CORPORATE GOVERNANCE GUIDELINES
OF
HAYNES INTERNATIONAL, INC.

(Adopted December 15, 2014; Reviewed December 9, 2019)

Preamble

These Corporate Governance Guidelines established by the Board of Directors (the "Board") of Haynes International, Inc. (the "Company") provide a structure within which our directors and management can effectively pursue the Company's objectives for the benefit of the Company and its stakeholders. The Board intends that these Guidelines serve as a flexible framework within which the Board may conduct its business, not as a set of binding legal obligations. These guidelines should be interpreted in the context of all applicable laws, the Company's Certificate of Incorporation and By-Laws and other governing legal documents and Company policies.

I. Board Composition and Structure

A. Size of Board. The Board periodically reviews its size to determine the size that is appropriate for its effective operation. In general, and as provided in the Company's By-Laws, the Board shall be comprised of between three and nine members, recognizing that retirements, resignations, and recruiting delays may result, periodically, in the Board consisting, for some transitional period, of a slightly greater or lesser number of directors than the Board may have targeted.

B. Mix of Directors; "Independent" Directors. No relationship between any non-employee director and the Company should be of a nature that could compromise the independence or judgment of any Board member in governing the affairs of the Company. The determination of what constitutes independence for a non-employee director in any individual situation shall be made by the Board in light of the totality of the facts and circumstances relating to such situation and in compliance with the requirements of NASDAQ's applicable listing standards and other applicable rules and regulations.

C. Selection of Directors. In accordance with the policies and principles in its charter, the Corporate Governance and Nominating Committee (the "Governance Committee") is responsible for identifying and recommending suitable candidates for nomination to the Board (including candidates to fill any vacancies that may occur). In recommending nominees, the Governance Committee shall consider nominees recommended by the Company's stockholders provided any such stockholder follows the procedures set forth in the Company's By-Laws from time to time.

D. Board Membership Criteria. The Governance Committee is responsible for reviewing with the Board from time to time the appropriate skills and characteristics required for a Board member in the context of the current composition of the Board. The Governance Committee shall base its recommendations for nomination on criteria that will provide a broad perspective and depth of experience in the Board. In general, when considering independent directors, the Governance Committee should consider the candidate's experience in areas central to the Company, such as business, finance and legal and regulatory compliance, as well as considering the candidate's personal qualities and accomplishments and their ability to devote sufficient time and effort to their duties as directors. Important areas of experience and expertise include manufacturing, international operations, finance and the capital markets, accounting and experience as a director of other public companies. The Governance Committee does not have a formal diversity policy but considers diversity as one criteria evaluated as a part of the total package of attributes and qualifications a particular candidate possesses. The Governance Committee shall construe the notion of diversity broadly, considering differences in viewpoint, professional experience, education, skills and other individual qualities, in addition to race, gender, age, ethnicity and cultural background as elements that contribute to a diverse Board.

E. Board Leadership. The roles of Chairman of the Board and Chief Executive Officer shall be split into two positions, held by separate individuals. The position of Chairman of the Board shall be held by an independent director. The Board believes that the separation of these roles (i) provides a leadership model that clearly distinguishes the roles of the Board and management; (ii) allows the Company's Chief Executive Officer to direct his or her energy toward operational and strategic issues while the non-executive Chairman focuses on governance and stockholders; (iii) enhances the independence of the Board; (iv) provides independent business counsel for the Company's Chief Executive Officer; and (v) facilitates improved communications between Company management and Board members.

F. Term Limits; Resignation.

1. *Term Limits*. The Board does not believe that it should establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they have the disadvantage of causing the loss of continuity and stability and make it difficult for directors to focus on long-term business strategies and results.

2. *Change in Job Responsibility*. When a director's principal occupation or business association changes from his or her present employment, the director shall inform the Chairman of the Governance Committee. The Governance Committee shall review the director's continuation on the Board and recommend to the Board whether, in light of all the circumstances, the Board should request that the director tender his or her resignation from the Board. If the Board so requests, the director shall then tender his or her resignation.

G. Retirement Age. No director may be nominated to a new term if he or she would attain the age of 72 on or before the annual meeting of shareholders. However, should the full Board so determine, an exception may be made to extend the retirement age for a particular director or director nominee.

H. Additional Directorships. Directors are encouraged to limit the number of other public company boards of directors on which they serve to two. In addition, it is generally advisable for members of the Audit Committee to limit the number of audit committees on which they serve to three, and under no circumstances may an Audit Committee member serve on audit committees of more than two other public companies. The Chief Executive Officer must obtain the approval of the Governance Committee before accepting an invitation to serve on the board of directors of a public or private company.

A director should advise the Chairman of the Board and the chairman of the Governance Committee in advance of accepting an invitation to serve on another public company board. The Governance Committee and the full Board will take into account the nature of and the time involved in a director's service on other boards of directors in evaluating the suitability of individual director candidates.

I. Compensation of Non-Employee Directors. Non-employee directors shall receive fees as their only compensation for Board and/or Board committee service. Directors' fees shall be in the form of cash, company stock, including options and restricted stock, or some combination thereof, as well as any additional benefits regularly given to all directors. The exact amount and form of director compensation shall be determined and reviewed annually by the Compensation Committee upon the direction of the Board, in accordance with the policies and principles set forth in its charter.

J. Majority Vote Policy. In any non-contested election of directors, any director nominee who receives a greater number of votes "withheld" from his or her election than votes "for" such election shall immediately tender his or her resignation, and the Board will decide, through a process managed by the Governance Committee and excluding the nominee in question, whether to accept the resignation at its next regularly scheduled Board meeting. Absent a compelling reason for the director to remain on the Board, the Board shall accept the resignation. The Board's explanation of its decision shall be promptly disclosed on Form 8-K filed with the Securities and Exchange Commission. For purposes of this policy, a "compelling reason" could include, without limitation, a situation in which a director nominee was the target of a "vote no" campaign on an illegitimate basis, such as racial discrimination, or on the basis of misinformation, or a situation where the resignation would cause the Company to be in violation of its constituent documents or regulatory requirements.

II. Board Meetings and Procedures

A. Board Meetings.

1. *Number of Meetings; Attendance and Preparation*. The Board expects to hold a minimum of four regularly scheduled meetings per year. Upon adequate notice, unscheduled meetings may be called throughout the year as the need arises. Directors are expected to attend all regularly scheduled meetings and to have, prior to the meetings, reviewed all written meeting materials distributed to them in advance. Directors are encouraged to be physically present at all regularly-scheduled meetings, and a director who is unable to attend a meeting is expected to notify the Chairman of the Board in advance of such meeting.

2. *Selection of Agenda Items*. The Chairman of the Board and the Chief Executive Officer should establish the agendas for Board meetings; however, directors may at any time suggest that particular items be placed on the agenda.

3. *Distribution of Materials*. The Company will distribute, electronically or in hard copy, written materials, including the agenda, for use at Board meetings sufficiently in

advance of meetings to permit meaningful review. It is recognized, however, that under certain circumstances written materials may be unavailable to directors in advance of the meeting. On those occasions in which the subject matter is too sensitive to provide in writing, the Chairman of the Board may elect to contact each director by telephone in advance of the meeting to discuss the subject and the principal issues the Board will need to consider. The Governance Committee periodically reviews the information flow to Board members to ensure that directors receive the right kind and amount of information in sufficient time to prepare for meetings.

4. *Executive Sessions of Non-Employee Directors*. The non-employee directors of the Board will meet in executive session during each of the Board's regularly scheduled meetings, without any management directors and any other members of the Company's management present, and may so meet at any time they deem desirable to (i) evaluate the Chief Executive Officer; (ii) review management succession planning; and (iii) consider such other matters as they may deem appropriate. The Chairman of the Board will preside at all executive sessions. Following each executive session, the results of the deliberations and any recommendations should be communicated to the full Board.

B. Access to Senior Management/Independent Advisors. Board members have complete and open access to senior members of management. The Chief Executive Officer will invite key employees and outside experts to attend Board sessions at which the Chief Executive Officer believes they can meaningfully contribute to Board discussion. Each Committee of the Board has the authority, in the sole discretion of the Committee, to retain independent advisors.

C. Access to Stakeholders and Other Interested Parties. The Chief Executive Officer is responsible for establishing effective communications with the Company's stockholders, customers, associates, communities, suppliers, creditors, corporate partners and other constituencies. The Board believes that management should speak for the Company. Except as required by law, NASDAQ listing standards or a Board committee charter, it is expected that Board members will meet or otherwise communication with the Company's constituencies only with the knowledge of management and, absent unusual circumstances or as contemplated by committee charters, only at the request of management.

D. Confidentiality. The Board believes that maintaining confidentiality of information and deliberations is an imperative.

III. Board Duties and Responsibilities

Being elected to serve on the Board is a high honor and privilege, but one that carries with it a serious responsibility to serve the interests of the Company and its stakeholders. It is the desire of the Company that all Board members should conduct themselves and perform their duties in an exemplary fashion, commensurate with the position of leadership that has been bestowed upon them by the stockholders. The Board expects that long-range strategic issues will be discussed regularly at Board meetings. The Board believes that the long-term success of the Company depends on maintaining an ethical business environment and expects that management will conduct the operations of the Company in a manner consistent with the Board's philosophy.

Board members must always abide by the standards of conduct imposed by Delaware General Corporation Law section 8-1-4 pertaining to their role as directors of the Company. As fiduciaries of the Company resources and guardians of its mission, each Board member has basic responsibilities that derive from these legal duties:

- To support the mission and purpose of the Company and to abide by its By-Laws and policies;

- To be diligent in preparation for, attendance at, and participation in Board meetings and related activities on behalf of the Company;

- To ensure that the financial and business affairs of the Company are, to the best of the Board member's awareness, managed in a responsible manner;

- To act always in good faith and in the best interest of the Company, above any personal interest; and

- To maintain the confidentiality of sensitive or proprietary information obtained as a result of Board service.

A. Oversight. To accomplish its mission to maximize long-term stockholder value, the Board must:

- Ensure that the Company operates in a legal, ethical and responsible manner;

- Select, evaluate, and offer substantive advice and counsel to the Chief Executive Officer and work with the Chief Executive Officer to develop effective measurement systems that will evaluate and determine the Company's degree of success in creating long-term economic value for the Company and its stakeholders;

- Review, approve, and monitor fundamental financial and business strategies and major corporate actions;

- Oversee the Company's capital structure and financial policies and practices;

- Assess major risks facing the Company and review options for their mitigation; and

- Directly or through the Compensation Committee, provide counsel and oversight on the selection, evaluation, development, and compensation of executive officers and provide critical and candid feedback on their successes and failures.

B. Corporate Governance. The Board will review and, if it deems appropriate, approve changes to these corporate governance principles recommended to the Board by the Governance Committee.

C. Charters. The Board will review and, if it deems appropriate, approve changes to the charters of the Company's Audit Committee, Governance Committee, and Compensation Committee recommended to the Board by such committees.

D. Education. All new directors shall receive an orientation package. The package will include a copy of the Company's By-Laws and Certificate of Incorporation, the Code of Business Conduct and Ethics, the Corporate Governance Guidelines, the Insider Trading and Tipping Policy, all SEC filings for the current and previous calendar years, press releases issued during the current calendar year and any other pertinent information. Additionally, all directors are encouraged to periodically attend educational opportunities, including opportunities provided directly by the Company, enabling them to better perform their duties as determined by the Board. The Company will pay for the reasonable cost of such educational opportunities and related reasonable travel expenses.

E. Assessing Board and Committee Performance. The Board will conduct an annual self-evaluation of its performance and the performance of its individual members and an evaluation of each of the Board committees' performance and the performance of individual members of such committees to determine whether it and its committees are functioning effectively. The Board's evaluation will be based, in part, on the Governance Committee's evaluation of the Board, and the self-evaluations conducted by the Governance Committee and each of the committees.

F. Assessing CEO Performance. The Board believes that the Chief Executive Officer's performance should be evaluated annually and as a regular part of any decision with respect to the Chief Executive Officer's compensation. The Board will evaluate the Chief Executive Officer's performance and, based upon such evaluation, the Compensation Committee will set the Chief Executive Officer's salary, bonus, and long-term incentives. The Compensation Committee is responsible for setting annual and long-term performance goals for the Chief Executive Officer and for evaluating his/her performance against such goals. The Compensation Committee meets annually with the Chief Executive Officer to receive his/her recommendations concerning such goals and to evaluate his/her performance against the prior year's goals.

G. Succession Planning. The Compensation Committee shall make recommendations to the Board regarding management succession planning and periodically review any existing succession plans. The Governance Committee shall be responsible for overseeing CEO succession planning and reporting to the Board thereon.. The Chief Executive Officer shall provide the Compensation Committee and the Governance Committee with his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

H. Code of Business Conduct and Ethics. The Company has adopted a Code of Business Conduct and Ethics. Certain portions of the Code deal with activities of directors, particularly with respect to potential conflicts of interest and the taking of corporate opportunities for personal use. Directors should be familiar with the Code's provisions in these areas and should consult with the Company's Chief Executive Officer or General Counsel in the event of any issues.

IV. Board Committees

A. Board Committees; Committee Charters. The Board shall have at least three committees: the Audit Committee, the Compensation Committee, and the Governance Committee. The Board has the authority to establish such other committees, temporary or permanent, as the Board deems advisable, including, but not limited to, an Executive Committee. The Board is responsible for overseeing the activities of its committees (except where such committees have sole authority to act pursuant to applicable law or listing standard) and for ensuring that the committees are fulfilling their duties and responsibilities. The Board expects to accomplish a substantial amount of its work through the committees. Each committee shall report regularly to the Board summarizing such committee's actions and any significant issues considered by the committee, and the Board will take such actions as it deems necessary or appropriate in response to these reports.

Each of the Audit Committee, the Governance Committee, and the Compensation Committee will consist of three or more directors, each of whom will satisfy the independence requirements set forth herein and any additional requirements set forth in their respective charters and any other listing or regulatory requirements. The Governance Committee will recommend, and the Board will designate, a chairman of each committee and the members of each committee, and at least one audit committee financial expert (as defined by Item 401 of Regulation S-K) to serve on the Audit Committee; provided, however, that if the Board authorizes an Executive Committee, it shall consist of the Chairman of the Board and such other members as determined by the Board. In addition, the composition of the Audit Committee, the Governance Committee, the Compensation Committee and any other committees established by the Board will comply with all other applicable laws, regulations and stock exchange listing requirements.

While rotating committee members will be considered periodically, the Board does not believe that rotation should be mandated as a policy because there are significant benefits attributable to continuity, experience gained by service on particular committees and utilizing effectively the individual talents of Board members.

Each of the Audit Committee, the Governance Committee and the Compensation Committee, and the Executive Committee if one is authorized by the Board, will have appropriate written charters. The charter of each of these committees will be reviewed annually by the Board and the relevant committee. These committee charters will be made available on the Company's website.

B. Committee Agendas. The chairman of each committee, in consultation with the appropriate members of the committee and management, will develop his/her committee's agenda. Each committee will issue a schedule of agenda subjects to be discussed for the ensuing year at the beginning of each year. This forward agenda also will be shared with the Board.

V. Other Principles

A. Disclosure and Review of Corporate Governance Principles. These corporate governance principles will be made available on the Company's website. The Governance

Committee will review these corporate governance principles from time to time, but not less frequently than annually, and will report the results of its review to the full Board.

B. Disclosure Policy. The Board believes that it is imperative that the Company promote full, fair, accurate, timely, and understandable disclosure in the periodic reports and other statements required to be filed by the Company.

C. Loans. Personal loans to directors or executive officers are not permitted.

D. Audit Rotation. The Audit Committee of the Board will ensure that the lead audit partner and the audit review partner be rotated every five (5) years as is required by the rules of the SEC.

E. Reimbursement for Expenses. Directors are entitled to reimbursement of travel, entertainment and other out of pocket expenses incurred by them in attending Board and committee meetings as well as appropriate education opportunities in accordance with the Company's standard reimbursement policies.

F. Stock Ownership. On September 23, 2013, the Board approved stock ownership guidelines applicable to executive officers and members of the Board of Directors. The guidelines became effective on January 1, 2014 and establish the goal that, within five (5) years from the effective date, executive officers and directors each own an amount of the Company's common stock determined based upon a multiple of base salary, in the case of executive officers, or annual retainer, in the case of board members. The multiples are as follows: in the case of the Chief Executive Officer, 300% of base salary; in the case of all other executive officers, 200% of base salary; in the case of non-executive members of the Board, 400% of annual retainer. The calculation of shares owned by an individual includes shares owned directly or indirectly, including those subject to risk of forfeiture (but not forfeited) under the Company's 2009 Restricted Stock Plan. However, shares subject to options are not included in the calculation.

G. Annual Meeting. The Company will make every effort to schedule its annual meeting of stockholders at a time and date to maximize attendance by directors taking into account the directors' schedules. All directors shall make every effort to attend the Company's annual meeting of stockholders absent an unavoidable and irreconcilable conflict.