

## Information on the financial conditions surrounding the departure of Mr Philippe Crouzet

**Boulogne-Billancourt (France), 19 February 2020** – Today, in accordance with the recommendations of the Afep-Medef Corporate Governance Code, Vallourec is publishing information on the departure conditions of Mr Philippe Crouzet, Chairman of the Management Board, whose term of office ends on 15 March 2020.

Mr Philippe Crouzet will receive for the current financial year and until the effective date of the end of his term of office, i.e. until 15 March 2020:

- a fixed monetary remuneration prorated based on his annual remuneration of €798,000, unchanged since 2014;
- a variable monetary compensation, calculated on a prorated basis, which could vary from 0% to 100% of its fixed portion at target (i.e., €798,000) and reach 135% if the maximum objectives are reached (i.e., €1,077,300). The variable portion is contingent on the achievement of several specific and predetermined quantifiable and qualitative objectives whose minimum, target and maximum thresholds were set by the Supervisory Board, after an in-depth review conducted by the Nomination, Remuneration and Governance Committee, and are the same for all of the Management Board's members.

Arrangements relating to the termination of the functions of Chairman of the Management Board:

- no termination benefit is due to Mr Philippe Crouzet;
- the Supervisory Board, considering Mr Philippe Crouzet's decision to exercise his retirement rights at the end of his term of office, has decided not to implement his non-competition obligation; no non-competition indemnity will therefore be paid to Mr Philippe Crouzet.

With regard to supplementary pension schemes:

- Mr Philippe Crouzet is eligible for a defined benefits supplementary pension scheme approved by the General Meeting on 1 June 2006 and closed to any new rights as of 31 December 2015. In this capacity, once he is awarded his social security pension, he may receive an annual annuity equalling 13.5% of his average fixed salary received between 1 January 2013 and 31 December 2015, i.e., a gross annual pension of €106,020;
- Mr Philippe Crouzet is eligible for the following two supplementary defined contribution pension schemes approved at the General Meeting of April 2016:
  - o Group pension scheme (Article 83), which shall contribute €19,452 for 2019. A contribution will be due for the years 2020 and 2021 on the elements of remuneration paid respectively during these two years;
  - o Individual pension scheme (Article 82), which shall contribute €127,500 for 2019. A contribution due for the year 2020 (for the period between 1 January and 15 March 2020) will be paid in 2021.

Mr Philippe Crouzet has no employment contract with any entity of the Vallourec group.

In accordance with the provisions of the regulations of the plans for retirement-related cases, Mr Philippe Crouzet, like all the beneficiaries of these plans, will retain the benefit of all the 265,520 stock subscription or purchase options not yet exercisable and the 265,520 performance shares not yet vested at the date of his departure, valued together at €740,651.<sup>1</sup> The performance conditions will be applied over the entire performance appraisal period provided for in each plan.

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<sup>1</sup> Based on the IFRS fair value, taking into account a discounted share price of €2.396.

## About Vallourec

A world leader in its industries, Vallourec is the benchmark provider of tubular solutions for the energy sector and some of the most demanding applications: from oil and gas wells in extreme conditions right through to next-generation hydroelectric plants, bold architectural projects and high-performance mechanical equipment. In keeping with its trailblazing spirit and bolstered by state-of-the-art R&D, Vallourec continues to push the boundaries of technology. Established in some twenty countries, in close proximity to its customers, the Group boasts a workforce of nearly 19,000 passionate and committed employees who offer much more than tubes: they offer ever increasingly innovative, reliable and competitive solutions to make all projects doable.

Traded on the Euronext stock exchange in Paris (ISIN code: FR0000120354, Ticker: VK) eligible for a SRD (Service de Règlement Différé [Differed Settlement Service]), Vallourec is part of the SBF 120 and Next 150 indexes.

In the United States, Vallourec implemented a level 1 sponsored American Depositary Receipt (ADR) program (ISIN code: US92023R2094, Ticker: VLOWY). The ratio of Vallourec ADR to ordinary shares is 5:1.

## For more information, please contact:

### Investor Relations

Jean-Marc Agabriel  
Tel.: +33 (0)1 49 09 39 77  
[Investor.relations@vallourec.com](mailto:Investor.relations@vallourec.com)

### Media Relations

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

### Individual Shareholder Relations

Toll free: 0 800 505 110  
[actionnaires@vallourec.com](mailto:actionnaires@vallourec.com)