

Shareholders' Annual General Meeting 2022

New TUBACEX Strategic Plan focuses on energy and mobility

- The TUBACEX Shareholders' General Meeting culminates a cycle in which the Group gained in efficiency and made huge progress in expansion and diversification.
- The new Strategic Plan 2022-2025 now kicks off, with the aim of making TUBACEX the supplier of sophisticated industrial products and high value-added services to the energy and mobility sectors, based around an axis of sustainability.
- In 2021 TUBACEX set up its Sustainability and Good Governance Committee. Reporting to the Board of Directors, its functions include promoting the Company's SDG policies to ensure that they create value.
- The Shareholders' General Meeting ratified the appointment of independent director José Toribio González, as well as the renewals of Jorge Sendagorta Gomendio, Iván Martén Uliarte and Isabel López Paños.

Llodio, May 26 2022. The TUBACEX Shareholders' General Meeting 2022 unveiled the company's new strategic plan, culminating a cycle based on the design and manufacture of integrated tubular solutions. In this cycle, TUBACEX increased its efficiency rate, expanded and diversified, and reorganized its production with a product mix tailored to the profile of each of the group's current 20 plants around the world.

At the Shareholders' Annual Meeting, held in Bilbao's Euskalduna Conference Centre and Concert Hall, chairman Francisco Javier García ran through the main milestones of the previous year, as well as some of the most relevant points in corporate Governance since the previous assembly. These include reorganizing

the delegate bodies, reviewing their composition, titles and powers, and giving all committees their own governing regulations; and reinforcing the governing bodies with the aim of advancing towards a more sustainable future. As part of this commitment, on July 22 2021 the Board of Directors appointed the Sustainability and Good Governance Committee, whose functions include promoting the Company's SDG policies, to ensure that they create value.

He was followed by TUBACEX CEO, Jesús Esmorís, who analyzed the year's results, highlighting the global restructuring plan rolled out in 2020, in a market dominated by energy transition and COVID-19. The plan allowed the company to prepare for a new cycle, commencing in the second half of the year, and the final quarter saw a return to profits. Buoyancy was maintained in early 2022, as TUBACEX enjoyed its best quarter since 2019.

The company also unveiled its new Strategic Plan 2022-2025, which aims to see it become the provider of sophisticated industrial products and high value-added services to the mobility and energy sectors. It is doing so with sustainability as its driving force, at a time when the company is gearing up to deliver orders worth more than EUR 500 million, setting a record for the past four years. The plan foresees sales of EUR 1,000 million by the end of the period, leveraging the growth in traditional industries and the upswing in low-emission energy and mobility.

The meeting then approved the annual accounts and the management report and ratified the appointment of José Toribio González as independent director. They also approved the renewal of independent directors Jorge Sendagorta Gomendio and Iván Martén Uliarte, and proprietary director Isabel López Paños.

Strategic Plan 2022-2025

The new TUBACEX Strategic Plan foresees the company becoming a key supplier to the energy and mobility sectors, all the while maintaining its identity, based on globality - with an active presence in the world's leading markets; a

focus on highly-demanding applications and sophisticated solutions; and a commitment to sustainability.

To reach this goal, up to 2030 the business will be divided into three main lines. First of all, TUBACEX will mentor clients through their decarbonization processes, by means of **enhancing existing products**. In other words, TUBACEX will continue to supply high value-added products and services designed to reduce carbon emissions and improve process efficiency. This will include consolidating the company's leading position in the highly rewarding OCTG and SURF segments and in other high value-added products. Second, it will expand its presence in **low-emission energy**, creating a new business unit to develop innovative solutions in power generation, storage and transport for the hydrogen market and other emerging industries. Finally, TUBACEX will analyze other opportunities for organic and inorganic growth in the energy and mobility sectors, extending into **new businesses**.

The Plan is structured around five strategic lines: the Sustainability Plan, the stability of the company's current business lines, diversification, slashing net debt, and competitiveness.

Within the **sustainability plan**, TUBACEX will continue along its roadmap towards sustainability, involving specific initiatives to advance decarbonization in the company's own processes and to promote circularity. The overarching aim is reduce emissions by 60% by 2030 and reach net zero by 2050. It is worth noting here that by end 2021, emissions had already been cut by 38% compared to 2019. The company will also roll out its social sustainability and governance plan, as one element of an overall plan which aligns with United Nations Sustainable Development Goals and the outlines of which have been approved by the Board of Directors.

As regards **stability of current business lines**, TUBACEX is now in a position to expect more stable results, based on an improved product mix, a range of

premium products currently enjoying a bright short- and medium-term outlook, and on having recently secured several important long-term contracts.

While the company's traditional business lines continue to hold steady, TUBACEX is also pushing forward with an ambitious **diversification plan** which, in tandem with its decarbonization demands, will see the company attain a more balanced business mix, focusing on less cyclical markets, including the automotive, aerospace, pharmaceutical and hydrogen sectors, or CCS applications, among others. This will also see TUBACEX reduce its dependency on Oil & Gas, which accounted for a third of its sales in 2025.

To attain the TUBACEX 2030 vision, **debt must be reduced**. This can be done by leveraging the current upswing and focusing on profit and cash flow. To cut debt and maintain the stability of traditional business lines, the company needs to maximize **competitiveness**, by prioritizing quality over quantity, rationalizing operating costs, improved management of raw materials and scrap, and digitalization for operative excellence.

About TUBACEX

TUBACEX is a world leader in sophisticated industrial products and high value-added services for the energy and mobility sectors. With offices in Álava, TUBACEX has production plants in thirteen companies (Spain, Austria, Italy, USA, India, Thailand, Saudi Arabia, Dubai, Norway, Canada, Singapore, Guyana and Kazakhstan) on four continents, and service centers and sales offices worldwide. TUBACEX is an expert in maximum-efficiency applications for the Oil & Gas and energy generation sectors and other industrial applications. The TUBACEX commitment to emission reduction has been validated by the Science Based Targets (SBT); TUBACEX has also been listed by other reputable rating agencies, including the CDP, and the Ecovadis and S&P sustainability ratings.

TUBACEX has been listed on the Spanish Stock Market since 1970 and is part of the IBEX SMALL CAPS Index: www.TUBACEX.com