

## Compensation Committee Charter

### WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION

#### COMPENSATION COMMITTEE CHARTER

(AS AMENDED FEBRUARY 20, 2007)

- I. Purpose:** The Compensation Committee (this “Committee”) shall discharge the Board’s responsibilities relating to compensation of the Company’s Directors and officers and perform the duties and responsibilities set forth in this Charter. This Committee is committed to ensure that the compensation practices of the Company are in full compliance with law, in compliance with the Company’s Code of Business Conduct and Ethics and commensurate with the high standards of performance expected of the Company’s Directors and officers.
- II. Composition:** The membership of the Committee shall consist of four directors, who shall be recommended annually by the Nominating and Corporate Governance Committee and approved by the full board at the first meeting after the annual meeting of shareholders. All of the members of this Committee shall be independent. Independence for membership purposes shall be established in accordance with the SEC and the NYSE rules. A person may serve on the Compensation Committee only if he or she (i) is a “Non-employee Director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and (ii) satisfies the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended.

A Director may resign as a member of the Committee upon notice to the Secretary of the Company and the Chairperson of the Board.

The Chairperson of the Committee shall be nominated by the Nominating and Governance Committee and approved by the full Board at its first meeting after the annual meeting of shareholders.

- III. Responsibilities and Duties:** This Committee’s responsibilities and duties shall be to:
- (A) Review and approve corporate goals and objectives relevant to Chief Executive Officer compensation, evaluate the Chief Executive Officer’s performance in light of those goals and objectives, and either as a committee or together with the other independent Directors (as directed by the Board of Directors) determine and approve the Chief Executive Officer’s compensation level based on such evaluation. In determining the incentive components of the Chief Executive Officer’s compensation, this Committee will consider the Company’s performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, the awards given to the Company’s Chief Executive Officer in past years and such other factors as this Committee shall determine to be appropriate. The Chief Executive Officer’s compensation should consist of an appropriate mix of salary and incentive-based opportunities, both in a mix of cash and equity, to provide stability and promote long-term growth of the Company.
  - (B) Review and make recommendations to the Board of Directors with respect to the compensation of all Directors and all officers and key executives (other than the

Chief Executive Officer), including incentive-compensation plans and equity-based plans.

- (C) Make recommendations to the Board of Directors with respect to incentive-compensation plans and equity-based plans of the Company. Perform oversight of the administration of the Company's incentive-compensation plans and equity-based plans.
- (D) Review the Compensation Discussion and Analysis prepared by management and recommend such for inclusion in the Company's Annual Report on Form 10-K and Proxy Statement for the Annual Meeting of Stockholders or such other documents as required by the Securities and Exchange Commission.
- (E) Produce an annual report of this committee for inclusion in the Company's Proxy Statement for the Annual Meeting of Stockholders, in accordance with applicable rules and regulations.
- (F) Regularly report its activities to the Board.
- (G) Review, and make recommendations to the Nominating and Corporate Governance Committee regarding revisions of this Charter.
- (H) Evaluate the performance of this Committee.
- (I) Perform such other responsibilities as may be delegated to it by the Board of Directors or by a plan of the Company.

Except as noted above, this Committee shall perform each of its responsibilities and duties at least annually, but more often if this Committee shall determine necessary or appropriate.

**IV. Committee Powers:** This Committee shall have the following powers:

- (A) The sole power to retain and terminate a consulting firm, including the authority to approve the firm's fees and retention terms, to evaluate compensation of the Company's executive officers and Directors.
- (B) To obtain advice and assistance from internal or external legal, accounting, human resource or other advisors and to have direct access to such advisors.
- (C) To form and delegate authority to subcommittees.
- (D) Such other powers as may be necessary or appropriate to fulfill its purposes.

**V. Meetings:** This Committee shall meet at least two (2) times a year, or more frequently as circumstances dictate. A majority of the members of this Committee shall constitute a quorum for the transaction of business. The agenda of each Committee meeting shall be established by the Chairperson. Each Committee member is free to suggest inclusion of items on the agenda. Each Committee member is free to raise at any Committee meeting subjects that are not on the agenda for that meeting.