THE MEN AND WOMEN OF VALLOUREC

The expertise and commitment of its employees are key to Vallourec’s success. Respect, fairness and skills development are at the heart of its human resources philosophy.

OIL & GAS
Tubes, connectors and premium solutions for exploring and operating oil and gas fields:
- Casing, tubing, VAM® premium connections and accessories to complete oil and gas wells (OCTG: Oil Country Tubular Goods)
- Drill pipes, bottom hole assembly, VAM® premium connections and accessories for drill strings
- Line pipes, accessories, pipeline services, super duplex tubes for umbilicals, global solutions (SUP: Subsea, Umbilicals, Riser & Flowlines)
- Seamless pipes and services for onshore flexibility, gathering lines for onshore hydrocarbon transport
- Pipes and fittings for refineries, floating units and petrochemicals
- Welding solutions and services for onshore and offshore projects
- Vallourec: Global Solutions’ products and services: well design, customer training, logistics, on-site services and repairs, etc.

CULTIVATING TALENT
Through an array of programs, Vallourec works to develop a common culture of excellence, enhance the expertise of its teams and anticipate future recruitment and training needs in all countries in which it operates. “Vallourec University” trains and unites employees around common themes, including innovation, leadership, customer focus and project management.

INTERNAL “OPINION” SURVEY MEETS WITH SUCCESS
As part of its commitment to listening to its employees, Vallourec conducted in 2013 a worldwide survey on employee perceptions and expectations of the company. The initiative met with a very positive response, with a participation rate of 80%. It revealed a high level of satisfaction and a genuine sense of pride in belonging. The answers will enable Vallourec to build action plans to continue to respond effectively to employee expectations.

INDUSTRY
Hollow sections, tubes and hollow bars for:
- Mechanical engineering: cranes, hydraulic cylinders, agricultural machinery, OCTG mechanicals
- Automotive: light and heavy vehicles
- Construction: bridges, stadiums, airport terminals, exhibition halls, offshore platforms

VAM® is a registered trademark of the Vallourec Group.

RENEWED CONFIDENCE IN THE GROUP’S LONG TERM STRATEGY
68% participation rate in the “value 13” employee share ownership program
7.37% of Vallourec’s capital held by employees as of December 31, 2013

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POWER GENERATION
The entire range of tubes and pipes needed to build conventional and nuclear power plants:
- Seamless tubes and pipe for boiler applications
- Seamless tubes for nuclear power plants
- Welded tubes for heat exchangers

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% of sales generated in 2013
- Oil & gas: 66%
- Petrochemicals: 10%
- Power generation: 7%
- Construction: 4%
- Automotive: 7%
- Mechanical engineering: 5%

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At a glance

Vallourec provides customers with innovative global solutions that respond to the energy challenges of the 21st century.

Vallourec’s three strategic priorities:
- Vallourec is a world leader in premium tubular solutions primarily serving energy markets (oil and gas, power generation).
- Its expertise also extends to the industry sector (including mechanical engineering, automotive and construction).
- With more than 24,000 employees, sales of €5.6 billion in 2013, integrated manufacturing facilities in more than 20 countries and cutting-edge R&D, Vallourec provides customers with innovative global solutions that respond to the energy challenges of the 21st century.

Vallourec is listed on the Euronext Paris Stock Exchange and in the U.S. as an ADR.

Vallourec constantly pushes the frontiers of innovation to offer its customers safe, high-performance, environmentally-friendly solutions.

Vallourec operates in 20 countries. It invests in growth markets and positions itself as close as possible to its customers, including major energy production sites.

Vallourec is leveraging the new capabilities in which it has invested in recent years and benefiting from economies of scale. It also conducts an extensive cost reduction program.
INNOVATION

Vallourec innovates and constantly expands its range of premium products, services and solutions to meet its customers’ new challenges in its three major markets.

INTERNATIONAL PRESENCE

R&D: EXTENDING THE FRONTIERS OF INNOVATION

Vallourec’s six international research centers are equipped for high performance testing and modeling and provide expertise in Vallourec’s fundamental disciplines, including metallurgy, non-destructive testing, corrosion, thermal, surface treatment, product and process simulations and full scale connections testing. They enable the Group to maintain its technological advantage and reinforce its global leadership.

EUROPE

NORTH AMERICA

SOUTH AMERICA

ASIA AND MIDDLE EAST

LEADERSHIP

- The broadest range of seamless tubes and pipe in the world
- World leader in premium connections with the VAM® product line
- World leader in integrated welding solutions for offshore projects
- World N° 2 on the offshore line pipe market, specializing in deep and ultra-deep wells
- World leader and only supplier to offer the entire range of tubes and pipe for power plants
- European leader in seamless tubes for mechanical applications

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EUROPE

NORTH AMERICA

SOUTH AMERICA

ASIA AND MIDDLE EAST

More than 50 manufacturing facilities around the world
Present in more than 20 countries
24,053 employees
Sales €5,578 million
Sales volumes 2,159 kt
Net Income, Group share €262 million
2013 figures

26% of Group sales in North America
22% of Group sales in South America
7% of Group sales in Africa and Rest of the world
26% of Group sales in Asia and the Middle East
19% of Group sales in Europe

INNOVATION

OIL & GAS

Responding to the increasing complexity of oil and gas deposits (deep offshore, HP/HT, pre-salt fields, unconventional oil and gas, etc.) and transport.

POWER GENERATION

Contributing to the improvement of power plants’ efficiency and extending their lifespan.

INDUSTRY

Reducing the weight of mechanical engines (cranes, agricultural machinery), designing lighter structures for buildings, bridges, stadiums and offshore platforms.

CORPORATE SOCIAL RESPONSIBILITY

Our six major commitments to corporate social responsibility:

- RESPECT OUR ENVIRONMENT AND PROTECT BIODIVERSITY: 93% of Group waste recycled in 2013.
- SATISFY OUR SHAREHOLDERS OVER THE LONG TERM: Over the period 2011-2013, the dividend paid corresponded to a payout ratio of 38.6% of consolidated net income, Group share.
- ESTABLISH A NETWORk OF RELIABLE AND RESPONSIBLE SUPPLIERS: 315 suppliers have been subject to a formal social and environmental responsibility assessment in 2013.
- ENSURE THE SAFETY AND PROTECT THE HEALTH OF OUR EMPLOYEES: Between 2008 and 2013, the number of accidents with lost time per million hours worked (LTIR) has declined 75%.

2013 figures

€87 million invested in R&D in 2013
500 R&D engineers and technicians
6 research centers

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MORE THAN

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SALES

2,159 KT

SALES VOLUMES

€262 MILLION

NET INCOME, GROUP SHARE

2013 FIGURES

500 R&D ENGINEERS AND TECHNICIANS

6 RESEARCH CENTERS