

## **NOMINATING and GOVERNANCE COMMITTEE CHARTER**



The Nominating and Governance Committee of the Board of Directors (the “Nominating and Governance Committee”) shall be composed entirely of Independent Directors. The Nominating and Governance Committee shall be responsible for establishing the criteria for and reviewing the effectiveness of the Board of Directors and the executive officers of the Company. The Nominating and Governance Committee shall also be responsible for providing oversight with regard to the Company’s various programs for dealing with succession planning with respect to executive officers and potential vacancies on the Board of Directors, business ethics and other governance issues.

The Nominating and Governance Committee shall meet at least two times during the year for purposes of performing its duties. The purpose and duties of the Nominating and Governance Committee shall include, but not be limited to, the following:

- To develop standards for independence that shall be applied when screening candidates to serve as Outside Directors of the Board;
- To determine and recommend to the Board criteria regarding personal qualifications currently needed for Board membership and membership on Board committees;
- To develop and carry out a program of orientation for new members of the Board, to evaluate the need for ongoing director education and to develop appropriate continuing education opportunities from time to time;
- To evaluate the performance of the Board as a whole and provide feedback to the chairman of the board and chief executive officer on how the directors and the Board are functioning;
- To evaluate and recommend to the Board successors to the executive officers and replacements or additions to the Board of Directors when required;
- To evaluate Board practices at Sypris and other well-managed companies on an annual basis and recommend appropriate changes to the Board and/or its practices;
- To monitor the Company’s compliance with legal and corporate policies regarding business ethics;
- To consider governance issues raised by stockholders or other stakeholders in the Company and recommend appropriate responses to the Board;

- To review annually the Company's director and officer indemnification policies and to evaluate and make appropriate recommendations to the Board regarding the Company's levels of D&O insurance coverage; and
- To review and assess the adequacy of and update, if necessary, this Nominating and Governance Committee Charter, the Company's Corporate Governance Guidelines, and the Nominating and Governance Committee Calendar on an annual basis or more frequently if the circumstances require.

The Nominating and Governance Committee shall report the results of its deliberations, actions and observations to the Board of Directors of the Company.

The following individuals currently serve as members of the Nominating and Governance Committee of the Company's Board of Directors:

William L. Healey, Chairman  
John F. Brinkley  
William G. Ferko