

**AK STEEL HOLDING CORPORATION
(INCLUDING AK STEEL CORPORATION)
(collectively the “Corporation”)**

**MANAGEMENT DEVELOPMENT
AND COMPENSATION COMMITTEE CHARTER**

This Charter is intended as a component of the flexible governance framework within which the Board of Directors (the “Board”) of the Corporation, assisted by its committees, directs the affairs of the Corporation. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation’s Certificate of Incorporation and By-Laws, it is not intended to establish by its own force any legally binding obligations.

I. PURPOSES

The Management Development and Compensation Committee (the “Committee”) shall be responsible for the development, attraction and retention of the Corporation’s senior leadership and shall assist the Board in overseeing the Corporation’s management compensation policies and practices, including (i) overseeing the development and implementation of the Corporation’s policies and programs for the development of its senior leadership and the succession plan for its executive officers; (ii) determining and approving the compensation of the Corporation’s Chief Executive Officer (“CEO”); (iii) reviewing and approving compensation levels for the Corporation’s other executive officers; (iv) reviewing and approving management incentive compensation policies and programs; (v) reviewing and approving equity compensation programs for employees, and exercising discretion in the administration of such programs; and (vi) reviewing and approving the annual Compensation Discussion and Analysis (“CD&A”) and producing for inclusion in the proxy statement a Compensation Committee Report that states whether the Committee has recommended that the CD&A be included in the Corporation’s annual report on Form 10-K and in its proxy statement.

In discharging its role, the Committee is empowered to inquire into any matter that it considers appropriate to carry out its responsibilities, with access to all books, records, facilities and personnel of the Corporation. The Committee has the power to retain outside counsel or other advisors to assist it in carrying out its activities. The Corporation shall provide adequate resources to support the Committee’s activities, including compensation of the Committee’s counsel, consultants and other advisors. The Committee shall have the sole authority to retain, compensate, direct, oversee and terminate counsel, compensation consultants, and other advisors hired to assist the Committee, who shall be accountable ultimately to the Committee.

II. COMMITTEE MEMBERSHIP

The Committee shall consist of three or more members of the Board, each of whom the Board has selected and determined to be (i) “independent” in accordance with applicable rules of the New York Stock Exchange, (ii) a “non-employee director” for purposes of Section 16 of the Securities Exchange Act of 1934, and (iii) an “outside director” for purposes of Section 162(m) of the Internal Revenue Code. Members shall continue to be members until their successors are elected and qualified or until their earlier resignation or removal. Any member may be removed by the Board, with or without cause, at any time. The Chair of the Committee shall be

recommended by the Nominating and Governance Committee and approved by the Board. He or she shall serve at the pleasure of the Board to convene and chair meetings of the Committee, set agendas for meetings, and determine the Committee's information needs. In the absence of the Chair at a duly convened meeting, the Committee shall select a temporary substitute from among its members.

III. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least four times per year, or more frequently as circumstances dictate. The Committee shall establish its own schedule and rules of procedure. Members may participate telephonically in meetings of the Committee. A majority of the members of the Committee shall constitute a quorum sufficient for the taking of any action by the Committee. The Committee shall meet at least annually with the CEO, and any other corporate officers the Board and Committee deem appropriate, to discuss and review the performance criteria and compensation levels of key executives.

IV. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide for fulfilling the Committee's purpose, with the understanding that the Committee's activities may diverge as appropriate given the circumstances. The Committee is authorized to carry out these activities and other actions reasonably related to the Committee's purposes or assigned by the Board from time to time. The Committee may form, and delegate any of its responsibilities to, a subcommittee so long as such subcommittee is solely comprised of one or more members of the Committee.

To fulfill its purposes, the Committee shall:

1. oversee, and report to the Board with respect to, the development and implementation of the Corporation's policies and programs for the development of its senior leadership;
2. oversee, and report to the Board with respect to, the development and implementation of the Corporation's executive officer succession plan;
3. assist the Board in developing, recruiting and evaluating potential candidates for executive officer positions, including the position of Chief Executive Officer;
4. establish and review the Corporation's overall management compensation philosophy and policy;
5. review and approve corporate goals and objectives relevant to CEO compensation, including annual performance objectives;
6. evaluate at least annually the performance of the CEO against corporate goals and objectives, including the annual performance objectives for the CEO and, based on this evaluation, determine and approve the compensation level (including any discretionary incentive awards) for the CEO, reviewing as appropriate, any agreement or understanding relating to the CEO's employment, incentive compensation, or other benefits based on this evaluation;
7. review at least annually the compensation of such executive officers or other members of management as the Board and Committee determine appropriate and

- determine and approve their compensation levels (including any discretionary incentive awards);
8. review on a periodic basis at least annually the Corporation's management compensation programs, including any management incentive compensation plans, to determine whether they are (a) appropriate, (b) properly coordinated, (c) achieve their intended purpose(s), and (d) are designed in a way that they do not induce inappropriate risk, and recommend to the Board any appropriate modifications or new plans or programs;
 9. review and recommend to the Board incentive and equity-based compensation plans of the Corporation and any modifications of such plans (whether or not final approval rests with the Corporation's shareholders) and review all grants of awards, including the award of shares or share options, pursuant to such plans;
 10. administer and monitor compliance by executives with the rules and guidelines of the Corporation's equity-based plans;
 11. review and recommend to the Board any changes in employee retirement plans or programs, and other employee benefit plans and program;
 12. have sole authority to retain at the Company's expense, oversee, and to terminate, one or more compensation consultants, independent legal counsel or other advisers to assist the Committee in carrying out its responsibilities, and to approve the related fees and other retention terms with respect to such person. Prior to selecting such compensation consultant, outside legal counsel or other adviser, the Committee shall consider all factors it deems relevant to that person's independence from Management, specifically including those factors set forth in §303A.05 of the NYSE Listed Company Manual. Thereafter, the Committee shall determine at least annually whether, in its business judgment, its compensation consultant, legal counsel or other adviser has a relationship to the Corporation or its Management that would interfere with the exercise of that person's independent judgment;
 13. review and discuss with Management the Compensation Discussion and Analysis ("CD&A") required by SEC regulations and determine whether to recommend to the Board that the CD&A be included in the Corporation's annual proxy statement and Form 10-K. Upon approval of the CD&A by the Committee, the Committee shall prepare a report for inclusion in the Corporation's annual proxy statement and Form 10-K which states that the Committee has reviewed and discussed the CD&A with Management and has recommended to the Board that the CD&A be included in the Corporation's annual proxy statement and Form 10-K;
 14. review and assess the Corporation's compensation program to determine whether any of its aspects encourage excessive or inappropriate risk-taking;
 15. review and assess any shareholder advisory vote on the compensation of the Corporation's named executive officers ("say-on-pay vote") and consider whether to make any adjustments to the Corporation's executive compensation policies and practices in light of such assessment;

16. review and recommend to the Board the frequency with which the Corporation should submit to the shareholders a say-on-pay vote;
17. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
18. review and reassess the adequacy of this Charter annually, and recommend to the Board amendments as the Committee deems appropriate; and
19. report regularly to the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board requests, and maintain minutes or other records of Committee meetings and activities.

As adopted by the Board of Directors on March 4, 2004.

Reviewed and Amended by the Board of Directors on January 18, 2007.

Reviewed and Amended by the Board of Directors on July 19, 2007.

Reviewed and Amended by the Board of Directors on July 18, 2008.

Reviewed and Amended by the Board of Directors on October 16, 2008

Reviewed and Amended by the Board of Directors on October 22, 2009

Reviewed and Amended by the Board of Directors on May 26, 2011

Reviewed and Amended by the Board of Directors on May 24, 2012

Reviewed and Amended by the Board of Directors on May 30, 2013