AMETEK INC/
Form DEF 14A
March 27, 2017
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SCHEDULE 14A INFORMATION

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

AMETEK, Inc.

(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.

$125 per Exchange Act Rules 0-11(c)(1)(ii), 14a-6(i)(1), 14a-6(i)(2) or Item 22(a)(2) of Schedule 14A.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) 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 price 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:

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Tuesday, May 9, 2017

11:00 a.m. Eastern Daylight Time

JW Marriott Essex House New York

Tivoli Room

160 Central Park South

New York, NY 10019

Dear Fellow Stockholder:

On behalf of the Board of Directors, it is my pleasure to invite you to attend the 2017 Annual Meeting of Stockholders of AMETEK, Inc. At the Annual Meeting, you will be asked to:

1. Elect four Directors for a term of three years;
2. Cast an advisory vote to approve named executive officer compensation;
3. Cast an advisory vote on the frequency of future advisory votes on executive compensation;
4. Ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2017; and
5. Transact any other business properly brought before the Annual Meeting.

Only stockholders of record at the close of business on March 24, 2017 will be entitled to vote at the Annual Meeting. Your vote is important. You can vote in one of four ways: (1) via the Internet, (2) by telephone using a toll-free number, (3) by marking, signing and dating your proxy card, and returning it promptly in the enclosed envelope, or (4) by casting your vote in person at the Annual Meeting. Please refer to your proxy card for specific proxy voting instructions.

We have included the annual financial information relating to our business and operations in Appendix A to the Proxy Statement. We also have enclosed a Summary Annual Report.

We hope that you take advantage of the convenience and cost savings of voting by computer or by telephone. A sizable electronic response would significantly reduce return-postage fees.

Whether you expect to attend the meeting or not, we urge you to vote your shares via the Internet, by telephone or by mailing your proxy as soon as possible. Submitting your proxy now will not prevent you from voting your stock at the Annual Meeting if you want to, as your proxy is revocable at your option. We appreciate your interest in AMETEK.

Sincerely,

Frank S. Hermance
Executive Chairman
Berwyn, Pennsylvania

David A. Zapico
Chief Executive Officer

Dated: March 31, 2017

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE

ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 9, 2017

Our Notice of 2017 Annual Meeting of Stockholders, Proxy Statement and Annual Report

are available at: http://www.ametek.com/2017proxy

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Principal executive offices

1100 Cassatt Road

Berwyn, Pennsylvania 19312-1177

PROXY STATEMENT

We are mailing this Proxy Statement and proxy card to our stockholders of record as of March 24, 2017 on or about March 31, 2017. The Board of Directors is soliciting proxies in connection with the election of Directors and other actions to be taken at the Annual Meeting of Stockholders and at any adjournment or postponement of that Meeting. The Board of Directors encourages you to read the Proxy Statement and to vote on the matters to be considered at the Annual Meeting.

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VOTING PROCEDURES

Your vote is very important. It is important that your views be represented whether or not you attend the Annual Meeting. Stockholders who hold AMETEK shares through a broker, bank or other holder of record receive proxy materials and a Voting Instruction Form either electronically or by mail before each Annual Meeting. For your vote to be counted, you need to communicate your voting decisions to your broker, bank or other holder of record before the date of the Annual Meeting.

Who can vote? Stockholders of record as of the close of business on March 24, 2017 are entitled to vote. On that date, 230,014,300 shares of our Common Stock were issued and outstanding and eligible to vote. Each share is entitled to one vote on each matter presented at the Annual Meeting.

How do I vote? You can vote your shares at the Annual Meeting if you are present in person or represented by proxy. You can designate the individuals named on the enclosed proxy card as your proxies by mailing a properly executed proxy card, via the Internet or by telephone. You may revoke your proxy at any time before the Annual Meeting by delivering written notice to the Corporate Secretary, by submitting a proxy card bearing a later date, or by appearing in person and casting a ballot at the Annual Meeting.

To submit your proxy by mail, indicate your voting choices, sign and date your proxy card and return it in the postage-paid envelope provided. You may vote via the Internet or by telephone by following the instructions on your proxy card. Your Internet or telephone vote authorizes the persons named on the proxy card to vote your shares in the same manner as if you marked, signed and returned the proxy card to us.

If you hold your shares through a broker, bank or other holder of record, that institution will send you separate instructions describing the procedure for voting your shares.

What shares are represented by the proxy card? The proxy card represents all the shares registered in your name. If you participate in the AMETEK, Inc. Investors Choice Dividend Reinvestment & Direct Stock Purchase and Sale Plan, the card also represents any full shares held in your account. If you are an employee who owns AMETEK shares through an AMETEK employee savings plan and also hold shares in your own name, you will receive a single proxy card for the plan shares, which are attributable to the units that you hold in the plan, and the shares registered in your name. Your proxy card or proxy submitted through the Internet or by telephone will serve as voting instructions to the plan trustee.

How are shares voted? If you return a properly executed proxy card or submit voting instructions via the Internet or by telephone before voting at the Annual Meeting is closed, the individuals named as proxies on the enclosed proxy card will vote in accordance with the directions you provide. If you return a signed and dated proxy card but do not indicate how the shares are to be voted, those shares will be voted as recommended by the Board of Directors. A valid proxy card or a vote via the Internet or by telephone also authorizes the individuals named as proxies to vote your shares in their discretion on any other matters which, although not described in the Proxy Statement, are properly presented for action at the Annual Meeting.

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.

If you are an employee who owns AMETEK shares through an AMETEK employee savings plan and you do not return a proxy card or otherwise give voting instructions for the plan shares, the trustee will vote those shares in the same proportion as the shares for which the trustee receives voting instructions from other participants in that plan. Your proxy voting instructions must be received by May 4, 2017 to enable the savings plan trustee to tabulate the vote of the plan shares prior to the Annual Meeting.

How many votes are required? A majority of the shares of our outstanding Common Stock entitled to vote at the Meeting must be represented in person or by proxy in order to have a quorum present at the Annual Meeting. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining a quorum. A broker non-vote occurs when a bank, broker or other holder of record holding shares for a beneficial owner does not vote on a particular proposal because that holder does not have discretionary voting power for the particular proposal and has not received instructions from the beneficial owner. If a quorum is not present, the Annual Meeting will be rescheduled for a later date.

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Directors will be elected by the vote of a majority of the votes cast at the meeting. This means that a nominee will be elected if the number of votes cast for that nominee exceeds the number of votes against that nominee. Any shares not voted (whether by abstention, broker non-votes or otherwise) will not be counted as votes cast and will have no effect on the vote. The advisory approval of the Company s executive compensation and the ratification of the appointment of Ernst & Young LLP require the affirmative vote of the holders of a majority of eligible shares present at the Annual Meeting, in person or by proxy, and voting on the matter. Abstentions and broker non-votes are not counted as votes for or against these proposals. For the vote on the frequency of an advisory vote on executive compensation, if none of the frequency options receive votes from a majority of the shares represented in person or by proxy and entitled to vote on the proposal (with abstentions being included in the denominator of this calculation), the frequency option receiving the greatest number of votes cast in this advisory vote will be considered the frequency recommended by stockholders. In this situation, abstentions will not affect the determination as to which frequency option is recommended by the stockholders. The advisory votes on executive compensation and the frequency of an advisory vote on executive compensation are not binding upon the Company. However, the Board and Compensation Committee will take into account the outcome of these votes when considering future executive compensation arrangements and the frequency of the vote on executive compensation.

Who will tabulate the vote? Our transfer agent, American Stock Transfer & Trust Company, LLC, will tally the vote, which will be certified by independent inspectors of election.

Is my vote confidential? It is our policy to maintain the confidentiality of proxy cards, ballots and voting tabulations that identify individual stockholders, except where disclosure is mandated by law and in other limited circumstances.

Who is the proxy solicitor? We have retained Georgeson LLC to assist in the distribution of proxy materials and solicitation of votes. We will pay Georgeson LLC a fee of $10,000, plus reimbursement of reasonable out-of-pocket expenses.

CORPORATE GOVERNANCE

In accordance with the Delaware General Corporation Law and our Certificate of Incorporation and By-laws, our business and affairs are managed under the direction of the Board of Directors. We provide information to the Directors about our business through, among other things, operating, financial and other reports, as well as other documents presented at meetings of the Board of Directors and Committees of the Board.

Our Board of Directors currently consists of ten members. They are Thomas A. Amato, Ruby R. Chandy, Anthony J. Conti, Frank S. Hermance, Steven W. Kohlhagen, James R. Malone, Gretchen W. McClain, Elizabeth R. Varet, Dennis K. Williams, and David A. Zapico. The biographies of the continuing Directors appear on pages 14 and 15. The Board is divided into three classes with staggered terms of three years each, so that the term of one class expires at each Annual Meeting of Stockholders. On May 3, 2016, in accordance with the Company s Certificate of Incorporation and By-Laws, the Board increased the number of Class I Directors from two to three, thereby increasing the size of the Board from eight to nine Directors. Mr. Zapico was elected to the Board effective May 5, 2016, to serve as a Class I Director until the 2019 Annual Meeting. Mr. Zapico was recommended for nomination by Mr. Hermance. Then, on March 6, 2017, the Board increased the number of Class II Directors from three to four, thereby increasing the size of the Board from nine to ten Directors. Mr. Amato was elected to the Board effective March 6, 2017, to serve as a Class II Director until the 2017 Annual Meeting. Mr. Amato was recommended for nomination by Mr. Zapico after a thorough recruitment search process using an outside director search agency.

Corporate Governance Guidelines and Codes of Ethics. The Board of Directors has adopted Corporate Governance Guidelines that address the practices of the Board and specify criteria to assist the Board in determining Director independence. These criteria supplement the listing standards of the New York Stock Exchange and the regulations of the Securities and Exchange Commission. Our Code of Ethics and Business Conduct sets forth rules of conduct that apply to all of our Directors, officers and employees. We also have adopted a separate Code of Ethical Conduct for our Chief Executive Officer and senior financial officers. The Guidelines and Codes are available at the Investors section of www.ametek.com as well as in printed form, free of charge to any stockholder who requests them, by writing or telephoning the Investor Relations Department, AMETEK, Inc., 1100 Cassatt Road, Berwyn, PA 19312-1177 (Telephone Number: 1-800-473-1286). The Board of Directors and our management do not intend to grant any waivers of the provisions of either Code. In the unlikely event a waiver for a Director or an executive officer occurs, the action will be disclosed promptly at our website address provided above. If the Guidelines or the Codes are amended, the revised versions also will be posted on our website.

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Meetings of the Board. Our Board of Directors has five regularly scheduled meetings each year. Special meetings are held as necessary. In addition, management and the Directors frequently communicate informally on a variety of topics, including suggestions for Board or Committee agenda items, recent developments and other matters of interest to the Directors.

The independent Directors meet in executive session at least once a year outside of the presence of any management Directors and other members of our management. The presiding Director at the executive sessions rotates annually among the chairpersons of the Corporate Governance/Nominating Committee, the Compensation Committee and the Audit Committee. The presiding Director at the executive sessions for 2017 is Mr. Malone, the chairperson of the Corporate Governance/Nominating Committee. During executive sessions, the Directors may consider such matters as they deem appropriate. Following each executive session, the results of the deliberations and any recommendations are communicated to the full Board of Directors.

Directors are expected to attend all meetings of the Board and each Committee on which they serve and are expected to attend the Annual Meeting of Stockholders. Our Board met a total of ten times in 2016: five times in person and five times by telephone. Each of the Directors attended at least 75% of the meetings of the Board and the Committees to which the Director was assigned. All the Directors attended the 2016 Annual Meeting of Stockholders.

Independence. The Board of Directors has affirmatively determined that each of the current non-management Directors, Thomas A. Amato, Ruby R. Chandy, Anthony J. Conti, Steven W. Kohlhagen, James R. Malone, Gretchen W. McClain, Elizabeth R. Varet and Dennis K. Williams, has no material relationship with us (either directly or as a partner, stockholder or officer of an organization that has a relationship with us) and, therefore, is an independent Director within the meaning of the New York Stock Exchange rules. The Board has further determined that each member of the Audit, Compensation and Corporate Governance/Nominating Committees is independent within the meaning of the New York Stock Exchange rules. The members of the Audit Committee also satisfy Securities and Exchange Commission regulatory independence requirements for audit committee members.

The Board has established the following standards to assist it in determining Director independence: A Director will not be deemed independent if: (i) within the previous three years or currently, (a) the Director has been employed by us; (b) someone in the Director s immediate family has been employed by us as an executive officer; or (c) the Director or someone in her/his immediate family has been employed as an executive officer of another entity that concurrently has or had as a member of its compensation committee of the board of directors any of our present executive officers; (ii) (a) the Director is a current partner or employee of a firm that is the Company s internal or external auditor; (b) someone in the Director s immediate family is a current partner of such a firm; (c) someone in the Director s immediate family is a current employee of such a firm and personally works on the Company s audit; or (d) the Director or someone in the Director s immediate family is a former partner or employee of such a firm and personally worked on the Company s audit within the last three years; (iii) the Director received, or someone in the Director s immediate family received, during any twelve-month period within the last three years, more than $120,000 in direct compensation from us, other than Director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service) and, in the case of an immediate family member, other than compensation for service as our employee (other than an executive officer). The following commercial or charitable relationships will not be considered material relationships: (i) if the Director is a current employee or holder of more than ten percent of the equity of, or someone in her/his immediate family is a current executive officer or holder of more than ten percent of the equity of, another company that has made payments to, or received payments from us for property or services in an amount which, in any of the last three fiscal years of the other company, does not exceed $1 million or two percent of the other company s consolidated gross revenues, whichever is greater, or (ii) if the Director is a current executive officer of a charitable organization, and we made charitable contributions to the charitable organization in any of the charitable organization s last three fiscal years that do not exceed $1 million or two percent of the charitable organization s consolidated gross revenues, whichever is greater. For the purposes of these categorical standards, the terms immediate family member and executive officer have the meanings set forth in the New York Stock Exchange s corporate governance rules.

All independent Directors satisfied these categorical standards.

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Communication with Non-Management Directors and Audit Committee. Stockholders and other parties who wish to communicate with the non-management Directors may do so by calling 1-877-263-8357 (in the United States and Canada) or 1-610-889-5271. If you prefer to communicate in writing, address your correspondence to the Corporate Secretary, Attention: Non-Management Directors, AMETEK, Inc., 1100 Cassatt Road, Berwyn, PA 19312-1177.

You may address complaints regarding accounting, internal accounting controls or auditing matters to the Audit Committee online at www.ametekhotline.com or by calling 1-855-5AMETEK (1-855-526-3835). The website provides the option to choose your language, as well as a list of international toll-free numbers by country.

Committees of the Board. Our Board Committees include Audit, Compensation, and Corporate Governance/ Nominating. The Executive Committee of the Board was dissolved as of May 4, 2016 and no meetings of the Executive Committee were held in 2016. The charters of the Audit, Compensation and Corporate Governance/Nominating Committees are available at the Investors section of www.ametek.com as well as in printed form, free of charge to any stockholder who requests them, by writing or telephoning the Investor Relations Department, AMETEK, Inc., 1100 Cassatt Road, Berwyn, PA 19312-1177 (Telephone Number: 1-800-473-1286). Each of the Audit, Compensation and Corporate Governance/Nominating Committees conducts an annual assessment to assist it in evaluating whether, among other things, it has sufficient information, resources and time to fulfill its obligations and whether it is performing its obligations effectively. Each Committee may retain advisors to assist it in carrying out its responsibilities.

The Audit Committee has the sole authority to retain, compensate, terminate, oversee and evaluate our independent auditors. In addition, the Audit Committee is responsible for:

- review and approval in advance of all audit and lawfully permitted non-audit services performed by the independent auditors;
- review and discussion with management and the independent auditors regarding the annual audited financial statements and quarterly financial statements included in our Securities and Exchange Commission filings and quarterly sales and earnings announcements;
- oversight of our compliance with legal and regulatory requirements;
- review of the performance of our internal audit function;
- meeting separately with the independent auditors and our internal auditors as often as deemed necessary or appropriate by the Committee; and
- review of major issues regarding accounting principles, financial statement presentation and the adequacy of internal controls.

The Committee met seven times during 2016. The members of the Committee are Anthony J. Conti Chairperson, Steven W. Kohlhagen, James R. Malone and Gretchen W. McClain. The Board of Directors has determined that Mr. Conti is an audit committee financial expert within the meaning of the Securities and Exchange Commission s regulations.

The Compensation Committee is responsible for, among other things:

- establishment and periodic review of our compensation philosophy and the adequacy of the compensation plans for our officers and other employees;

- establishment of compensation arrangements and incentive goals for officers at the Corporate Vice President level and above and administration of compensation plans;

- review of the performance of officers at the Corporate Vice President level and above and award of incentive compensation, exercising discretion and adjusting compensation arrangements as appropriate;

- review and monitoring of management development and succession plans; and

- periodic review of the compensation of non-employee Directors.

The Committee met six times during 2016. The members of the Committee are Dennis K. Williams Chairperson, Ruby R. Chandy, James R. Malone, and Elizabeth R. Varet. In carrying out its duties, the Compensation Committee made compensation decisions for 36 officers as of December 31, 2016, including all executive officers. The Committee, in setting compensation for the Executive Chairman and the Chief Executive Officer, will review and evaluate the Executive Chairman s and the Chief Executive Officer s performance and leadership, taking each of into account the views of other members of the Board. The Compensation Committee charter provides that, with the participation of the Chief Executive Officer, the Committee is to evaluate the performance of other officers and determine compensation for these officers. In this regard, Compensation Committee meetings are regularly attended by the Chief Executive Officer. The Executive Chairman and the Chief Executive Officer do not participate in the determination of their own compensation. The Compensation Committee has authority under the charter to retain and set compensation for compensation consultants and other advisors that the Committee may engage. The Compensation Committee charter does not provide for delegation of the Committee s duties and responsibilities other than to one or more members of the Committee when appropriate.

Management engaged Pay Governance LLC to provide executive and Director compensation consulting services. Pay Governance provided no other services for the Company. The Compensation Committee has assessed the independence of Pay Governance pursuant to Securities and Exchange Commission rules and concluded that Pay Governance s work for the Committee does not raise any conflict of interest issues.

We ask Pay Governance to provide comparative data regarding compensation levels for seasoned managers who have job functions and responsibilities that are similar to those of our executives. Specifically, we ask Pay Governance to compare our executives compensation to the 50^{th} percentile of compensation for similarly positioned executives in a general industry group consisting of approximately 500 companies. Based on this data, our human resources department develops summaries for the Compensation Committee, indicating competitive compensation levels for our executives that would correspond to the 50^{th} percentile, thereby assisting the Compensation Committee in its evaluation of our executives compensation. See Compensation Discussion and Analysis 2016 Compensation Determination of Competitive Compensation for further information.

The Corporate Governance/Nominating Committee is responsible for, among other things:

- selection of nominees for election as Directors, subject to ratification by the Board;
- recommendation of a Director to serve as Chairperson of the Board;
- recommendation to the Board of the responsibilities of Board Committees and each Committee s membership;
- oversight of the annual evaluation of the Board and the Audit and Compensation Committees; and
- review and assessment of the adequacy of our Corporate Governance Guidelines.

The Committee met eight times during 2016. The members of the Committee are James R. Malone Chairperson, Gretchen W. McClain and Dennis K. Williams.

Board Leadership Structure. On May 5, 2016, the Company announced that as part of its planned succession of senior executive leadership, Mr. Hermance transitioned to the role of Executive Chairman of the Board of Directors and Mr. Zapico was elected Chief Executive Officer and a member of the Board. We believe that this structure permits us to leverage Mr. Hermance s knowledge and experience while allowing Mr. Zapico to focus on the operations of the business during the transition period.

Our Board and Committee composition ensures independence and protects against too much power being placed with the Executive Chairman and the Chief Executive Officer. Currently, all of our Directors (other than Messrs. Hermance and Zapico) and each member of the Audit, Corporate Governance/Nominating and Compensation Committees meet the independence requirements of the New York Stock Exchange and our Corporate Governance Guidelines categorical standards for determining Director independence. Pursuant to our Corporate Governance Guidelines, each independent Director has the ability to raise questions directly with management and request that topics be placed on the Board agenda for discussion. Currently, independent Directors directly oversee such critical matters as the integrity of the Company s financial statements, the compensation of executive management, the selection and evaluation of Directors and the development and implementation of the Company s corporate governance policies and structures. Further, the Compensation Committee conducts an annual performance review of each of the Executive Chairman and the Chief Executive Officer and, based upon this review, approves the Executive Chairman s and the Chief Executive Officer s annual compensation, including salary, bonus, incentive and equity compensation.

We do not have a designated lead independent Director. It is our policy that independent Directors meet in executive session at least once a year outside of the presence of any management Directors or any other members of our management. The presiding Director at the executive sessions rotates among the chairpersons of the Corporate

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Governance/Nominating Committee, the Compensation Committee and the Audit Committee. This policy provides for leadership at all meetings or executive sessions without making it necessary to designate a lead Director who would be required to expend substantial extra time in order to perform these same duties.

Risk Oversight. In accordance with New York Stock Exchange rules and our Audit Committee s charter, our Audit Committee has primary responsibility for overseeing risk management for the Company. Nevertheless, our entire Board of Directors, and each other Committee of the Board, is actively involved in overseeing risk management. Our Board of Directors, and each of its Committees, regularly consider various potential risks at their meetings during discussion of the Company s operations and consideration of matters for approval. In addition, the Company has an active risk management program. A committee composed of senior executives, including the Executive Chairman, the Chief Executive Officer, the Chief Financial Officer, the Comptroller and the Group Presidents, reviews our internal risks, including those relating to our operations, strategy, financial condition, compliance and employees, and our external risks, including those relating to our markets, geographic locations, cyber security, regulatory environment and economic outlook. The committee analyzes various potential risks for severity, likelihood and manageability, and develops action plans to address those risks. The committee s findings are presented to the Audit Committee of the Board on a quarterly basis and to the full Board of Directors annually.

Consideration of Director Candidates. The Corporate Governance/Nominating Committee seeks candidates for Director positions who help create a collective membership on the Board with varied backgrounds, experience, skills, knowledge and perspective. In addition, Directors should have experience in positions with a high degree of responsibility, be leaders in the companies or institutions with which they are affiliated, and be selected based upon contributions that they can make to the Company. The Committee also seeks a Board that reflects diversity, including but not limited to race, gender, ethnicity, age and experience. This is implemented by the Committee when it annually considers diversity in the composition of the Board prior to recommending candidates for nomination as Directors. The Committee solicits input from Directors regarding their views on the sufficiency of Board diversity. This occurs through the annual self-assessment process. The Committee assesses the effectiveness of Board diversity by considering the various skills, experiences, knowledge, backgrounds and perspectives of the members of the Board of Directors. The Committee then considers whether the Board possesses, in its judgment, a sufficient diversity of those attributes.

Stockholders can recommend qualified candidates for Director by writing to the Corporate Secretary, AMETEK, Inc., 1100 Cassatt Road, Berwyn, PA 19312-1177. Stockholder submissions must include the following information: (1) the name of the candidate and the information about the individual that would be required to be included in a proxy statement under the rules of the Securities and Exchange Commission; (2) information about the relationship between the candidate and the recommending stockholder; (3) the consent of the candidate to serve as a Director; and (4) proof of the number of shares of our Common Stock that the recommending stockholder owns and the length of time that the shares have been owned. To enable consideration of a candidate in connection with the 2018 Annual Meeting, a stockholder must submit materials relating to the recommended candidate no later than November 30, 2017. In considering any candidate proposed by a stockholder, the Corporate Governance/Nominating Committee will reach a conclusion based on the criteria described above in the same manner as for other candidates. The Corporate Governance/Nominating Committee also may seek additional information regarding the candidate. After full consideration by the Corporate Governance/Nominating Committee, the stockholder proponent will be notified of the decision of the Committee.

In addition, we recently adopted proxy access, which, under certain circumstances, allows a stockholder or group of up to twenty stockholders who have owned at least 3% of the Company s Common Stock for at least three years to submit director nominees (up to the greater of two Directors or 20% of the Board) for inclusion in the Company s proxy materials if the stockholder(s) and the nominee(s) satisfy the requirements specified in the Company s By-Laws. Stockholders who wish to nominate directors for inclusion in the Company s proxy materials or directly at an annual meeting of stockholders in accordance with the procedures in our By-Laws should follow the instructions under the Stockholder Proposals and Director Nominations for the 2018 Annual Meeting section of this proxy statement.

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Director Compensation. Standard compensation arrangements for Directors in 2016 are described below.

Fees Non-employee Directors received an annual base cash retainer of $90,000. The Chairmen of the Compensation and Corporate Governance/Nominating Committees received an additional retainer premium of $10,000, and the Chairman of the Audit Committee received an additional retainer premium of $20,000. There were no additional fees for attendance at the Board or Committee meetings.

Restricted Stock On May 4, 2016, under our 2011 Omnibus Incentive Compensation Plan, each non-employee Director received a restricted stock award of 1,260 shares of our Common Stock. These restricted shares vest on the earliest to occur of:

- the closing price of our Common Stock on any five consecutive trading days equaling or exceeding $93.92,
- the death or disability of the Director,
- the Director s termination of service as a member of AMETEK s Board of Directors in connection with a change of control, or
- the second anniversary of the date of grant, namely May 4, 2018, provided the Director has served continuously through that date.

Restricted Stock Vestings On May 4, 2016, in accordance with the 2011 Omnibus Incentive Compensation Plan and the approval of the Compensation Committee, the restrictions on 1,100 shares of restricted stock previously granted to Mr. Klein on May 8, 2014 were lifted upon his retirement and separation of service from the Company on May 4, 2016. This action allowed Mr. Klein to realize the value of his unvested long-term incentive award that he would otherwise forfeit as a result of his retirement and rewarded him for his long and valued service to the Company. The total value realized on vesting is equal to (1) the closing price per share of our Common Stock on May 4, 2016 ($46.96), multiplied by the number of shares acquired on vesting, (2) the dividends accrued since the date of award, and (3) the interest accrued on these dividends.

Also on May 9, 2016, the 2-year cliff vesting of the restricted stock granted on May 8, 2014 to Messrs. Conti, Kohlhagen, Malone and Williams, Ms. Chandy and Ms. Varet occurred. The total value realized on vesting is equal to (1) the closing price per share of our Common Stock on May 9, 2016 ($46.31), multiplied by the number of shares acquired on vesting, (2) the dividends accrued since the date of award, and (3) the interest accrued on these dividends.

Also, on September 9, 2016, the 2-year cliff vesting of the restricted stock granted on September 9, 2014 to Ms. McClain occurred. The total value realized on vesting is equal to (1) the closing price per share of our Common Stock on September 9, 2016 ($47.78), multiplied by the number of shares acquired on vesting, (2) the dividends accrued since the date of award, and (3) the interest accrued on these dividends.

Options On May 4, 2016, under our 2011 Omnibus Incentive Compensation Plan, each non-employee Director received an option to purchase 5,440 shares of our Common Stock, at an exercise price equal to the closing price of AMETEK s Common Stock, as reported on the New York Stock Exchange consolidated tape on that date. Stock options become exercisable as to the underlying shares in four equal annual installments beginning one year after the date of grant.

The following table provides information regarding Director compensation in 2016, which reflects the standard compensation described above and certain other payments. The table does not include compensation for reimbursement of travel expenses related to attending Board, Committee and AMETEK business meetings, and approved educational seminars. In addition, the table does not address compensation for Messrs. Hermance and Zapico, which is addressed under Executive Compensation beginning on page 17. Messrs. Hermance and Zapico do not receive additional compensation for serving as Directors.

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DIRECTOR COMPENSATION 2016

Name	*Fees Earned or Paid in Cash (1)*	*Stock Awards (2)*	*Option Awards (3)*	*Non-Equity Incentive Plan Compensation*	*Change in Pension Value and Nonqualified Deferred Compensation Earnings (4)*	*All Other Compensation (5)*	*Total*
Ruby R. Chandy	$ 90,000	$ 59,170	$ 49,700		$	$ 779	$ 199,649
Anthony J. Conti	110,000	59,170	49,700			779	219,649
Charles D. Klein (retired on May 4, 2016)	34,341				82,300	60,000	176,641
Steven W. Kohlhagen	90,000	59,170	49,700			779	199,649
James R. Malone	100,000	59,170	49,700		27,900	779	237,549
Gretchen W. McClain	90,000	59,170	49,700			1,097	199,967
Elizabeth R. Varet	90,000	59,170	49,700		35,700	779	235,349
Dennis K. Williams	96,566	59,170	49,700			779	206,215

(1) The amounts shown are the annual base cash retainer and retainer premium fees and include amounts that have been deferred under the deferred compensation plan for Directors.

(2) The amounts shown for stock awards relate to restricted shares granted under our 2011 Omnibus Incentive Compensation Plan. These amounts are equal to the grant date fair value, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, *Compensation Stock Compensation*, which we refer to below as ASC 718, but without giving effect to estimated forfeitures related to service-based vesting conditions. At December 31, 2016, Messrs. Conti, Kohlhagen, Malone, and Williams, Mses. Chandy, McClain and Varet each held 2,450 restricted shares.

(3) The amounts shown for option awards relate to stock options granted under our 2011 Omnibus Incentive Compensation Plan. These amounts are equal to the grant date fair value, computed in accordance with ASC 718, but without giving effect to estimated forfeitures. The assumptions used in determining the amounts in this column are set forth in Note 10 to our Consolidated Financial Statements on page 55 of Appendix A to this proxy statement. At December 31, 2016, Mr. Williams held options to purchase 37,457 shares of our Common Stock, Mr. Conti held options to purchase 34,631 shares of our Common Stock, Mr. Kohlhagen held options to purchase 29,875 shares of our Common Stock, Ms. Varet held options to purchase 28,875 shares of our Common Stock, Mr. Klein held options to purchase 24,435 shares of our Common Stock, Ms. Chandy held options to purchase 19,530 shares of our Common Stock, Mr. Malone held options to purchase 16,033 shares of our Common Stock, and Ms. McClain held options to purchase 13,160 shares of our Common Stock.

(4) The amounts shown include the aggregate change in actuarial present value of the accumulated benefit under defined benefit plans as follows: Mr. Klein, $82,300; Mr. Malone, $27,900; and Ms. Varet, $35,700. Since Mr. Klein retired on May 4, 2016, the present value of accrued benefits is based on his final retirement benefit and includes the amounts he received in 2016.

(5) The amount shown for Mr. Klein includes a lump sum cash payment, in the amount of $60,000, in recognition of his long and valued service to the Board.

Directors who first became members of the Board of Directors prior to January 1, 1997 participate in a retirement plan for Directors. Under this plan, each non-employee Director who has provided at least three years of service to us as a Director receives an annual retirement benefit equal to 100% of that Director s highest annual rate of cash compensation during the Director s service with the Board. Ms. Varet has accrued an annual retirement benefit of $90,000. Mr. Malone has accrued an annual retirement benefit of $100,000.

Directors who first became members of the Board of Directors prior to July 22, 2004 participate in our Death Benefit Program for Directors. Mr. Malone and Ms. Varet participate in this program. Under this program, each non-employee Director has an individual agreement that pays the Director (or the Director s beneficiary in the event of the Director s death) an annual amount equal to 100% of that Director s highest annual rate of cash compensation during the Director s service with the Board. The payments are made for 10 years beginning at the earlier of (a) the Director s being retired and having attained age 70 or (b) the Director s death. The program is funded by individual life insurance policies that we purchased on the lives of the Directors. In addition, non-employee Directors who first became members of the Board of Directors prior to July 27, 2005 have a group term life insurance benefit of $50,000. We retain the right to terminate any of the individual agreements under certain circumstances.

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Directors, on or after June 1, 2011, are able to participate in a deferred compensation plan for Directors. Under this plan, a Director may defer payment of his or her fees. In advance of the year in which the fees will be paid, a Director may elect to defer all or part of his or her fees into a notional investment in our Common Stock, in an interest-bearing account, or in both. A Director generally may elect to have the value of his or her account distributed following retirement, either in a lump sum or in up to five annual installments, or in the form of an in-service distribution, payable either in a lump sum or in up to five annual installments commencing on a date specified by the Director in his or her distribution election. Payments may commence sooner upon the Director s earlier separation from service, upon the death of the Director, in the event of an unforeseeable financial emergency or upon a change of control. Payments from the notional Common Stock fund are made in shares of our Common Stock, while payments from the interest-bearing account are paid in cash.

Mandatory Retirement. The retirement policy for our Board of Directors prohibits a Director from standing for re-election following his or her 75^{th} birthday.

Certain Relationships and Related Transactions. Mr. Hermance s son is employed by us in a non-executive officer capacity as a Corporate Vice President and received total compensation, as such amount is calculated for the named executive officers in the Summary Compensation Table on page 25, of approximately $700,000 in 2016.

Under our written related party transactions policy, transactions that would require disclosure under SEC regulations must be approved in advance by the Audit Committee. Applicable SEC regulations generally require disclosure of all transactions since the beginning of a corporation s last fiscal year, or any currently proposed transaction, exceeding $120,000 in which the corporation or any of its subsidiaries is participating and in which any of the following related persons had, or will have, a direct or indirect material interest: (1) any of the corporation s directors, director nominees, or executive officers, (2) any beneficial owner of more than 5% of the corporation s common stock and (3) any member of the immediate family of any of the foregoing persons. The term immediate family includes a person s spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and any person (other than a tenant or employee) sharing the same household as the person.

Prior to entering into a transaction covered by the policy, the person proposing to enter into the transaction must provide a notice to our Vice President Audit Services, who must promptly forward the notice to the Chairman of the Audit Committee. Following such inquiry as the Audit Committee deems appropriate, the transaction is permissible if the Audit Committee finds that, notwithstanding the involvement of a related person, there is an appropriate business reason to approve the transaction.

The transaction described above was ratified by the Audit Committee under the policy.

STOCKHOLDER PROPOSALS AND DIRECTOR NOMINATIONS

FOR THE 2018 ANNUAL MEETING

Advance Notice Procedures for Stockholder Proposals and Director Nominations Not Intended for Inclusion in the Proxy Statement for the 2018 Annual Meeting

In accordance with our By-Laws, stockholders must give us notice relating to nominations for Director or proposed business to be considered at our 2018 Annual Meeting of Stockholders, other than in connection with a proxy access nomination, no earlier than January 8, 2018 and no later than February 7, 2018. These requirements do not affect the deadline for submitting stockholder proposals or director nominations for inclusion in the proxy statement, or for recommending candidates for consideration by the Corporate Governance/ Nominating Committee, nor do they apply to questions a stockholder may wish to ask at the Annual Meeting.

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Director Nominations for Inclusion in the Proxy Statement for the 2018 Annual Meeting

The Board recently adopted proxy access, which allows a stockholder or group of up to twenty stockholders who have owned at least 3% of the Company s Common Stock for at least three years to submit director nominees (up to the greater of two Directors or 20% of the Board) for inclusion in the Company s proxy materials if the stockholder(s) provide timely written notice of such nomination(s) and the stockholder(s) and the nominee(s) satisfy the requirements specified in the Company s By-Laws. To be timely for inclusion in the Company s proxy materials for the 2018 Annual Meeting of Stockholders, notice must be received by the Corporate Secretary at the principal executive offices of the Company no earlier than the close of business on October 31, 2017, and no later than the close of business on November 30, 2017. The notice must contain the information required by the Company s By-Laws, and the stockholder(s) and nominee(s) must comply with the information and other requirements in our By-Laws relating to the inclusion of stockholder nominees in the Company s proxy materials.

Stockholders may request a copy of the By-Law provisions discussed above from the Corporate Secretary, AMETEK, Inc., 1100 Cassatt Road, Berwyn, PA 19312-1177.

Stockholder Proposals for the 2018 Proxy Statement

To be considered for inclusion in the proxy statement for the 2018 Annual Meeting of Stockholders, stockholder proposals must be received at our executive offices no later than November 30, 2017.

REPORT OF THE AUDIT COMMITTEE

The responsibilities of the Audit Committee are set forth in its charter, which is accessible at the Investors section of www.ametek.com**.** Among other things, the charter charges the Committee with the responsibility for reviewing AMETEK s audited financial statements and the financial reporting process. In fulfilling its oversight responsibilities, the Committee reviewed with management and Ernst & Young LLP, AMETEK s independent registered public accounting firm, the audited financial statements contained in AMETEK s 2016 Annual Report on Form 10-K and included in Appendix A to this Proxy Statement. The Committee discussed with Ernst & Young LLP the matters required to be discussed by the Statement on Auditing Standards No. 61, *Communication with Audit Committees*, as amended (AICPA, *Professional Standards*, Vol. 1. AU Section 380) and as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

In addition, the Committee received the written disclosures and letter from Ernst & Young LLP required by Public Company Accounting Oversight Board Rule 3526, *Communication with Audit Committees Concerning Independence*, and has discussed with Ernst & Young LLP its independence.

The Committee discussed with AMETEK s internal auditors and Ernst & Young LLP the overall scope and plans for their respective audits. The Committee met with the internal auditors and Ernst & Young LLP, with and without management present, to discuss the results of their examinations, their evaluations of AMETEK s disclosure control process and internal control over financial reporting, and the overall quality of AMETEK s financial reporting. The Committee held seven meetings during 2016, which included telephonic meetings prior to quarterly earnings announcements.

Based on the reviews and discussions referred to above, the Committee recommended to the Board of Directors, and the Board approved, the inclusion of the audited financial statements in AMETEK s Annual Report on Form 10-K for the fiscal year ended December 31, 2016, for filing with the Securities and Exchange Commission.

Respectfully submitted,

The Audit Committee:

Anthony J. Conti, Chairperson

Steven W. Kohlhagen

James R. Malone

Gretchen W. McClain

Dated: March 31, 2017

ELECTION OF DIRECTORS

(Proposal 1 on Proxy Card)

The nominees for election at this year s Annual Meeting are Thomas A. Amato, Anthony J. Conti, Frank S. Hermance and Gretchen W. McClain. Messrs. Amato, Conti and Hermance and Ms. McClain have been nominated to serve as Class II Directors and, if elected, will serve until the Annual Meeting in 2020. There are no other nominees competing for their seats on the Board. This means we have an uncontested election.

If a quorum is present, Directors in uncontested elections are elected by a majority of the votes cast, in person or by proxy. This means that the four nominees will be elected if they receive more for votes than against votes. Votes marked for a nominee will be counted in favor of that nominee. Votes marked abstain will have no effect on the vote since a majority of the votes cast at the Annual Meeting is required for the election of each nominee. Since we do not have cumulative voting, you may not cast all of your votes for a single Director nominee. In accordance with the Company s Corporate Governance Guidelines, any nominee for Director who does not receive a majority of votes cast shall immediately tender his or her resignation for consideration by the Corporate Governance/Nominating Committee of the Board of Directors. The Committee will promptly consider the resignation tendered by the Director and will recommend to the Board whether to accept the tendered resignation or reject it. In considering whether to accept or reject the tendered resignation, the Committee will weigh all factors it deems relevant, including the reasons for the against votes by stockholders, the length of service and qualifications of the Director, and the Director s contributions to the Company. No Director whose tendered resignation is under consideration will participate in the deliberation process as a member of the Corporate Governance/Nominating Committee or the process of the Board described below. The Board will act on the Corporate Governance/Nominating Committee s recommendation within 120 days following certification of the stockholders vote and will promptly disclose (by press release, filing of a Current Report on Form 8-K or any other public means of disclosure deemed appropriate) its decision regarding whether to accept the Director s resignation offer. In considering the Corporate Governance/Nominating Committee s recommendation, the Board will weigh the factors considered by the Committee and any additional information deemed relevant by the Board. If any Directors resignations are accepted by the Board, the Corporate Governance/Nominating Committee will recommend to the Board whether to fill such vacancy or vacancies or to reduce the size of the Board.

If any nominee is unable to serve, the shares represented by all valid proxies will be voted for the election of such other person as the Board may nominate, unless the Board determines to reduce the number of Directors. The Directors biographies are set forth on pages 14 and 15.

Your Board of Directors Recommends a Vote FOR Each of the Nominees.

ADVISORY APPROVAL OF THE COMPANY S EXECUTIVE COMPENSATION

(Proposal 2 on Proxy Card)

In accordance with the results of the last advisory vote on the appropriate frequency of our advisory vote on executive compensation at the Company s 2011 Annual Meeting, our Board determined to implement an annual non-binding stockholder vote on our executive compensation (commonly referred to as say-on-pay). Our Board has had a long-standing commitment to good corporate governance and recognizes the interest that investors have in executive compensation. We also are committed to achieving a high level of total return to our stockholders.

We encourage you to review the Compensation Discussion and Analysis beginning on page 17 of this proxy statement, as well as the 2016 Summary Compensation table and related compensation tables and narrative, appearing on pages 25 through 37, which provide detailed information on the Company s compensation policies and practices and the compensation of our named executive officers. We believe that our compensation program is designed to attract, motivate and retain the talent required to achieve the short- and long-term performance goals necessary to create stockholder value. Our balanced approach to executive compensation through a combination of base pay, annual incentives and long-term incentives, with a mix of cash and non-cash awards, aligns with creating and sustaining stockholder value. The result of our compensation program is reflected in the total return to our stockholders.

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The Board strongly endorses the Company s executive compensation program and recommends that the stockholders vote in favor of the following resolution:

RESOLVED, that the stockholders approve the compensation of the Company s executives named in the Summary Compensation Table, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission (which disclosure includes the Compensation Discussion and Analysis and the accompanying compensation tables and related material disclosed in this Proxy Statement).

The affirmative vote of the holders of a majority of eligible shares present at the Annual Meeting, in person or by proxy, and voting on the matter is required to approve this proposal. Abstentions and broker non-votes will each be counted as present for purposes of determining a quorum but will not have any effect on the outcome of the proposal.

Although the vote is non-binding, our Board and Compensation Committee will take into account the outcome of the vote when making future decisions about the Company s executive compensation policies and procedures.

Your Board of Directors Recommends a Vote FOR the Approval of the Company s Executive Compensation.

ADVISORY VOTE ON THE FREQUENCY OF AN

ADVISORY VOTE ON EXECUTIVE COMPENSATION

(Proposal 3 on Proxy Card)

The Dodd-Frank Wall Street Reform and Consumer Protection Act added Section 14A to the Securities Exchange Act of 1934, which requires that we provide stockholders with the opportunity to vote, on a non-binding, advisory basis, for their preference as to how frequently to vote on future advisory votes on the compensation of our named executive officers as disclosed in accordance with the compensation disclosure rules of the Securities and Exchange Commission.

Stockholders may indicate whether they would prefer that we conduct future advisory votes on executive compensation once every one, two, or three years. Stockholders also may abstain from casting a vote on this proposal.

The Board of Directors has determined that an annual advisory vote on executive compensation will permit our stockholders to provide input on the Company s executive compensation philosophy, policies and practices as disclosed in the proxy statement each year, which is consistent with our efforts to engage in an ongoing dialogue with our stockholders on executive compensation and corporate governance matters.

You may cast your vote on your preferred voting frequency by choosing the option of one year, two years, three years or abstain from voting when you vote in response to the resolution set forth below.

RESOLVED, that the option of once every one year, two years, or three years that receives the highest number of votes cast for this resolution will be determined to be the stockholders preferred frequency with which the Company is to hold a stockholder vote to approve the compensation of the named executive officers, as disclosed pursuant to the Securities and Exchange Commission s compensation disclosure rules (which disclosure shall include the Compensation Discussion and Analysis, the Summary Compensation Table, and the other related tables and disclosure).

Because this vote is advisory and not binding on the Board of Directors or the Company in any way, the Board may decide that it is in the best interests of our stockholders and us to hold an advisory vote on executive compensation more or less frequently than the option selected by our stockholders.

Your Board of Directors Recommends a Vote to Conduct an Advisory Vote on Executive Compensation Once Every Year.

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RATIFICATION OF APPOINTMENT OF

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

(Proposal 4 on Proxy Card)

The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the Company s independent registered public accounting firm. To execute this responsibility, the Audit Committee engages in a comprehensive annual evaluation of the independent registered public accounting firm s qualifications, performance and independence. Further, the Audit Committee evaluates whether the independent registered public accounting firm should be rotated, and considers the advisability and potential impact of selecting a different independent registered public accounting firm.

The Audit Committee has selected, and the Board of Directors has ratified the selection of, Ernst & Young LLP to serve as our independent registered public accounting firm for the fiscal year ending December 31, 2017. The Audit Committee is responsible for the audit fee negotiations associated with the Company s retention of Ernst & Young LLP. Further, in conjunction with the mandated rotation of the audit firm s lead engagement partner, the Chairman and other members of the Audit Committee are directly involved in the selection of Ernst & Young LLP s new lead engagement partner. Ernst & Young LLP and its predecessor have served continuously as our independent auditors since our incorporation in 1930.

The Audit Committee and the Board of Directors believe that the continued retention of Ernst & Young LLP as our independent registered public accounting firm is in the best interest of the Company and our stockholders, and we are asking our stockholders to ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for 2017. Although action by stockholders on this matter is not required, the Audit Committee believes that it is appropriate to seek stockholder ratification of this appointment, and the Audit Committee may reconsider the appointment if the stockholders do not ratify it.

Fees billed to us by Ernst & Young LLP for services rendered in 2016 and 2015 totaled $8,279,000 and $7,332,000 respectively, and consisted of the following:

	2016	2015
Audit fees	$ 6,611,000	$ 6,087,000
Audit-related fees	258,000	51,000
Tax fees	1,408,000	1,192,000
All other fees	2,000	2,000
Total	$ 8,279,000	$ 7,332,000

Audit fees includes amounts for statutory audits and attestation services related to our internal control over financial reporting for compliance with Section 404 of the Sarbanes-Oxley Act of 2002.

The amounts shown for Audit-related fees primarily include fees for audits of employee benefit plans and due diligence in connection with acquisitions.

The amounts shown for Tax fees relate to federal and state tax advice, acquisition tax planning, assistance with international tax compliance and international tax consulting.

The amounts shown for All other fees relate to online accounting research subscriptions.

The affirmative vote of the holders of a majority of eligible shares present at the Annual Meeting, in person or by proxy, and voting on the matter is required to ratify the appointment of Ernst & Young LLP.

Representatives of Ernst & Young LLP will be present at the Annual Meeting. They will have an opportunity to make a statement if they desire and will be available to respond to appropriate questions.

Your Board of Directors Recommends a Vote FOR Ratification.

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THE BOARD OF DIRECTORS

As discussed under Consideration of Director Candidates , the Corporate Governance/Nominating Committee analyzes a number of factors when considering Directors for selection to the Board. Each of our Directors has been selected based on their demonstrated leadership and significant experience in areas significant to our Company; ability to offer advice and guidance based upon that experience and expertise; sound business judgment; and character and integrity that support the core values of the Company. The biographical information set forth below includes a description of each Director s background that supported the Board s consideration of that Director for nomination. Unless we indicate otherwise, each Director has maintained the principal occupation and directorships described below for more than five years.

Class II: Nominees for election at this Annual Meeting for terms expiring in 2020:

THOMAS A. AMATO Director since 2017 Age 53	Mr. Amato is Chief Executive Officer and President of TriMas Corporation. Previously, he was Chief Executive Officer and President of Metaldyne, LLC from October 2009 to December 2015. From August 2014 to December 2015, Mr. Amato also served as Co-President and Chief Integration Officer of Metaldyne Performance Group Inc. Mr. Amato brings to the Board more than 25 years of broad industrial and international experience, having served in several leadership positions at global, multibillion-dollar businesses. He is currently a Director of TriMas Corporation. Mr. Amato was a Director of Asahi Tec Corporation from June 2008 to May 2012.
ANTHONY J. CONTI Director since 2010 Age 68	Mr. Conti is retired from his position as a Partner at PricewaterhouseCoopers. Mr. Conti brings to the Board expertise in financial accounting, finance, strategy, risk management and human resources management with his more than 35 years experience at a public accounting firm. He is currently a Director of BioTelemetry, Inc.
FRANK S. HERMANCE Director since 1999 Age 68	Mr. Hermance is the Executive Chairman of AMETEK. Previously, he was Chairman and Chief Executive Officer of AMETEK from January 2001 to May 2016. Mr. Hermance brings to the Board extensive knowledge of our Company and the markets in which we operate through his more than 30 years experience in our industry. He is currently a Director of UGI Corporation. Mr. Hermance was a Director of IDEX Corporation from January 2004 to April 2012.
GRETCHEN W. MCCLAIN Director since 2014 Age 54	Ms. McClain was the founding President and Chief Executive Officer of Xylem Inc. from October 2011 to September 2013. Ms. McClain brings to the Board her extensive business, developmental, strategic and technical background from more than 25 years of global experience across multiple industries, including as CEO of a publicly traded industrial company and government agency leadership. She is currently a Director of Booz Allen Hamilton Holding Corporation and Boart Longyear Limited. Ms. McClain was a Director of Xylem Inc. from October 2011 to September 2013. She was a Director of Con-way, Inc. from June 2015 to October 2015, when it was acquired by XPO Logistics, Inc.

Class III: Directors whose terms continue until 2018:

JAMES R. MALONE Director since 1994 Age 74	Mr. Malone is founder and Managing Partner of Qorval LLC. Mr. Malone brings to the Board considerable experience and insight into issues facing large public companies gained as CEO of four Fortune 500 companies, and as a director of a number of other public companies. He has extensive acquisition experience and knowledge specific to our markets with more than 30 years experience in our industry. He was a Director of Regions Financial Corporation from August 1993 to May 2015.
ELIZABETH R. VARET Director since 1987 Age 73	Ms. Varet is a Managing Director of American Securities Management L.P. and chairman of the corporate general partner of several affiliated entities. Ms. Varet brings to the Board expertise in finance and investment through her extensive management and investment experience at private equity and other investment firms.
DENNIS K. WILLIAMS Director since 2006	Mr. Williams is retired from his position as President, Chief Executive Officer and Chairman of the Board of IDEX Corporation. Mr. Williams brings to the Board considerable experience and insight into issues facing large public companies gained as CEO of IDEX Corporation. He has extensive acquisition experience and knowledge specific to our markets with more than 30 years experience in our industry. Mr. Williams is

Age 71	currently a Director of Owens-Illinois, Inc. and Actuant Corporation.

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Class I: Directors whose terms continue until 2019:

RUBY R. CHANDY Director since 2013 Age 55	Ms. Chandy was the President of the Industrial Division of Pall Corporation from April 2012 to November 2015. Previously, she was Managing Director, Vice President of Dow Plastics Additives, a unit of The Dow Chemical Company, from 2011 to April 2012. Ms. Chandy brings to the Board her executive management experience, marketing and strategy skills, relevant experience in life science and industrial companies, and extensive engineering and management education. Ms. Chandy was a Director of IDEX Corporation from April 2006 until April 2013.
STEVEN W. KOHLHAGEN Director since 2006 Age 69	Mr. Kohlhagen is a retired financial executive. Mr. Kohlhagen brings to the Board expertise in financial accounting, finance and risk management through his extensive experience in, and knowledge of, the financial, securities and foreign exchange markets. He is currently a Director of the Federal Home Loan Mortgage Corporation and GulfMark Offshore, Inc. Mr. Kohlhagen was a Director of Abtech Holdings, Inc. from August 2012 to March 2014.
DAVID A. ZAPICO Director since 2016 Age 52	Mr. Zapico is the Chief Executive Officer of AMETEK. Previously he was Executive Vice President and Chief Operating Officer from January 2013 to May 2016. From October 2003 to January 2013, Mr. Zapico served as President Electronic Instruments. Mr. Zapico brings to the Board extensive knowledge of our Company and the markets in which we operate through his more than 25 years experience in our industry.

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EXECUTIVE OFFICERS

Officers are appointed by the Board of Directors to serve for the ensuing year and until their successors have been elected and qualified. Information about our executive officers as of March 24, 2017 is shown below:

Name	Age	Present Position with AMETEK
Frank S. Hermance	68	Executive Chairman
David A. Zapico	52	Chief Executive Officer
William J. Burke	55	Executive Vice President Chief Financial Officer & Treasurer
Ronald J. Oscher	49	Chief Administrative Officer
Tony J. Ciampitti	44	President Electronic Instruments
John W. Hardin	52	President Electronic Instruments
Thomas C. Marecic	55	President Electronic Instruments
Timothy N. Jones	60	President Electromechanical Group
Thomas M. Montgomery	54	Senior Vice President Comptroller & Principal Accounting Officer

Frank S. Hermance s employment history with us and other directorships held during the past five years are described under the section The Board of Directors on page 14. Mr. Hermance has 26 years of service with us.

David A. Zapico s employment history with us and other directorships held during the past five years are described under the section The Board of Directors on page 15. Mr. Zapico has 27 years of service with us.

William J. Burke was elected Executive Vice President Chief Financial Officer & Treasurer effective May 15, 2016. Previously he served as Senior Vice President Comptroller & Treasurer from July 2012 to May 2016. From November 2011 to June 2012, Mr. Burke served as Vice President Treasurer. Mr. Burke has 29 years of service with us.

Ronald J. Oscher was elected Chief Administrative Officer effective May 5, 2016. Previously he served as President Electronic Instruments from November 2014 to December 2016. From March 2013 to November 2014, Mr. Oscher served as Senior Vice President Electronic Instruments. From May 2010 to March 2013, Mr. Oscher served as Vice President and General Manager Materials Analysis Division. Mr. Oscher has 6 years of service with us.

Tony J. Ciampitti was elected President Electronic Instruments effective January 1, 2017. Previously he served as Vice President and General Manager Power Systems and Instruments Division from July 2008 to January 2017. Mr. Ciampitti has 20 years of service with us.

John W. Hardin was elected President Electronic Instruments effective July 23, 2008. Mr. Hardin has 18 years of service with us.

Thomas C. Marecic was elected President Electronic Instruments effective November 5, 2014. Previously he served as Senior Vice President Electronic Instruments from March 2013 to November 2014. From February 2006 to March 2013, Mr. Marecic served as Vice President and General Manager Process & Analytical Instruments Division. Mr. Marecic has 22 years of service with us.

Timothy N. Jones was elected President Electromechanical Group effective February 1, 2006. Mr. Jones has 37 years of service with us.

Thomas M. Montgomery was elected Senior Vice President Comptroller & Principal Accounting Officer effective May 15, 2016. Previously he served as Vice President Planning & Analysis from July 2012 to May 2016. From August 2005 to July 2012, Mr. Montgomery served as Director, Planning & Analysis. Mr. Montgomery has 33 years of service with us.

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EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

In this Compensation Discussion and Analysis, we address the compensation paid or awarded to our executive officers listed in the Summary Compensation Table that immediately follows this discussion. We refer to these executive officers as our named executive officers.

Each year, the Compensation Committee, in consultation with an independent compensation consultant as needed, carefully reviews our compensation policies and procedures to determine if they are in the best interests of our stockholders and employees. The Compensation Committee conducted this review in the fall of 2016. In light of the strong level of stockholder approval of our executive compensation that we received at our 2016 Annual Meeting of Stockholders (approximately 97% of the advisory vote), the Compensation Committee determined that it is in the best interests of our stockholders as well as our employees to maintain our compensation policies and procedures which have been in effect for a number of years and which are described in this Compensation Discussion and Analysis.

2016 Compensation

Compensation Objectives

The compensation paid or awarded to our named executive officers for 2016 was designed to meet the following objectives:

- Provide compensation that is competitive with market levels of compensation provided to other companies executive officers who provide comparable services, taking into account the size of our Company or operating group, as applicable. We refer to this objective as competitive compensation.

- Create a compensation structure under which a meaningful portion of total compensation is based on achievement of performance goals. We refer to this objective as performance incentives.

- Encourage the aggregation and maintenance of meaningful equity ownership, and alignment of 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 various components of our 2016 compensation payments and awards to meet these objectives as follows:

Type of Compensation	Objectives Addressed
Salary	Competitive Compensation
Short-Term Incentive Awards, Restricted Stock Awards and Stock Option Grants	Competitive Compensation, Performance Incentives, Stakeholder Incentives and Retention Incentives

Determination of Competitive Compensation

In assessing the competitiveness of our compensation levels, we review current-year compensation data provided to us by an independent compensation consultant, Pay Governance LLC. The Company targets the 50th percentile of the general industry market (a collection of approximately 500 companies) as its primary reference point. Additional data at the 25th percentile and 75th percentile are also reviewed. We use the general industry market rather than a smaller industry peer group because we draw talent from the broader industry. Our approach provides us reference information, allowing us to compete effectively in the marketplace for top talent, while providing us the flexibility to respond to our changing business conditions and the performance of each individual.

We used the following process to determine a reference point for the compensation for each named executive officer in 2016:

We provided to the compensation consultant a description of the responsibilities for each named executive officer.

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The compensation consultant employed its standard methodology to provide market compensation levels for comparable executives. Comparable executives are seasoned executives having similar responsibilities. The competitive compensation information was based on general industry data derived principally from Willis Towers Watson s Executive Compensation Database. The data was size-adjusted to reflect the estimated revenues of our Company and its relevant operating groups as appropriate. The compensation consultant advised us that it used general industry data rather than data relating only to electronics and electronic component companies because general industry data provides a much larger sampling of companies, and does not differ meaningfully from the data produced by an electronics and electronic component subset.

In considering the data provided by the compensation consultant, we believe that compensation is competitive if it is within a range of 20 percent above or 20 percent below the compensation reference points at the 50^{th} percentile for comparable executives. We believe that variations within this range typically occur due to differences in experience, responsibilities and performance.

Salaries

The salary amounts set forth in the Summary Compensation Table for 2016 reflect salary decisions made by the Compensation Committee of our Board of Directors in 2015. All named executive officers salaries were within the competitive compensation guideline of 20 percent above or below salaries for comparable executives at the 50^{th} percentile.

Short-Term Incentive Program

The principal objective of our short-term incentive program is to provide a performance-based incentive. We set target short-term incentive opportunities in order to provide target total cash compensation that is within 20 percent above or below the total cash compensation guideline at the 50^{th} percentile for comparable executives. However, larger variations from market, both positive and negative, may result based on actual performance.

For 2016, we set target bonus amounts, which are typically stated as a percentage of base salary, for the named executive officers as follows: Mr. Zapico, as Chief Operating Officer 80%; Mr. Zapico, as Chief Executive Officer 100%; Mr. Hermance 110%; Mr. Burke, as Senior Vice President - Comptroller & Treasurer 55%; Mr. Burke, as Executive Vice President - Chief Financial Officer & Treasurer 75%; Mr. Mandos 75%; Mr. Jones 65%; and Mr. Hardin 65%.

Under our short-term incentive program, we selected performance measures that, in some instances, differed among the named executive officers. These differences reflect the differing responsibilities of the executives. We also established targets for each performance measure.

The target goal for each non-discretionary measure in 2016 was derived from our 2016 budget. Consistent with past practice, the Compensation Committee can make adjustments on a case-by-case basis, such as for group operating income, as described below.

Diluted earnings per share (EPS) We believe that the paramount objective of a principal executive officer is to increase stockholder return significantly, and that for a large, well-established industrial corporation, EPS is typically a key metric affecting share price. Therefore, we believe EPS is an excellent measure of our executive officers performance. For 2016, we adjusted diluted earnings per share to exclude realignment costs and impairment charges.

Organic revenue growth Revenue growth is key to the long-term vitality of a business and we believe this is an indicator of our executive officers performance. This measure is applied either on a Companywide basis, or, for our group presidents, with regard to their respective operating groups. We define our organic revenue growth measure as actual revenue compared to prior-year revenue without giving effect to (i) increases in revenues from businesses that we acquired during the year and (ii) foreign currency effects.

Operating income This measure applies to our group presidents with regard to their respective operating groups, and reflects adjustments deemed appropriate by the Compensation Committee. We believe this measure is a reliable indicator of corporate and operating group performance. Adjustments to operating unit income in 2016 consisted of the inclusion of estimated tax benefits pertaining to the disposal of excess and obsolete inventory, the inclusion of specified financing costs related to acquisitions, and the exclusion of realignment costs and impairment charges. We increased operating unit income by the estimated tax benefit realized through the disposal of excess and obsolete inventory. This adjustment encourages our operating executives to dispose of

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excess and obsolete inventory so stockholders benefit from the lower taxes. We reduced operating unit income by the estimated amount of interest cost we incur on funds borrowed to finance an acquisition where the results of operations of the acquired business are included in the unit s operating results. We believe that reducing the operating unit income derived from an acquired business by these interest costs better reflects the contribution of the acquisition to the operating unit s performance. By excluding realignment costs and impairment charges, we encourage our operating executives to take appropriate long-term actions for the business.

Operating working capital This measure represents inventory plus accounts receivable less accounts payable as a percentage of sales. We use this measure to encourage our executives to manage our working capital in a manner that increases cash available for investment. Operating working capital is reported at the Corporate and Group level. A lower working capital percentage is an indicator of the executives success in increasing our cash resources.

Discretionary A portion of each executive s award, ranging from 10% to 20%, is based on discretionary factors that are deemed appropriate by the Compensation Committee. In the case of the chief operating officer and group presidents, these factors take into account acquisition activity of the Company and their respective operating groups.

The weighting of performance measures for each named executive officer is set forth in the table below. The target award is payable upon achievement of 100 percent of a designated goal. Payment amounts increase from 0 percent to 200 percent of the target award in proportion to the increase from 80 percent (threshold) to 110 percent (maximum) of the goal attainment with regard to each measure except for organic revenue growth and working capital. Payment amounts increase from 0 percent to 200 percent of the target award in proportion to the increase from 3 percentage points below target (threshold) to 3 percentage points above target (maximum) of the organic revenue growth goal and in proportion to the decrease from 110 percent (threshold) to 90 percent (maximum) of the working capital goal. The discretionary portions of the award opportunities are not subject to any specified formula.

Name	Performance Measure	Threshold	Designated Goal (Target)	Maximum	Actual Results	Performance Measure as a Percentage of Total Target Award Opportunity	Actual Award	Actual Award as Percentage of Target Award Opportunity for the Performance Measure
David A. Zapico	Diluted Earnings Per Share	$ 2.08	$ 2.60	$ 2.86	$ 2.30	70%	$ 275,647	42%
	Organic Revenue Growth	-4.30%	-1.30%	1.70%	-6.47%	10%	$ 0	0%
	Discretionary	0%	100%	200%	168%	20%	$ 311,804	168%
Frank S. Hermance	Diluted Earnings Per Share	$ 2.08	$ 2.60	$ 2.86	$ 2.30	80%	$ 484,000	42%
	Discretionary	0%	100%	200%	200%	20%	$ 572,000	200%
William J. Burke	Diluted Earnings Per Share	$ 2.08	$ 2.60	$ 2.86	$ 2.30	67%	$ 89,987	42%
	Organic Revenue Growth	-4.30%	-1.30%	1.70%	-6.47%	10%	$ 0	0%
	Corporate Working Capital	20.6%	18.7%	16.8%	20.0%	8%	$ 7,238	30%
	Discretionary	0%	100%	200%	163%	15%	$ 79,776	163%
Robert R. Mandos	Diluted Earnings Per Share	$ 2.08	$ 2.60	$ 2.86	$ 2.30	70%	$ 46,207	42%
(Retired May 15, 2016)	Organic Revenue Growth	-4.30%	-1.30%	1.70%	-6.47%	10%	$ 0	0%
	Corporate Working Capital							

	Discretionary	20.6%	18.7%	16.8%	20.0%	10%	$ 4,681	30%
		0%	100%	200%	100%	10%	$ 15,604	100%
Timothy N. Jones	Diluted Earnings Per Share	$ 2.08	$ 2.60	$ 2.86	$			
	Organic Revenue Growth	-1.70%	1.30%	4.30%				
	Group Operating Income	$ 211,862,817	$ 264,828,521	$ 291,311,373				
	Group Working Capital	19.5%	17.7%	15.9%				
	Discretionary	0%	100%	200%				