Approval of the remuneration package of Mr. Philippe Guillemot by the Board of Directors

(Submitted in accordance with the recommendations of the Afep-Medef corporate governance code)

Meudon (France), March 28th, 2022 – In accordance with the recommendations of the Afep-Medef corporate governance code, Vallourec is publishing information on the remuneration package of Mr. Philippe Guillemot, who has been appointed Chairman and Chief executive officer of the Company on March 20th, 2022, effective immediately, and whose remuneration package was approved by the Board of Directors on March 26th, 2022, upon the recommendations of the Remuneration Committee, which took place on the same day.

Mr. Philippe Guillemot’s remuneration package will be put forward for approval during the upcoming Annual General Meeting of the shareholders.

As a preliminary point, it is specified that in accordance with the recommendations of the Afep-Medef corporate governance code, Mr. Philippe Guillemot will not hold an employment contract.

Remuneration due in consideration of the performance of Mr. Philippe Guillemot’s duties as Chief executive officer from March 20th, 2022

Fixed remuneration

The Board of Directors, upon the recommendation of the Remuneration Committee, set Mr. Philippe Guillemot’s gross annual fixed remuneration for his duties as Chief executive officer at EUR 1,000,000, paid in twelve equal monthly instalments. For fiscal year 2022, this remuneration will be paid pro rata temporis (i.e., EUR 780,821.91 gross).

Variable remuneration

In accordance with the remuneration policy of Vallourec’s corporate officers, upon the recommendation of the Remuneration Committee, the Board of Directors set the annual variable remuneration of Mr. Philippe Guillemot as Chief executive officer at 100% of the gross annual fixed remuneration for his duties as Chief executive officer upon achievement of annual targets, based on a linear calculation and with (i) a minimum annual bonus of 0% and (ii) a maximum annual bonus of 135% of Mr. Philippe Guillemot’s gross annual fixed remuneration in the event the targets are exceeded.

For any given year, the actual bonus paid will be determined by the Board of Directors based on a combination of Company and individual performance targets in line with the Company’s plan for other senior level executives.

For the fiscal year 2022, Mr. Philippe Guillemot will enjoy a guaranteed bonus corresponding to 50% of the 2022 annual variable remuneration (calculated prorata temporis) (i.e., EUR 390,410.95 gross) and the maximum variable remuneration will be capped at 100% of the gross fixed remuneration (calculated prorata temporis) (i.e., EUR 780,821.91 gross).

Long-term incentive

It is reminded that the Board of Directors and the general meeting of the shareholders approved respectively on July 27th, 2021 and on September 7th, 2021 the setting up of a plan for the allocation of (i) ordinary shares and (ii) preferred shares convertible into ordinary shares, all subject to attendance and/or performance conditions, as the case may be, with a 33.33% : 66.67% ratio, for the benefit of the Chairman and Chief executive officer, the Deputy Chief executive officer, the members of the Executive Committee and certain executives.

On March 26th, 2022, the Board of Directors furthermore approved certain amendments to the plan, following the appointment of Mr. Philippe Guillemot as Chairman and Chief executive officer on March 20th, 2022 in order to allow the Board of Directors to increase the ratio of preferred shares (and correlative decrease the number of ordinary shares) in the remuneration mechanism of the beneficiaries, and subject to the approval of such remuneration policy by the upcoming Annual General Meeting of the shareholders.

It is contemplated that the Board of Directors will grant in respect of fiscal year 2022 a number of free shares to Mr. Philippe Guillemot as Chief executive officer, as follows, also subject to the approval of such remuneration policy by the upcoming Annual General Meeting of the shareholders:
• 957,938 Tranche 2 free shares
• 957,938 Tranche 3 free shares
• 143,000 Tranche 4 free shares

It is specified that the above-mentioned grant will basically cover a period of four years and are not intended to be renewed annually.

Benefits in kind and additional benefits

Mr. Philippe Guillemot will be entitled to:

- participate in the medical expenses and contingency schemes as well as compulsory pension schemes;
- participate in the existing supplementary defined contributions pensions schemes offered to corporate officers and executives of the Vallourec group, i.e. (i) mandatory group defined contributions scheme (Article 82) and (ii) individual scheme subject to performance criteria (Article 83); and
- benefit from the provision of a company car, defined in accordance with the Company’s policy.

Restrictive covenants

Mr. Philippe Guillemot will be subject to usual restrictive covenants such as loyalty, confidentiality, exclusivity (with the exception of the Board of Directors’ prior approval), non-poaching and assignment of IP rights to the Company.

In addition, it was agreed that Mr. Philippe Guillemot should be bound by a non-compete obligation in case of termination of his duties as Chief executive officer. The purpose of this non-competition undertaking is to protect Vallourec, given the sensitive information to which Mr. Philippe Guillemot will have access as a result of his duties.

The terms of this non-competition undertaking are the following:

• **Duration:** 18 months with possibility for the Board of Directors to waive the non-compete obligation at the time of Mr. Philippe Guillemot’s departure as Chairman and Chief executive officer.

• **Territory:** Europe, Middle East, United States of America, Mexico, Argentina, Brazil, China, Ukraine and Russia.

• **Scope:** any position (corporate officer, director, consultant, employee, etc.) in a company or a group of companies generating more than 50% of their annual consolidated revenue in the design, production, sale or use of seamless carbon tubes or any kind of solution that competes with seamless tubes in the steel industry for application in the energy field.

• **Indemnity:** 12 months of gross fixed and variable monetary remuneration, based on the average of the gross fixed and variable annual monetary remuneration paid during the two fiscal years preceding the date of departure. This sum would be paid in equal monthly advances for the entire period during which the non-compete clause is applicable.

• For the avoidance of doubt, payment of the non-compete remuneration shall not apply in case of retirement or if the Chairman and Chief executive officer is over 70 years old.

Termination Indemnity in case of forced departure

The Board of Directors decided to grant Mr. Philippe Guillemot a termination indemnity in case of forced departure, capped at two years of gross remuneration (fixed and variable), calculated based on the average gross fixed and variable annual remuneration payable in respect of the two fiscal years preceding the date of departure.

The amount of the termination indemnity will depend on the rate of achievement of the performance conditions, as set by the Board of Directors, over the last three fiscal years preceding the departure date, which will be based on the principles used for the annual bonus award.

It is specified that a revocation of his duties as Chief executive officer based on a gross or willful misconduct (“faute grave ou lourde”) shall not constitute a forced departure.

No termination indemnity shall be due in the event of voluntary departure, a change of position within the group or if Mr. Philippe Guillemot has the possibility to retire at short notice after the forced departure. Moreover, as the Articles of Association shall provide for an age limit of 70 for the duties of Chief executive officer (including when combined...
with the office of Chairman of the Board of Directors) subject to the approval of the upcoming Annual General Meeting of the shareholders, no termination indemnity shall be due in case of termination of duties due to reaching the statutory age limit and/or the age limit stipulated in the Articles of Association of the Company.

In compliance with the recommendations of the Afep-Medef corporate governance code, the accumulate amount of the termination indemnity and the financial counterpart to the non-compete obligation will be capped at two years of gross remuneration (fixed and variable), calculated based on the average gross fixed and variable annual remuneration payable in respect of the two fiscal years preceding the date of departure.

In the event that the amount of the termination indemnity and the financial counterpart to the non-compete obligation exceed this ceiling of two years of gross remuneration (fixed and variable), and in order to ensure strict compliance with the recommendations of the Afep-Medef corporate governance code, the sum effectively paid to Mr. Philippe Guillemtot will be in priority as financial counterpart to the non-compete obligation, the balance being paid as a termination indemnity after reduction to comply with the ceiling of two years of gross remuneration (fixed and variable).

About Vallourec

Vallourec is a world leader in premium tubular solutions for the energy markets and for demanding industrial applications such as oil & gas wells in harsh environments, new generation power plants, challenging architectural projects, and high-performance mechanical equipment. Vallourec’s pioneering spirit and cutting edge R&D open new technological frontiers. With close to 17,000 dedicated and passionate employees in more than 20 countries, Vallourec works hand-in-hand with its customers to offer more than just tubes: Vallourec delivers innovative, safe, competitive and smart tubular solutions, to make every project possible.

Listed on Euronext in Paris (ISIN code: FR0013506730, Ticker VK), Vallourec is part of the CAC Mid 60, SBF 120 and Next 150 indices and is eligible for Deferred Settlement Service.

In the United States, Vallourec has established a sponsored Level 1 American Depositary Receipt (ADR) program (ISIN code: US92023R4074, Ticker: VLOWY). Parity between ADR and a Vallourec ordinary share has been set at 5:1.

Calendar

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<td>May 18th 2022</td>
<td>Release of first quarter 2022 results</td>
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<td>May 24th 2022</td>
<td>Shareholders’ Annual Meeting</td>
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For further information, please contact:

**Investor relations**

Jérôme Friboulet  
Tel: +33 (0)1 49 09 39 77  
Investor.relations@vallourec.com

**Press relations**

Héloïse Rothenbühler  
Tel: +33 (0)1 41 03 77 50  
heloise.rothenbuhler@vallourec.com

**Individual shareholders**

Toll Free Number (from France): 0 800 505 110  
actionnaires@vallourec.com