

Statutory Auditors' report on the share capital transactions set forth in the resolutions submitted to the Extraordinary Shareholders' Meeting of May 25, 2023

Thirteenth, fourteenth, fifteenth and sixteenth resolutions

This is a free translation into English of a report issued in French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Annual General Shareholders' Meeting of Vallourec,

In our capacity as Statutory Auditors of your Company and in accordance with the procedures set forth in the French Commercial Code (*Code de commerce*), we hereby report to you on the share capital transactions on which you are being asked to vote.

1. Report on the free allocation of existing or future ordinary shares (*twelfth resolution*)

In accordance with the procedures set forth in Article L. 225-197-1 of the French Commercial Code, we hereby report to you on the proposed free allocation of existing or future ordinary shares to the benefit of individuals that the Board of Directors will determine from among salaried employees or certain categories of them, of the Company and of affiliated companies or groups connected to it under the terms set forth in Article L. 225-197-2 of this Code, a transaction on which you are being asked to vote.

The number of existing shares or shares to be issued pursuant to this authorization may not represent more than 0,17% of the share capital of the Company as of the date on which the decision is made by your Board of Directors.

The shares that would be allocated to executives who are not beneficiaries of the *Management Incentive Package* set up under the terms of the tenth resolution of the decisions of the Extraordinary General Meeting dated September 7, 2021 will be subject to performance conditions.

Your Board of Directors recommends that, based on its report, you confer on it, including the right to sub-delegate such authority, for a period of 14 months, as from the Shareholders' Meeting, the authority to allocate for free, on one or more occasions, existing or future ordinary shares.

It is the responsibility of your Board of Directors to prepare a report on the transaction that it wishes to carry out. Our role is to inform you of our comments, if any, on the information given to you on the proposed transaction.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des Commissaires aux comptes*) applicable to this engagement. Our work consisted, in particular, in verifying that the proposed conditions and data presented in the Board of Directors' report comply with the legal provisions.

We have no comments to make on the information given in the Board of Directors' report in connection with the proposed free allocation of shares.

2. Report on the issue of shares and/or marketable securities conferring entitlement to the share capital of the Company reserved for members of company savings plans (*thirteenth resolution*)

In accordance with the procedures set forth in Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code, we hereby report to you on the proposed delegation of authority to the Board of Directors to decide on capital increases, on one or more occasions, with cancellation of preferential subscription rights, by the issue (i) of shares of the Company and/or (ii) marketable securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code conferring entitlement, immediately or in the future, to shares of the Company or other companies (including equity securities providing access to debt securities), reserved for members of one or more company savings plans set up by any company or group of French companies included in the Company's consolidated or combined financial statements in application of Article L. 3344-1 of the French Labour Code (*Code du travail*), a transaction on which you are being asked to vote.

This issue is submitted to you for your approval pursuant to Articles L. 225-129-6 of the French Commercial Code and L. 3332-18 *et seq.* of the French Labour Code.

The maximum nominal amount of capital increases carried out immediately or in the future may not exceed 0,75% of the share capital as of the date on which the decision is made by the Board of Directors, it being specified that (i) this ceiling is common with the ceiling provided for in the fifteenth resolution of this Shareholders' meeting and that (ii) this amount will be deducted from the overall ceiling of €1,831,427 set forth in paragraph 2 of the *eighteenth resolution* of the Shareholders' Meeting of May 24, 2022.

Your Board of Directors recommends that, based on its report, you confer on it, with the option to sub-delegate such authority, for a period of 26 months, as from this Shareholders' Meeting, the authority to decide one or more issues and cancel your preferential subscription rights to ordinary shares or marketable securities to be issued. If applicable, it shall be responsible for determining the final issue terms and conditions of this transaction.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. Our role is to express an opinion on the fairness of the quantified data derived from the financial statements, on the proposed cancelation of preferential subscription rights and on certain other information pertaining to the issue, as presented in this report.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des Commissaires aux comptes*) applicable to this engagement. Such procedures consisted in verifying the contents of the Board of Directors' report relating to this transaction and the conditions in which the issue price of the equity securities to be issued was determined.

Subject to the subsequent review of the terms and conditions of the capital increase that may be decided, we have no comments on the conditions, as presented in the Board of Directors' report, under which the issue price of the equity securities to be issued was determined.

As the final terms and conditions of the capital increase have not been determined, we express no opinion on them or on the proposed cancelation of preferential subscription rights on which you are being asked to vote.

In accordance with Article R. 225-116 of the French Commercial Code, we shall issue a supplementary report, where necessary, when this delegation is utilized by your Board of Directors, should it issue ordinary shares, should it issue marketable securities that are equity securities conferring entitlement to other equity securities or should it issue marketable securities conferring entitlement to equity securities to be issued.

3. Report on the issue of shares and/or marketable securities reserved for employees and corporate officers of the Company and Vallourec Group companies affiliated with the Company under the conditions of Article L. 225-180 of the French Commercial Code, excluding the company savings plan (*fourteenth resolution*)

In accordance with the procedures set forth in Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code, we hereby report to you on the proposed delegation of authority to the Board of Directors to decide on, with the option to sub-delegate such authority, capital increases, on one or more occasions, with cancelation of preferential subscription rights, by the issue (i) of shares of the Company and/or (ii) marketable securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code conferring entitlement, immediately or in the future, to shares of the Company or other companies (including equity securities providing access to debt securities), reserved for:

- a) Employees and corporate officers of the Company and of Vallourec Group companies related to the Company within the meaning of Article L. 225-180 of the French Commercial Code; and/or
- b) Company mutual funds or other entities (which may or may not have a legal personality), used for the purposes of employee share ownership invested in the Company's shares, whose unit-holders or shareholders are persons mentioned in (a) above,

it being specified that the subscription may be made directly or through a company mutual fund, a transaction on which you are being asked to vote.

The maximum nominal amount of capital increases carried out immediately or in the future may not exceed 0,75% of the share capital as of the date on which the decision is made by the Board of Directors, it being specified that (i) this ceiling is common with the ceiling provided for in the thirteenth resolution of this Shareholders' meeting and that (ii) this amount will be deducted from the overall ceiling of €1,831,427 set forth in paragraph 2 of the *eighteenth resolution* of the Shareholders' Meeting of May 24, 2022.

Your Board of Directors recommends that, based on its report, you confer on it, with the option to sub-delegate such authority, for a period of 18 months, as from this Shareholders' Meeting, the authority to decide one or more issues and cancel your preferential subscription rights to ordinary shares or marketable securities to be issued. If applicable, it shall be responsible for determining the final issue terms and conditions of this transaction.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. Our role is to express an opinion on the fairness of the quantified data derived from the financial statements, on the proposed cancelation of preferential subscription rights and on certain other information pertaining to the issue, as presented in this report.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des Commissaires aux comptes*) applicable to this engagement. Such procedures consisted in verifying the contents of the Board of Directors' report relating to this transaction and the conditions in which the issue price of the equity securities to be issued was determined.

Subject to the subsequent review of the terms and conditions of the capital increase that may be decided, we have no comments on the conditions, as presented in the Board of Directors' report, under which the issue price of the equity securities to be issued was determined.

As the final terms and conditions of the capital increase have not been determined, we express no opinion on them or on the proposed cancelation of preferential subscription rights on which you are being asked to vote.

In accordance with Article R. 225-116 of the French Commercial Code, we shall issue a supplementary report, where necessary, when this delegation is utilized by your Board of Directors, should it issue ordinary shares, should it issue marketable securities that are equity securities conferring entitlement to other equity securities or should it issue marketable securities conferring entitlement to equity securities to be issued.

4. Report of the Statutory Auditors on the changes made to the terms of conversation already included in the Company's Articles of Association of the so-called "Tranche 2", "Tranche 3" and "Tranche 4" Preferred shares (*fifteenth resolution*)

In accordance with the procedures set forth in Articles L. 228-12, R. 228-18 and R. 228-20 of the French Commercial Code, we hereby report to you on the planned changes to the characteristics of the so-called "Tranche 2", "Tranche 3" and "Tranche 4" Preferred shares (together, the "Preferred Shares"), resulting from changes to their terms of conversion already included in the Articles of Association, which should be analysed as the conversion of these Preferred Shares into shares of new categories, on a one-to-one basis, a transaction on which you are being asked to vote.

The Combined General Meeting had decided on December 7, 2021 to create each of the categories of Preferred Shares and authorized the free allocation of these Preferred Shares existing or to be issued. We presented a report to this Combined General Meeting.

It is now proposed to your Combined General Meeting to make changes to the terms of conversion of Preferred Shares already listed in Article 1.3 of the Company's Articles of Association, concerning:

- the definition of the Average Share Price, which would henceforth refer to the volume-weighted average share price of an Ordinary Share on the Euronext Paris regulated market, and
- the calculation method used for measuring the achievement of the performance conditions applicable to the conversion of the Preferred Shares, which would henceforth be determined on the basis of the arithmetic average of the daily Average Share Price over a period of 90 consecutive trading days.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 228-18 and R. 228-20 of the French Commercial Code. Our role is to express an opinion on the planned conversion, i.e. on the planned changes to the characteristics of the Preferred Shares resulting from the changes to their conversion methods already recorded in the Articles of Association, as well as on certain other information pertaining to the issue, as presented in this report.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des Commissaires aux comptes*) applicable to this engagement. Such procedures consisted in verifying the contents of the Board of Directors' report on the planned changes.

We have no comments to make on:

- presentation of the impact of the transaction on the situation of holders of equity securities and securities carrying rights to shares, assessed in relation to shareholders' equity;
- the conversion ratio;
- the presentation, made in the report of the Board of Directors, of the planned changes to the characteristics of the Preferred Shares, resulting from the changes to their terms of conversion already included in the Articles of Association;
- and consequently, on the planned conversion.

In accordance with Article R. 228-20 of the French Commercial Code, we shall issue a report provided for in Article R. 228-18 of the same Code if conversion operations of Preferred Shares are carried out by your Chairman in accordance with Articles of Association.

Paris-La Défense – April 6, 2023

The Statutory Auditors

KPMG S.A.
Alexandra Saastamoinen

Deloitte & Associés
Véronique Laurent