



Board of Directors

President and CEO

Mr. Alvaro Videgain Muro

Vice-President

Mr. Juan Garteizgogeascoa Iguain

Board Members

Mr. José Antonio Ardanza Garro

Mr. Gerardo Aróstegui Gómez

Mr. Alejandro Echevarría Busquet

Mr. Antonio Fernández López

Mr. Manuel Guasch Molins

Mr. Juan Ramón Guevara Saleta

Mr. Pedro Luis Uriarte Santamarina

Secretary and Legal Adviser

Mr. Pascual Jover Laguardia

Management Committee of TUBACEX S.A.

President and CEO

Mr. Alvaro Videgain Muro

Vice-president for Sales and Marketing

Mr. Manuel Fernández Muiños

Vice-president for Production

Mr. Erich Hertner

Chief Financial Officer

Mr. Guillermo Ruiz-Longarte

Controller

Mr. Javier Robles

Purchasing and Procurement Manager

Mr. Pedro Carbajo

Human Resources Manager and Assistant to the President

Mr. Antón Azlor Villa

IT Systems Manager

Mr. Ramón Canivell

Executives of Subsidiary Companies

Mr. Javier Robles (General Manager of Tubacex Tubos Inoxidables S.A. and ACERALAVA S.A.)

Mr. Erich Hertner and Mr. Paul Degenfeld (Managing Director and General Manager of Schoeller Bleckmann Edelstahlrohr AG)

Mr. Rufino Orce (Managing Director and General Manager of Salem Tube Inc. and Altx Inc.)

Mr. José Carlos Villaescusa (General Manager of Tubacex Taylor Accesorios S.A.)

Mr. Pedro Carbajo (General Manager of Cotubes S.A.)

Mr. Gonzalo Gómez Arrúe (General Manager of Tubos Mecánicos S.A.)

ANNUAL REPORT ON CORPORATE GOVERNANCE

TUBACEX was one of the pioneering companies in Spain to apply Good Corporate Governance practices. In this respect, it is important to note that as early as 1994, the Company approved an "Internal Stock Market Code of Conduct" and since 1995, it has been using the recommendations made in the Cadbury and Viennot reports to modify the way in which the Board of Directors operates. These modifications include a reduced number of board and executive board members, the existence of independent board members and the setting up of monitoring bodies within the board (such as the Appointments and Remunerations and the Audit and Compliance Committees), as well as the need to forward board information to its members.

In September 1998, following the recommendations made in the Olivencia Report, the Board of Directors approved the "TUBACEX S.A. BOARD OF DIRECTORS' CODE ALIGNED TO THE GOOD GOVERNANCE CODE", which set out basic organisation and operating standards, as well as a code of conduct for board members. The code is available on the company's web site.

Since 1998 TUBACEX's annual reports have included a specific chapter dedicated to Good Governance and the extent to which the recommendations have been implemented.

In 2002, and following the recommendations made by the Aldama Commission, TUBACEX added information on the By-Laws and the Board of Directors' Code to its web site.

2003 saw the necessary adjustments being made in order to comply with the requirements set out in Act 26/2003, dated 17 July 2003, on information related to Good Corporate Governance, as well as the requirements set out in Circular 1/2004 issued by the Spanish National Stock Market Commission on 17 March 2004, on the "Annual Report on Corporate Governance by public limited companies listed on the stock market and other bodies that issue stocks negotiable on official secondary markets and other means of information used by public limited companies listed on the stock market".

In the same way, the "Internal Code of Conduct in relation to the Stock Markets" was adopted in 2003 in compliance with Financial System Reform Act 44, dated 22 November 2002.

In 2004, the Code for the General Meeting of Shareholders was approved. The contents of this Code are the subject of analysis in this report and are also available on the Company's website.

The most noteworthy aspects of TUBACEX's Good Corporate Governance policy are as follows:

*The board's main objective is to supervise and oversee the company's executive bodies, with its actions being motivated by the need to maximise the company's value, in other words, to create shareholder value.