

**CHARTER OF THE COMPENSATION COMMITTEE  
OF THE  
BOARD OF DIRECTORS  
OF  
XERIUM TECHNOLOGIES, INC. (THE “COMPANY”)**

I. Organization and Governance of the Committee. There shall be a committee of the Board of Directors (the “Board”) to be known as the compensation committee (the “Committee”). The Committee shall be composed of no fewer than three directors, each of whom shall satisfy the independence requirements of the New York Stock Exchange. Members of the Committee will be appointed and removed by the Board in its discretion.

In order to fulfill its role, the Committee shall be organized and governed in the following manner:

- A majority of the members of the Committee shall represent a quorum;
- If a quorum is present, action may be taken by the Committee upon the affirmative vote of a majority of the members present;
- The Committee shall meet at least two times during each calendar year;
- The chairman or any two members may call a meeting of the Committee upon due notice, in accordance with the Bylaws of the Company, to each other member;
- Action may be taken by the Committee without a meeting if all of the members of the Committee indicate their approval thereof in writing; and
- The Committee shall have the authority to delegate to sub-committees of the Committee any of the responsibilities of the full Committee.

II. Statement of Purpose and Responsibilities. The Committee has direct responsibility to perform the following duties:

- Annually review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer, evaluate the performance of the Chief Executive Officer in light of those goals and objectives and determine and approve the compensation of the Chief Executive Officer based on this evaluation, the Chief Executive Officer’s qualifications and other relevant factors;
- Periodically review the compensation levels for all executive officers and other highly compensated employees;
- Periodically review the total compensation structure (both short-term and long-term) of the Company to determine that the Company is properly rewarding its personnel;

- Review with the Chief Executive Officer the Company's management structure, the qualifications, development and potential for promotion of the senior levels of the Company's management, and the development, maintenance and presentation to the Board of executive succession plans;
- Make recommendations to the Board regarding the adoption of new, and changes to existing, employee incentive compensation plans and administer the Company's existing incentive compensation plans, including the issuance of awards pursuant to those plans;
- Produce a compensation committee report on executive compensation for inclusion in the Company's annual proxy statement in accordance with the proxy rules;
- Review and assess the adequacy of this charter and submit any changes to the Board for approval;
- Report its actions and any recommendations to the Board on a periodic basis;
- Annually perform, or participate with the Nominating and Governance Committee in, an evaluation of the performance of the Committee, the results of which shall be presented to the Board; and
- Review such other matters as the Board or the Committee shall deem appropriate.

III. Powers of the Compensation Committee. In order to fulfill its role, the Committee shall have the power to:

- Adopt, administer, amend or terminate compensation plans applicable to any class of employees of the Company and/or any subsidiary of the Company;
- Retain a compensation consulting firm (or other expert) to assist in the assessment of the CEO or other senior executive officer compensation and to approve the consulting firm's or other expert's fee and retention terms; and
- Retain legal, accounting or other experts that it determines to be necessary to carry out its duties and to determine compensation for such advisors.