



## **CORPORATE GOVERNANCE GUIDELINES OF HEXCEL CORPORATION**

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<b>PURPOSE</b>	These Corporate Governance Guidelines have been adopted by the Board of Directors and reflect the Board's commitment to monitor the effectiveness of policy and decision making by the Board with a view to enhancing long-term stockholder value.
<b>INDEPENDENCE OF THE BOARD</b>	The Board shall be comprised of at least a majority of directors who qualify as independent directors under the listing standards of the New York Stock Exchange (the "NYSE").
<b>ROLE OF DIRECTORS</b>	A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. A director is expected to regularly attend and participate in meetings of the Board and of committees on which the director serves, and to review material distributed in advance for such meetings. A director is also expected to attend the annual meeting of stockholders.
<b>THE BOARD'S GOALS</b>	<p>The Board's goals are to create long-term value for the Company's stockholders while maintaining the highest standards of ethical and lawful business conduct, and thereby to assure the vitality of the Company for its customers, employees and the other individuals and organizations that depend on the Company.</p> <p>The Board will monitor the performance of the Company and of the Chief Executive Officer in relation to these goals. When it is appropriate or necessary, it is the Board's responsibility to remove the Chief Executive Officer and to select his or her successor.</p>
<b>CHAIRMAN OF THE BOARD OR LEAD DIRECTOR</b>	<p>The Board does not require the separation of the offices of the Chairman of the Board and the Chief Executive Officer.</p> <p>Where the Chairman is also the Chief Executive Officer, or is otherwise not an independent director, the independent directors shall designate an independent director as the Lead Director who shall function as described in these guidelines, and as the Board or the independent directors otherwise determine from time to time.</p>
<b>SIZE OF THE BOARD</b>	The Board believes that it should generally have no fewer than ten directors to permit diversity of experience.
<b>DIRECTOR</b>	The Nominating and Corporate Governance Committee is

**NOMINEES**

responsible for identifying and recommending nominees to the Board for election by the stockholders or appointment by the Board to fill vacancies on the Board.

**BOARD  
MEMBERSHIP  
CRITERIA**

The Nominating and Corporate Governance Committee shall be responsible for assessing the appropriate balance of criteria required of Board members and shall consider, among other things, the background and qualifications of individuals being considered as director candidates, including knowledge, experience, diversity, personal and professional integrity, business judgment, time availability in light of other commitments, potential conflicts of interest and such other factors that the Nominating and Corporate Governance Committee considers appropriate in the context of the needs or stated requirements of the Board.

**CHANGE IN  
STATUS OF A  
DIRECTOR**

A Director who is an employee of the Company is expected to resign from the Board at the same time he or she leaves employment with the Company.

The Board believes that, when a non-employee director retires or when his or her employer changes or when there is a significant reduction in his or her professional or employment responsibilities, the Board should review the appropriateness of the affected director remaining on the Board under those changed circumstances. As a result, when such an event occurs, the Nominating and Corporate Governance Committee will consider the previously tendered resignation (described below) of such director and recommend either an acceptance or rejection of the resignation. The Board shall then determine whether to accept or reject the resignation.

In the event that, in an uncontested election, a director fails to receive a majority of the votes cast, the Nominating and Corporate Governance Committee will consider the previously tendered resignation (described below) of such director and make a recommendation to the Board whether to accept or reject such resignation. The Board shall then determine whether to accept or reject such resignation.

In order to assure that the resignation required upon a change of status or failure to receive a majority of votes case is timely submitted, each director shall, upon election or appointment, submit to the Corporate Secretary an undated letter of resignation, in a form acceptable to the Board, which letter shall be dated and delivered to the Board by the Corporate Secretary upon the occurrence of either of these events.

<b>RETIREMENT AGE</b>	It is the general policy of the Company that no director having attained the age of 70 years shall be nominated for re-election or reappointment to the Board.
<b>NUMBER OF BOARDS</b>	<p>It is the general policy of the Company that:</p> <ul style="list-style-type: none"> <li>• no director who is a Chief Executive Officer of a public company sit on more than a total of three public company boards (including the board of the company of which he is Chief Executive Officer); and</li> <li>• no director shall sit on more than a total of four public company boards.</li> </ul>
<b>DIRECTOR TENURE</b>	In connection with each director nomination recommendation, the Nominating and Corporate Governance Committee shall consider the issue of director tenure and take steps as may be appropriate to ensure that the Board maintains an openness to new ideas and a willingness to critically re-examine the status quo.
<b>BOARD COMPENSATION</b>	<p>Compensation for non-employee directors should be competitive and should encourage increased ownership of the Company's stock through the payment of a portion of director compensation as equity-based compensation. The Compensation Committee will periodically review the level and form of director compensation, including how such compensation relates to director compensation of companies of comparable size, industry and complexity.</p> <p>The only compensation a member of the Audit Committee may receive from the Company is compensation for services as a director.</p> <p>A director who is also an employee of the Company shall not receive additional compensation for serving as a director.</p>
<b>SESSIONS OF NON-MANAGEMENT DIRECTORS</b>	The non-management directors shall meet in executive session without management at each regularly scheduled, in person board meeting, but no less than two times a year. The Lead Director or, in such director's absence, another independent director designated by the non-management directors shall preside at such executive sessions.
<b>CONTACTING DIRECTORS</b>	The Company shall establish and disclose the method for any interested party to communicate with the Lead Director or the non-management directors as a group.
<b>SELF-EVALUATION BY THE BOARD</b>	The Nominating and Corporate Governance Committee will oversee an annual self-assessment of the Board's performance as well as the performance of each standing committee, the results of which will be discussed with the full Board and the relevant committee. The assessment should include a review of any areas

in which the Board or management believes the Board or committees can make a better contribution to the Company. The Nominating and Corporate Governance Committee will utilize the results of this self-evaluation process in assessing and determining the characteristics and critical skills required of prospective candidates for election or appointment to the Board and making recommendations to the Board with respect to assignments of directors to committees.

**STRATEGIC  
DIRECTION OF THE  
COMPANY**

It is management's responsibility to formalize, propose and implement strategic choices and it is the Board's responsibility to review and assess strategic direction and to evaluate strategic results.

**BOARD ACCESS  
TO MANAGEMENT**

Board members shall have access to the Company's management and to the Company's outside advisors.

**ATTENDANCE OF  
MANAGEMENT  
PERSONNEL AT  
BOARD MEETINGS**

The Board encourages the Chief Executive Officer to bring members of management from time to time into Board meetings to provide management insight into matters being discussed by the Board, and to bring managers with significant potential into contact with the Board.

**BOARD  
MATERIALS  
DISTRIBUTED IN  
ADVANCE**

Information and materials that are important to the Board's understanding of the agenda items to be considered at a Board meeting should, to the extent practicable, be distributed sufficiently in advance of the meeting to permit prior review by the directors. If the Chairman is also the Chief Executive Officer, the Lead Director shall work with the Chairman to assure that information and materials are sufficient in scope and timely distributed.

**BOARD  
ORIENTATION AND  
CONTINUING  
EDUCATION**

The Company shall provide new directors with a director orientation program to familiarize such directors with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, code of business conduct and ethics, corporate governance guidelines, executive officers, internal auditors and independent auditors. Each director is expected to maintain the necessary level of expertise to discharge his or her responsibilities as a director.

**FREQUENCY OF  
MEETINGS**

There shall be at least four regularly scheduled meetings of the Board each year.

**SELECTION OF  
AGENDA ITEMS  
FOR BOARD  
MEETINGS**

The Chairman of the Board and, if the Chairman is also the Chief Executive Officer, the Lead Director, in consultation with the Chief Executive Officer and other directors, shall annually prepare a "Board of Directors Master Agenda." This Master Agenda shall set forth a general agenda of items to be considered by the Board at each of its scheduled meetings during the year. This does not

preclude a director from recommending additional agenda items during the course of the year.

**BOARD  
COMMITTEES**

The Company shall have four standing committees: Audit, Nominating and Corporate Governance, Compensation and Finance. The purpose and responsibilities for each of these committees shall be contained in committee charters adopted by the Board. The Board may form special committees from time to time as circumstances warrant, and determine the composition and authority of such committees.

**INDEPENDENCE  
OF BOARD  
COMMITTEE  
MEMBERS**

Each of the Audit Committee, the Nominating and Corporate Governance Committee and the Compensation Committee shall be composed entirely of Independent Directors satisfying applicable statutory, regulatory and NYSE requirements for service on these committees. Members of the Finance Committee need not be Independent Directors.

**ASSIGNMENT OF  
COMMITTEE  
MEMBERS**

The Nominating and Corporate Governance Committee shall be responsible for making recommendations to the Board with respect to the assignment of directors to committees, and shall annually review committee assignments and shall consider the rotation of the Chair and members with a view toward assessing the benefits of continuity in service against the benefits of introducing fresh viewpoints of qualified directors. The Board shall be responsible for appointing the Chair and members of the committees on at least an annual basis.

**SELECTION OF  
THE CHIEF  
EXECUTIVE  
OFFICER**

In identifying potential candidates for, and selecting, the Chief Executive Officer, the Board shall consider, among other things, a candidate's experience, understanding of the Company's business environment, leadership qualities, knowledge, skills, expertise, integrity, and reputation in the business community.

**EVALUATION OF  
CHIEF EXECUTIVE  
OFFICER**

The Compensation Committee shall evaluate the performance of the Chief Executive Officer annually, before recommending his or her compensation to the independent directors as a group, which shall annually set the Chief Executive Officer's compensation.

**SUCCESSION  
PLANNING**

The Board shall require a plan for the succession to the position of the Chief Executive Officer and other senior management positions, taking into account planning for education and management development of potential successors to such positions.