

SIFCO Industries, Inc.
CORPORATE GOVERNANCE GUIDELINES AND POLICIES
Adopted May 8, 2014

This document is designed to describe certain governance guidelines and policies of the SIFCO Industries Board of Directors. This document should be reviewed annually and revised as the Board approves.

I. Board Responsibilities

The full Board should deal with all matters of significant policy and scope. For example and without limitation, action of the Board is required for the following matters:

- A. Change corporate objectives and goals, major policies and strategic plans;
- B. Authorize individual capital expenditure exceeding \$250,000 or an accumulative total established yearly by the Board;
- C. Make acquisitions for cash or notes totaling over \$150,000 each or make any acquisition for stock;
- D. Enter into any lease under which the present value of all payments discounted at 8% exceeds \$150,000 or the term exceeds 15 years;
- E. Dispose of physical property of the company valued in excess of \$150,000 for each parcel or \$500,000 cumulative total per annum;
- F. Incur debt exceeding \$500,000 per year.
- G. Contract for professional services exceeding \$200,000 in cost;
- H. Repurchase the company stock for the company;
- I. Establish any salary exceeding the limits set by the Compensation Committee or enter into any employment contracts;
- J. Evaluation and response to strategic alternatives.

II Director Qualifications

The Board shall have a majority of directors who meet the independence criteria adopted by the NYSE AMEX.

III Committees of the Board

The Board shall have the following Committees:

- A. The Audit Committee will consist of all the independent directors. The Charter for the Audit Committee is attached as Addendum I.
- B. The Compensation Committee will consist of all the independent directors. The Charter for the Compensation Committee is attached as Addendum II.
- C. The Nominating and Governance Committee will consist of all the independent directors. The Charter of this Committee is attached as Addendum III.
- D. The Board may approve such other committees as it deems appropriate and in accordance with the company's Regulations.

IV Meetings of the Board

The Board shall hold a minimum of four meetings annually; meetings will generally be held after each quarter and before or after the Annual Meeting, generally held the last part of January. The independent directors will meet at regularly scheduled executive sessions at each Board meeting.

- A. A minimum of one field trip each year is desirable so that the Board may visit the physical properties of the company and meet the local management.
- B. A schedule will be distributed to the Directors by the Chairman, showing the meeting when various Board responsibilities will be handled.
- C. The Chairman of the Board shall deliver a Board packet, consisting of a proposed agenda plus additional material for prior study, to each Director approximately one week before a meeting.
- D. Any Director may add an item to the agenda by contacting the Chairman or Secretary.
- E. The Company will provide orientation for new Directors and will make available to the Directors continuing education programs.

V. Compensation of the Board

Independent Directors should be compensated appropriately for their services on the Board in accordance with the Director Compensation Policy approved by the Compensation Committee of the Board.

VI. Ethics and Conflicts of Interest

The Board expects the affairs of the company to be conducted on a high moral and ethical level and has adopted a Code of Ethics to govern the actions and working relationships of SIFCO employees, officers, and directors. The Code is attached as Addendum IV.