

## **Ampco-Pittsburgh Corporation**

### **COMPENSATION COMMITTEE CHARTER**

**Adopted by the Board of Directors on February 19, 2004, upon recommendation of the Compensation Committee and amended on February 20, 2007**

#### **Purpose**

The purpose of the Compensation Committee of the Board of Directors (the "Board") is to assist the Board in its oversight and evaluation responsibilities relating to compensation matters. The Compensation Committee has overall responsibility for evaluating and approving the structure, operation and effectiveness of the Corporation's compensation plans, policies and programs.

In addition, the Compensation Committee is charged with preparing a compensation committee report as required by the Securities and Exchange Commission (the "SEC") to be included in the Corporation's annual proxy statement.

#### **Committee Membership**

The Compensation Committee shall consist of at least three members, one of whom shall serve as chairperson of the Committee. The members of the Compensation Committee must meet the applicable membership and independence requirements under Section 303A of the Listed Company Manual of the New York Stock Exchange (a copy of which is attached hereto) and shall be "outside directors" for purposes of Section 162(m) of the Internal Revenue Code and "non-employee directors" for purposes of Section 16b-3 of the Securities Exchange Act of 1934.

The members of the Compensation Committee and the chairperson of the Compensation Committee shall be appointed at least annually by the Board on the recommendation of the Nominating and Governance Committee of the Board (the "Nominating and Governance Committee"). In each case upon the recommendation of the Nominating and Governance Committee, the Board from time to time may remove members of the Compensation Committee and fill any resulting vacancy.

#### **Meetings**

The Compensation Committee shall hold at least one meeting per year and such additional meetings as the Compensation Committee or its chairperson shall determine.

## **Committee Duties and Powers**

To carry out its purpose, the Compensation Committee shall have the following duties and powers:

CEO Compensation. The Compensation Committee annually shall review and approve corporate goals and objectives relevant to the compensation of the Corporation's Chief Executive Officer (the "CEO"), evaluate the CEO's performance in light of those goals and objectives, and either as a committee or together with the other independent directors serving on the Board (as determined by the Board), approve the CEO's compensation level (including any long-term incentive or other compensation under any incentive-based compensation plan or equity-based compensation plan) based on this evaluation. In determining the long-term incentive component of CEO compensation, the Compensation Committee will consider the Corporation's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years.

Non-CEO Executive Compensation. The Compensation Committee annually shall review management's recommendations and make recommendations to the Board with respect to director compensation and other non-CEO executive compensation above certain limits established by the Board, including incentive-based compensation plans and equity-based compensation plans, provided, however, that the Compensation Committee shall have full decision-making powers with respect to compensation intended to be performance-based compensation within the meaning of Section 162(m) of the Internal Revenue Code.

Stock based incentive plans. The Compensation Committee will review and recommend to the Board on the implementation and utilization of stock based incentive plans. This Committee will exercise the authority given to it by the Board under the Corporation's various stock incentive plans, including determination of the nature and amount of award to be granted under any such plan.

Compensation Consultants. The Compensation Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or senior executive compensation and shall have sole authority to approve any such consultant's fees and other retention terms. The Compensation Committee also shall have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

Compensation Committee Report. The Compensation Committee shall prepare a compensation committee report as required by the SEC to be included in the Corporation's annual proxy statement

Subcommittees. The Compensation Committee may form and delegate authority to subcommittees when appropriate.

Reports to the Board. The Compensation Committee shall make regular reports to the Board.

Compensation Committee Charter. The Compensation Committee shall review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.

Self-Evaluation. The Compensation Committee shall conduct an annual self-performance evaluation.

Other Duties. The Compensation Committee also shall perform such additional duties and have such additional responsibilities and functions as the Board from time to time may determine.

### **Reports of the Committee**

At each regular meeting of the Board, the Compensation Committee shall report the substance of all actions taken by the Compensation Committee since the date of its last report to the Board. Each report shall be filed with the minutes of the Board to which it is presented, as a part of the corporate records.