr. Hicks vested on April 8, 2014 and reflect a market price per share of \$104.93, which, in each case, was the closing price of our common stock on the vesting date, as reported by the New York Stock Exchange.
- (3) On December 3, 2014, Mr. Kennedy acquired 3,398 shares of our common stock through the exercise of a stock option to purchase 1,545 shares with an exercise price of \$78.34 per share, a stock option to purchase 1,011 shares with an exercise price of \$78.62 per share and a stock option to purchase 842 shares with an exercise price of \$59.75 per share. The shares underlying options exercised by Mr. Kennedy had a market price of \$118.60 per share, which was the closing price of our common stock on the date of exercise, as reported by the New York Stock Exchange.

**Table of Contents****NONQUALIFIED DEFERRED COMPENSATION 2014**

We maintain our Deferred Compensation Plan, under which executives, including the named executive officers, may defer up to 100 percent of their cash compensation (salary, annual incentive awards and, if applicable, long-term cash incentive awards). Participants also may defer restricted stock awards or restricted stock unit awards. Salary and restricted stock deferral elections are made by eligible executives in December of each year in respect of salary to be earned and restricted stock awards to be granted in the following year. With respect to deferral elections for annual incentive awards, the election must be made no later than six months prior to the end of the performance period applicable to such award. Participants in our Deferred Compensation Plan may direct the investment of deferred cash amounts into a fixed interest fund or one or more notional funds, and the value of the participants' investments will increase or decrease based on the applicable fixed income rate or performance of the underlying securities. Deferrals of restricted stock awards are invested in the Teleflex stock fund.

In addition, we provide a matching contribution to certain executives' accounts with respect to cash amounts deferred by those executives into the Deferred Compensation Plan, up to an amount equal to three percent of the participant's annual cash compensation. A participant will become vested in our matching contributions once the participant has completed two years of service or, if earlier, upon reaching age 65, or upon death or total disability. We also provide non-elective contributions to executives' accounts in an amount equal to five percent of the participant's annual cash compensation, less the maximum matching contribution the participant is eligible to receive under our 401(k) Plan. A participant will become vested in the additional contribution once the participant has completed five years of service or, if earlier, upon reaching age 65, death or total disability. In 2014, Messrs. Smith and Powell were eligible to receive matching and non-elective contributions under the plan.

The following table shows the funds available under the Deferred Compensation Plan and their respective annual rate of return for the calendar year ended December 31, 2014. Account balances in the Teleflex stock fund must remain in that fund and cannot be transferred to any other investment option. Additionally, distributions of balances invested in the Teleflex stock fund are made in the form of shares of Teleflex stock; distributions from other funds are payable in cash.

<i>Name of Fund</i>	<i>Rate of Return</i>
Fixed Income Fund	2.87%
Vanguard 500 Index	13.51%
Vanguard Mid-Cap Index	13.60%
Vanguard Small-Cap Index	7.37%
Teleflex Stock Fund	23.80%

A participant may elect to receive payment of deferred amounts, either in a lump-sum or in annual installments over a period of five or ten years, commencing upon separation from service, on a fixed date following separation from service or on an alternative date selected by the participant. Changes in the time or form of payment may be made in compliance with advance notice requirements under the plan, provided that the commencement of the revised payment schedule must be deferred by at least five years from the original commencement date.

**Table of Contents**

The following table sets forth information for the fiscal year ended December 31, 2014 regarding contributions, earnings and balances under our deferred compensation plan for each named executive officer:

<b>Name</b>	<b>Executive Contributions in Last Fiscal Year</b>	<b>Registrant Contributions in Last Fiscal Year(1)</b>	<b>Aggregate Earnings in Last Fiscal Year</b>	<b>Aggregate Withdrawals / Distributions</b>	<b>Aggregate Balance at Last Fiscal Year-End(2)</b>
Benson F. Smith	\$732,744	\$165,962	\$107,004		\$1,411,653
Thomas E. Powell	\$48,060	\$51,244	\$19,319		\$213,009
Liam Kelly					
Thomas Anthony Kennedy					
Cameron P. Hicks					

(1) The amounts set forth in this column consist of non-elective and matching contributions made to each named executive officer's account under our Deferred Compensation Plan. Non-elective contributions were made for Messrs. Smith and Powell in the amounts of \$98,945 and \$27,247, respectively. Matching contributions made for Messrs. Smith and Powell were \$67,017 and \$23,997, respectively. The amounts set forth in this column are included in the Summary Compensation Table in the All Other Compensation column for 2014.

(2) The following amounts were reported in the Summary Compensation Table in prior years: Mr. Smith, \$280,713 (2011 through 2013); and Mr. Powell, \$41,951 (2013).

---

**Table of Contents**

**POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL**

In this section, we describe payments and benefits that would be provided to our named executive officers upon several events of termination, including termination in connection with a change of control, assuming the termination event occurred on December 31, 2014. The information in this section does not include information relating to the following:

distributions under our deferred compensation plan. See Nonqualified Deferred Compensation 2014 for information regarding this plan;

restricted shares and shares underlying options that vested prior to the termination event. See the Outstanding Equity Awards at Fiscal Year-End 2014 table;

short-term incentive payments that would not be increased due to the termination event;

benefits that would be provided upon death or disability under supplemental life and/or disability insurance policies that we maintain for the benefit of our named executive officers; and

other payments and benefits provided on a nondiscriminatory basis to salaried employees generally upon termination of employment, including under our 401(k) plan.

**Employment and Severance Arrangements**

We have entered into agreements with Messrs. Smith, Powell and Kelly that provide for specified severance compensation and benefits in the event we terminate their employment without cause, as defined in the agreements, or if the executive terminates employment for good reason, as defined in the agreements, other than in connection with a change of control. The severance compensation consists of the following:

continued payment of the executive's base salary for a period of 24 months with respect to Mr. Smith, 18 months with respect to Mr. Powell (subject to increase by one month for each year of full-time employment by Mr. Powell, up to an additional six months) and 15 months with respect to Mr. Kelly (the Severance Period), provided that, in the case of Mr. Kelly, this amount will be reduced by any statutory redundancy payment to which he is entitled under Irish law;

if the executive is terminated before the last day, but after the completion of at least six months, of a performance period under the annual incentive plan, the payment of a pro rated amount of the annual incentive award the executive would have been entitled to receive for the year in which his employment was terminated (for purposes of the proration, the individual performance component will be equal to the target award for the component);

continued health, life and accident insurance, exclusive of costs that would have been borne by the executive in accordance with our applicable policy then in effect (provided that, with respect to Mr. Kelly, these benefits will be provided exclusive of statutory deductions and plan limitations or exclusions in the relevant plan), until the end of the Severance Period or until the executive is eligible for such benefits in connection with future employment, whichever occurs first; at our option, we may choose to provide to the executive a monthly cash payment equal to the executive's after-tax cost to obtain comparable health insurance coverage from commercial sources, subject to the executive bearing a portion of the cost in accordance with our policy then in effect for employee cost sharing (provided that, in the case of Mr. Kelly, in the event continued coverage is not permitted under the relevant plan, we will pay, subject to statutory deductions, an amount equivalent to the cost of coverage on the same basis as if Mr. Kelly continued to participate);



**Table of Contents**

if an executive, other than Mr. Kelly, was provided with the use of an automobile or cash allowance for an automobile, payment during the Severance Period of a cash allowance equal to the amount it would cost the executive to lease the vehicle utilized by the executive at the time of his or her termination, or, in the case of Mr. Kelly, continuation of his cash vehicle allowance in accordance with normal pay practices; and

reimbursement for executive outplacement services in an amount up to 16,000 with respect to Mr. Kelly and \$20,000 with respect to each of the other executives.

Under the terms of Mr. Kennedy's employment agreement, we have agreed to provide him with six months prior notice of termination or, at our election, continuation of his salary and contractual benefits for six months in lieu of providing such notice. Mr. Hicks' severance arrangement is covered by a letter agreement related to his employment, which provides that he would receive his salary and medical and dental benefits for a period of nine months following the effective date of his termination. Messrs. Kennedy and Hicks are also entitled to reimbursement for executive outplacement services under the terms of our severance policies.

The following table sets forth the potential post-termination payments and benefits the named executive officers would be entitled to receive under the agreements and policies described above, assuming the triggering event under the agreements occurred on December 31, 2014.

<i>Name</i>	<i>Base Salary(1)</i>	<i>Bonus Payments(2)</i>	<i>Health Benefits(3)</i>	<i>Life and</i>		<i>Executive Outplacement(6)</i>	<i>Total</i>
				<i>Accident Insurance(4)</i>	<i>Auto-mobile(5)</i>		
B. Smith	\$ 1,748,000	\$ 2,031,457	\$28,256	\$7,236	\$80,440	\$20,000	\$3,915,389
T. Powell	\$826,875	\$512,552	\$24,724	\$3,623	\$43,918	\$20,000	\$1,431,691
L. Kelly	\$592,098	\$488,161	\$17,660	\$932	\$31,982	\$19,520	\$1,150,351
T. Kennedy(7)	\$156,596	\$167,316	\$2,446	\$301	\$10,980	\$7,320	\$344,959
C. Hicks	\$212,437	\$176,144	\$10,596			\$9,000	\$408,177

- (1) The amounts set forth in this column reflect the amounts the named executive officers would be entitled to receive based upon salaries in effect as of December 31, 2014, and, in accordance with the terms of the applicable agreement, based upon the following respective periods for which the amounts will be provided: Mr. Smith, 24 months; Mr. Powell, 21 months; Mr. Kelly, 15 months; Mr. Kennedy, six months; and Mr. Hicks, nine months.
- (2) The amounts set forth in this column reflect the actual cash incentive award each executive received for 2014, as reflected in the Summary Compensation Table.
- (3) The amounts set forth in this column have been calculated based upon the health coverage rates in effect as of December 31, 2014, and, in accordance with the terms of the applicable agreement, based upon the following respective periods for which coverage will be provided: Mr. Smith, 24 months; Mr. Powell, 21 months; Mr. Kelly, 15 months; Mr. Kennedy, six months; and Mr. Hicks, nine months.
- (4) The amounts set forth in this column have been calculated based upon the life and accident insurance rates in effect as of December 31, 2014, and, in accordance with the terms of the applicable agreement, based upon the following respective periods for which the insurance will be provided: Mr. Smith, 24 months; Mr. Powell, 21 months; Mr. Kelly, 15 months; and Mr. Kennedy, six months.
- (5) The amounts set forth in this column are based upon automobile lease rates in effect as of December 31, 2014, and, in accordance with the terms of the applicable agreement, based upon the following respective periods for which the vehicle allowance will be provided: Mr. Smith, 24 months; Mr. Powell, 21 months; Mr. Kelly, 15 months; and Mr. Kennedy, six months.
- (6) The amounts set forth in this column represent the maximum payment the named executive officer would be entitled to receive for outplacement services, under the applicable agreement for Messrs. Smith, Powell and Kelly, or under company policy for Messrs. Kennedy and Hicks.



## Edgar Filing: TELEFLEX INC - Form DEF 14A

(7) The amounts shown for Mr. Kennedy, who receives his cash compensation in euros, have been converted to U.S. dollars using an exchange rate of 1.22 euros per dollar, which was the exchange rate in effect as of December 31, 2014.

### **Change-of-Control Arrangements**

We have entered into agreements with Messrs. Smith, Powell and Kelly that provide for specified severance compensation and benefits in the event that a Change in Control (as defined in the

**Table of Contents**

agreements) occurs, and the executive's employment is terminated within two years after the Change in Control either by the executive for good reason, as defined in the agreement, or by us for any reason other than disability or cause, each as defined in the agreements. The severance compensation consists of the following:

if no amount has been awarded to the executive under any plan providing for payment of a cash bonus in the year of termination, the executive will receive a bonus payment equal to the target award under such plan;

the executive's target bonus under each bonus plan providing for payment of a cash bonus in the year following the year in which the executive's employment was terminated, pro rated based on the number of days the executive was employed during the applicable performance period under such bonus plan;

payment of the executive's base salary (based on the highest salary rate in effect for the executive at the time of, or at any time after the Change in Control) for a specified period after termination of employment, which period is equal to three years for Mr. Smith, two years for Mr. Powell and twenty-one months for Mr. Kelly (the CIC Severance Period);

annual payments during the CIC Severance Period, each equal to the sum of the target awards under each bonus plan providing for payment of a cash bonus in the year following the year in which the executive's employment was terminated;

immediate vesting of all unvested stock options and restricted stock awards held by the executive;

continuation of health insurance during the CIC Severance Period or, if the executive is not eligible for continued coverage after termination, reimbursement during the CIC Severance Period, on an after-tax basis, of any premiums the executive is required to pay in order to maintain coverage at a level comparable to the coverage he last elected for himself, his spouse and dependents under our health care plan, exclusive of costs that would have been borne by the executive in accordance with our applicable policy then in effect for employee participation in premiums;

if the executive was provided with the use of an automobile or cash allowance for an automobile, payment during the CIC Severance Period of a cash allowance equal to the amount it would cost the executive to lease the vehicle utilized by the executive at the time of his or her termination;

a cash payment equal to the non-elective contribution the executive would have been entitled to receive under our Deferred Compensation Plan in respect of three additional years of service, in the case of Mr. Smith, and two additional years of service, in the case of Messrs. Powell and Kelly; and

reimbursement for executive outplacement services in an amount up to \$20,000.

The executive change in control agreements have an initial term of three years, and automatically renew for successive one year periods unless we terminate the agreements. However, notwithstanding any termination by us, the executive change in control agreements will remain in effect for a period of at least two years following a Change in Control that occurs during the term of the agreement.

We have not entered into change in control agreements with Messrs. Kennedy and Hicks. Therefore, in the event of their termination of employment following a change in control, Messrs. Kennedy and Hicks would be entitled to receive the same severance compensation and benefits as described above under Employment and Severance Arrangements. In addition, in accordance with



**Table of Contents**

the terms of our 2014 Stock Incentive Plan and our 2008 Stock Incentive Plan, all unvested stock options and restricted stock awards held by Messrs. Kennedy and Hicks would immediately vest upon the occurrence of a change in control, as defined in those plans.

The following table sets forth information regarding the potential payments and benefits Messrs. Smith, Powell and Kelly would have been entitled to receive under the agreements and plans described above assuming the triggering event under the agreements occurred on December 31, 2014.

Name	Base Salary	Annual Cash Incentive Award Payments(1)	Vesting Of Unvested		Auto- Mobile(4)	Deferred Compen- sation Plan Payments(5)	Executive Out- placement(6)	Total
			Restricted Stock(2)	Health Benefits(3)				
B. Smith	\$2,622,000	\$5,964,457	\$10,561,867	\$42,384	\$120,660	\$304,228	\$20,000	\$19,635,596
T. Powell	\$945,000	\$1,174,052	\$2,502,001	\$28,256	\$50,192	\$55,738	\$20,000	\$4,775,239
L. Kelly	\$828,937	\$1,068,416	\$2,153,145	\$24,724	\$44,774		\$20,000	\$4,139,996
T. Kennedy	\$156,596	\$167,316	\$653,348	\$2,446	\$10,980		\$7,320	\$998,006
C. Hicks	\$212,437	\$176,144	\$543,075	\$10,596			\$9,000	\$951,252

- (1) The amounts set forth in this column represent the sum of the actual cash incentive award payment the named executive officers received for the fiscal year ended December 31, 2014, as reflected in the Summary Compensation Table, and additional payments to be made based upon the respective number of years for which target awards would be payable following the change of control, as follows: Mr. Smith, three years; Mr. Powell, two years; and Mr. Kelly, 21 months.
- (2) The amounts set forth in this column represent the value the named executive officer would realize upon the vesting of the unvested stock options and restricted stock held by the named executive officer as of December 31, 2014. The value of the unvested stock options was calculated based upon the difference between the aggregate market value of the shares of common stock underlying the unvested stock options and the aggregate exercise price of those stock options. The market value was based on a price of \$114.82 per share, which was the closing price of our common stock on December 31, 2014, as reported by the New York Stock Exchange.
- (3) The amounts set forth in this column have been calculated based upon the health coverage rates for each named executive officer in effect as of December 31, 2014.
- (4) The amounts set forth in this column are based upon automobile lease rates in effect as of December 31, 2014, and, in accordance with the terms of the applicable agreement, based upon the following respective periods for which the vehicle allowance will be provided: Mr. Smith, 24 months; Mr. Powell, 21 months; Mr. Kelly, 15 months; and Mr. Kennedy, six months.
- (5) The amounts set forth in this column are equal to three times the amount of non-elective contribution we made to the Deferred Compensation Plan for the account of Mr. Smith in 2014, and two times the amount of such non-elective contributions for the account of Mr. Powell in 2014.
- (6) The amounts set forth in this column represent the maximum payment we would be required to make to the named executive officers for outplacement services under the applicable agreement or company policy.

**Table of Contents****SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth, as of February 1, 2015 (except as otherwise noted), information with respect to ownership of our securities by each person known by us to beneficially own more than 5% of our outstanding common stock, each director or nominee for director, each named executive officer and all such directors, nominees for director and named executive officers as a group. Except as otherwise indicated in the footnotes to the table, we have been informed that each person listed has sole voting power and sole investment power over the shares of common stock shown opposite his or her name.

<i>Name and Address of Beneficial Owner</i>	<i>Shares Beneficially Owned(a)</i>	<i>Percent of Outstanding Common Stock</i>
BlackRock, Inc. 55 East 52 <sup>nd</sup> Street New York, NY 10022(b)	3,067,732	7.58%
Franklin Resources, Inc. One Franklin Parkway San Mateo, CA 94403(c)	2,782,686	6.88%
The Vanguard Group, Inc. 100 Vanguard Boulevard Malvern, PA 19355(d)	2,494,964	6.17%
T. Rowe Price Associates, Inc. 100 E. Pratt Street Baltimore, MD 21202(e)	2,450,000	6.06%
George Babich, Jr.	29,709(f)	*
Patricia C. Barron	35,668(g)	*
Karen Boylan	2,530(h)	*
William R. Cook	39,084(i)	*
W. Kim Foster	10,196(j)	*
Jeffrey A. Graves	29,039(k)	*
Cameron P. Hicks	8,307(l)	*
Liam Kelly	40,856(m)	*
Thomas Anthony Kennedy	5,196(n)	*
Stephen K. Klasko	26,700(o)	*
James J. Leyden	28,847(p)	*
Sigismundus W.W. Lubsen	36,564(q)	*
Thomas E. Powell	63,175(r)	*
Stuart A. Randle	23,819(s)	*
Benson F. Smith	349,018(t)	*
Harold L. Yoh III	31,748(u)	*
All directors and executive officers as a group (16 persons)	761,735(v)	1.85%

\* Represents holdings of less than 1%.

(a) Beneficial ownership is determined in accordance with SEC regulations. Therefore, the table lists all shares as to which the person listed has or shares the power to vote or to direct disposition. In addition, shares issuable upon the exercise of outstanding stock options exercisable on February 1, 2015 or within 60 days thereafter and shares issuable pursuant to restricted stock awards that will vest within 60 days thereafter are considered outstanding and to be

## Edgar Filing: TELEFLEX INC - Form DEF 14A

beneficially owned by the person holding such options or restricted stock awards for the purpose of computing such person's percentage of beneficial ownership, but are not considered outstanding for the purpose of computing the percentage of beneficial ownership of any other person.

---

**Table of Contents**

- (b) Several subsidiaries of Blackrock, Inc. directly hold the shares listed in the table. The information in the table and this footnote is derived from an amendment to Schedule 13G filed by BlackRock, Inc. with the SEC on January 26, 2015, reporting beneficial ownership as of December 31, 2014. The number of shares held by such reporting persons may have changed since the filing of the amendment to Schedule 13G.
- (c) The shares listed in the table are beneficially owned by one or more investment companies or other managed accounts that are investment management clients of investment managers that are direct or indirect subsidiaries of Franklin Resources, Inc. ( FRI ). Franklin Advisory Services, LLC ( FAS ), an indirect wholly-owned subsidiary of FRI, exercises voting power for 2,229,286 shares listed in the table and investment power for 2,279,286 shares listed in the table, in each case, independently from FRI and its other investment management subsidiaries. Charles B. Johnson and Rupert H. Johnson, Jr. each own in excess of 10% of the outstanding common stock of FRI and are the principal stockholders of FRI. FRI and Messrs. Charles and Rupert Johnson may be deemed to be, for purposes of Rule 13d-3 under the Securities Exchange Act of 1934, the beneficial owners of securities held by persons or entities for whom or for which FRI subsidiaries provide investment management services. The information in the table and this footnote is derived from an amendment to Schedule 13G filed by FRI, FAS and Messrs. Charles and Rupert Johnson with the SEC on February 10, 2015, reporting beneficial ownership as of December 31, 2014. The number of shares held by such reporting persons may have changed since the filing of the amendment to Schedule 13G.
- (d) The Vanguard Group has sole voting power for 27,362 shares, sole dispositive power for 2,470,902 shares and shared dispositive power for 24,062 shares, in each case, listed in the table. Two wholly-owned subsidiaries of The Vanguard Group, Inc. directly hold an aggregate of 27,362 shares listed in the table. The information in the table and this footnote is derived from an amendment to Schedule 13G filed by The Vanguard Group with the SEC on February 10, 2015, reporting beneficial ownership as of December 31, 2014. The number of shares held by such reporting persons may have changed since the filing of the amendment to Schedule 13G.
- (e) T. Rowe Price Associates, Inc. has sole voting power for 1,056,850 shares and sole dispositive power for 4,429,180 shares, in each case, of our outstanding common stock. T. Rowe Price Mid-Cap Growth Fund, Inc. has sole voting power for 2,450,000 shares listed in the table, which amount is included in the aggregate amount reported by T. Rowe Price Associates, Inc. The information in the table and this footnote is derived from an amendment to Schedule 13G filed by T. Rowe Price Associates, Inc. with the SEC on February 10, 2015, reporting beneficial ownership as of December 31, 2014. The number of shares held by such reporting persons may have changed since the filing of the amendment to Schedule 13G.
- (f) Includes 1,000 shares held indirectly by Mr. Babich through the Baylee Consulting Plan and 21,599 shares underlying stock options.
- (g) Includes 3,000 shares held indirectly by Ms. Barron through the Patricia C. Barron Profit Sharing Plan, 2,000 shares held indirectly by Ms. Barron through the Patricia C. Barron Defined Benefit Pension Plan II and 23,599 shares underlying stock options.
- (h) Includes 2,332 shares underlying stock options and 134 shares underlying restricted stock awards.
- (i) Includes 23,599 shares underlying stock options.
- (j) Includes 8,784 shares underlying stock options.
- (k) Includes 22,599 shares underlying stock options.
- (l) Includes 7,351 shares underlying stock options and 34 shares held in the Company's 401(k) Savings Plan which Mr. Hicks has authority to direct voting.
- (m) Includes 39,577 shares underlying stock options and 1,279 shares underlying restricted stock awards.
- (n) Includes 4,207 shares underlying stock options and 989 shares underlying restricted stock awards.

## Edgar Filing: TELEFLEX INC - Form DEF 14A

- (o) Includes 20,599 shares underlying stock options.
- (p) Includes 25,333 shares underlying stock options, 984 shares underlying restricted stock awards and 1,412 shares held in the Company's 401(k) Savings Plan which Mr. Leyden has authority to direct voting.
- (q) Includes 23,599 shares underlying stock options.
- (r) Includes 60,658 shares underlying stock options, 975 shares underlying restricted stock awards and 378 shares held in the Company's 401(k) Savings Plan which Mr. Powell has authority to direct voting.
- (s) Includes 18,599 shares underlying stock options.
- (t) Includes 323,830 shares underlying stock options, 12,543 shares underlying restricted stock awards and 606 shares held in the Company's 401(k) Savings Plan which Mr. Smith has authority to direct voting.
- (u) Includes 21,599 shares underlying stock options.
- (v) Includes 647,864 shares underlying stock options, 16,904 shares underlying restricted stock awards and 2,430 shares held in the Company's 401(k) Savings Plan which the employees have authority to direct voting.



**Table of Contents**

**CERTAIN TRANSACTIONS**

**Related Person Transactions Policy**

We maintain a Related Person Transactions Policy for review and approval, rejection or ratification of related person transactions. A related person transaction is any transaction, arrangement or relationship (i) involving an amount exceeding \$120,000, (ii) in which Teleflex or any of its controlled subsidiaries participate and (iii) in which a related person has a direct or indirect material interest. A related person is any Teleflex director or executive officer, any holder of more than 5% of our outstanding shares of common stock, any immediate family member of any of these persons and certain of their affiliates.

The policy includes procedures under which directors, director nominees and executive officers must provide information to the General Counsel before entry into a transaction that could be a related party transaction. If the transaction is subject to the policy, it is considered by the Audit Committee, which may approve or reject the transaction. The policy also addresses procedures for Audit Committee consideration of ratification of related person transactions that occur without its prior approval, including procedures designed to minimize the possibilities of future occurrences of such transactions without prior Audit Committee approval. The Audit Committee will approve only those related person transactions it finds to be in, or not inconsistent with, the best interests of Teleflex and its stockholders.

**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors, executive officers and persons who own more than ten percent of our common stock to file reports of ownership and changes in ownership of our common stock.

Based solely on a review of the copies of such reports and written representations from our directors and executive officers, we believe that, during the fiscal year ended December 31, 2014, all required filings under Section 16(a) were made on a timely basis.

**Table of Contents**

**PROPOSAL 2:**

**ADVISORY VOTE ON COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS**

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, enables our stockholders to vote to approve, on an advisory (non-binding) basis, the compensation of our named executive officers as disclosed in this proxy statement in accordance with the SEC's rules. Specifically, these rules address the information we must provide in the compensation discussion and analysis, compensation tables and related disclosures included in this proxy statement. In accordance with the advisory vote of our stockholders at our 2011 Annual Meeting, we are providing to our stockholders the opportunity to vote annually to approve, on our advisory basis, the compensation of our named executive officers.

As noted above under Compensation Discussion and Analysis, our executive compensation program is designed principally to promote the achievement of specific annual and long-term goals by our executive management team and to align our executives' interests with those of our stockholders. We believe that, as described under Compensation Discussion and Analysis, our compensation program incorporates, to a significant extent, a pay-for-performance methodology that has operated effectively in recent years.

Accordingly, the Board recommends that our stockholders vote in favor of the following resolution:

**RESOLVED**, that the stockholders of Teleflex Incorporated approve, on an advisory basis, the compensation paid to our named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the compensation discussion and analysis, the compensation tables and any related materials disclosed in the proxy statement for the 2015 Annual Meeting.

This is an advisory vote, which means that the stockholder vote is not binding on us. Nevertheless, our Compensation Committee values the opinions expressed by our stockholders and will carefully consider the outcome of the vote when making future compensation decisions for our named executive officers.

**THE BOARD OF DIRECTORS RECOMMENDS AN ADVISORY VOTE FOR THE APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.**

**Table of Contents****PROPOSAL 3:****RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has appointed the firm of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2015. Representatives of PricewaterhouseCoopers LLP are expected to be present at the Annual Meeting and will be provided the opportunity to make statements and respond to appropriate questions from stockholders present at the meeting. Although stockholder ratification of our independent registered public accounting firm is not required by our Bylaws or otherwise, we are submitting the selection of PricewaterhouseCoopers LLP to our stockholders for ratification to permit stockholders to participate in this important corporate decision. If not ratified, the Audit Committee will reconsider the selection, although the Audit Committee will not be required to select a different independent registered public accounting firm.

**Audit and Non-Audit Fees**

The following table provides information regarding fees for professional services rendered by PricewaterhouseCoopers LLP for the audit of our annual financial statements for the years ended December 31, 2014 and December 31, 2013, and fees for other services provided by PricewaterhouseCoopers LLP during those periods.

<i>Services rendered</i>	<i>2014</i>	<i>2013</i>
Audit fees	\$ 4,859,277	\$ 4,443,115
Audit-related fees	369,929	362,288
Tax fees	1,296,432	1,607,075
All other fees	1,657,067	88,343
	\$ 8,182,706	\$ 6,500,821

*Audit-Related Fees.* Audit-related fees consisted primarily of fees for support in connection with acquisitions, financing transactions, the transition of certain of our facilities to a new enterprise resource planning system, the medical device excise tax under the Healthcare Reform Act and employee pension plan audits.

*Tax Fees.* Tax fees consisted primarily of fees for tax compliance activities in certain foreign jurisdictions (\$629,926 for 2014 and \$723,619 for 2013), and tax planning and consultancy services (\$666,506 for 2014 and 883,456 for 2013).

*All Other Fees.* All other fees consisted principally of advisory services related to restructuring activities, financial reporting, network security, foreign currency risk management and the SEC's conflict minerals disclosure requirements and license fees for utilization of technical databases.

**Audit Committee Pre-Approval Procedures**

The Audit Committee has established a policy requiring pre-approval of all audit and permissible non-audit services performed by the independent registered public accounting firm. Under the policy, the Audit Committee annually pre-approves specific types of services, subject to certain dollar limitations set by the Audit Committee. Periodically throughout the year, the independent registered public accounting firm and management provide the Audit Committee with reports regarding pre-approved services under the policy for which the independent registered public accounting firm has been engaged. During the year, circumstances may arise when it may become necessary to engage the independent auditor for additional services not contemplated in the original pre-approval. In those instances, the Audit Committee requires specific pre-approval before engaging the independent auditor. The Audit Committee may delegate pre-approval authority to one or more of its members. The member to whom such authority is delegated reports any pre-approval decisions to the Audit Committee at its next scheduled meeting.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RATIFICATION OF  
PRICEWATERHOUSECOOPERS LLP AS THE COMPANY'S INDEPENDENT REGISTERED  
PUBLIC ACCOUNTING FIRM FOR 2015.**



**Table of Contents**

**STOCKHOLDER PROPOSALS**

Any proposals submitted by stockholders for inclusion in our proxy statement and proxy for our 2016 annual meeting of stockholders must be received by the Company at its principal executive offices no later than November 18, 2015 and must comply in all other respects with SEC rules and regulations relating to such inclusion.

In connection with any proposal submitted by stockholders for consideration at the 2016 annual meeting of stockholders, other than proposals submitted for inclusion in our proxy statement and proxy, the persons named in the enclosed form of proxy may exercise discretionary voting authority with respect to proxies solicited for that meeting, without including advice on the nature of the matter and how the persons intend to vote on the proposal, if appropriate notice of the stockholder's proposal is not received by us at our principal executive offices by February 1, 2016.

**OTHER MATTERS**

The Board does not know of any other matters that may be presented at the Annual Meeting, but if other matters do properly come before the meeting or any postponements or adjournments thereof, it is intended that persons named in the proxy will vote on such matters as they deem appropriate.

Stockholders are requested to date, sign and return the enclosed proxy in the enclosed envelope, for which no postage is necessary if mailed in the United States or Canada. You may also vote by telephone by calling toll free 1-800-PROXIES (776-9437) or via the internet at [www.voteproxy.com](http://www.voteproxy.com).

By Order of the Board of Directors,

JAMES J. LEYDEN, *Secretary*

**Table of Contents**

**ANNUAL MEETING OF STOCKHOLDERS OF  
TELEFLEX INCORPORATED**

**May 1, 2015**

**PROXY VOTING INSTRUCTIONS**

**INTERNET** Access **www.voteproxy.com** and follow the on-screen instructions or scan the QR code with your smartphone. Have your proxy card available when you access the web page.

**TELEPHONE** Call toll-free **1-800-PROXIES** (1-800-776-9437) in the United States or 1-718-921-8500 from foreign countries from any touch-tone telephone and follow the instructions. Have your proxy card available when you call.

Vote online/phone until 11:59 PM EDT the day before the meeting.

**MAIL** Sign, date and mail your proxy card in the envelope provided as soon as possible.

**IN PERSON** You may vote your shares in person by attending the Annual Meeting.

**COMPANY NUMBER**

**ACCOUNT NUMBER**

**NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS:** The Notice of Meeting, Proxy Statement, 2014

Annual Report and Proxy Card are available at [www.teleflex.com/ProxyMaterials](http://www.teleflex.com/ProxyMaterials)

Please detach along perforated line and mail in the envelope provided **IF** you are not voting via telephone or the internet.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF ALL DIRECTOR NOMINEES LISTED UNDER PROPOSAL 1 AND FOR PROPOSALS 2 AND 3. PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE x**

FOR AGAINST ABSTAIN

Proposal 1. Election of Directors:

Nominees:

1a. Candace H. Duncan	..	..	..
1b. Stephen K. Klasko	..	..	..
1c. Stuart A. Randle	..	..	..

Proposal 2. Approval, on an advisory basis, of named executive officer compensation	..	..	..
---	----	----	----

Proposal 3. Ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for 2015.	..	..	..
--	----	----	----

**The shares represented by this proxy will be voted as directed by the Stockholder. If no direction is given when the duly executed proxy is returned, such shares will be voted FOR all nominees in Proposal 1 and FOR Proposals 2 and 3. In their discretion, the proxies are authorized to vote upon any other matter that may properly come before the meeting.**

**PLEASE MARK, DATE AND SIGN AS YOUR NAME APPEARS AT LEFT AND RETURN IN THE ENCLOSED ENVELOPE.**

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method.

Please check here if you plan to attend the meeting.

Date:

Signature of Stockholder

Date:

Signature of Stockholder

**Note:** Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.



**Table of Contents**

**PROXY**

**THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

**TELEFLEX INCORPORATED**

As an alternative to completing this form, you may enter your vote instruction by telephone at 1-800-PROXIES, or via the internet at [WWW.VOTEPROXY.COM](http://WWW.VOTEPROXY.COM), following the instructions provided. Use the Company Number and Account Number shown on your proxy card.

The undersigned hereby appoints James J. Leyden and Daniel V. Logue proxies, each with power to act without the other and with power of substitution, and hereby authorizes them to represent and vote, subject to any directions indicated on the other side of this proxy card, all the shares of stock of Teleflex Incorporated standing in the name of the undersigned with all powers that the undersigned would possess if present at the Annual Meeting of Stockholders of the Company to be held May 1, 2015 or any adjournment thereof.

**(Continued on the other side)**