

**Report presented by the Board of Directors of TUBACEX, S.A., for the purposes set forth in Article 529 decies of the Corporations Act, in relation to the resolution on the appointment of Mr. Francisco Javier García Sanz, as a Independent Director, submitted to the Shareholders' Annual General Meeting of 22 May 2019.**

## PREAMBLE

Article 529. decies of the Corporations Act, with the drafting provided by Act 31/2014, dated 3 December, sets out the following:

- “1. Members of the board of directors of a listed company shall be appointed by the Shareholders' General Meeting or, in the case of an early vacancy, by the board itself using the co-opting system*
  - 2. Co-opting in listed companies is to be governed by the provisions of this Act, with the following exceptions:*
    - a) Directors appointed by the board need not be shareholders of the company.*
    - b) When a vacancy arose after the notice of call of the annual general meeting is made and prior to such meeting being held, the board of directors may designate a board member until the forthcoming Shareholders' General Meeting was held.*
  - 3. In listed public limited companies (sociedades anónimas) substitutes may not be appointed.*
  - 4. 4. Motions on the appointment or re-election of board members are the responsibility of the Appointments and Remunerations Committee, in the case of independent directors, and of the Board of Directors itself, in the remaining scenarios.*
  - 5. Motions shall be accompanied in any event by an explanatory report of the board assessing the competence, experience and merits of the suggested candidate, which is to be attached to the minutes of the Shareholders' General Meeting or of the board meeting itself.*
  - 6. Motions on the appointment or re-election of any non-independent directors shall further be preceded by a report issued by the Appointments and Remunerations Committee.*
- [..]”.*

In order to fulfill the provisions laid down in sub-section 5 of the aforementioned article, the Board of Directors of TUBACEX, S.A. has drafted this report, attached to the motion for the appointment of **Mr. Francisco Javier García Sanz** as a member of the Board of Directors, with the status of **Independent Director**, that is submitted to the Shareholders' Annual General Meeting of the Company.

For the purposes of making this motion, the Board of Directors has assessed the proposal of the Appointments and Remunerations Committee, in agreement with the provisions laid down in Articles 16, 19, 20 and 21 of the Board of Directors Regulations, having completed an analysis of the current membership of the Board and its needs, assessing the conditions to be fulfilled by board members to exercise their offices, and the dedication required to suitably fulfill their duties.

Furthermore, the Board of Directors, in issuing this report, has assessed, as set forth in the regulations provided above, the competence, experience and merits of the candidate proposed, in the terms provided below:

Higher Grade in Market Business Administration, Doctor Honoris Causa from the University of Stuttgart (2008), he began his professional career as Head of Purchasing at Adam Opel AG in Rüsselsheim in 1979.

From 1980 to 1993, he carried out diverse duties at Opel and GM Europe and in the USA, becoming World Executive Purchasing Director at GM Corporation in Detroit (USA).

In 1993, he went to work for Volkswagen as Head of the Group's 'Electrics/ Electronics' purchasing area. From 1997 to 2007, he was a member of the Executive Committee of the Volkswagen brand, becoming Vice-President of the Volkswagen Group since 2001. On the other hand, in 1995, he was appointed Executive Vice-President of SEAT, S.A., becoming Director in 1997 and President of the Board from 2007.

He was also President of Volkswagen Navarra and of VGED (Volkswagen Group Spain Distribution) and member of the Board of Directors of Audi AG, FAW Volkswagen (China), Shanghai Volkswagen and Scania AB, as well as the Supervisory Board of Porsche AG. He was also President of the Board of Directors of Volkswagen Brazil and Volkswagen Argentina.

Between June 2009 and July 2012, he was President of ANFAC (Spanish Association of Automobile and Truck Manufacturers) and later a member of it. He also held a leading position on the German automotive manufacturers association (VDA).

In 2009, he was appointed President of the Wolfsburg soccer team, a position which he held until 2018.

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**Report presented by the Board of Directors of TUBACEX, S.A., for the purposes set forth in Article 529 decies of the Corporations Act, in relation to the resolution on the appointment of Mrs. Rosa García García, as an Independent Director, submitted to the Shareholders' Annual General Meeting of 22 May 2019.**

## PREAMBLE

Article 529. decies of the Corporations Act, with the drafting provided by Act 31/2014, dated 3 December, sets out the following:

- “1. Members of the board of directors of a listed company shall be appointed by the Shareholders’ General Meeting or, in the case of an early vacancy, by the board itself using the co-opting system*
  - 2. Co-opting in listed companies is to be governed by the provisions of this Act, with the following exceptions:*
    - a) Directors appointed by the board need not be shareholders of the company.*
    - b) When a vacancy arose after the notice of call of the annual general meeting is made and prior to such meeting being held, the board of directors may designate a board member until the forthcoming Shareholders’ General Meeting was held.*
  - 3. In listed public limited companies (sociedades anónimas) substitutes may not be appointed.*
  - 4. 4. Motions on the appointment or re-election of board members are the responsibility of the Appointments and Remunerations Committee, in the case of independent directors, and of the Board of Directors itself, in the remaining scenarios.*
  - 5. Motions shall be accompanied in any event by an explanatory report of the board assessing the competence, experience and merits of the suggested candidate, which is to be attached to the minutes of the Shareholders’ General Meeting or of the board meeting itself.*
  - 6. Motions on the appointment or re-election of any non-independent directors shall further be preceded by a report issued by the Appointments and Remunerations Committee.*
- [..]”.*

In order to fulfill the provisions laid down in sub-section 5 of the aforementioned article, the Board of Directors of TUBACEX, S.A. has drafted this report, attached to the motion for the appointment of **Mrs. Rosa García** as a member of the Board of Directors, with the status of **Independent Director**, that is submitted to the Shareholders' Annual General Meeting of the Company.

For the purposes of making this motion, the Board of Directors has assessed the proposal of the Appointments and Remunerations Committee, in agreement with the provisions laid down in Articles 16, 19, 20 and 21 of the Board of Directors Regulations, having completed an analysis of the current membership of the Board and its needs, assessing the conditions to be fulfilled by board members to exercise their offices, and the dedication required to suitably fulfill their duties.

Furthermore, the Board of Directors, in issuing this report, has assessed, as set forth in the regulations provided above, the competence, experience and merits of the candidate proposed, in the terms provided below:

Graduate in Mathematical Sciences from the Autonomous University of Madrid, this executive has more than 30 years international experience in the IT, Energy, Infrastructures and Industry sectors.

Most of her career has been at Microsoft. In 1991, she joined Microsoft Ibérica as a Technical Support Director and moved to the parent company in Redmond (USA) in 1996, working alongside the CEO, Steve Ballmer, as Corporate Strategy Director. In 2000, she was appointed World Director General for Sales and Marketing to Microsoft Partners and in May 2002, she returned to Spain to take over as Executive President of Microsoft Ibérica. In 2008, she was appointed Vice-President of Consumption for Europe.

On 1st October 2011, she joined Siemens as Executive President in Spain, a post that she held until December 2018.

She also has more than 10 years experience as a member of the Board of Directors of IBEX 35 companies, having been a Director of Banesto, Bolsas y Mercados Españoles, Acerinox and Bankinter. She has also been the non-executive president of Siemens Gamesa.

She is a regular collaborator in innovation and leadership issues in different media. She is firmly committed to improving education in Spain and developing technical vocations for girls, and for this reason, she cooperates with numerous NGOs, universities and business schools.

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**Report presented by the Board of Directors of TUBACEX, S.A., for the purposes set forth in Article 529 decies of the Corporations Act, in relation to the resolution on the appointment of Mrs. Gema Navarro Mangado, as a Proprietary Director, proposed by the significant shareholder Mr. Jose M<sup>a</sup> Aristrain and submitted to the Shareholders' Annual General Meeting of 22 May 2019.**

## PREAMBLE

Article 529. decies of the Corporations Act, with the drafting provided by Act 31/2014, dated 3 December, sets out the following:

- “1. Members of the board of directors of a listed company shall be appointed by the Shareholders’ General Meeting or, in the case of an early vacancy, by the board itself using the co-opting system*
- 2. Co-opting in listed companies is to be governed by the provisions of this Act, with the following exceptions:*
- a) Directors appointed by the board need not be shareholders of the company.*
- b) When a vacancy arose after the notice of call of the annual general meeting is made and prior to such meeting being held, the board of directors may designate a board member until the forthcoming Shareholders’ General Meeting was held.*
- 3. In listed public limited companies (sociedades anónimas) substitutes may not be appointed.*
- 4. Motions on the appointment or re-election of board members are the responsibility of the Appointments and Remunerations Committee, in the case of independent directors, and of the Board of Directors itself, in the remaining scenarios.*
- 5. Motions shall be accompanied in any event by an explanatory report of the board assessing the competence, experience and merits of the suggested candidate, which is to be attached to the minutes of the Shareholders’ General Meeting or of the board meeting itself.*
- 6. Motions on the appointment or re-election of any non-independent directors shall further be preceded by a report issued by the Appointments and Remunerations Committee.*
- [..]”.*

In order to fulfill the provisions laid down in sub-section 5 of the aforementioned article, the Board of Directors of TUBACEX, S.A. has drafted this report, attached to the motion for the appointment of **Mrs. Gema Navarro Mangado** as a member of the Board of Directors, with the status of **Proprietary Director**, proposed by the shareholder Jose M<sup>a</sup> Aristrain de la Cruz that is submitted to the Shareholders' Annual General Meeting of the Company.

For the purposes of making this motion, the Board of Directors has assessed the proposal of the Appointments and Remunerations Committee, in agreement with the provisions laid down in Articles 16, 19, 20 and 21 of the Board of Directors Regulations, having completed an analysis of the current membership of the Board and its needs, assessing the conditions to be fulfilled by board members to exercise their offices, and the dedication required to suitably fulfill their duties.

Furthermore, the Board of Directors, in issuing this report, has assessed, as set forth in the regulations provided above, the competence, experience and merits of the candidate proposed, in the terms provided below:

With solid technical training in the commercial and financial fields, Ms. Gema Navarro Mangado has spent more than fifteen years developing her professional activity as Consultant for the patrimonial management of real estate and financial assets from her organization in Luxembourg.

She has been Director of various national and foreign companies, and is currently Vice-President of Inversiones Industriales Txindoki and Director of the Aristrain Corporation.

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