



Report

**sus
taina
bili
ty**

2021  22

 **vallourec**

summary



Presentation	3
Message from the Board of Vallourec South America	4
Chapter 1 <i>About us</i>	5
Chapter 2 <i>Environment</i>	16
Chapter 3 <i>Social</i>	25
Chapter 4 <i>Governance</i>	41



The present Sustainability Report discloses the main environmental, social and governance practices of Vallourec companies in Brazil during the 2021-2022 biennium. The actions taken during this period to manage the relevant themes for the Company and its stakeholders are gathered here. All the content has been prepared following the policies and ESG (Environmental, Social, and Governance) practices.

Dedication to ESG Initiatives

The Vallourec Group seeks to preserve sustainable relations with its stakeholders and is also concerned with maintaining a balance with the surrounding environment and employing natural resources judiciously.

The Group supports, follows, and endorses global principles, agreements, and targets aimed at sustainability, environmental preservation, and the protection of human rights, as outlined in the United Nations Global Compact. The companies' actions also follow the guidelines of the 17 Sustainable Development Goals (SDGs) proposed by the United Nations (UN) for the 2030 Agenda. As a result, they hope to contribute to reducing inequalities and preserving the environment, through a solid and transparent governance system.

Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance



from the Board of Vallourec South America

The

biennium covered by this report has shown how important it is to plan to achieve our goals, while maintaining the best expectations, and, simultaneously, prepare for adverse scenarios that could compromise our routine. In 2020, the pandemic sounded the alarm, prompting a global defensive stance. As we navigated through 2021 and 2022, the health crisis laid bare its far-reaching economic and social consequences, compelling us to acclimate to an altered reality.

The overflow of the Lisa dyke at the MIneração unit in January 2022, also brought us many challenges and many lessons learned, even when everything complies with the practices and requirements of the competent bodies.

Reflecting on these two years, we recall the myriad internal and external challenges that demanded unwavering focus and resilience from each one of us. With the collaboration of every member of the Vallourec team, we remain firm in our daily commitment to safety, which is our greatest value, with a focus on the customer, remembering

that their satisfaction is the result of operational excellence; and to quality, cutting-edge technology, sustainable management, employee motivation, and cultural diversity, always seeking the best practices to also contribute to the development and quality of life of the community around our units.

In this scenario, and envisioning an even more promising future, it is important to highlight that, by the end of 2023, Vallourec's production in Germany will be transferred to Brazil. Thus, we will strengthen our role as an important pipe production hub for the international Oil & Gas markets. We are working with great effort and professionalism to honor our commitments, ensuring a successful transfer and guaranteeing the Company's ability to develop, produce and deliver excellent pipes to lucrative markets in Brazil and around the world.

Unified with the individuals who constitute our team and in collaboration with all our stakeholders, success is inevitable.

Let the new challenges come!

Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Chapter 1

About us

Presentation

Message from the
Board of Vallourec
South America

Chapter 1
About us

Chapter 2
Environment

Chapter 3
Social

Chapter 4
Governance

Chapter 1 | About us

Vallourec worldwide

+ 17 thousand employees

40 production sites worldwide

High-quality standards and professionalism are the basis of Vallourec's success in a globalized market that requires an ever-increasing level of

Commitment to conducting its business activities in accordance with international, national and local laws and regulations.

Safety as the greatest value.

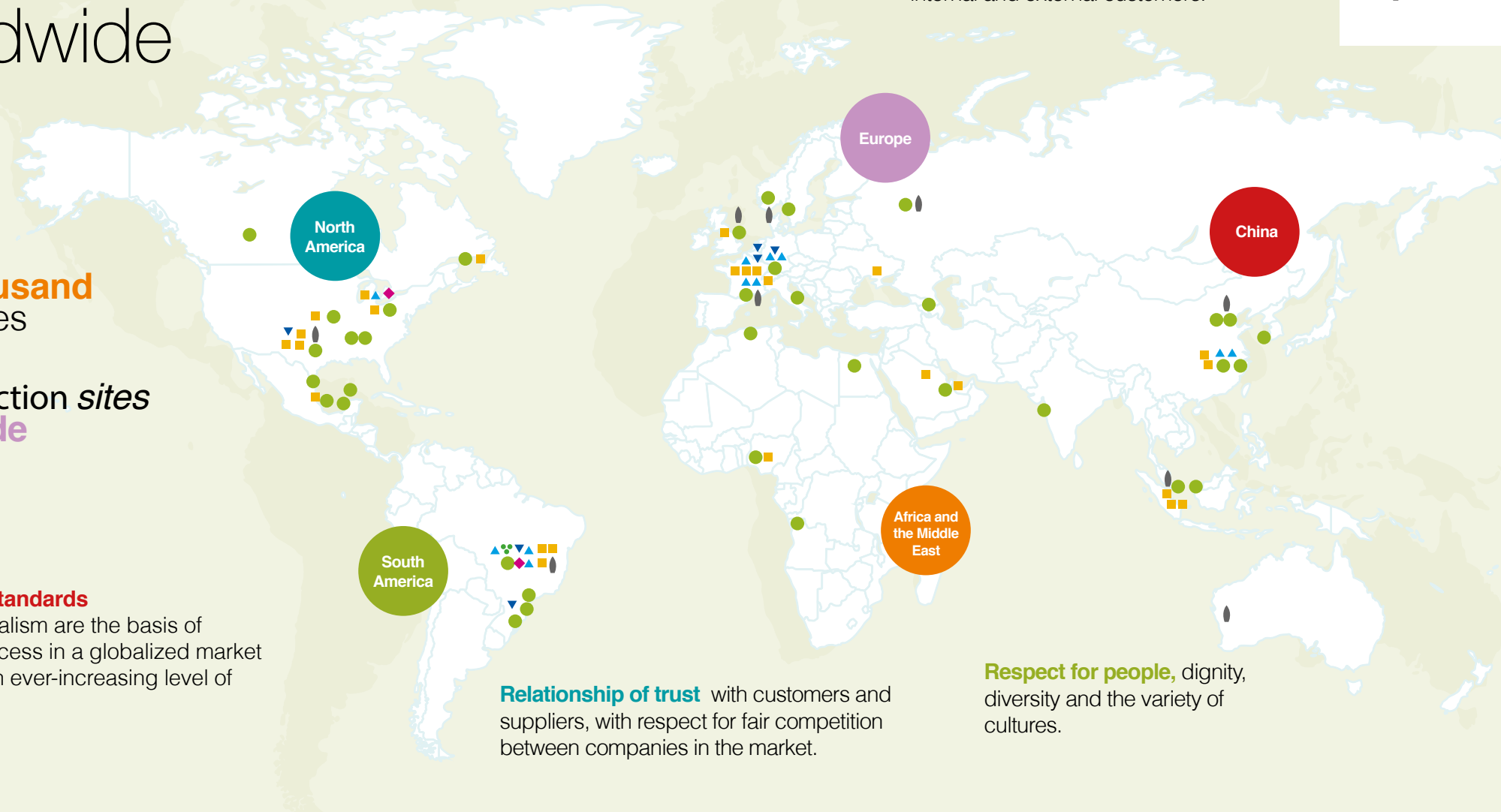
Striving for satisfaction among internal and external customers.

Relationship of trust with customers and suppliers, with respect for fair competition between companies in the market.

Respect for people, dignity, diversity and the variety of cultures.

FACILITIES

- ▲ Tube factory
- ◆ Steel works
- ▼ Research Centers
- Finishing unit
- Sales and services
- ⦿ Forestry and mining
- ⦿ Serimax



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

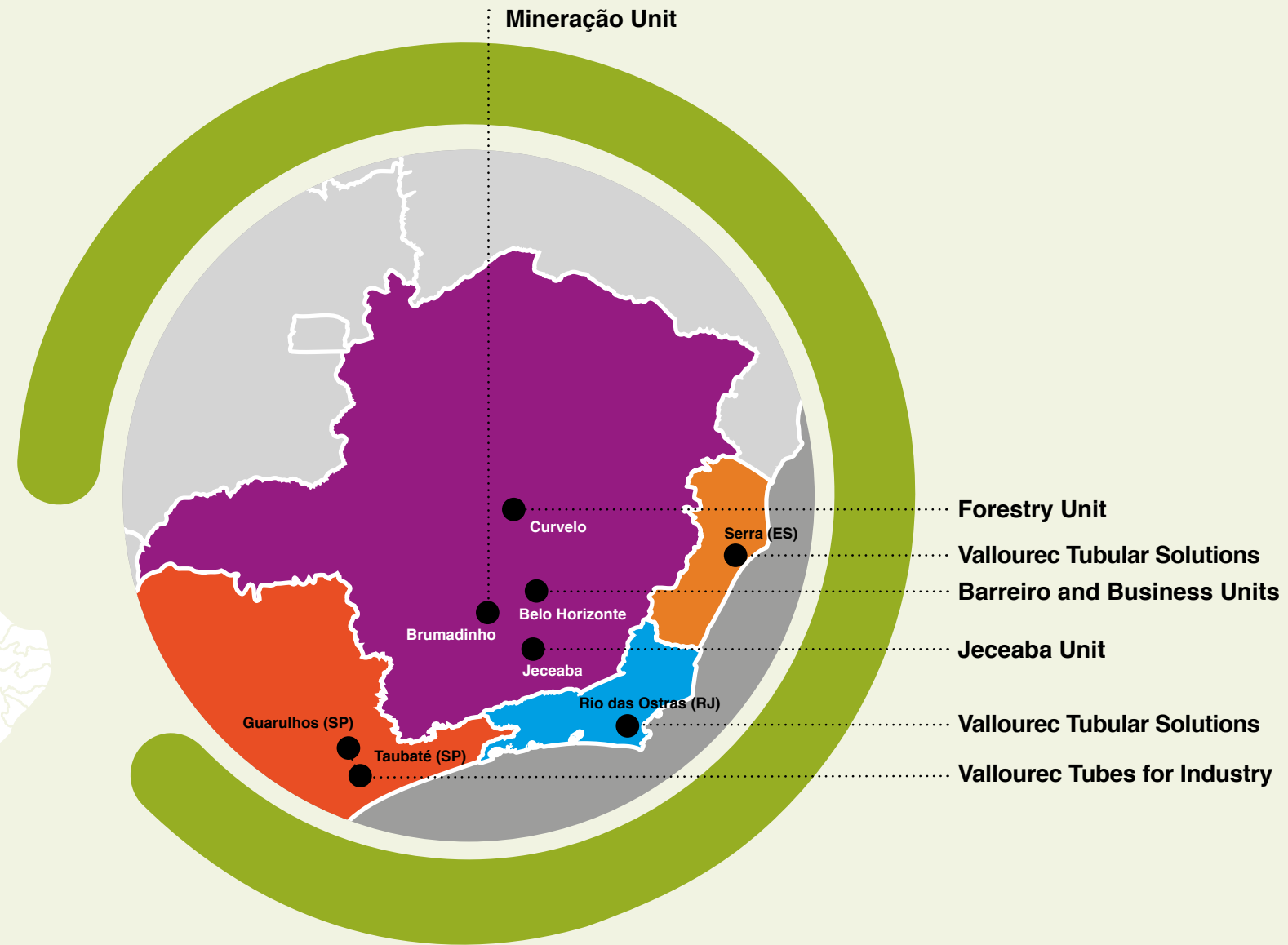
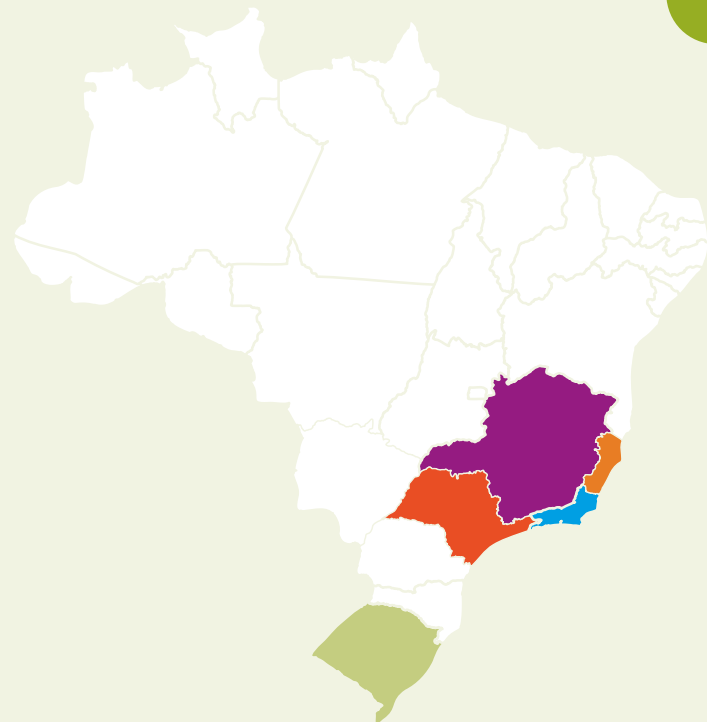
Chapter 1 | About us

Vallourec in Brazil

+ 7 thousand employees

8 unidades

Integrated production process



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Chapter 1 | About us

In Brazil, Vallourec has eight units. In Minas Gerais, the Barreiro and Jeceaba units are focused on the production of seamless steel tubes; the Florestal unit is responsible for producing the charcoal that supplies the blast furnaces of the tube-producing units; and the MIneração unit supplies the internal needs for iron ore.

The company also has a Business Unit within the state, offering administrative services. With production lines in Minas Gerais and São Paulo, [Vallourec Tubos para Indústria \(VTI\)*](#) supplies seamless and welded steel tubes and tubular solutions for industry in general, especially for the automotive, energy, machinery and industrial equipment markets. In

Rio de Janeiro, Vallourec Tubular Solutions Ltda. (VTS) provides specialized services for the Oil & Gas sector. And in Espírito Santo it provides anticorrosive coating services.

Vallourec works hand in hand with customers to offer more than just pipes: it offers innovative, safe, competitive and intelligent solutions to make every project possible.

***VTI, launched in October 2021, is a joint venture between Vallourec's Drawn and Profiled Tubes Unit and AçoTubo Group's Parts and Drawn Tubes Division.**



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

OUR MISSION

To develop, produce and deliver **excellent tubes** for domestic and export profitable markets; diversifying and growing our accessories and services offering; **in a safe and motivating workplace**; respecting the environment and local community.



**CUSTOMER
ALWAYS
HAPPY**



**ZERO
accident**



**BRILLIANT
PEOPLE
AND IDEAS**



**WE ARE
ONE TEAM**



5S is the
BASE



**REDUCE
COSTS**
from cents
to millions



**ZERO
DEFECT**



**NO
EXCUSES**
NO SURPRISES

Presentation

Message from the
Board of Vallourec
South America

**Chapter 1
About us**

Chapter 2
Environment

Chapter 3
Social

Chapter 4
Governance

Biennium celebrations

10 years of history

Vallourec's Jeceaba unit, one of the most modern seamless steel tube plants in the world, completed 10 years of inauguration on September 1, 2021. A very important milestone for the entire Vallourec Group, full of stories, challenges, and achievements of a successful trajectory.

Since its creation, the unit has worked to combine sustainability with the latest developments in the iron and steel industry, adopting cutting-edge equipment and often being a pioneer in the use of new technologies in its quest to offer high-quality seamless steel tubes safely.

A history of many opportunities for economic and social growth for the region where the Company operates, for Minas Gerais and Brazil.

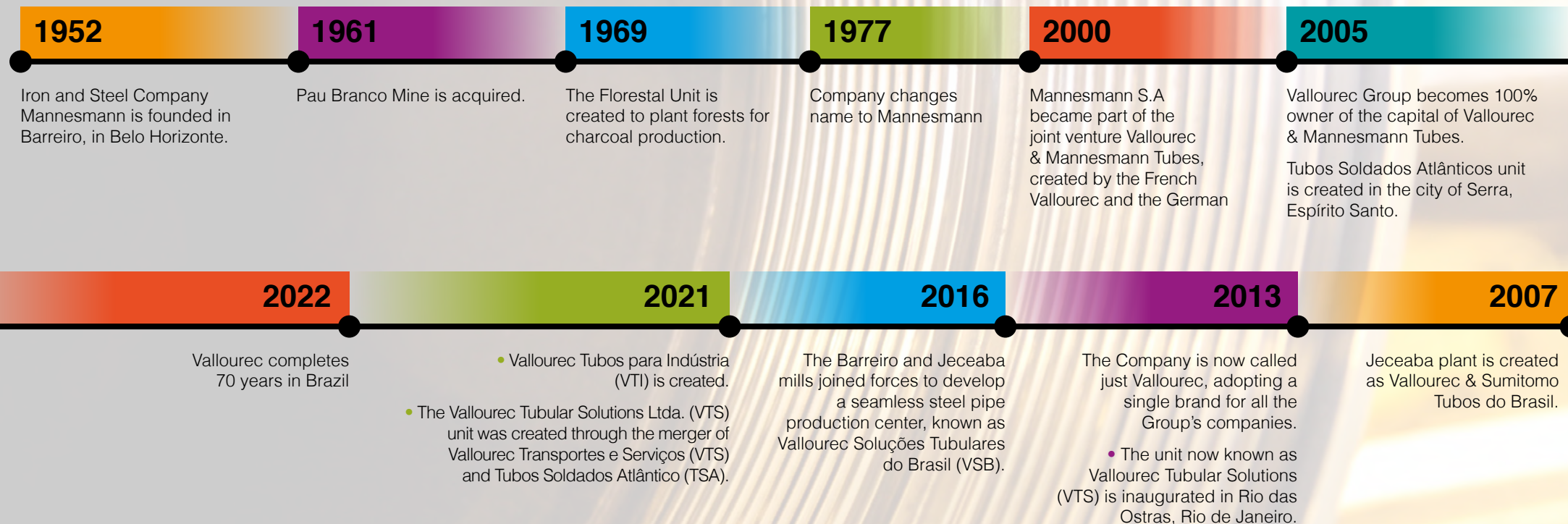




70 years in Brazil: an ongoing story

The year 2022 marked the celebration of Vallourec's 70 years in Brazil. The company's trajectory began in 1952 with the Companhia Siderúrgica Mannesmann, of German origin. The first plant was built in a former orange farm in the Barreiro region of Belo Horizonte (MG).

[CLICK HERE](#) to learn more



- Presentation**
- Message from the Board of Vallourec South America
- Chapter 1 About us**
- Chapter 2 Environment
- Chapter 3 Social
- Chapter 4 Governance

Certifications and compliance



The commitment of Vallourec companies in Brazil to best practices is evidenced by national and international certifications.

THEME	STANDARD / CERTIFICATION
Quality Management	ISO 9001 IATF 16949 API Spec Q1 API Spec Q2 ISO/IEC 17025
Health and Safety / Environment	ISO 14001 ISO 45001 ISO 50001
Project Management	ISO 21500
Forest Management	ABNT 14789/CERFLOR
Oil and Gas	API Spec 5CRA API Spec 5CT API Spec 5L VAM (R) Services
Structural, Boilers, Mechanical Pipes	DNV PED EU NBR 5580 NBR 5590-ASTM/ASME A53 NBR 6521-ASTM/ASME A106

Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Excellence recognized

The awards and recognitions given to Vallourec companies in Brazil between 2021 and 2022 validate the excellence of products, services and management, motivating employees and encouraging the market to continue constantly improving.



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance



Chapter 1 | About us



2021 

Human Being Award

Award instituted by the Brazilian Association of Human Resources (ABRH)

Confira as iniciativas nas quais a Vallourec foi premiada:

- Check out the initiatives for which Vallourec has received awards:
- Maintenance Academy
- Management and cultural transformation in the creation of Vallourec's Global Shared Services Center (SSC)
- Pioneering and most sustainable pelletizing in the world
- Volunteers of Knowledge Project
- Corporate Health Intelligence
- School for Managers
- Vall Chatbot
- Labor and union relations
- Reorganization of the Organizational Structure as a driver of Organizational Health and Performance results
- Award for Engagement in the 2021 edition of the Human Being Award



2022 

Incredible Places to Work 2022

Recognition as one of the Brazilian companies with the highest levels of employee satisfaction.



Human Being Award

- Diversity Dialogues
- Systematization of the Registration Change Process with a focus on Performance and Organizational Health.

Petrobras Inventor Award 2022

Submagnetic Project

Minas Gerais Corporate Volunteering Committee (CMVC) Award 2022: Connections that inspire

1st place in the Volunteering Actions category Multi-Company Corporate for the Vallourec Foundation

Aplauze Award – Voluntary Actions that transform

1st place in the Program of Volunteers of the Year category for the Volunteers of Knowledge Project

- Presentation
- Message from the Board of Vallourec South America
- Chapter 1 About us**
- Chapter 2 Environment
- Chapter 3 Social
- Chapter 4 Governance

INNOVATION

Research and development

Vallourec continuously invests in innovation, research and development to add value to its products and services. The Company maintains the Vallourec Research Center Brasil (VRCB) and the Vallourec Competence Center Rio (VCC-Rio), fostering innovation and technological advancement applied to its products and solutions for the oil and gas, industrial and automotive markets.

In the area of research, several projects were conducted between 2021 and 2022 in partnership with universities and research centers in a joint search for solutions to meet customer demands and the challenges faced by the Company's various operational areas in Brazil. Aiming at greater rapprochement and the mutual exchange of knowledge between the academy and the industry, VCC-Rio has promoted technical seminars, when university professors and researchers from research

centers present their lines of research and laboratory structures.

Partnerships for innovation

To promote a culture of innovation within its operating units, the Company runs the Vallourec Open Brasil program - a competition that brings together startups from all over the country to solve real Vallourec challenges in an immersion in new technologies and a lot of exchange of experiences with experts and small companies.

In the 2021-2022 biennium, an edition of the program was held, seeking to identify startups to solve challenges on four different fronts: predictive analysis of vibration monitoring data at Consteel; automatic creation of keywords in documents; identification of opportunities to reclassify leftovers in stock and strategic indicators and market intelligence to

support the management of the metals business. All directed towards fortifying the business environment related to technology through collaborative project development aimed at contributing to the continuous enhancement of processes adopted by companies.



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Chapter 2

Environment



Presentation

Message from the
Board of Vallourec
South America

Chapter 1
About us

**Chapter 2
Environment**

Chapter 3
Social

Chapter 4
Governance

Sustainable solutions for a more sustainable industry

Vallourec's commitment to environmental management and sustainable relations with its stakeholders, protecting the environment and using natural resources rationally, is consolidated practically with the supply of products and solutions developed in a process with lower emissions of gases harmful to the environment throughout the entire Company's production chain.

Continuous carbonization reactor

Vallourec invests in technologies and processes to develop alternative sources to non-renewable energy, with the aim of achieving sustainable results throughout the entire production line. The manufacture of high-quality charcoal through a continuous and completely automated vertical reactor, for example, is able to make the most of the energy potential contained in the forest. This is a revolutionary and unique technology, patented by Vallourec.

This reactor has zero methane emissions, complying with sustainability requirements and adhering to greenhouse gas reduction strategies. The whole process begins in the renewable eucalyptus forests of Vallourec's Florestal unit: the wood is planted, cultivated and harvested using processes and practices certified by internationally recognized bodies.

▶ [CLICK HERE](#) and check out the reactor's operating flow of the continuous carbonization reactor and its main benefits.



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

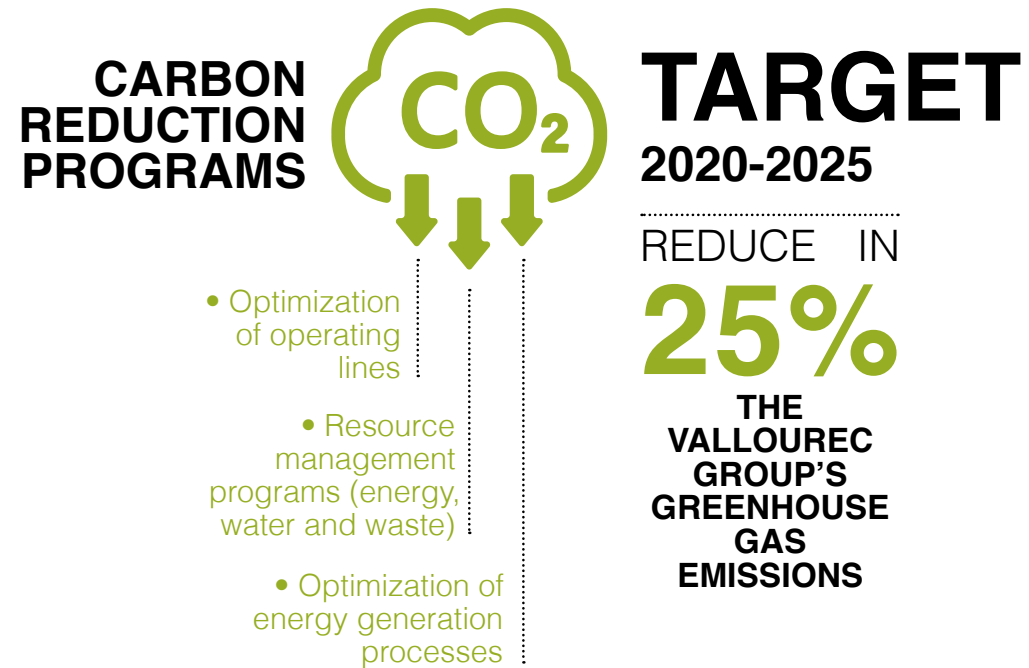
Chapter 3 Social

Chapter 4 Governance

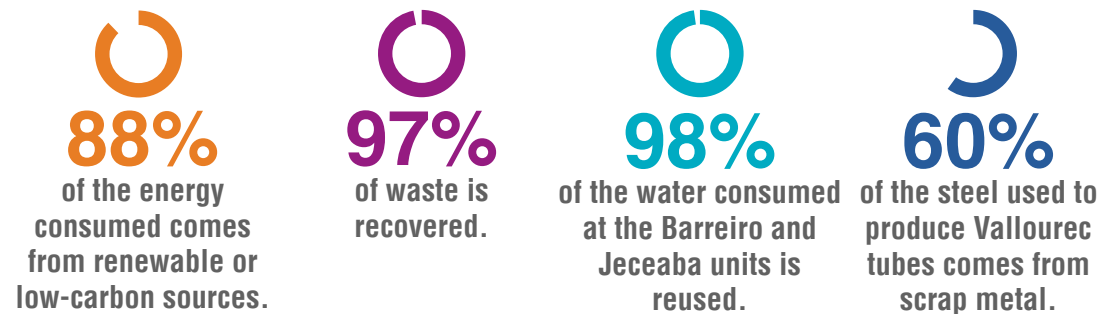
Green Tubes

Vallourec steel tubes are called “Green Tubes” because they are manufactured from high-quality charcoal from its eucalyptus forests.

Vallourec steel tubes have the lowest CO₂ equivalent on the market, which means that they are also produced with lower methane emissions.



Environmental indicators



BARREIRO, FLORESTAL, JECEABA AND MINERAÇÃO UNITS ARE CERTIFIED BY ISO 14001.

- Presentation
- Message from the Board of Vallourec South America
- Chapter 1 About us
- Chapter 2 Environment**
- Chapter 3 Social
- Chapter 4 Governance

Chapter 2 | Environment

Energy transition: Vallourec® New Energies

Vallourec is grouping its offers for the energy transition under a new brand and commercial name, Vallourec® New Energies, launched in September 2022, to serve the markets of CCUS (Carbon Capture, Utilization and Storage), Geothermal, Hydrogen and Solar Energy.

The energy transition is gaining momentum around the world with the commitment to reduce CO2 emissions, produce clean energy and keep global warming below 2°C.

Vallourec has been supporting its customers in the research and development of new solutions for their low-carbon activities.



- Presentation
- Message from the Board of Vallourec South America
- Chapter 1 About us
- Chapter 2 Environment**
- Chapter 3 Social
- Chapter 4 Governance

Chapter 2 | Environment

Carbon Capture, Utilization and Storage (CCUS)

Carbon Capture, Utilization and Storage (CCUS) consists of capturing CO in industrial facilities, which is then compressed and transported to underground storage sites.

Vallourec develops a range of solutions for CCUS, with durable, corrosion-resistant and seamless tubular products capable of transporting and storing CO .

These pipes can be equipped with VAM® connections, which are extremely efficient at sealing in adverse conditions, such as absolute minimum temperatures of -80°C and thermal cycles of -35°C.

Hidrogênio

Hydrogen has many advantages as a sustainable energy option. As a carrier of chemical energy, it can be stored and transported more stably than electricity. When combined with other elements in hydrogen-based fuels, it can provide a low-emission raw material for industry. Its use can also avoid the supply interruptions that energy systems dependent on electricity suffer.

In this context, Vallourec is perfectly positioned to help the industry overcome the challenges of hydrogen: it has experience in supplying pipe technology for safe pipeline transportation, high-pressure storage and connections with excellent sealability and know-how. The solutions offered are capable of covering

everything from ground accommodation in cylinders and medium-sized containers to large underground preservation.

Vallourec is perfectly positioned to help the industry overcome the challenges of hydrogen.



- Presentation
- Message from the Board of Vallourec South America
- Chapter 1 About us
- Chapter 2 Environment**
- Chapter 3 Social
- Chapter 4 Governance

Chapter 2 | Environment



Geothermal

Geothermal energy is a type of renewable energy obtained from the heat coming from inside the Earth. The process of harnessing this energy is done through large boreholes in the ground.

Vallourec Group has been part of the geothermal industry for more than 30 years, providing heat-resistant tubular solutions to extract clean energy from the earth. VAM® connections are qualified to operate at up to 350°C under thermal cycling according to the TWCCEP (Thermal Well Casing Connection Evaluation Protocol). In addition, Vallourec's innovative THERMOCASE® Vacuum Insulated Tubing (VIT) solution is part of closed-loop geothermal systems that produce heat and power with minimal losses.



Solar Energy

Vallourec supplies the solar energy sector with tubes for the construction of solar parks, which are part of its package of low-carbon solutions.

The welded structural tubes boast superior quality, crafted in compliance with international standards, and are available in pre- and post-galvanized options. They come in round shapes (up to 127 mm) and square sections (up to 100 mm x 100 mm).

Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Environmental Education Program

Aware of their role with employees, service providers, and their relationship communities, Vallourec companies in Brazil have practices focused on environmental education, seeking to increase people's awareness of their responsibility to preserve natural resources and biodiversity.

For this purpose, the Barreiro, Jeceaba, Mineração, and Florestal units uphold Environmental Education Programs (PEA). Throughout the period outlined in this document, over 160 environmental initiatives were executed for both internal and external audiences.



+ than 160
ações realizadas

+ than 50 thousand
pessoas impactadas

Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Chapter 2 | Environment

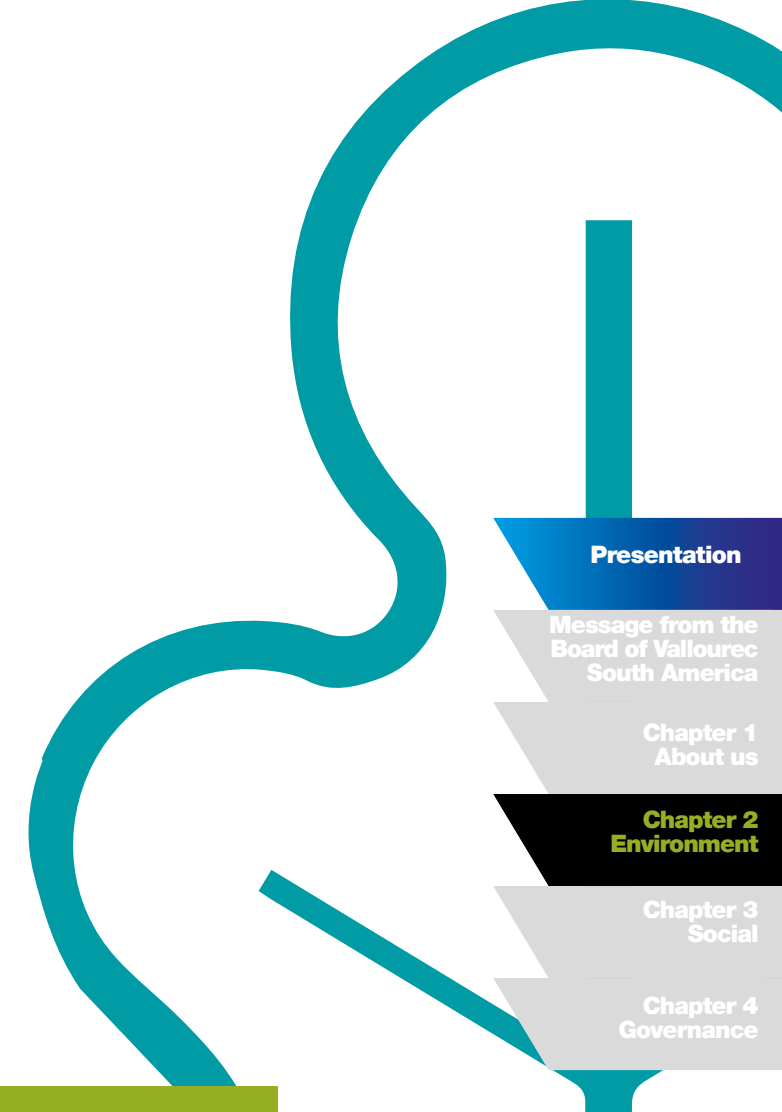
Lisa dyke overflow

On January 8, 2022, during the most intense period of rainfall when the highest levels of precipitation in the last 56 years were recorded in the state of Minas Gerais, solid material was carried from the Cachoeirinha pile to the Lisa dyke, located at Vallourec's Pau Branco Mine in Nova Lima, causing the **dyke**, which is close to the BR-040 highway, to overflow.

As a result of this overflow and in accordance with the Emergency Action Plan for Mining Dams (PAEBM), the sirens were duly activated on Saturday morning (8/1) at 10:31 a.m., the authorities were informed, and **all measures** were taken to ensure the safety of the site, people, fauna and flora.

The dyke in question is a rainwater containment structure and is therefore not a mining tailings dam. It is also important to clarify that the massif remained intact and there was no collapse of the structure.

Since the flood, more than 400 emergency actions have been executed to reduce environmental impacts and recover the affected areas.



- Presentation
- Message from the Board of Vallourec South America
- Chapter 1 About us
- Chapter 2 Environment**
- Chapter 3 Social
- Chapter 4 Governance

Reducing impacts and recovering affected areas

24-hour monitoring

With a focus on this objective, the Barreiro, Jeceaba, Mineração, and Florestal units maintain Environmental Education Programs (PEA). During the period covered by this document, more than 160 environmental initiatives were implemented for both internal and

Vallourec made every effort to ensure the safe reopening of BR-040, which took place at 6 a.m. on 10/1.

Removal of around 600 animals from Ibama's Wild Animal Rehabilitation Center (CRAS), which was kept near the affected area.

A preliminary agreement was signed on January 27 with the Public Prosecutor's Office of the State of Minas Gerais and other responsible bodies to conduct emergency measures and remedy the impacts caused by the overflow of the Lisa dyke.

The National Mining Agency (ANM) authorized the partial decommissioning of the Mining Complex on May 3, 2022, once the necessary conditions for the resumption of operations had been established and met.

On September 28, the emergency level of the Lisa dyke was closed, which means that the structure returned to "level 0" and is no longer classified at any emergency level (1, 2 or 3).

On December 12, 2022, Vallourec celebrated with the Public Prosecutor's Office of the State of Minas Gerais and other responsible bodies a Definitive Commitment Agreement on the impacts caused by the overflow of the Lisa dyke.

On May 5, 2023, Vallourec's Pau Branco Mining Complex was completely disinterred by the National Mining Agency (ANM).

[CLICK HERE](#) for more details!

- Presentation
- Message from the Board of Vallourec South America
- Chapter 1 About us
- Chapter 2 Environment**
- Chapter 3 Social
- Chapter 4 Governance

Chapter 3

Social



Presentation

Message from the
Board of Vallourec
South America

Chapter 1
About us

Chapter 2
Environment

**Chapter 3
Social**

Chapter 4
Governance

Chapter 3 | Social

Employees and Safety

Safety is Vallourec's greatest value and guides all its initiatives. Through structured practices and programs, the Company is permanently dedicated to strengthening the safety culture and protecting the health of its employees.



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance



ACTIONS TAKEN



Walk OPA

Leadership visits to the operation to promote dialogue with employees and reinforce the importance of safety in everyday work. Between 2021 and 2022, more than 21,000 OPA walks were held at Vallourec do Brasil companies.

Discussions on safety held before the working day, involving all the teams in each of the Company's operational areas.

Daily SAFETY DIALOGUES (DDSs)

CONTINUOUS SAFETY IMPROVEMENT GROUPS (CSIGS)

Groups dedicated to identifying hazards and assessing risks in topics of health and safety at work. 138 Safety Improvement Groups were set up, involving 700 employees.

Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance



Right to refuse

Vallourec advises its employees and service providers on both the right and duty to refuse. By means of this tool, any Vallourec employee or service provider has the right and duty to interrupt a task, without any negative consequences for them, if they believe there is a risk to their safety or that of their colleagues.



Readiness assessment

To improve the tracking of physical, mental and socio-occupational conditions that can affect the safety of employees, Vallourec applies, before the start of the shift, an assessment to teams in operational areas that execute critical activities. Lasting only one minute, the test offers personalized feedback with health and safety tips for day-to-day work.



Preliminary Risk Analysis

The Preliminary Risk Analysis (PRA) consists of detailing the work to be performed, based on the sequence of execution, stages, devices, tools, working methods and risk factors. This is done whenever there are non-routine activities that have not yet been processed, for those that involve more than one work front and/or a company and/or with an expected duration of more than seven days.

Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Health and well-being

In addition to promoting a safe working environment, Vallourec is committed to the occupational health and well-being of its employees.

During the period covered by this document, Vallourec companies in Brazil maintained their commitment to people's health and safety. In compliance with the legislation, all units have ergonomics programs, and periodic examinations are conducted to ascertain the health condition of professionals.

A multidisciplinary team is dedicated to welcoming and supporting employees experiencing psychosocial, family, financial, work and health problems.

The company has held training sessions, lectures, engagement actions, vaccination and awareness campaigns (Carnival, Fight Dengue, Fight Smoking, Healthy Eating, Pink October and Blue November).



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Chapter 3 | Social

Be always careful

Vallourec has been proactive in dealing with the damage caused by the COVID-19 pandemic.

Since March 2020, the Company has adopted the coronavirus prevention and prophylaxis measures indicated by the World Health Organization and national, state and municipal authorities.

In the 2021-2022 biennium, the care and actions continued, with the basic rules of prevention - wearing a mask, distancing and hand hygiene. In addition, the Company is individually monitoring all cases of employees with covid-19, to ensure that the virus is not transmitted in the company and also to guarantee all the necessary care and attention for each employee.



Vaccination campaign

90%

of Vallourec employees have taken at least one dose of the COVID-19 vaccine. The campaign urged employees to get vaccinated and submit their vaccination cards as evidence.



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

People management

Vallourec is committed to attracting, hiring, retaining, developing and training dedicated, leading and innovative professionals to add value to processes and improve the Company's competitiveness. It places high value on and is dedicated to collaborating with diverse and inclusive teams, fostering a respectful, humane, creative, and collaborative environment.

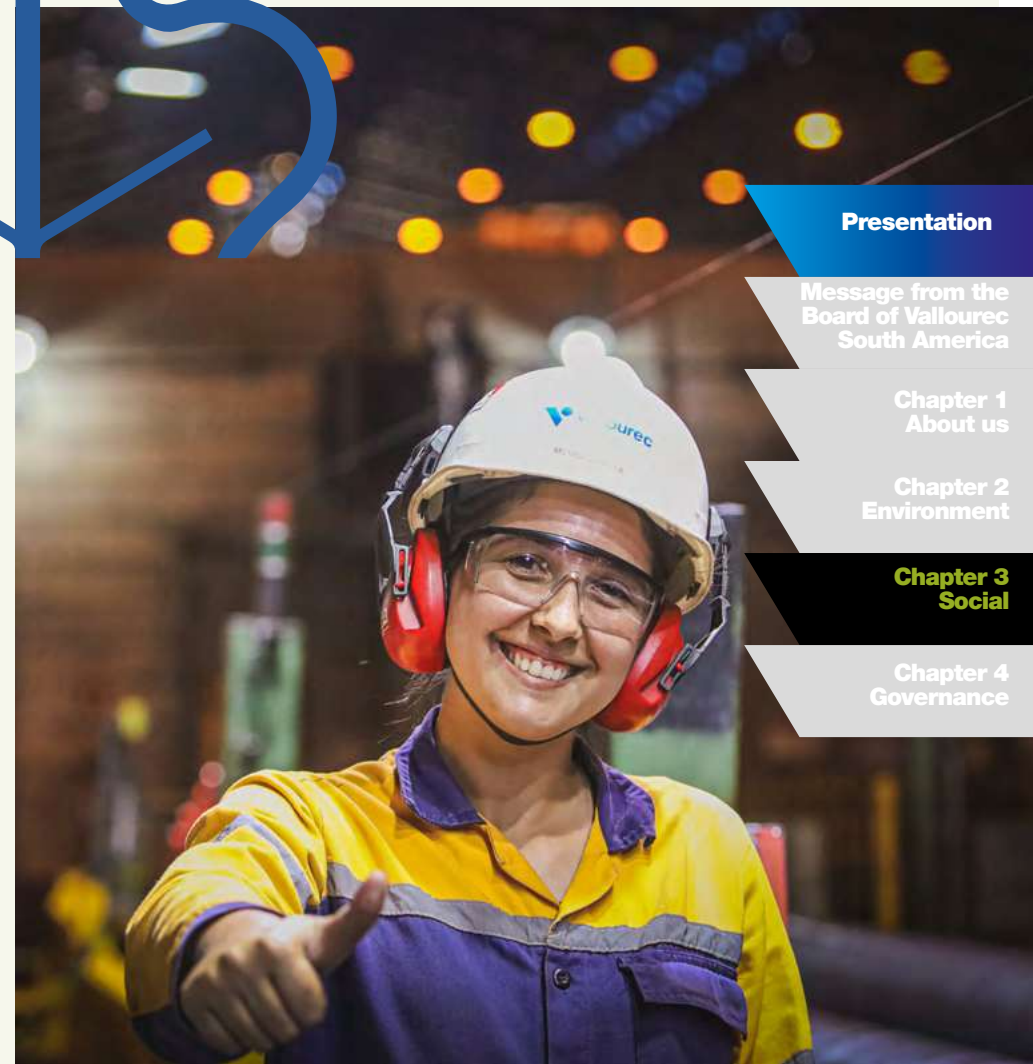
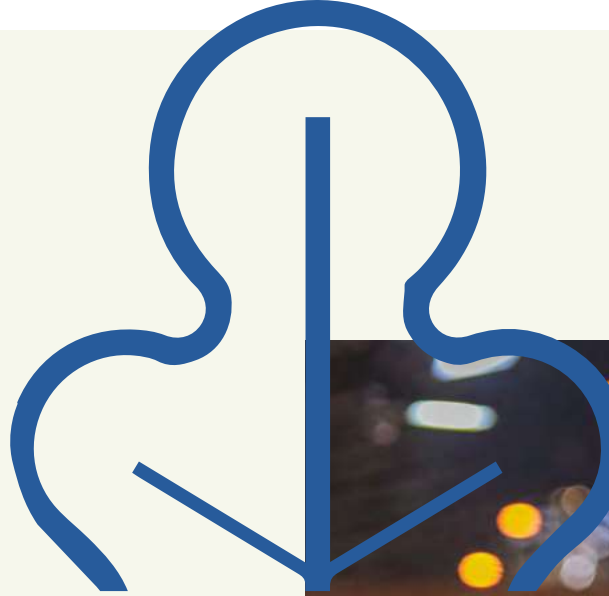
Attracting and hiring

Campaigns to publicize opportunities externally encourage the attraction of increasingly diverse professionals, reinforcing the Company's interest in

welcoming more women, black people, senior professionals, LGBTQIA+ people and people with disabilities to the team.

In addition to the publicized opportunities, Vallourec held, in 2021 and 2022, editions of the Internship Program and the Young Apprentice Program. In 2022, the Company also offered the Young Professional Program in different units in Brazil to attract the trainee public.

The Company also appreciates and encourages the practice of internal recruitment, enabling professionals to be promoted and grow.



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Remuneration and benefits

Vallourec companies in Brazil offer salaries and a benefits package aligned with those practiced by the market and the business segment in which they operate, including medical and dental care, private pension, life insurance, Profit Sharing and Results/Bonus. To encourage professional growth, salary adjustments are applied to employees based on the results of the Performance Evaluation.

Annual salary surveys are also performed with organizations of the same size and segment to identify any gaps, thus making it possible to align practices and maintain employee retention and attractiveness.

Research

In the Vallourec Opinion Survey all employees can express, directly, honestly and anonymously, their general view of the Company, including challenges, strategies, work experiences and future expectations. In the last edition, in 2021, the overall participation rate of companies in Brazil was 78%, and employee satisfaction with the company was 8.27 (on a scale of 10).

Vallourec Opinion 21



78% adherence



8,27
employee satisfaction with the Company **(from 0 to 10)**

Dialogue between managers and teams

In the 2021-2022 biennium, the company held six editions of the internal consultation “How has the dialog with your manager been?”. This initiative facilitates thorough employee monitoring, promoting a culture of feedback and effective communication between leaders and their teams. This enables managers to act in a way that is increasingly consistent with the Company’s values, contributing to Organizational Health.

Performance management

The performance evaluation process covers all employees of Vallourec companies in Brazil. Through it, employees and leaders can jointly identify the positive points in their day-to-day work and map out those that can be improved, contributing to the personal and professional development of each person.

Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

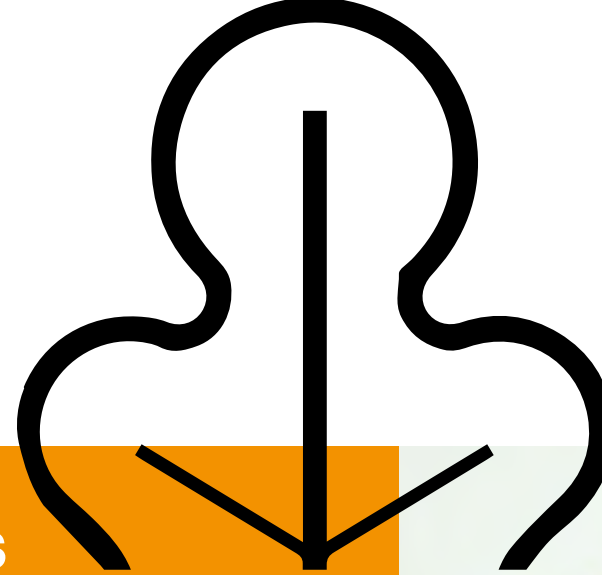
Chapter 3 Social

Chapter 4 Governance

Corporative education

Training at Vallourec companies in Brazil is based on the technical and behavioral requirements related to the position of each employee and seek to develop the skills necessary for the success of the business and the professional growth.

The focus of the qualifications in the 2021-2022 biennium was as planned, with a large part of the grid focused on safety issues themes, specific training for leadership and learning paths.



In numbers

2021

1.277 live events

7.139 e-training

71 thousand hours of training offered

9,2 hours/man/trained

2022

1.658 live events

9.624 e-training

126 thousand hours of training offered

16,10 hours/man/trained



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Diversity and inclusion

A diverse workforce is the key to greater innovation, high performance, and engagement, in addition to aligning its service with the needs of its customers. With this in mind, Vallourec seeks to value diversity and promote inclusion by fostering a safe environment that respects the singularities of each person, in which all employees feel respected, are proud of who they are, and feel recognized, valued, and stimulated to develop their potential.

The Company also values transparent, fair, and equal hiring, promotion, and development processes, regardless of ethnicity, skin color, gender, sexual orientation, gender identity, age, religion, social status, origin, or disability, and stimulates debate and awareness about diversity. Vallourec does not tolerate any kind of harassment, discrimination, or prejudice and advocates this in its Code of Ethics.



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Chapter 3 | Social

Women@Vallourec

Through a corporative program, Women@Vallourec has made efforts to increase the number of women in the workforce, from the operational to the management level.

Priorities

1. Have the same percentage of women and men at all hierarchical levels.
2. Ensuring conditions for women's success.
3. Guarantee equal pay for women and men (equal work, equal pay).

Among the various initiatives promoted by Women@Vallourec, the “Mentoring for Vallourec Women” program is one of the highlights. It was created to be a mentoring and learning

process between Company leaders and women who perform well and are capable of taking on strategic positions within the Group. It is also an opportunity for managers to actively participate in initiatives to strengthen diversity and equity within the organization.

Cycle results 2021-2022



19

women participating in the program



5

participants with career development

Through campaigns, podcasts, conversation circles and other means of internal communication, Vallourec also highlighted, between 2021 and 2022, actions related to the LGBTQIA+ universe, gender, racism, PwDs (People with Disabilities) and ableism, showing that, regardless of gender, physical condition, ethnicity, creed or sexual orientation, all professionals must be treated equally and respectfully in the Company.



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Communities

Contributing to the construction of a socially just and balanced future in neighboring communities is another of Vallourec's commitments throughout Brazil. With this premise, the Company promotes various activities and projects for territorial development, including the generation of work and income and the realization of socio-cultural initiatives.

In 2021 and 2022, various initiatives and projects were realized with our own and incentivized resources, including during the covid-19 pandemic. During this period of distancing, the activities were adapted to the online model, following the same premises of engagement and inclusion.

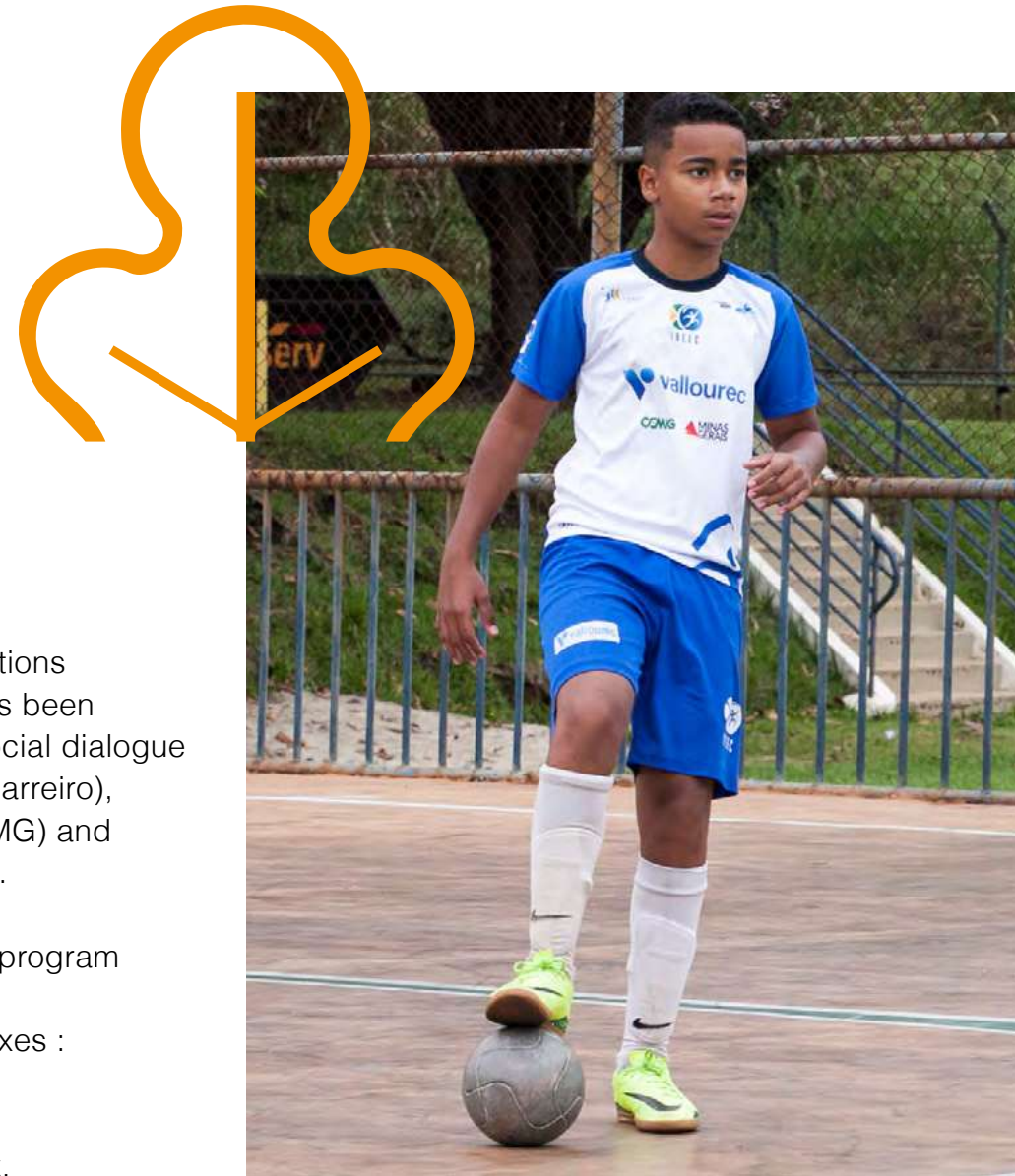
With direct annual investments and also funds from tax incentive laws, Vallourec supports projects aimed at education, health, generating work and income and encouraging culture and sport.

Living Community

One of the main community relations programs, Comunidade Viva has been working on development and social dialogue in the cities of Belo Horizonte (Barreiro), Contagem (MG), Brumadinho (MG) and Jeceaba (MG) for over 13 years.

In the 2021-2022 biennium, the program reached more than 20 thousand beneficiaries, focusing on two axes :

- Community Strengthening;
- Promoting Education and Work.



Presentation

Message from the Board of Vallourec South America






Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

CHECK THE INDICATORS OF SOCIAL ACTIONS IN THE BIENNIUM

2021-2022	
 <p>Number of incentivized projects</p>	75
 <p>Units where actions are realized</p>	Jeceaba, Barreiro, Mineração, Florestal and VTS (Rio das Ostras)
 <p>Awarded Notices</p>	<ul style="list-style-type: none"> • Federal Incentive Laws for Culture and Sport • Federal Incentive Law for the Childhood and Adolescence Fund (Fia) <ul style="list-style-type: none"> • Elderly Fund
 <p>Amount invested</p>	More than R\$ 29 million via incentive laws
 <p>Number of people benefited in the biennium</p>	More than 20 thousand

[CLICK HERE](#) and learn more.

- Presentation
- Message from the Board of Vallourec South America
- Chapter 1 About us
- Chapter 2 Environment
- Chapter 3 Social**
- Chapter 4 Governance

Volunteering

Created by the Vallourec Foundation in 2003, the Hands of Value Program encompasses all the volunteering activities of Vallourec companies in Brazil. With these actions, employees, trainees

and dependents have the chance to actively participate in civic duties, demonstrate solidarity, and engage with the communities surrounding the Company's operational areas.



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Results

2021



2022



Chapter 3 | Social

Vallourec Foundation

To embody the commitment to fostering social transformation, the Company operates through the Vallourec Foundation (formerly the Sidertube Foundation), which, since 1966, has spearheaded initiatives in the realms of social welfare, education, culture, leisure, and sports. The non-profit organization actively promotes the empowerment of employees, trainees, dependents, and retirees of companies in Brazil, fostering income generation, socialization, education, and encouraging physical activity through dedicated programs.



In numbers

57 years of operation

25,000 beneficiaries

- + Education
- + Culture
- + Leisure
- + Wellbeing
- + Social

- Presentation
- Message from the Board of Vallourec South America
- Chapter 1 About us
- Chapter 2 Environment
- Chapter 3 Social**
- Chapter 4 Governance

Cine Theatro Brasil Vallourec

Cine Theatro Brasil, now known as Cine Theatro Brasil Vallourec, completed in 2022 its 90 years of existence and, to celebrate, free activities and guided tours were organized.

Inaugurated in 1932 to be the city's main cinema and largest theater, the Cine Theatro returned to operation in 2013 under the name Cine Theatro Brasil Vallourec. The aim is to promote and disseminate culture by promoting spectacles of theater, dance, music, visual arts, audiovisual, literature and other cultural manifestations, becoming a reference for the entire cultural chain in Belo Horizonte and Minas Gerais. It is the oldest concert hall operating in the capital of Minas Gerais, combining tradition, charm and elegance, history and the most modern for the production of artistic, business and private events.

Vallourec is proud to be part of this history and to contribute to Belo Horizonte's cultural scene.



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

[CLICK HERE](#) and check out the location!

Chapter 4

Governance



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Decision-making process

The Vallourec Group in Brazil comprises the following companies: Vallourec Tubos do Brasil (VBR), Vallourec Florestal (VFL), Vallourec Soluções Tubulares do Brasil (VSB), Vallourec Transportes e Serviços (VTS), and Vallourec Tubular Solutions (VTS).

Vallourec Tubos do Brasil is the Group's holding company in Brazil and its only partner is Vallourec Tubes, a French company. In addition, as the holding company, VBR directly or indirectly controls all the Group's other companies in Brazil.

The strategic decision-making processes of these companies are concentrated in an Executive Committee.

Since March 26, 2021, VSB no longer has external shareholders and now has VBR and Vallourec Tubes as its sole shareholders, with the Vallourec Tubes Executive Committee acting as the controlling and deliberative body of last instance for the companies in South America, including VSB.



Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Ethics and integrity

The Vallourec Group does not tolerate its own or contracted partners and employees displaying unethical behavior of any kind. It also condemns corruption, the formation of trusts, unfair competition and disrespect for current legislation and regulations. A Code of Ethics that is widely known by employees is available to all to combat the occurrence of such practices. To reinforce these good practices, the Ethics Committee acts to provide interpretation parameters and advice on critical issues.


The Group also provides the Vallourec Integrity Channel for employees, neighboring communities, partners, customers, suppliers, service providers and other publics to report

attitudes and behaviors contrary to the Company's values and Code of Ethics.

The Channel is available online 24 hours a day, seven days a week. To guarantee the confidentiality of conversations, the tool is hosted on a safe and secure platform managed by an independent company: Business Keeper AG.

Complaints can be made anonymously, but Vallourec encourages the whistleblower to reveal his or her identity, as this facilitates a proper response. The target of the complaint, however, does not know where the complaint came from, only if this is the choice of the complainant.

The company maintains various channels for communication, including the Employee Representation Committee (CRE), Human Resources Business Partners, and social workers accessible to employees. Additionally, there are regular interactions with external stakeholders and interested parties.




Se você observar fatos relativos a práticas desleais, corrupção, assédio, discriminação, uso ilegal de dados pessoais...

ENTRE EM CONTATO COM seu gerente ou responsável do RH
seu contato dentro do Comitê de Ética

ou ENTRE EM CONTATO Com o novo **Canal de Integridade Vallourec**, dispositivo de alerta acessível online: <https://www.bkms-system.com/Vallourec-integrityline>



ÉTICA, TODOS ENVOLVIDOS!



ACCESS HERE the Vallourec Integrity Channel

Presentation

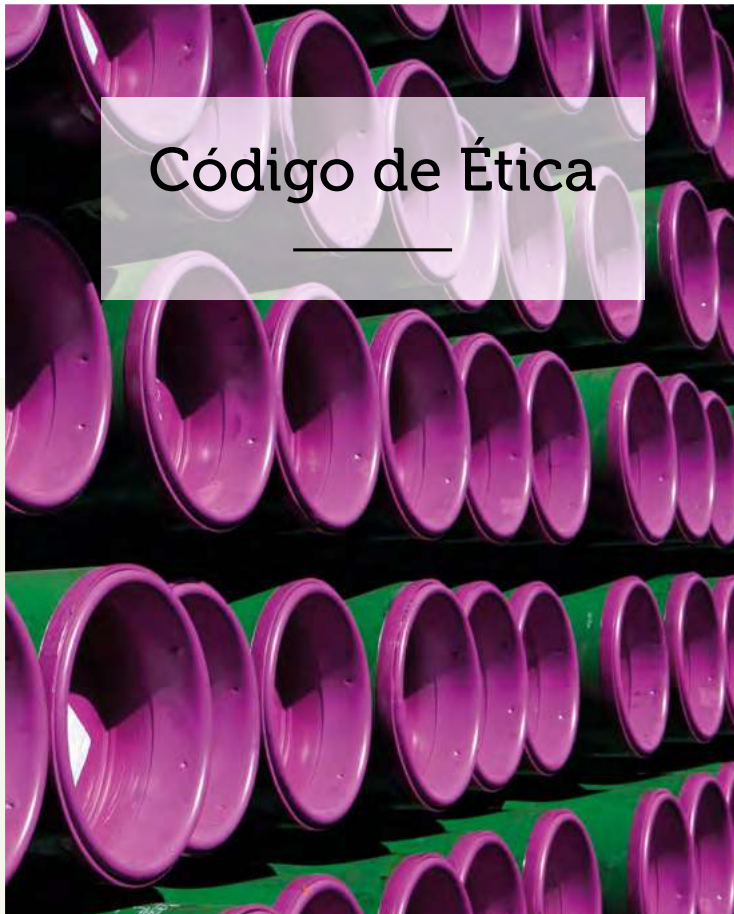
Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance



Código de Ética



The Ethics Committee works to ensure the effectiveness of Vallourec's policies.



Ethics Committee

The Ethics Committee works together with the Risk Management, Internal Controls, Internal Audit, Human Resources and Legal areas to ensure the effectiveness of Vallourec's policies and deal with cases of violation of the Ethics Code. It also works to ensure the correct implementation of analysis processes, which includes approaches to mapping and monitoring risks, as well as defining indicators and response strategies. The internal audit performs checks to enable managers to take the necessary measures in situations where the rules of the Ethics Code have been violated.

KNOW

Vallourec's Code of Ethics.

Presentation

Message from the Board of Vallourec South America

Chapter 1 About us

Chapter 2 Environment

Chapter 3 Social

Chapter 4 Governance

Chapter 4 | Governance

Anticorruption

Com foco em incentivar e difundir a ética empresarial, bem como em facilitar a identificação e o combate a atos e comportamentos impróprios ou ilegais por parte de empregados, clientes e fornecedores, a Empresa conta com um Manual de Compliance para Prevenção da Corrupção.

[ACCESS HERE](#) and learn about our Compliance Manual

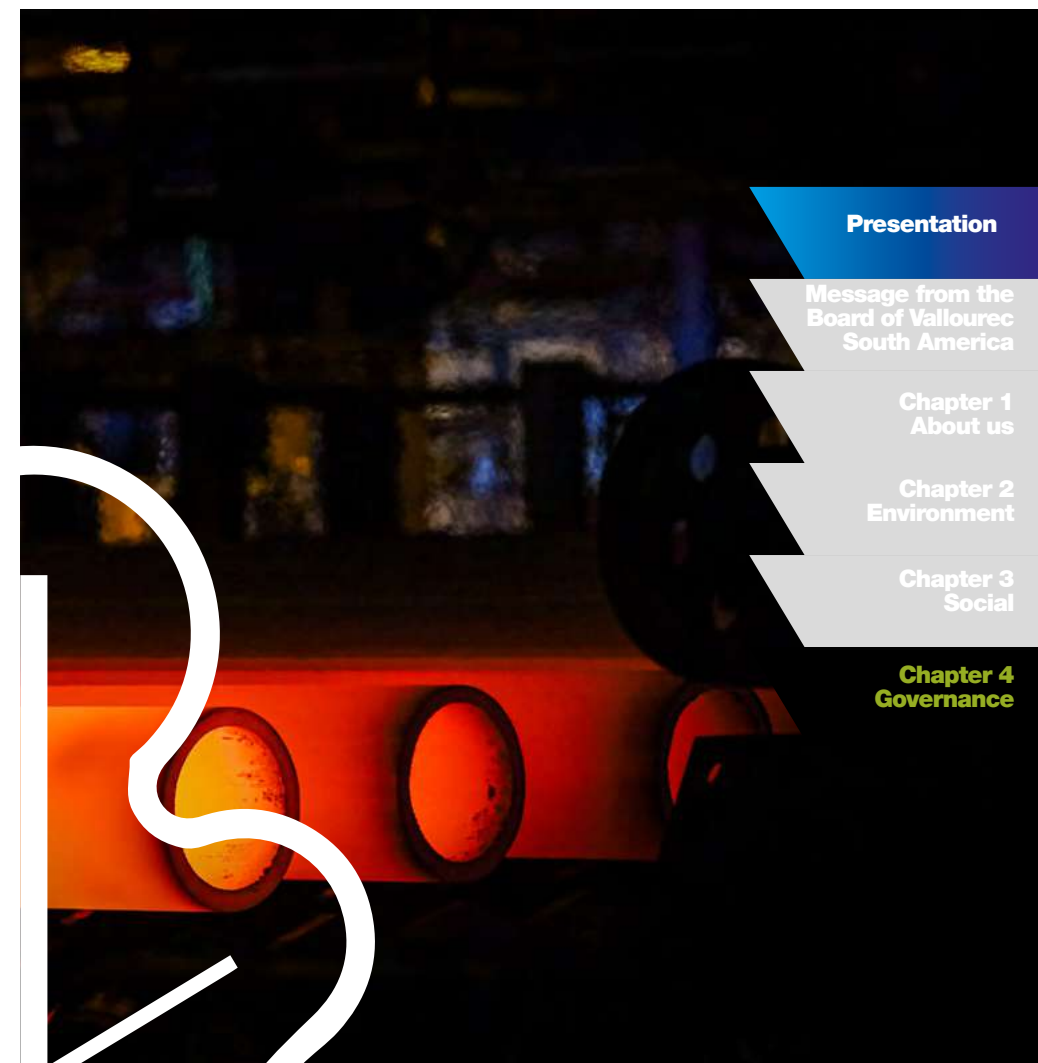
Relationship with interested parties

Vallourec values dialog as an effective way of maintaining close, solid and lasting relationships with its stakeholders. For this reason, among other actions, meetings are held periodically with communities, visits to customers, events, as well as sending information of interest to the press. These actions are segmented and conducted by the areas with a direct interface with each stakeholder.

In the 2021-2022 biennium, 70 complaints related to social and environmental issues were received and forwarded for resolution. Complaints follow the flow described in the Integrated Management System, which includes registration, analysis, investigation, forwarding, corrective action plan, response and closure.

Risk Management

Vallourec Companies in Brazil continuously monitor the risks related to their business. Supported by different committees (executive and directors), Risk Management makes it possible to identify, evaluate, prioritize act in the face of possible risks and adverse events to ensure compliance with the strategic objectives of the Company's business units. Vallourec's Risk Management follows the best practices and methodologies established by world-class consulting firms.



Acknowledgements & Contact Information:

Coordenação: Gerência de Comunicação Vallourec –
Carolina Calais e Marina Henriques

Conteúdo e projeto gráfico:

Prefácio Comunicação

Editores: Ana Luiza Purri e Cristina Mota

Revisão: Lucíara Oliveira **Projeto gráfico:** Tércio Lemos

Nossos agradecimentos a todos os colaboradores que contribuíram para o fornecimento, aprovação e revisão de informações para este relatório.

Vallourec Soluções Tubulares do Brasil (VSB)

Unidade Barreiro: Av. Olinto Meireles, nº 65, Barreiro de Baixo.
CEP: 30.640-010. Belo Horizonte, Minas Gerais, Brasil.
Telefone: +55 (31) 3328-2121. E-mail: contato@vallourec.com.

Unidade Jeceaba: Distrito Industrial, s/ nº. CEP: 35.498-000.
Jeceaba, Minas Gerais, Brasil. Telefone: +55 (31) 2141-5124.
E-mail: contato@vallourec.com.

Vallourec Tubos do Brasil Ltda. (VBR)

Unidade Mineração: Rod. BR 040, KM 562,5, Mina Pau Branco.
CEP: 35.460-000. Brumadinho, Minas Gerais, Brasil.
Telefone: +55 (31) 3571-9000. E-mail: contato.vallourecmineracaobra@vallourec.com.

Unidade Florestal: Rua Honduras, nº 78, Léo Batista. CEP: 35.790-000.
Curvelo, Minas Gerais, Brasil. Telefone: +55 (38) 3729-6050.
E-mail: contato.vallourecflorestal-bra@vallourec.com.

Vallourec Tubular Solutions Ltda. (VTS)

Unidade Rio das Ostras: Rua do Plataformista, Lote 5-6-7-13 e 14, Quadra K;
Lote 10-11-12 e 13, Quadra I; Zona Especial de Negócios, Mar do Norte.
CEP: 28.899-014. Rio das Ostras, Rio de Janeiro, Brasil. Telefone: +55 (22) 3321-8785.

Unidade Serra: Rod. Governador Mario Covas, BR 101, km 276, Carapina,
Polo Industrial de Piracema. CEP: 29.161-064. Serra, Espírito Santo, Brasil.
Telefone: +55 (27) 3212-4670. E-mail: tsa@tsa.ind.br.

Vallourec Tubos para Indústria (VTI)

Unidade Guarulhos: Rua Majestic, 196 - Cidade Industrial Satélite de São Paulo
CEP: 07.221-060. Guarulhos, SP, Brasil.
Telefone: +55 11 3371-6100. E-mail: contato@vallourec.com

Unidade Taubaté: Rod Carlos Pedroso da Silveira, 4811 - Galpão Anexo -
Jardim Santa Tereza CEP: 12.045-000. Taubaté, SP, Brasil.
Telefone: +55 31 3328-2121. E-mail: contato@vallourec.com

Unidade Belo Horizonte: Av Olinto Meireles, 65 - Barreiro de Baixo.
CEP: 30.640-010. Belo Horizonte, MG, Brasil.
Telefone: +55 31 3328-2121. E-mail: contato@vallourec.com



Report
**sus
taina
bili
ty**
2021  22



vallourec.com/br