

Information on the financial conditions of the termination of Édouard Guinotte as Chairman and Chief executive officer of Vallourec – other governance-related matters

(Disclosed 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 financial conditions in relation to the cessation of the duties of Mr. Édouard Guinotte as Chairman and Chief executive officer of Vallourec, as 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. Édouard Guinotte's severance package will be put forward for approval during the upcoming Annual General Meeting of the shareholders.

1. Fixed annual compensation for the fiscal year 2022

The Board of Directors acknowledged that the fixed compensation of Mr. Édouard Guinotte for the fiscal year 2022 will be EUR 130,434.78 gross. It was calculated *pro rata temporis* from January 1st, 2022 until the cessation of his duties as Chairman and Chief executive officer.

2. Variable annual compensation

For the fiscal year 2021, the Board of Directors set the achievement rate for the targets at 98.93%. The variable annual compensation of Mr. Édouard Guinotte will therefore be EUR 593,580 gross.

For the period from January 1st, 2022 to March 20th, 2022, the Board of Directors decided to calculate *pro rata temporis* Mr. Édouard Guinotte's variable remuneration on the basis of an achievement of 100% of the targets, corresponding to an amount of EUR 130,434.78.

In accordance with the applicable legal provisions, the payment of this variable compensation will be subject to the approval of the upcoming Annual General Meeting of the shareholders.

3. Unvested long-term incentive compensation

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 October 13th, 2021, Mr. Édouard Guinotte was thus granted a total of 1,002,767 free shares under the plan, consisting in (i) 292,852 Tranche 1 free shares, (ii) 292,852 Tranche 2 free shares, (iii) 292,852 Tranche 3 free shares and (iv) 124,211 Tranche 4 free shares.

Pursuant to the plan and the terms and conditions of the free shares, all of Mr. Édouard Guinotte's T2 free shares, T3 free shares and T4 free shares, and 80% of his T1 free shares shall lapse. Mr. Édouard Guinotte shall only be entitled to 20% of the 292,852 Tranche 1 free shares.

In relation to the rights of Mr. Édouard Guinotte under other employee equity plans, the provisions of such plans will be strictly enforced by the Company.

4. Severance indemnity and non-compete indemnity

The Board of Directors authorized the Company and Vallourec Oil and Gas France to conclude with Mr. Édouard Guinotte a settlement agreement (the "**Agreement**") in the context of the cessation of his duties as Chairman and Chief executive officer. The Agreement provides for the payment to Mr. Édouard Guinotte of a settlement indemnity and the activation of the non-competition obligation provided for at the time of the appointment of Mr. Édouard

Guinotte. The conclusion of the Agreement was necessary for Vallourec in order to preserve its interests in the context of the departure of his former executive corporate officer, whose employment contract as employee was suspended, by providing for a waiver of any recourse or claim by the latter on the execution and/or the cessation of all its duties within the Vallourec group and by confirming the implementation of a non-compete commitment for a period of 18 months. The conclusion of this Agreement is in line with the objectives of the Afep-Medef corporate governance code.

The commitments made by Vallourec under the Agreement will be subject to the approval of the upcoming Annual General Meeting of the shareholders.

4.1 Settlement indemnity

It is agreed under the Agreement to pay a settlement indemnity in the amount of EUR 883,237.84 gross for the purpose of settling amicably and definitively the terms of the cessation of all the duties of Mr. Édouard Guinotte within the Vallourec group. The payment of this settlement indemnity will be subject to the approval of the upcoming Annual General Meeting of the shareholders.

4.2 Severance pay as employee

It has also been agreed that the employment contract of Mr. Édouard Guinotte, who joined the Group in 1995, which had been entered into with Vallourec Oil and Gas France and was suspended since his appointment as Chairman and Chief executive officer on March 15th, 2020, shall be terminated. Mr. Édouard Guinotte is therefore entitled to the severance pay under the “*Convention collective des cadres et ingénieurs de la métallurgie*” (the national collective agreement for executives and engineers in the metallurgy industry), *i.e.* a gross amount of EUR 439,200, as well as a compensation for notice period equal to 6 months of salary, *i.e.* a gross amount of EUR 180,000.

4.3 Financial consideration to the non-compete commitment

Given the nature of his duties, it was important, in order to preserve the legitimate interests of the Group, to require Mr. Édouard Guinotte be bound by a non-compete commitment, which he accepted. Such non-compete obligation will cover the following geographical scope: Europe, Middle-East, United States of America, Mexico, Argentina, Brazil, China, Ukraine and Russia.

As consideration for this non-compete commitment, which will apply for 18 months following the termination of his duties as Chairman and Chief executive officer, Mr. Édouard Guinotte will receive a financial consideration equal to EUR 728,857.84 gross, corresponding to 12 months of gross fixed and variable monetary compensation to be paid in 18 monthly installments equal to EUR 40,492.10 gross.

This non-compete commitment and the payment of the associated financial consideration will be subject to the approval of the upcoming Annual General Meeting of the shareholders.

5. Benefits

Mr. Édouard Guinotte will benefit for a period of 12 months from outplacement services, up to EUR 50,000 (excluding VAT).

6. Pension scheme

Mr. Édouard Guinotte will retain his acquired rights under the defined contribution pension scheme known as “Article 82” on the date of termination of his duties as Chairman and Chief executive officer.

The payment of the matching contribution by Vallourec for the 2021 and 2022 financial years, consisting of a part paid to the insurer (50%) and a part paid directly to Mr. Édouard Guinotte (50%), will amount in total to EUR 179,038 gross for 2021 and EUR 39,130 gross for 2022. Such payments will be subject to the approval of the upcoming Annual General Meeting of the shareholders.

6. Other information

Mr. Édouard Guinotte resigned on March 25th, 2022 from his position as member of the Board of Directors, with immediate effect.

In addition, it is reminded that the duties of Mr. Édouard Guinotte as Chairman and Chief executive officer were terminated on March 20th, 2022. As a consequence, and accordingly with the French commercial Code, the duties of Mr. Olivier Mallet as Deputy chief executive officer of the Company expired as of March 20th, 2022 (*i.e.* upon the appointment of Mr. Philippe Guillemot as new Chairman and Chief executive officer). This expiry was acknowledged by the Board of Directors on March 26th, 2022. From March 21st, 2022 onwards, the provisions of Mr. Olivier Mallet's employment agreement as Chief financial officer, which were suspended during his appointment as Deputy chief executive officer, are back in force. Mr. Olivier Mallet will carry out his employee duties as Chief financial officer under the same remuneration conditions as those set forth in relation to his duties as Deputy chief executive officer of the Company.

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

May 18th 2022	Release of first quarter 2022 results
May 24th 2022	Shareholders' Annual Meeting

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