

CHARTER OF THE SHAREHOLDERS' NOMINATION BOARD

1. Purpose of the Nomination Board

Exel Composites Plc's ("Company") Shareholders' Nomination Board's purpose is to prepare proposals concerning the Board members and their remuneration for the General Meeting in accordance with the Company's approved remuneration policy. The Charter of the Shareholders' Nomination Board regulates the nomination and composition of the Nomination Board and defines its tasks. The Charter is available on the company's website at www.exelcomposites.com.

In its work, the Nomination Board shall comply with applicable laws and regulations, including the rules of Nasdaq Helsinki Ltd, and the Finnish Corporate Governance Code.

2. Election and composition of the Nomination Board

The Nomination Board consists of the representatives of the four largest shareholders, elected annually. The Chairman of the Board of Directors shall act as an expert member.

The Company's largest shareholders entitled to appoint members to the Nomination Board shall be determined on the basis of the registered holdings in the Company's shareholder register held by Euroclear Finland Oy as of 30 September each year. In addition, shares that are included in a shareholder's holdings and proportion of voting rights calculated in accordance with Chapter 9, Sections 5 and 6 of the Finnish Securities Markets Act and nominee-registered shares are taken into account in the determination of the largest shareholders, provided that they make such request and notify their shareholdings to the Board of Directors in writing by 30 September each year. The request must include sufficient evidence of title to the nominee-registered shares or of the obligation to take holdings into account under the Finnish Securities Markets Act. Should a shareholder not wish to use its right to nominate, this right would be passed on to the next largest shareholder who otherwise would not be entitled to appoint a member. The members of the Nomination Board shall be appointed annually and their term of office shall end when new members are appointed to replace them.

Once the members of the Nomination Board have been appointed, the Company shall disclose its composition with a stock exchange release. The Chairman of the Board of Directors of the Company convenes the first meeting of the Nomination Board, and the Board chooses a chairman from among its own members.

The members of the Nomination Board shall not be entitled to any remuneration from the Company on the basis of their membership. Any necessary expenses that are required for the Nomination Board's work will be reimbursed by the Company. The members' expenses are reimbursable in accordance with the Company's established practice and travel rules.

3. Tasks of the Nomination Board

The tasks of the Nomination Board include:

- Prepare and present to the General Meeting a proposal on the remuneration of the members of the Board of Directors;
- Prepare and present to the General Meeting a proposal on the number of members of the Board of Directors;
- Prepare and present to the General Meeting a proposal on the members of the Board of Directors;
- Evaluation of the Board of Directors;
- Review and approve the Principles concerning the diversity of the Board of Directors; and
- Successor planning of the Board of Directors' members.

4. Tasks of the Chairman of the Nomination Board

The Chairman of the Nomination Board shall direct the work of the Nomination Board in order to efficiently achieve the goals set for it, taking into account the expectations and benefit of the Company and its shareholders.

The Chairman of the Nomination Board convenes and chairs the meetings of the Nomination Board, and monitors that the scheduled meetings of the Board are held according to schedule. In addition, the Chairman convenes extra meetings as requested by a member of the Nomination Board and within 14 days of the request.

5. Decision-making

The Nomination Board shall have a quorum when at least three members are present. No decision shall be made unless all members have been given timely opportunity to prepare for the meeting.

All decisions of the Nomination Board shall be unanimous.

All decisions of the Nomination Board must be recorded in minutes of meeting. The minutes shall be dated and signed by Chairman of the Nomination Board together with at least one other member of the Nomination Board.

6. Qualifications for the Board of Directors member

The Board of Directors of the Company shall have sufficient expertise, knowledge of and competence in the Company's field of business and industry.

In electing the members of the Board of Directors, the Company's principles of diversity are considered including the members' expertise, know-how and viewpoint as well as age and gender. The majority of the Board members must be independent of the Company and at least two of said majority must be independent of the Company's significant shareholders. In addition, at least one member of the Board of Directors shall have expertise in accounting or audit.

7. Evaluation of the Board of Directors

The evaluation of the Board of Directors comprises of reviewing the results of the self-evaluation performed by the Board as well as interviews with the members of the Board and operative management of the Company.

The Nomination Board shall ensure, that from time to time external consultants are engaged to evaluate the Board of Directors.

8. Proposals to the AGM

The Nomination Board shall give its proposals to the Board of Directors of the Company yearly at the latest by 31 January preceding the AGM. Should a matter that is to be prepared by the Nomination Board come up for decision-making in an Extraordinary General Meeting, the Nomination Board shall submit its proposal to the Board of Directors of the Company in sufficient time for it to be included in the notice to the General Meeting.

9. Confidentiality

The Nomination Board members and shareholders they represent shall keep the information regarding the proposals to the AGM confidential until the final decision has been made by the Nomination Board and published by the Company.

The Chairman of the Nomination Board may, if deemed needed, recommend to the Board of Directors of the Company that the Company should enter into non-disclosure agreement with the shareholder or with its representative member of the Nomination Board.

10. Changes to the Charter

The Nomination Board shall review this charter annually and propose possible changes for approval to the AGM.

Material changes to the amount of members in the Nomination Board and their election process will be decided by the general meeting of shareholders. The Nomination Board is authorized to execute necessary technical updates and amendments to this charter.