

COMPENSATION COMMITTEE CHARTER

Revised as of May 21, 2013

The Compensation Committee (the “Committee”) of the board of directors (the “Board”) of the general partner, Steel Partners Holdings GP Inc. (the “General Partner”), of Steel Partners Holdings L.P. (“SPH” and, together with the General Partner, the “Company”), shall consist of three or more directors appointed annually by the Board, one of whom may be designated by the Board as Committee Chairman and each of whom shall (i) satisfy the director independence requirements of any exchange upon which the Company’s securities are listed; (ii) be a “Non-Employee Director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended; and (iii) be an “outside director” for the purposes of Section 162(m) of the Internal Revenue Code, and all of whom shall serve at the pleasure of the Board.

The Committee shall have as many meetings per year as the Committee deems necessary or appropriate, at such times and places as shall be determined by the Committee Chairman or a majority of the Committee’s members. Meetings of the Committee may be called by either (i) the Committee Chairman, (ii) the Chairman of the Board or (iii) a majority of the Committee’s members.

Members of the Committee may participate in a meeting of the Committee by means of conference call or similar communications arrangements by means of which all persons participating in the meeting can hear each other.

The affirmative vote of a majority of the members of the Committee participating in any meeting of the Committee is necessary for adoption of any resolution. The Committee may create one or more subcommittees, and may delegate, in its discretion, all or a portion of its duties and responsibilities to such subcommittee.

The Committee shall have the following duties and responsibilities:

- 1) In consultation with the Chief Executive Officer or equivalent officer (“CEO”), and subject to or unless delegated under the Management Agreement, (i) review the Company’s general compensation philosophy for executive officers, (ii) oversee the development and implementation of compensation programs for executive officers, and (iii) review and recommend compensation, including incentive and equity-based compensation, of executive officers.
- 2) Subject to or unless delegated under the Management Agreement, review and approve corporate goals and objectives relevant to the compensation of the CEO from the Company, evaluate the performance of the CEO in light of those goals and objectives and determine and approve the compensation level of the CEO based on this evaluation.
- 3) Review and make recommendations to the Board with respect to incentive compensation plans and equity-based plans and, subject to or unless delegated under the Management Agreement, oversee these plans, including regulatory compliance activities with respect to compensation matters.

- 4) Have sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or executive officer compensation and shall have sole authority to approve the consultant's fees and other retention terms. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
- 5) Review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, reviewing and discussing at least annually the relationship between the Company's risk management policies and practices and compensation, and evaluating compensation policies and practices that could mitigate any such risk.
- 6) Annually review and approve the CD&A of the Company's compensation policies and the reasoning behind those policies and related executive compensation information, to be included in the Company's annual report on Form 10-K or annual proxy statement, and provide a Compensation Committee Report in accordance with the requirements of Regulation 14A under the Exchange Act, as the same may be amended from time to time.
- 7) Annually review, and recommend to the Board for its approval, the form and amount of cash and equity compensation, including but not limited to Board and committee retainers, meeting fees, equity-based compensation and such other forms of compensation as the Committee may consider appropriate, to be paid or awarded to the Company's non-employee directors.
- 8) Oversee the Company's compliance with regulatory requirements and regulatory developments affecting compensation, including those of the SEC and any exchange on which the Company's securities are listed, associated with compensation of its officers and employees.

The Committee shall report to the Board regularly on all matters for which the Committee has responsibility.

The Committee shall annually review and reassess the adequacy of this Charter and recommend to the Board for approval such changes as the Committee believes are appropriate.

The Committee shall perform such other assignments and functions as may be requested from time to time by the Board, and the Committee shall have and exercise the duties, powers and authorities granted to it from time to time by the Board, including any duties, powers and authorities vested in the Committee pursuant to any incentive award, deferred compensation, stock option, or other compensation, savings or retirement plan of the Company which the Committee has been designated to administer.