

**THE ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED
PUBLIC LIMITED COMPANIES**

ISSUER IDENTIFICATION DETAILS

YEAR END-DATE

2021

TAX ID (CIF) A01003946

Company name: TUBACEX S.A.

Registered office: Tres Cruces, 8 Llodio (Alava)

This english version is a translation of the original in spanish for information purposes only. In case of a discrepancy, the spanish original will prevail.

**ANNUAL CORPORATE GOVERNANCE REPORT
OF LISTED PUBLIC LIMITED COMPANIES - STATISTICS**

A OWNERSHIP STRUCTURE

A1 Complete the following table on share capital and the attributed voting rights, including those corresponding to shares with a loyalty vote as of the closing date of the year, where appropriate:

Indicate whether company bylaws contain the provision of double loyalty voting:

No
Yes

Indicate whether the company has awarded votes for loyalty:

No
Yes

Date of the last modification of the share capital	Share capital	Number of shares	Number of voting rights (not including additional loyalty-attributed votes)	Total number of voting rights, including additional loyalty-attributed votes
30/11/2022	58.040.451,9	128.978.782	128.978.782	128.978.782

Indicate whether there are different classes of shares with different associated rights:

Yes No

A.2 List the company's significant direct and indirect shareholders at year end, including directors with a significant shareholding:

Name or company name of shareholder	% voting rights attributed to shares (including loyalty votes)		% of voting rights through financial instruments		% of total voting rights
	Direct	Indirect	Direct	Indirect	
CORPORACION ARISTRAIN		11,30			11.30
DIMENSIONAL FUNDS ADVISORS LP		5.10			5.10

EDM GESTION SA SGIC		5.10			5.10
MR. ALVARO GUZMAN		6.17			6.17
ITZARRI EPSV	3.30				3.30
SANTALUCIA SA	4.00				4.00
MR. ANGEL SORIA	3.03				3.03

Breakdown of the indirect holding:

Name or company name of the indirect owner	Name or company name of the direct owner	% voting rights attributed to shares (including loyalty votes)	% of voting rights through financial instruments	% of total voting rights
No data				

Indicate the most significant changes in the shareholder structure during the year:

Most significant movements
Do not have produced

- A3 Give details of the participation at the close of the fiscal year of the members of the board of directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the directors who have been identified in Section A2 above:

Name or company name of director	% voting rights attributed to shares (including loyalty votes)		% of voting rights through financial instruments		% of total voting rights
	Direct	Indirect	Direct	Indirect	
MR. FRANCISCO JAVIER GARCIA	0.04				0.04
MR. JESUS ESMORIS	0.14				0.14
MR. ANTONIO GONZALEZ-ADALID	0.12				0.12
MR. JORGE SENDAGORTA		0.87			0.87
MR. IVAN MARTEN	0.11				0.11
MR. MANUEL MOREU	0.01				0.01
MRS. MURIA LOPEZ DE GUEREÑU	0.00				0.00

Total percentage of voting rights held by the Board of Directors	1,31
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Breakdown of the indirect holding:

Name or company name of director	Name or company name of the direct owner	% voting rights attributed to shares (including loyalty votes)	% of voting rights through financial instruments	% of total voting rights	

List the total percentage of voting rights represented on the board:

Total percentage of voting rights held by the Board of Directors	11,30
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- A.4 If applicable, indicate any family, commercial, contractual or corporate relationships that exist among significant shareholders to the extent that they are known to the company, unless they are insignificant or arise in the ordinary course of business, with the exception of those reported in section A.6:

Name or company name of related party	Nature of relationship	Brief description
No data		

- A5 If applicable, indicate any commercial, contractual or corporate relationships that exist between significant shareholders and the company and/or its group, unless they are insignificant or arise in the ordinary course of business:

Name or company name of related party	Nature of relationship	Brief description
No data		

- A.6 Unless insignificant for both parties, describe the relationships that exist between significant shareholders, shareholders represented on the Board and directors or their representatives in the case of directors that are legal persons.

Explain, if applicable, how the significant shareholders are represented. Specifically, indicate those directors appointed to represent significant shareholders, those whose appointment was proposed by significant shareholders, or who are linked to significant shareholders and/or companies in their group, specifying the nature of such relationships or ties. In particular, mention the existence, identity and post of any directors of the listed company, or their representatives, who are in turn members or representatives of members of the Board of Directors of companies that hold significant shareholdings in the listed company or in group companies of these significant shareholders.

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship/post

MRS. GEMA NAVARRO	MR. JOSE MARIA ARISTRAIN	INVERSIONS FINANCIERAS TXINDOKI SL	VICEPRESIDENT
MRS. GEMA NAVARRO	MR. JOSE MARIA ARISTRAIN	CORPORACIÓN ARISTRAIN SL	VICEPRESIDENT
MRS. ISABEL LOPEZ	MR. JOSE MARIA ARISTRAIN	INVERSIONS FINANCIERAS TXINDOKI SL	SECRETARY
MRS. ISABEL LOPEZ	MR. JOSE MARIA ARISTRAIN	CORPORACIÓN ARISTRAIN SL	SECRETARY

A.7. Indicate whether the company has been notified of any shareholders' agreements that may affect it, in accordance with the provisions of Articles 530 and 531 of the Spanish Corporate Enterprises Act. If so, describe them briefly and list the shareholders bound by the agreement:

Yes No

Indicate whether the company is aware of any concerted actions among its shareholders. If so, provide a brief description:

Yes No

A.8 Indicate whether any individual or company exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Act. If so, identify them:

Yes No

A.9 Complete the following table with details of the company's treasury shares:

At the close of the year:

Number of direct shares	Number of indirect shares (*)	Total percentage of share capital
3,671,316		2.84

(*) Through:

Name or company name of direct shareholder	Number of direct shares
No data	
Total:	

Explain the significant variations

On 14th January 2021 was implemented Discretionary treasury stock purchase program up to 3%.

A.10. Detail the conditions and term of the current mandate of the shareholders' meeting to the board of directors to issue, repurchase or transfer own shares:

The General Shareholders' Meeting at its meeting on June 24, 2021, approved authorizing, all in accordance with article 146 and provisions of the Capital Companies Law, to the Board of Directors so that it can proceed with the derivative acquisition of shares of "TUBACEX, S.A." by "TUBACEX, S.A." itself. and its investees for a maximum period of five years, rendering the resolution adopted null and void. in the General Meeting of May 24, 2017 in what was not executed.

Such acquisitions must be made under the following conditions:

- a) Modality: sale, exchange, loan or dation in payment or any other means admitted in Law.
- b) Maximum number of shares to be acquired, added to those already held by TUBACEX, S.A. and its subsidiaries: up to 10% of the subscribed capital.
- c) Maximum and minimum prices: the closing rate of the last session on the Stock Exchange, with a margin of 15% upwards or downwards, adjusting in any case to the rules and practices of the securities markets.
- d) Duration of the authorization: five (5) years from the date of this agreement.

Authorize the Board of Directors so that it can carry out the derivative acquisition of shares of TUBACEX, S.A. in terms exposed and so that it can allocate, totally or partially, the own shares already acquired and those that are acquired by virtue of the previous authorization for the execution of remuneration systems that consist of or have as their purpose the delivery of shares or stock option rights of TUBACEX, S.A to the workers, Senior Management and directors who exercise executive functions in accordance with the provisions of section 1.a) of the Article 146 of the Consolidated Text of the Capital Companies Law.

A.11 Estimated float:

	%
Estimated float	59.50

A.12 Indicate if there is any restriction (statutory, legislative or of any kind) to the transferability of securities and/or any restrictions on voting rights. In particular, the existence of any type of restrictions that may make it difficult to take control of the company through the acquisition of its shares in the market, as well as those regimes of authorization or prior communication that, on the acquisitions or transfers of financial instruments of the company, applicable by regulations sectorial.

Yes No

A.13 Indicate whether the general meeting has agreed to adopt neutralization measures against a public offering of acquisition under the provisions of Law 6/2007.

Yes No

A.14 Indicate whether the company has issued shares that are not traded on a regulated EU market.

Yes

No

B GENERAL SHAREHOLDERS' MEETING

B.1 Indicate whether there are any differences between the minimum quorum regime established by the Spanish Corporate Enterprises Act for General Shareholders' Meetings and the quorum set by the company, and if so give details.

Yes

No

B.2 Indicate whether there are any differences between the company's manner of adopting corporate resolutions and the regime provided in the Spanish Corporate Enterprises Act and, if so, give details:

Yes

No

B.3 Indicate the rules for amending the company's articles of incorporation. In particular, indicate the majorities required for amendment of the articles of incorporation and any provisions in place to protect shareholders' rights in the event of amendments to the articles of incorporation.

The Articles of Association of TUBACEX, S.A. strictly adhere to the provisions of the Capital Companies Law regarding the requirement of the favorable vote of the majority of the capital with the right to vote present or represented at the Meeting, without prejudice to the reinforced quorums that lay down the law.

B.4 Give details of attendance at General Shareholders' Meetings held during the reporting year and the two previous years:

Date of general meeting	Attendance data				Total
	% physical presence	% present by proxy	% distance voting		
			Electronic voting	Other	
22/05/2019	20.20	36.33			56.53
Of which Float		36.33			36.33
25/06/2020		53.63			53.63
Of which Float		53.63			53.63
24/06/2021	20.24	34.13			54.37
Of which Float		34.13			34.13

B.5 Indicate whether there has been any item on the agenda at the general meetings held during the year that has not been approved by the shareholders.

Yes No **X**

B.6 Indicate whether the articles of incorporation contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

Yes No **X**

B.7 Indicate whether it has been established that certain decisions, other than those established by law, involving an acquisition, disposal, contribution to another company of essential assets or other operations similar corporate entities, must be submitted for the approval of the general meeting of shareholders:

Yes No **X**

B.8 Indicate the address and mode of access to the company's website for government information corporate information and other information on general meetings that must be made available to shareholders through through the Company's website:

All the documentation related to the last General Shareholders' Meeting is available on the company website www.tubacex.com in the Shareholders and Investments/ General Shareholders' Meeting section and is complemented by everything related to Corporate Governance in the Tubacex Group/ Governance Corporate.

<https://www.tubacex.com/investors-shareholders/annual-shareholders-meeting/>

STRUCTURE OF THE COMPANY'S ADMINISTRATION

C.1 Board of Directors

C.1.1 Maximum and minimum number of directors established in the articles of incorporation:

Maximum number of directors	5
Minimum number of directors	12
Number of directors set by the general meeting	12

C.1.2 Complete the following table on Board members:

Name or company name of director	Representative	Category of director	Position on the board	Date first appointed	Date of last appointment	Election procedure
MR. ANTONIO		INDEPENDENT	VICEPRESIDENT	28/05/2009	23/05/2013	AGM AGREEMENT

GONZALEZ-ADALID						
MR. JORGE SENDAGORTA		INDEPENDENT	DIRECTOR	23/05/2018	23/05/2018	AGM AGREEMENT
MRS. ISABEL LOPEZ		PROPIETARY	DIRECTOR	23/05/2018	23/05/2018	AGM AGREEMENT
MRS GEMA NAVARRO		PROPIETARY	DIRECTOR	22/05/2019	22/05/2019	AGM AGREEMENT
MR. ANTONIO MARIA PRADERA		INDEPENDENT	DIRECTOR	27/05/2015	22/05/2019	AGM AGREEMENT
MRS. NURIA LÓPEZ DE GUEREÑU		INDEPENDENT	DIRECTOR	27/05/2015	22/05/2019	AGM AGREEMENT
MR. JESUS ESMORIS		EXECUTIVE	CEO	28/05/2013	22/05/2019	AGM AGREEMENT
MR. IVAN MARTEN		INDEPENDENT	DIRECTOR	23/05/2018	23/05/2018	AGM AGREEMENT
MR. FRANCISCO JAVIER GARCIA		INDEPENDENT	PRESIDENT	22/05/2019	22/05/2019	AGM AGREEMENT
MR. MANUEL MOREU		INDEPENDENT	DIRECTOR	27/05/2015	22/05/2019	AGM AGREEMENT
MR. JOSE TORIBIO		INDEPENDENT	DIRECTOR	23/09/2021	23/09/2021	COOPTATION

Total number of directors	11
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Indicate any cessations, whether through resignation or by resolution of the general meeting, that have taken place in the Board of Directors during the reporting period:

Name or company name of director	Category of the director at the time of cessation	Date of last appointment	Date of cessation	Specialised committees of which he/she was a member	Indicate whether the director left before the end of his or her term of office
MR. ALVARO VIDEGAIN	OTHERS EXTERNAL	24/05/2019	24/06/2021	ESTRATEGY AND INVESTMENTS COMMITTEE	YES
MRS. ROSA GARCÍA	INDEPENDENT	24/05/2019	23/09/2021	APPOINTMENT AND REMUNERATIONS COMMITTEE SINCE JUNE 2919 / AUDIT AND COMPLIANCE COMMITTEE SINCE JUNE 2021	YES

C.1.3 Complete the following tables on the members of the Board and their categories:

EXECUTIVE DIRECTORS

Name or company name of director	Post in organisation chart of the company	Profile
MR. JESUS ESMORIS	CEO	Industrial Engineer. He began his professional activity in Germany, as project director and commercial director in several companies industrial. In 1991 he created the company Autokomp GmbH, which is dedicated to the development in the German automotive sector of the business of various companies in the Basque Country. In 1996 he joined the newly created Egaña Industrial Corporation (currently CIE Automotive), where occupies the Strategic and Commercial Direction. In 2002 he assumes the Direction General of the Metal business unit and in 2005 he was appointed Group CEO. He is a Geomanagement advisor, APD North Zone and Vicinay Marine as well as director and vice president Executive of UNESID.

Total number of executive directors	1
Percentage of Board	9.09

EXTERNAL PROPRIETARY DIRECTORS

Name or company name of director	Name or company name of the significant shareholder represented by the director or that nominated the director	Profile
MRS. ISABEL LOPEZ	Mr. Jose Maria Aristrain	Degree in law and lawyer of the Illustrious Bar Association of Madrid. She has a degree in Bankruptcy Studies from the ICAM and is a Counselor of Hernández-Echevarría Lawyers. He began his professional career in the Law Firm of Federico Puig, advising the Governing Boards of various cooperative societies.

		<p>Accumulate extensive experience as a procedural lawyer in the civil and commercial field. Have a long professional career advising high net worth individuals family offices (“family-offices”) and risk investment funds, both in the ordinary operations of business traffic, such as acquisitions extraordinary. He has provided services in material transactions premiums (“commodities”), as well as in the industrial and real estate sectors.</p> <p>He holds the position of Secretary of the Board of Directors of Different companies.</p>
MR. GEMA NAVARRO	Mr. Jose Maria Aristrain	<p>Spent more than fifteen years developing her professional activity as a consultant for asset management of real estate and financial assets from your organization in Luxembourg. She has been a Director of several national companies and foreign companies, currently being Vice President of Investments industrial Txindoki and Aristrain Corporation. apply your profile entrepreneur to sustainable projects in the energy sector, such as instruments to promote development in the rural environment, promoting reconversion programs in areas with little projection, to provide economic viability through new management models. In this scenario, performances also stand out real estate, both in urban and rural settings, contemplating best practices in sustainability requirements and prioritizing the use of the most favorable enclave for the Company</p>

Total number of proprietary directors	2
Percentage of Board	18,18

EXTERNAL INDEPENDENT DIRECTORS

Name or company name of director	Profile
MR. ANTONIO GONZALEZ- ADALID	Naval Engineer from the Polytechnic University (Madrid) and master's degree in Economics and Management of
MR. JORGE SENDAGORTA	Honorary President of the SENER Engineering and Technology Group (3 companies). Vocal independent of the Board of Directors of the CELSA Group (5 companies). Administrator Unique to SENTEC, S.L.. Doctor in Naval Engineering from the Polytechnic University of Madrid. Master in Ocean Engineering from the M.I.T. IESE Senior Business Management Program Business School. Honorary Member of the Engineering Institute of Spain. Collegiate of Honor by the College of Naval and Oceanic Engineers. Member of the Royal Academy of the Sea. Consul of Bilbao. He has been president of the Circle of Basque Entrepreneurs and the Association of IESE Alumni.
MR. ANTONIO MARIA PRADERA	Civil engineer. He currently holds the position of Chairman of the Board of Administration of CIE Automotive and Global Dominion Access as well as director of Alba Corporation. He began his professional career as Director at Banco Bilbao between the years 1979 and 1985. After a short period as a freelance engineer, he was appointed General Manager of Nerisa in 1988 where he remained until 1993 when he joined SEAT as Director of Strategy. In 1995 he played a relevant role in the creation of INSSEC, becoming its CEO and holding this position until 2010. As non-executive Chairman of CIE AUTOMOTIVE is heavily involved in the strategic management and financial aspects.

<p>MRS. NURIA LÓPEZ DE GUEREÑU</p>	<p>Telecommunications Engineer from the Polytechnic University of Catalonia; master in Business Management-MBA from ESIC-Business&Marketing School; Erasmus European Master Mundus in Design and Management of Lifelong Learning Policies from University College of London and PhD in Sociology of Education from the UPV-EHU. is in possession of Certificate of the IC-A (Institute of Directors and Administrators) in Good Governance of the Societies. In the technological field, he has been a systems technician at Osakidetza-Basque Service of Health and head of IT at the Mendaro Regional Hospital. He has participated in research projects in digital technology at Vicomtech (specialized technology center in Artificial Intelligence, Visual Computing and Interaction). In the field of management, held the position of Minister of Transport and Public Works of the Basque Government and that of General Secretary of Confebask (Basque business organization). She is currently Director Executive of the EKI Foundation (supply of photovoltaic installations in sub-Saharan Africa)</p> <p>She has taught at the Deusto Business School and at the Basque Public University (UPV-EHU), and is currently a member of the Governing Board of the University of Deusto and the Governing Board of Unesco-Etxea (Association of the Basque Country for UNESCO).</p>
<p>MR. IVAN MARTEN</p>	<p>President of Orkestra Basque Institute of Competitiveness and advisor to EVE, Enso and member of the Tecnalia Board of Trustees. He is also a member of the international advisory Board of Denmark. Innovation Fund. He has been Vicechairman Energy of BCG from July 2016 to December 2018, was previously the global leader of the energy practice from January 2008 to July of 2016 and leader of EMEA (Europe, Middle East and Africa) between the years 2004 and 2007. With more thirty years of experience in the energy and environment sector, has helped companies in the energy sector to develop their strategic visions and implement them in their organizations. He has advised</p>

	<p>governments and regulators around the world on matters relating to energy regulation and sustainable development. In 2013 it was included in the Top 25 of the most influential consultants by Consulting magazine. He is a regular speaker on energy, environment and geopolitical issues in forums such as IEF (International Energy Forum), WPC (World Petroleum Board), IEF-IEA-OPEC dialogue, GECF (Gas Exporting Countries Forum), IGU (International Gas Union), ESADE Geo, Aspen Institute, AMER (Asian Ministerial Energy round table). He is a member of the Executive Committee of EAP (Energy Access Platform). It is Chairman of the International Advisory Board of T2 Energy Transition Fund, Member of the Board of government of the University of Deusto and the Board of Trustees of the ESADE Foundation. is a member of the Institute of Managing Directors of Spain and the United Kingdom. He is doctor cum laude in Economic and Business Sciences from th Autonomous University of Madrid and was awarded Extraordinary Degree.</p>
<p>MR. FRANCISCO JAVIER GARCIA</p>	<p>Economic Sciences. Doctor honoris causa from the University of Stuttgart (2008) began his professional career as purchasing manager at Adam Opel AG in Rüsselsheim in 1979.</p> <p>From 1980 to 1993, he carried out various functions at Opel and GM Europe and in the USA, becoming Executive Director of Worldwide Purchasing at GM Corporation in Detroit (USA). in 1993 went on to work at Volkswagen as head of the purchasing area of 'Electrics/ Electronics' of the group. From 1997 to 2007 he was a member of the Executive Committee of the Volkswagen brand, passing to be 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 Chairman of the Board from 2007. He was also Chairman of Volkswagen Navarra and of VGED (Volkswagen Group España Distribution) and member of the Board of Directors of Audi AG, FAW Volkswagen (China), Shanghai Volkswagen and Scania</p>

	<p>AB as well as the Supervisory Board of PorscheAG. He was also Chairman of the Board of Directors of Volkswagen Brazil. and Volkswagen Argentina. Between June 2009 and July 2012 he was president of ANFAC and then a member of it. He also held a prominent position in the employer's association of German automotive manufacturers (VDA). In 2009 he was appointed President of the team of football Wolfsburg, a position in which he remained until 2018. Francisco Javier García Sanz left all his responsibilities in the VW Group on April 12, 2018. He has been a director of Criteria Caixa and It is currently owned by Fersa Zaragoza, Hochtief AG, Acerinox and Vida Caixa.</p>
<p>MR. MANUEL MOREU</p>	<p>Doctor of Naval Engineering from the Higher Technical School of Naval Engineers (ETSIN) of the Polytechnic University of Madrid and Master in Ocean Engineering from Massachusetts Institute of Technology (MIT). He is currently a director and member of the Executive Committees Delegate and Remuneration and President of Seaplace S.L., H.I. Engineering and Projects S.L. and Howard Engineering and Development S.L. He has been a member of the Board of Directors of Iberdrola Renewables S.A. (2007-2011) and director and member of the Audit and Compliance Committee of Gamesa Technological Corporation, S.A. (2013-2015) He has served as head of the Department Technician of the Spanish Society for Classification and Registration of Ships, Floating Artifacts and Ingenios Oceánicos, S.A. (Fidenavis) and in the Seaplace Technical Department. On the teaching level he is a professor in the Master of Maritime Law of the Spanish Maritime Institute and the University Comillas Pontifical University and the Oil Master of the Higher Technical School of the School of Mines of the UPM and was a professor at the Higher Technical School of Naval and Oceanic Engineers from UPM and Repsol's Oil Master. He presided over the Institute of Engineering of Spain from 2012 to 2016 and was Dean of the Official College of Naval and Oceanic Engineers of Spain from</p>

	2006 to 2010.
Mr. Jose Toribio	Degree in Economic and Business Sciences from the University of Navarra and with a MBA from IESE began his professional career at Banco Santander, later passing to CITIGROUP as Vice President of Corporate & Investment Bank. Between the years 2001 and in 2005 he held various positions of responsibility at Atkearney Consulting and La Caixa for subsequently joining Merrill Lynch as Senior Vice President of the Global area Wealth Management. From 2010 to 2021 he has held the position of Director of Banking Private Global in CITIGROUP, combining his professional activity with teaching in subject of finance and financial markets at CUNEF and at the University of Navarra.

Total number of independent directors	8
Percentage of Board	72,73

Indicate whether any director classified as independent receives from the company or any company in its group any amount or benefit other than remuneration as a director, or has or has had a business relationship with the company or any company in its group during the past year, whether in his or her own name or as a significant shareholder, director or senior executive of a company that has or has had such a relationship.

If so, include a reasoned statement by the Board explaining why it believes that the director in question can perform his or her duties as an independent director.

Name or company name of director	Description of the relationship	Reasoned statement
Mr. Ivan Marten	Mr. Marten receives compensation additional and different from those of counselor by the company strategic advice	The Board of Directors considers that remuneration for advice strategic does not call into question compromises the independence of the board due to its amount and the impact that said amount has in the director's remuneration

OTHER EXTERNAL DIRECTORS

Identify the other external directors, indicate the reasons why they cannot be considered either proprietary or independent, and detail their ties with the company or its management or shareholders:

Name or company name of director	Reasons	Company, manager or shareholder to which or to whom the director is related	Profile

Total number of other external directors	Does not apply
Percentage of Board	

Indicate any changes that have occurred during the period in each director's category:

Name or company name of director	Date of change	Previous category	Current category

C.1.4 Complete the following table with information relating to the number of female directors at the close of the past four years, as well as the category of each:

	Number of female directors				% of total directors for each category			
	Year 2021	Year 2020	Year 2019	Year 2018	Year 2021	Year 2020	Year 2019	Year 2018
Executive					0	0	0	0
Proprietary	2	2	2	1	100.00	100.00	100.00	50.00
Independent	1	2	2	2	7.87	25.00	25.00	25.00
Other External					0	0	0	0
Total:	3	4	4	3	27.27	33.33	33.33	25.00

C.1.5 Indicate whether the company has diversity policies in relation to its Board of Directors on such questions as age, gender, disability, education and professional experience. Small and medium-sized enterprises, in accordance with the definition set out in the Spanish Auditing Act, will have to report at least the policy that they have implemented in relation to gender diversity.

Yes

No

Partial policies

If so, describe these diversity policies, their objectives, the measures and the way in which they have been applied and their results over the year. Also indicate the specific measures adopted by the Board of Directors and the nomination and remuneration committee to achieve a balanced and diverse presence of directors.

If the company does not apply a diversity policy, explain the reasons why.

Description of policies, objectives, measures and how they have been applied, and results achieved
The Director Candidate Selection Policy approved by the Board of Directors at its April 2016 meeting states expressly that the composition of the Board be analyzed

at all times and people who meet the necessary conditions will be sought and whose appointment favors the diversity of knowledge, experiences, origins, nationalities and gender within the Board of Management. The Director Candidate Selection Policy will ensure that the number of independent directors continues to represent at least the fifty percent of the total number of members of the Board of Directors and will continue promoting the progressive inclusion of women. It is under this guideline that the Appointments and Remuneration Committee has since been assessing the inclusion of candidates for the selection processes for directors to fill vacancies, which will always meet the same requirements as the Board of Directors demanded or required at each moment.

- C.1.6 Describe the measures, if any, agreed upon by the nomination committee to ensure that selection procedures do not contain hidden biases which impede the selection of female directors and that the company deliberately seeks and includes women who meet the target professional profile among potential candidates, making it possible to achieve a balance between men and women. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:

Explanation of measures
The Appointments and Remuneration Committee has been applying measures in each selection of director candidates to incorporate women who met the professional profiles required at all times. As of December 31, 2021 in the Senior Management of the company there is no woman.

If in spite of any measures adopted there are few or no female directors or senior managers, explain the reasons for this:

Explanation of reasons
Last September 2021, with the early departure from the Board of Mrs. Rosa García García, the percentage of female directors fell from 33%. As of December 31, 2021 and the issuance of this report, with a ratio of 27%, it is a primary issue to be taken into account by the administrative body in its search for candidates to cover vacancies.

- C.1.7 Explain the conclusions of the nomination committee regarding verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

The results of the different actions carried out by the Appointments and

Remuneration Committee in each selection process are the evidence that the policy is followed.

C.1.8 If applicable, explain the reasons for the appointment of any proprietary directors at the request of shareholders with less than a 3% equity interest:

Name or company name of shareholder	Reason
No data	

Indicate whether the Board has declined any formal requests for presence on the Board from shareholders whose equity interest is equal to or greater than that of others at whose request proprietary directors have been appointed. If so, explain why the requests were not granted:

Yes No

C.1.9 Indicate the powers, if any, delegated by the Board of Directors, including those relating to the option of issuing or re-purchasing shares, to directors or board committees:

Name or company name of director or committee	Brief description
Jesus Esmoris	All powers except those that cannot be delegated by the Capital Companies Act.

C.1.10 Identify any members of the Board who are also directors, representatives of directors or managers in other companies forming part of the listed company's group:

Name or company name of director	Company name of the group entity	Position	Does the director have executive powers?
MR. JESÚS ESMORIS	ACERIA DE ALAVA SAU	SOLE DIRECTOR	YES
MR. JESÚS ESMORIS	CFT SERVICIOS INMOBILIARIOS SAU	SOLE DIRECTOR	YES
MR. JESÚS ESMORIS	TUBACEX TUBOS INOXIDABLES S.A.U	SOLE DIRECTOR	YES
MR. JESÚS ESMORIS	TUBACEX TAYLOR ACCESORIOS SAU	SOLE DIRECTOR	YES
MR. JESÚS ESMORIS	IBF SPA	BOARD MEMBER	YES

MR. JESÚS ESMORIS	FUNDACIÓN EIC	CHAIRMAN	NO
MR. JESÚS ESMORIS	TUBACEX SERVICE SOLUTIONS SA	SOLE DIRECTOR	YES
MR. JESÚS ESMORIS	TUBACEX UPSTREAM TECHNOLOGIES SAU	CHAIRMAN	YES
MR. JESÚS ESMORIS	SBER GMBH	BOARD MEMBER	NO
MR. JESÚS ESMORIS	TUBACEX MIDDLE EAST HOLDING SL	SOLE DIRECTOR	YES
MR. JESÚS ESMORIS	TUBACEX SERVICES SL	CHAIRMAN	NO
MR. JESÚS ESMORIS	KERACOAT SL	BOARD MEMBER	NO
MR. JESÚS ESMORIS	TUBACOAT SL	SOLE DIRECTOR	YES
MR. JESÚS ESMORIS	TUBACEX ADVANCED SOLUTIONS SL	SOLE DIRECTOR	YES
MR. JESÚS ESMORIS	TUBACEX SERVICE SOLUTIONS HOLDING SL	SOLE DIRECTOR	YES
MR. JESÚS ESMORIS	TUBACEX SERVICIOS DE GESTION SL	SOLE DIRECTOR	YES
MR. JESÚS ESMORIS	FUNDACION TUBACEX	MEMBER	NO
MR. JESÚS ESMORIS	NTS EUROPE HOLDING SL	SOLE DIRECTOR	YES
MR. JESÚS ESMORIS	HYVALE TUBACEX IET SL	BOARD MEMBER	NO
MR. JESÚS ESMORIS	TUBACEX DESARROLLOS SL	SOLE DIRECTOR	YES

C1.11 List the positions of director, administrator or representative thereof, held by directors or representatives of directors who are members of the company's board of directors in other entities, whether or not they are listed companies:

Identity of the director or representative	Company name of the listed or non-listed entity	Position
MR. FRANCISCO JAVIER GARCÍA	ACERINOX SA	BOARD MEMBER
MR. FRANCISCO JAVIER GARCÍA	FERSA BEARINGS	CHAIRMAN

MR. FRANCISCO JAVIER GARCÍA	HOCHTIEF AG	BOARD MEMBER
MR. FRANCISCO JAVIER GARCÍA	VIDA CAIXA	BOARD MEMBER
MR. JESUS ESMORIS	GEOMANAGEMENT SL	DIRECTOR
MR. JESUS ESMORIS	UNESID	DIRECTOR PROXY
MR. JESUS ESMORIS	VICINAY MARINE SL	BOARD MEMBER
MR. JESUS ESMORIS	APD ZONA NORTE	BOARD MEMBER
MR. MANUEL MOREU	SEAPLACE SL	CHAIRMAN
MR. MANUEL MOREU	H.I. IBERIA INGENIERIA PROYECTOS SL	SOLE DIRECTOR
MR. MANUEL MOREU	AOWARD INGENIERIA DESARROLLO SL	SOLE DIRECTOR
MR. MANUEL MOREU	IBERDROLA SA.	BOARD MEMBER
MR. JORGE SENDAGORTA	SENER GRUPO DE INGENIERÍA S.A	CHAIRMAN
MR. JORGE SENDAGORTA	SENER INGENIERÍA Y SISTEMAS SA	CHAIRMAN
MR. JORGE SENDAGORTA	SENER AERONÁUTICA SA	CHAIRMAN
MR. JORGE SENDAGORTA	BARNA STEEL SA (CELSA GROUP)	BOARD MEMBER
MR. JORGE SENDAGORTA	IPO WIRE HOLDINGS SA (CELSA GROUP)	BOARD MEMBER
MR. JORGE SENDAGORTA	INVERSIONES PICO ANAYET SA (CELSA GROUP)	BOARD MEMBER
MR. JORGE SENDAGORTA	INVERSIONES PICOS ESPADAS SA (CELSA GROUP)	BOARD MEMBER
MR. ANTONIO MARIA PRADERA	CIE AUTOMOTIVE SA	CHAIRMAN
MR. ANTONIO MARIA PRADERA	GLOBAL ACCESS DOMINION SA	CHAIRMAN
MR. ANTONIO MARIA PRADERA	CORPRACION FINANCIERA ALBA SA	BOARD MEMBER
MRS. GEMA NAVARRO	INVERSIONES FINANCIERAS TXINDOKI SL	VICEPRESIDENT
MRS. GEMA NAVARRO	CORPORACION ARISTRRAIN SL	VICEPRESIDENT
MRS. ISABEL LÓPEZ	INVERSIONES FINANCIERAS TXINDOKI SL	MEMBER SECRETARY
MRS. ISABEL LÓPEZ	CORPORACION ARISTRRAIN SL	MEMBER SECRETARY

Indicate, where appropriate, the other remunerated activities of the directors or directors' representatives, whatever their nature, other than those indicated in the previous table.

Identity of the director or representative	Other paid activities
MR. MANUEL MOREU	Professor of the Master of Maritime Law IME of the Pontifical University of Comillas Professor of the Master of the Petroleum from the Polytechnic University of Madrid.

C.1.12 Indicate whether the company has established rules on the maximum number of company boards on which its directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

Yes No

Article 26.4 of the Regulations of the Board of Directors establishes a maximum limit of five boards, not applicable to companies subsidiaries of a group of companies. This limit could be waived by the Board of Directors following a report from the Commission of Appointments and Remuneration.

C.1.13 Indicate the remuneration received by the Board of Directors as a whole for the following items:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	1443
Funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	103
Funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	
Pension rights accumulated by former directors (thousands of euros)	258

Observations

C.1.14 Identify members of senior management who are not also executive directors and indicate their total remuneration accrued during the year:

Name or company name	Position(s)
MR. MANUEL SARABIA	HR CORPORATE DIRECTOR AND TRADE&SERVICES md
MR. ANTON AZLOR	COMMERCIAL CORPORATE DIRECTOR
MR. IKER AZKARGORTA	MD BIG PIPES&FITTINGS

MR. DIEGO HERRERO	INNOVATION CORPORATE MD
MR. GUILLERMO RUIZ-LONGARTE	CHIEF CORPORATE OFFICER
MR. CHARLES KIRBY	SUPLY CHAIN CORPORATE DIRECTOR
MR. JAVIER LORENZO	TUBACEX AMERICAS MD
MR- CELESTINO DANIS	MANAGING DIRECTOR STEEL &ESTRUSION
MR. MIGUEL GOMEZ	OIM and M&A DIRECTOR
MR. AJAY SAMBRANI	ASIA& MIDDLE EAST MD

Number of women in senior management	0
Percentage of total senior management	

Total remuneration of senior management (thousands of euros)	1970
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C.1.15 Indicate whether the Board regulations were amended during the year:

Yes No

C.1.16 Specify the procedures for selection, appointment, re-election and removal of directors. List the competent bodies, steps to follow and criteria applied in each procedure.

Chapter VI.- APPOINTMENT AND REMOVAL OF DIRECTORS.-

ARTICLE 17.- Appointment of Directors.-

- 1.- The directors will be appointed by the General Meeting or by the Board of Directors in accordance with the provisions contained in the Capital Companies Law.
- 2.- The proposals for the appointment of directors submitted by the Board of Directors for the consideration of the General Meeting and the Appointment decisions adopted by said body by virtue of the powers of cooption that it has legally attributed must be preceded by the corresponding proposal from the Appointments and Remuneration Committee proceed and record their reasons in the minutes.

ARTICLE 20.- Appointment of external directors.-

- 1.- The Board of Directors and the Appointments and Remuneration Committee, within the scope of their powers, will ensure that the election of candidates falls on people of recognized solvency, competence and experience, and extreme rigor must be exercised in relation to those called to fill the positions of independent director provided for in article 8 of these Regulations.
- 2.- The Board of Directors may not propose or appoint persons who have any related to the management of the company or are linked for family, professional or commercial reasons with the executive directors or with other senior managers of the company.
 - a) people who have been employees or executive directors in group companies unless 3 or 5 years have elapsed since the cessation of said relationship
 - b) those who are or have been during the last three years, partners of the external auditor of the company or of any of the group companies;
 - c) the effective directors or senior managers of another company in which an executive director or senior manager of the company is a director external.

- d) from the company or its group any amount or benefit other than the director's remuneration, unless it is not significant.
- e) persons who maintain or have maintained in the last year an important business relationship with the company in their own name or on behalf of as a significant shareholder, director, senior manager or through a company in which they have a significant interest;
- f) persons who, directly or indirectly, through companies in which they have a significant stake, have received payments or donations from the company during the last three years that could compromise its independence;
- g) people who have other relationships with the company that, in the opinion of the Appointments and Remuneration Committee, may reduce their independence;
- h) The spouses or persons linked by a similar emotional relationship or relatives up to a second degree of an executive or senior director director of the company.
- i) Those who have not been proposed either for appointment or renewal by the Appointments and Remuneration Committee.

Independent directors may no longer be considered as such when they have been so for a continuous period of more than 12 years.

1.- The directors will hold office for a maximum period of four years, and may be re-elected. May not be appointed or re-elected no director once they have reached the age of 70, 65 in the case of executive directors, although they may end the mandate for which they were named. This limitation will not apply to proprietary directors.

2.- The directors appointed by co-option will hold office until the date of the meeting of the first General Meeting.

3.- The Director who ends his mandate or for any other reason ceases in the performance of his position may not provide services in another entity that has a corporate purpose similar to that of the Company for a period of two years.

The Board of Directors, if it deems it appropriate, may exempt the outgoing director from this obligation or shorten the period of his or her duration.

ARTICLE 23.- Termination of directors.-

1.- Directors will cease to hold office when the period for which they were appointed has elapsed and when so decided by the General Meeting or the Board of Directors in use of the powers conferred legally or statutorily.

The appointment of directors will expire when, after the term has expired, the following General Meeting has been held or the date has elapsed.

the legal term for holding the Meeting that must decide on the approval of accounts for the previous year.

2.- The directors must place their position at the disposal of the Board of Directors and formalize, if the latter deems it appropriate, the corresponding resignation in the following cases:

- a) When they cease to hold the executive positions to which their appointment as director was associated.
- b) When they are involved in any of the cases of incompatibility or prohibition provided by law.
- c) When they are convicted of a criminal act or are responsible for serious or very serious misconduct by firm resolution of the authorities supervisors.
- d) When they are seriously reprimanded by the Audit and Compliance Committee for having breached their obligations as counselors.
- e) When their permanence on the Board may put the interests of the company at risk or when the reasons for which they were appointed.

C.1.17 Explain to what extent the annual evaluation of the Board has given rise to significant changes in its internal organisation and in the procedures applicable to its activities:

Description of amendment(s)
<p>Tubacex has been carrying out its self-assessment as a performance analysis measure of its Board of Directors since 2002. Including in said practice, the evaluation of the activity carried out by the different existing commissions as well as those of the role of Presidency and CEO. Every year since then, the Board has been carrying out an analysis exercise in the first quarter of the year for its shared in the plenary session of the Board. With the conclusions of said evaluation, an action plan was established to be carried out during the exercise, incorporating organizational measures, topics to intensify as well as other good practices at the corporate governance level. Following the recommendation that every three years the evaluation be carried out with the help of an external party, in 2019 it was done for the first time with the collaboration of this modality. The evaluation relating to the 2021 financial year will be done internally, as occurred in 2020, the year in which the financial year was led by Mrs. Videgain and García in their capacity at that time as outgoing and incoming presidents, to delve into the improvement of functioning of the organ. The 2021 evaluation will be carried out in the first months of 2022.</p>

valuation process and the areas evaluated by the Board of Directors with or without the help of an external advisor, regarding the functioning and composition of the Board and its committees and any other area or aspect that has been evaluated.

Description of the evaluation process and areas evaluated
<p>The evaluation in any case, regardless of the exercise modality, analyzes the composition, functioning, competences of the delegated bodies as well as the management body itself. In the same way, the statutory roles are evaluated and indirectly the committee chairmen.</p>

C.1.18 Provide details, for years in which the evaluation was carried out with the help of an external advisor, of the business relationships that the external advisor or company in its group maintains with the company or any company in its group.

<p>The first time that an external collaborator is evaluated is in 2019 and the company has not had any business relationship with the consultant selected. By 2020 the evaluation will be internal again.</p>
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C.1.19 Indicate the cases in which directors are obliged to resign.

<p>1.- Directors will cease to hold office when the period for which they were appointed has elapsed and when so decided by the General Meeting or the Board of Directors in use of the powers conferred legally or statutorily. The appointment of directors will expire when, after the term has expired, the following General Meeting has been held or the date has elapsed the legal term for holding the Meeting that must decide on the approval of accounts for the previous year.</p> <p>2.- The directors must place their position at the disposal of the Board of Directors</p>

and formalize, if the latter deems it appropriate, the corresponding resignation in the following cases:

- C.1.20
- a) When they cease to hold the executive positions to which their appointment as director was associated.
 - b) When they are involved in any of the cases of incompatibility or prohibition provided by law.
 - c) When they are convicted of a criminal act or are responsible for serious or very serious misconduct by firm resolution of the authorities supervisors.
 - d) When they are seriously reprimanded by the Audit and Compliance Committee for having breached their obligations as counselors.
 - e) When their permanence on the Board may put the interests of the company at risk or when the reasons for which they were appointed.

Qualified majorities other than those established by law required for any particular kind of decision?:

Yes No

If so, describe the differences.

C.1.21 Explain whether there are any specific requirements, other than those relating to directors, for being appointed as chairman of the Board of Directors.

Yes No

C.1.22 Indicate whether the articles of incorporation or Board regulations establish any limit as to the age of directors:

Yes No

	Age limit
Chairman	70
Managing director	65
Director	70

C.1.23 Indicate whether the articles of incorporation or Board regulations establish any term limits for independent directors other than those required by law or any other additional requirements that are stricter than those provided by law:

Yes No

C.1.24 Indicate whether the articles of incorporation or Board regulations establish specific rules for appointing other directors as proxy to vote in Board meetings, if so the procedure for doing so and, in particular, the maximum number of proxies that a director may hold, as well as whether any limit has been established regarding the categories of director to whom votes may be delegated beyond the limits imposed by law. If so, briefly describe these rules.

The Articles of Association as well as the Board Regulations do not establish additional limitations to the normal established voting delegation by the Capital Companies Law.

C.1.25 Indicate the number of meetings held by the Board of Directors during the year. Also indicate, if applicable, the number of times the Board met without the chairman being present. Meetings where the chairman gave specific proxy instructions are to be counted as attended.

Number of board meetings	11
Number of board meetings held without the chairman's presence	0

Indicate the number of meetings held by the coordinating director with the other directors, where there was neither attendance nor representation of any executive director.

Number of meetings	0
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Indicate the number of meetings held by each Board committee during the year:

Number of meetings held by the executive committee	0
Number of meetings held by the audit committee	11
Number of meetings held by the nomination and remuneration committee	6
Number of meetings held by the strategy and follow up committee	2
Number of meetings held by the Sustainability and good governance	2

C.1.26 Indicate the number of meetings held by the Board of Directors during the year with member attendance data:

Number of meetings at which at least 80% of the directors were present in person	11
Attendance in person as a % of total votes during the year	98.00
Number of meetings with attendance in person or proxies given with specific instructions, by all directors	11
Votes cast in person and by proxies with specific instructions, as a % of total votes during the year	98.00

C.1.27 Indicate whether the individual and consolidated financial statements submitted to the Board for issue are certified in advance:

Yes No

Identify, if applicable, the person(s) who certified the individual and consolidated financial statements of the company for issue by the Board:

Name	Position

C.1.28 Explain the mechanisms, if any, established by the Board of Directors to ensure that the financial statements it presents to the General Shareholders' Meeting are prepared in accordance with accounting regulations.

The Board of Directors has established all the internal mechanisms so that the accounts are drawn up in accordance with the regulations applicable accounting.

C.1.29 Is the secretary of the Board also a director?

Yes

No

If the secretary is not a director, complete the following table:

Name or company name of the secretary	Representative
Mrs. Maider Cuadra	

C.1.30 Indicate the specific mechanisms established by the company to safeguard the independence of the external auditors, and any mechanisms to safeguard the independence of financial analysts, investment banks and rating agencies, including how legal provisions have been implemented in practice.

The Board of Directors has delegated to its Audit and Compliance Committee to guarantee the independence of the external auditors and take the appropriate measures in the proposal for the appointment of auditors that the Board subsequently submits to the General Meeting of Shareholders.
It also has full observance of the legal provisions in each case regarding its relations with financial analysis, collaborations with investment banks and rating agencies.

C.1.31 Indicate whether the company changed its external auditor during the year. If so, identify the incoming and outgoing auditors:

Yes

No

Outgoing auditor	Incoming auditor
DELOITTE SL	ERNST&YOUNG SL

If there were any disagreements with the outgoing auditor, explain their content:

Yes

No

C.1.32 Indicate whether the audit firm performs any non-audit work for the company and/or its group and, if so, state the amount of fees it received for such work and express this amount as a percentage of the total fees invoiced to the company and/or its group for audit work:

Yes No

	Company	Group companies	Total
Amount invoiced for non-audit services (thousands of euros)	32	47	79
Amount invoiced for non-audit work/Amount for audit work (in %)	25.00	15.26	18.11

C.1.33 Indicate whether the auditors' report on the financial statements for the preceding year contains a qualified opinion or reservations. If so, indicate the reasons given to shareholders at the general meeting by the chairman of the audit committee to explain the content and extent of the qualified opinion or reservations.

Yes No

C.1.34 Indicate the number of consecutive years for which the current audit firm has been auditing the company's individual and/or consolidated financial statements. Also, indicate the number of years audited by the current audit firm as a percentage of the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	1	1

	Individual	Consolidated
Number of years audited by the current audit firm/number of years in which the company has been audited (in %)	2.38	2.44

C.1.35 Indicate whether there is a procedure for directors to be sure of having the information necessary to prepare the meetings of the governing bodies with sufficient time; provide details if applicable:

Yes No

Details of the procedure
The members of the Board of Directors have the widest powers of information in accordance with the provisions of the Regulations. The documentation of the meetings is sent in advance through a tool to share documentation through which is kept up to date at all times. Additionally, the directors can address their information requirements through of the Chairman or the Secretary.

C.1.36 Indicate whether the company has established rules obliging directors to inform the Board of any circumstances, whether or not related to their actions in the company itself, that might harm the company's standing and reputation, tendering their resignation where appropriate. If so, provide details:

Yes No

Explain the rules
<p>2.- Directors must place their position at the disposal of the Board of Directors and formalize, if the latter deems it appropriate, the corresponding resignation in the following cases:</p> <p>a) When they have reached the age of 70 and have completed their mandate.</p> <p>b) When they cease to hold the executive positions to which their appointment as director was associated.</p> <p>c) When they are involved in any of the cases of incompatibility or prohibition provided by law.</p> <p>d) When they are convicted of a criminal act or are responsible for serious or very serious misconduct by firm resolution of the authorities supervisors.</p> <p>e) When they are seriously reprimanded by the Audit and Compliance Committee for having breached their obligations as counselors.</p> <p>f) When their permanence on the Board could put the interests of the company at risk or when the reasons for which they were appointed disappeared.</p>

C.1.37 Indicate whether, apart from such special circumstances as may have arisen and been duly minuted, the Board of Directors has been notified or has otherwise become aware of any situation affecting a director, whether or not related to his or her actions in the company itself, that might harm the company's standing and reputation:

Yes No

Indicate whether the Board of Directors has examined the case. If so, explain with reasons whether, given the specific circumstances, it has adopted any measure, such as opening an internal enquiry, requesting the director's resignation or proposing his or her dismissal.

Indicate also whether the Board decision was backed up by a report from the nomination committee.

C.1.38 Detail any material agreements entered into by the company that come into force, are modified or are terminated in the event of a change in control of the company following a public takeover bid, and their effects.

Does not apply

C.1.39 Identify individually as regards directors, and in aggregate form in other cases, and provide details of any agreements between the company and its

directors, executives or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Number of beneficiaries	1
Type of beneficiary	Description of the agreement
CEO	The CEO's contract has a severance clause applicable in the event of involuntary and unjustified termination by the Board of Administration or the General Meeting

Indicate whether, beyond the cases established by legislation, these agreements have to be communicated and/or authorised by the governing bodies of the company or its group. If so, specify the procedures, the cases concerned and the nature of the bodies responsible for their approval or communication:

	Board of directors	General shareholders' meeting
Body authorising the clauses	X	

	YES	NO
Are these clauses notified to the General Shareholders' Meeting?		X

C.2 Committees of the Board of Directors

C.2.1 Provide details of all committees of the Board of Directors, their members, and the proportion of executive, proprietary, independent and other external directors forming them:

STRATEGY AND FOLLOW UP COMMITTEE

Name	Position	Current
Mr. Francisco Javier García	Chairman	Independent
Mr. Antonio Gonzalez-Adalid	Member	Independent
Mr. Jesus Esmoris	Member	Executive
Mr. Antonio Maria Pradera	Member	Independent
Mr. Ivan Marten	Member	Independent
Mr. Manuel Moreu	Member	Independent
Mrs. Gema Navarro	Member	Proprietary

% of executive directors	14.29
% of proprietary directors	14.29
% of independent directors	71.43
% of other external directors	0

Explain the functions, including, where appropriate, those in addition to those provided by law, that it has attributed this commission, and describe the procedures and rules of organization and operation of the same. For each of these functions, indicate your most important performances during the exercise and

how each of the functions attributed to it has been exercised in practice, either by law or in the statutes or in other social agreements.

The Strategy and Investment Committee has no additional functions to those provided in the Regulations of the Board. His main performances throughout 2020 they have been the analysis and monitoring of investments to adequately inform the Board of Directors. Likewise the monitoring of the update of the Strategic Plan of the group. During 2020 it has met three times.

1.- The Strategy and Investment Committee will be made up of at least three Group Directors. He will act as Chairman of the Commission of Strategy and Investments will be the Chairman of the Board of Directors and its secretary will be the Secretary of the Board or the person who committee itself appoints.

2.- Without prejudice to other tasks assigned by the Board, the Strategy and Investment Committee will have the following responsibilities basic:

a) propose to the Board of Directors the Company's medium- and long-term strategic plans.

b) Propose the annual investment budget of the companies that make up the TUBACEX, S.A. group.

c) Propose the divestment of substantial assets of the Company.

d) Propose major corporate operations to the Board of Directors.

3.- The Strategy and Investment Committee will meet periodically depending on the needs and at least four times a year.

4.- Any member of the management team or staff of the Company may attend the sessions of the Committee and lend their collaboration. that was required for this purpose.

AUDIT AND COMPLIANCE COMMITTEE

Name	Position	Current
Mr. Antonio Gonzalez-Adalid	Chairman	Independent
Mrs. Nuria López de Guereñu	Member	Independent
Mr. Jose Toribio	Member	Independent

% of executive directors	0
% of proprietary directors	0
% of independent directors	100.00
% of other external directors	0

Explain the functions, including, where appropriate, those in addition to those provided by law, that it has attributed this commission, and describe the procedures and rules of organization and operation of the same. For each of these functions, indicate your most important performances during the exercise and how each of the functions attributed to it has been exercised in practice, either by law or in the statutes or in other social agreements.

1. The Commission has the function of assisting the Board of Directors of the Company in the supervision of the matters established in the Law, in the Articles of Association and in these Regulations, without prejudice to the other duties assigned by the Board of Directors.

2. Without prejudice to any other duties that may be assigned at any time by the Board of Directors and that may be attributed by the applicable regulations, the Committee shall exercise, at a minimum, the following basic functions:

a) Inform the General Meeting of Shareholders about the questions that arise in relation to those matters of its competence, and, in particular, on the result of the audit explaining how it has contributed to the integrity of the financial information and the function that the commission has played in that process.

b) Supervise the effectiveness of the Company's internal control, internal audit and risk management systems, as well as discuss with the auditor of accounts the significant weaknesses of the internal control system detected in the development of the audit, all without breaking its independence. For such purposes, and where appropriate, they may present recommendations or proposals to the administrative body and the corresponding deadline for follow-up.

c) Supervise the process of preparation and presentation of the mandatory financial information and present recommendations or proposals to the management body, aimed at safeguarding its integrity.

d) Submit to the Board of Directors the proposals for the selection, appointment, re-election and substitution of the accounts auditor, taking responsibility for the selection process, in accordance with the applicable regulations, as well as the conditions of their hiring and collecting regularly provide him with information on the audit plan and its execution, in addition to preserving his independence in the exercise of his functions.

e) Establish the appropriate relationships with the external auditor to receive information on those issues that may pose a threat for its independence, for examination by the committee, and any others related to the process of carrying out the audit of accounts, and, when appropriate, the authorization of services other than those prohibited, in the terms contemplated in the auditing legislation and in auditing standards.

In any case, they must receive annually from the external auditors the declaration of their independence in relation to the entity or entities linked to it directly or indirectly, as well as detailed and individualized information on additional services of any kind provided and the corresponding fees received from these entities by the external auditor or by the persons or entities linked to it in accordance with the provisions of the regulations governing the activity of account auditing.

f) Issue annually, prior to the issuance of the accounts audit report, a report expressing an opinion on if the independence of the account auditors or audit firms is compromised. This report must contain, in any case, the reasoned assessment of the provision of each and every one of the additional services referred to in the previous letter, individually considered and as a whole, other than the statutory audit and in relation to the regime of independence or the regulations governing the account audit activity.

g) Report on related-party transactions that must be approved by the general meeting or the board of directors and supervise the procedure that the company has established for those whose approval has been delegated.

h) Report, in advance, to the board of directors on all matters provided for in the law, the bylaws and in the regulation of the board and in particular, on: 1. The financial information and the management report, which will include, where appropriate, non-financial information mandatory that the company must publish periodically; and 2nd the creation or acquisition of shares in entities of purpose special or domiciled in countries or

territories that are considered tax havens. The audit committee will not exercise the functions provided for in this letter h) or in the previous one when they are statutorily attributed to another commission.

i) Supervise the activity of the Internal Audit and the Compliance Function, which depend functionally on the Commission.

Identify the directors who are members of the audit committee and have been appointed taking into account their knowledge and experience in accounting or audit matters, or both, and state the date on which the Chairperson of this committee was appointed.

Names of directors with experience	Mr. Antonio Gonzalez Adalid
Date of appointment of the chairperson	27/06/2018

NOMINATION AND REMUNERATION COMMITTEE

Name	Position	Current
Mr. Antonio Pradera	Chairman	Independent
Mrs. Isabel Lopez	Member	Proprietary
Mr. Jorge Sendagorta	Member	Independent

% of executive directors	0
% of proprietary directors	33.33
% of independent directors	66,67
% of other external directors	0

Explain the functions, including, where appropriate, those in addition to those provided by law, that it has attributed this commission, and describe the procedures and rules of organization and operation of the same. For each of these functions, indicate your most important performances during the exercise and how each of the functions attributed to it has been exercised in practice, either by law or in the statutes or in other social agreements.

Without prejudice to other tasks assigned by the Board, the Appointments and Remuneration Committee will have the following responsibilities basic:

- a) Assess the necessary skills, knowledge and experience on the board of directors. For these purposes, it will define the functions and necessary skills in the candidates who must cover each vacancy and will evaluate the time and dedication necessary for them to perform its mission effectively.
- b) Establish a representation goal for the underrepresented sex on the board of directors and develop guidelines on how achieve that goal.
- c) Submit to the board of directors the proposals for the appointment of independent directors for their appointment by co-option or for his submission to the decision of the general meeting of shareholders, as well as the proposals for the re-election or removal of said directors by the general meeting of shareholders.

- d) Inform the appointment proposals of the remaining directors for their appointment by co-option or for their submission to the decision of the general meeting of shareholders, as well as the proposals for their re-election or removal by the general meeting of shareholders.
- e) Inform the proposals for the appointment and removal of senior managers and the basic conditions of their contracts.
- f) Examine and organize the succession of the chairman of the board of directors and the chief executive of the company and, where appropriate, formulate proposals to the Board management so that said succession occurs in an orderly and planned manner.
- g) Propose to the board of directors the remuneration policy for directors and general managers or those who carry out their duties. top management functions under direct dependence on the board, executive committees or CEOs, as well as individual remuneration and other conditions contractual agreements of the executive directors, ensuring their observance.
- h) report in relation to the transactions that imply or may imply conflicts of interest and, in general, on the matters contemplated in chapter IX of Board Regulations.
- i) ensure that gender diversity is not hindered in the selection procedures and seek to include among the potential candidates women who meet the appropriate professional profile in each case;
- j) Guarantee that the evaluation of the Board of Directors is carried out annually The Committee must consider the suggestions that send the President, the members of the Board, the directors or the shareholders of the company.

SUSTAINABILITY AND GOOD GOVERNANCE COMMITTEE

Name	Position	Current
Mrs. Nuria Lopez De Guereñu	Chairwoman	Independent
Mrs. Gema Navarro	Member	Proprietary
Mr. Jorge Sendagorta	Member	Independent
Mr. Ivan Marten	Member	Independent

% of executive directors	0
% of proprietary directors	25.00
% of independent directors	75.00
% of other external directors	0

Explain the functions, including, where appropriate, those in addition to those provided by law, that it has attributed this commission, and describe the procedures and rules of organization and operation of the same. For each of these functions, indicate your most important performances during the exercise and how each of the functions attributed to it has been exercised in practice, either by law or in the statutes or in other social agreements.

1. The Commission has the function of assisting the Board of Directors of the Company in the supervision of ESG matters (Environment, Social, Governance) established in the Law, in the Bylaws and in these Regulations, without prejudice to the other tasks assigned by the Board of directors.
2. Without prejudice to any other duties that may be assigned at any time by the Board of Directors and that may be attributed by the applicable regulations, the Committee shall exercise, at a minimum, the following basic functions:

- a) Promote the Company's ESG policies, so that they are aimed at creating value through sustainable behaviour. Periodically analyze the recommendations and best business practices in terms of Sustainability, in order to review the adaptation of the Group's policies and possibly propose the necessary adaptations.
- b) Ensure that the Group's Strategic Plan integrates and develops ESG policies in a coherent manner, in accordance with the approved guidelines by the Board of Directors. Periodically monitor and assess the level of compliance with the Group's actions in ESG matters
- c) Know, supervise and evaluate the relationship processes with the different interest groups, as well as the communication strategy and positioning in relation to them, taking into account the attention of their legitimate interests.
- d) Ensure that ESG risks are properly integrated into the Group's risk management and control models, and are considered in the decision processes about potential investments/divestments. Ensure that the Internal Audit function includes these risks in its review of the effectiveness and adequacy of the Group's risk control processes and systems.
- e) Determine the guidelines, criteria and general principles that must govern the content of the Non-Financial Information Statement, as well as any other equivalent reporting system required by the legislation of other countries in which the Group operates. Same with those international reporting systems that have been considered of interest to the Group. Promote the implementation of indicators and Frameworks.
- f) Collaborate with the TUBACEX Foundation in the identification of the elements of the Group's Strategy that can be promoted from it to through specific ESG projects, so that it becomes an instrument of sustainability policy.
- g) Promote compliance by the Group with the 17 Sustainable Development Goals approved by the United Nations ("SDGs").

C.2.2 Complete the following table with information regarding the number of female directors who were members of Board committees at the close of the past four years:

	Number of female directors							
	Year n		Year n-1		Year n-2		Year n-3	
	Number	%	Number	%	Number	%	Number	%
Strategy and follow up committee	1	14.28	0		0		0	
Audit and compliance committee	1	33.33	1	33.33	1	25.00	1	25.00
Nomination and Remuneration committee	1	33.33	2	50.00	1	33.33	1	25.00
Sustainability and Good Governance committee	1	50.00	0		0		0	

C.2.3 Indicate, where applicable, the existence of any regulations governing Board committees, where these regulations are to be found, and any amendments made to them during the year. Also indicate whether any annual reports on the activities of each committee have been voluntarily prepared.

As of the date of issuance of this report, the board committees have approved their own Regulations separate from those of the Board of Administration and is available on the company's website at <https://www.tubacex.com/es/tubacex-group/corporate-governance>. Annually, each committee issues a report on activities related to the closed financial year, which is made available to the General Board of Directors.

D RELATED PARTY AND INTRAGROUP TRANSACTIONS

D1 Explain, where appropriate, the procedure and competent bodies relating to the approval of transactions with related and intragroup parties, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the affected director or shareholders. Detail the internal information and periodic control procedures established by the company in relation to those related-party transactions whose approval has been delegated by the board of directors.

Any operation that may be considered as related must be notified to the Audit and Compliance Committee for its analysis through the Secretary as soon as possible.

At least every six months, and coinciding with the obligation to disclose information about related-party transactions, the Audit and Compliance will review all the operations that have been communicated to it.

Depending on the nature and amount of these operations, the process to follow for review and approval will be different:

1. Transactions whose approval has been delegated by the Board of Directors to the Audit and Compliance Committee:

a) operations between companies that are part of the same group that are carried out in the field of ordinary management and under conditions of market;

b) operations concluded under contracts whose standardized conditions are applied en masse to a large number of clients, are carried out at prices or rates generally established by whoever acts as the supplier of the good or service in question, and whose amount does not exceed 0.5 percent of the net amount of the Company's turnover.

The Audit and Compliance Committee will verify the fairness and transparency of these operations. In the event that it is concluded that the above assumptions are met, no additional approval will be required.

2. Operations whose approval corresponds to the General Meeting of Shareholders are related operations whose amount or value is equal or greater than 10% of the total asset items according to the last annual balance sheet. In any case, prior to the approval of the operation, the Audit and Compliance Committee will prepare a report analyzing the operation.

In its report, the Audit and Compliance Committee must assess whether the operation is fair and reasonable from the point of view of the Company and, where appropriate, of the shareholders other than the related party, and give an account of the budgets on which the

evaluation is based and of the methods used. The directors affected may not participate in the preparation of the report.

3. Operations whose approval corresponds to the Board of Directors:

All operations that are not included in the assumptions included in sections 1 and 2 above, will be approved by the Board of Directors. Management. In any case, prior to the approval of the operation, the Audit and Compliance Committee will prepare a report analyzing the operation. In its report, the Audit and Compliance Committee must assess whether the operation is fair and reasonable from the point of view of the Company and, where appropriate, of the shareholders other than the related party, and give an account of the budgets on which the evaluation is based and of the method used. The directors affected may not participate in the preparation of the report.

5. INFORMATION OBLIGATIONS

The Company must release, and never later than the time of its realization, the related operations carried out by this or companies of its group and that reach or exceed:

- a) 5% of the total items of assets or
- b) 2.5% of the annual amount of the annual turnover.

The announcement must be inserted in an easily accessible place on the Company's website and will be communicated to the National Commission of Stock Market for public dissemination. The announcement must be accompanied by the mandatory report of the Audit and Compliance Committee and must include, at a minimum, the following information:

- a) information on the nature of the transaction and the relationship with the related party,
- b) the identity of the related party,
- c) the date and the value or amount of the consideration of the operation and
- d) any other information necessary to assess whether it is fair and reasonable from the point of view of the Company and the shareholders that are related parties. Regardless of what above, in accordance with the provisions of the applicable regulations, the Company must disseminate information about of related-party transactions carried out during the year, at least through the following means:
 - a) The Company's annual report must include information on all related-party transactions carried out.
 - b) The half-yearly reports must include quantified information on all the operations carried out by the Company with parties related parties, under the terms provided in the applicable regulations and without prejudice to the information to be included on related operations in other documents in accordance with the regulations in force at any given time.
 - c) The Company's annual corporate governance report (IAGC) must include information about the related-party transactions of the Company. Company with its shareholders, its Directors and management positions, as well as intra-group operations.
 - d) In the Report on related-party transactions that, if applicable, is issued by the Company's Audit and Compliance Committee, and which will be object of publication on the corporate website on the occasion of the holding of the Ordinary General Shareholders' Meeting. approved by the Company will correspond to the general meeting of shareholders.

When the Annual General Meeting is called to rule on a related operation, the affected shareholder will not have the right to vote, except in those cases in which the resolution

proposal has been approved by the Board of Directors without the vote against by the majority of the independent advisers.

- D2 Give individual details of operations that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of the shareholder or any of its subsidiaries	Shareholding	Name or company name of the company or entity within its group	Nature of the relationship	Type of operation and other information required for its evaluation	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against the majority of independents
No data								

- D3 Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including those operations carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Name or company name of the company or entity within its group	Relationship	Nature of the operation and other information necessary for its evaluation	Amount (thousands of euros)	Approving body	Identity of the shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against the majority of independents
JESUS ESMORIS	TTA	DIRECTOR		264	BOD		NO
JESUS ESMORIS	TUBACEX SERVICES	DIRECTOR		175	BOD		NO

Tubacex Services SL has entered into a service provision contract Navacel Dulantzi Offshore SLU, sole proprietorship of Navacel SA, where the administrator has a 20% stake.

Tubacex Taylor Accesorios SA has carried out a commercial transaction with Navacel Dulantzi Offshore SLU sole proprietorship of Navacel SA, where the administrator has a share of the 20%.

Observations

- D.4 Report individually on intra-group transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, report any intragroup transaction conducted with entities established in countries or territories considered as tax havens:

Company name of the entity within the group	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
COPROSIDER	Commercial relationship	16

- D5 Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the international accounting standards adopted by the EU, which have not been reported in previous sections.

Company name of the related party	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
No data		

- D6 Give details of the mechanisms in place to detect, determine and resolve potential conflicts of interest between the company and/or its group and its directors, senior management, significant shareholders or other associated parties.

The Board of Directors has delegated to the Appointments and Remuneration Committee the treatment of any possible conflict of interest. Likewise, the Internal Regulations of the Securities Market attribute to its control body the management and timely transfer of the conflicts of interest.

Specifically, the current article 29 of the Regulations of the Board of Directors establishes the following:

ARTICLE 29.- Conflicts of interest.-

1.- The director must refrain from attending and intervening in the deliberations that affect matters in which he or she is interested personally.

It will be considered that there is also a personal interest of the director when the matter affects his/her spouse, relatives of the first degree of affinity or consanguinity, or to a company in which the director or those referred hold a management position or have a significant stake members of your family.

2.- The director may not directly or indirectly carry out professional or commercial transactions with the company unless he informs in advance of the situation of conflict of interest, and the Board, following a report from the Appointments and Remuneration Committee, approve the transaction.

D.7 Indicate whether the company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and whether it has, directly or through any of its subsidiaries, business relationships with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them.

Yes

No

Indicate whether the respective areas of activity and any business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries have been defined publicly and precisely:

Yes

No

Report covering the respective areas of activity and any business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries, and identify where these aspects have been publicly reported

Identify the mechanisms in place to resolve potential conflicts of interest between the parent of the listed company and the other group companies:

Mechanisms for resolving possible conflicts of interest

E RISK MANAGEMENT AND CONTROL SYSTEMS

E1 Explain the scope of the company's financial and non-financial risk management and control system, including tax risk.

In 2016 the Board of Directors of Tubacex S.A. approved, in accordance with the provisions of its Regulations, the "General Policy Risk Management and Control". The purpose of this policy is to establish the basic principles and the general framework of action for the control and management of risks faced by the Group.

The basic principles of action are the following:

- Integrate the risk/opportunity vision in the management of the Company
- Create value for the different interest groups

- Dealing with uncertainty with continuous, dynamic and iterative risk management.
- Segregate at the operational level the risk-taking functions and those responsible for their analysis, control and supervision, guaranteeing an adequate level of independence.
- Report transparently on the risks of the Group
- Guarantee the correct use of the instruments for hedging risks and their registration
- Act at all times in accordance with the law and the Company's Corporate Governance Rules

These basic principles materialize through a comprehensive risk control and management system that includes:

- The continuous identification of risks and threats
- The evaluation of the impact and probability, establishing a risk map that is reviewed annually
- Analysis of the risks associated with new investments
- Periodic monitoring and control of risks in the income statement
- Maintaining an internal control system

Additionally, in the same fiscal year, the Board of Directors of Tubacex S.A. approved the corporate tax policy in order to expressly formulate the tax strategy of the Company and the general commitment to compliance, development and implementation of good tax practices.

E2 Identify the bodies within the company responsible for preparing and executing the financial and non-financial risk management and control system, including tax risk.

The responsibility for determining the risk control and management policy, including tax risks, is of the Board of Directors, which is specifically supported by the Audit and Compliance Committee for its supervision and correct operation. In this context it should be noted that the Regulations of the Audit and Compliance Committee, approved by the Board of Directors in December 2021, reinforces the supervisory role of the Audit and Compliance Committee, expanding its scope to non-financial information.

On the other hand, the Management Committee is responsible for carrying out integrated risk management and control in the business processes and the decision making.

E3 Indicate the main financial and non-financial risks, including tax risks, as well as those deriving from corruption (with the scope of these risks as set out in Royal Decree Law 18/2017), to the extent that these are significant and may affect the achievement of business objectives.

The categories of risks faced by the Tubacex Group are included below:

a) Business Risks: Those derived from the uncertainty regarding the behavior of the key variables intrinsic to the business (demand and strategies of the different agents).

b) Market Risks: These refer to the exposure of the results and equity of the Group to the volatility of prices and other variables such as exchange rate, interest rate and raw material prices, among others.

c) Operational, technological, environmental, social and legal risks: referring to direct or indirect economic losses caused due to inadequate internal processes, technological failures, human errors or as a consequence of certain external events, including their impact economic, social, environmental and reputational risk, as well as legal and fraud risk. Within these risks, obsolescence is considered.

technology or those associated with information technology.

d) Corporate governance, ethics and compliance risks: To guarantee the social interest of the Tubacex Group, understood as the common interest of its shareholders in the creation of value for the Company, compliance with the Company's corporate governance rules is essential, inspired by the good governance recommendations of general recognition in the national and international markets in which the Tubacex Group carries out its activity, compliance with the code of conduct and compliance with applicable legal requirements, as well as the control of risks of committing crimes, including among others those of fraud, bribery and corruption.

- e) Credit risks: defined as the possibility that a counterparty does not comply with its contractual obligations and produces, in the Group, an economic or financial loss.
- f) Strategy and innovation risks: Risks of defining the strategic positioning of the company, its communication and alignment, as well such as the lack of innovation, its realization at an inappropriate pace, or the late entry of such innovations into the market.
- g) Regulatory and political risks: Those arising from regulatory changes established by the different regulators (environmental, taxes, competition, etc.), as well as those associated with the nationalization or expropriation of assets.
- h) Climate change risk

E.4 Indicate whether the entity has risk tolerance levels, including for tax risk.

TUBACEX has its updated risk map. These risks have been evaluated based on their impact on the strategic results and degree of probability and occurrence, breaking down, whenever necessary those with a higher degree of probability of occurrence and impact on strategic results. In addition to the corporate risk map, the Internal Audit function carries out a specific risk map for those projects that are considered strategic for specific risk assessment purposes.

E5 Indicate which risks, including tax risks, have materialised during the year.

During the year, no risk has materialized that affects the company and/or its group that has caused material impacts.

E.6 Explain the response and oversight plans for the company's main risks, including tax risks, as well as the procedures followed by the company in order to ensure that the Board of Directors responds to any new challenges that arise

Within the category of market risks, monitoring of the following sub-risks stands out:

Exchange rate risk: For currency risk hedging, dynamic (daily) analysis is performed of all real and forecast flows of currency inflows and outflows, including both balance positions (customers and suppliers) and the expected future flows derived from both of the portfolio of orders as well as of the expected future payments for the purchase of raw material; calculation of the net exposure in each of the terms and exchange insurance contracting in the remaining positions. From then on, all operations are quoted in different entities

First-line financial companies contracting directly at the corresponding treasury desks at the best possible market price. The general rule is the maintenance of the commercial margin expected and generated in each operation and no speculative action is carried out within the field of currency management. In addition, since there are companies in the Group outside the euro area, mainly in the United States and India, makes that by applying the closing exchange rate consolidation method, fluctuations in the euro/dollar and euro/rupee exchange rate translate into a potential risk in the result to integrate of said subsidiaries, being able to vary the consolidated result.

Interest rate risk: Regarding the financing obtained, it is mainly maintained at a fixed rate, using IRS coverage at a fixed rate.

These hedges are mainly used for long-term financing positions. The coverage policies used are; exhibition fixed variable in long-term financing approximately 20/80; dynamic monitoring of both the volume of long-term financing term as well as the levels of working capital financing through credit accounts or other financial instruments; use of instruments financial hedges always listed on organized markets (no OTC operations); no contracting of operations speculative derivatives and contracting in the market with financial entities of recognized prestige and solvency.

Raw material price volatility: Within the conservative policies applied to mitigate this risk, the Group signs annual contracts carried out with the main suppliers at a global and national level to guarantee the supply in tons. An analysis is carried out of the exposure to risk for tube or steel orders contracted at a fixed price and the supply needs are determined of raw material at the Group's head steelworks at all times, where both actual and provisional data are entered, taking into account

account the manufacturing periods both in the steelworks and in the tube factories and therefore the exhibition periods; hedging mechanism implicit derived from the application of the mechanism of the alloy surcharge for a very significant part of the sales of steel and tube in Europe, which adjusts the price of an order or an invoice to the formulated average value of the raw material components calculated as average of the first two months of the quarter prior to the date of the order or invoice, and establishment of correction mechanisms for validity of offers in all those orders quoted at a fixed price, mainly in the United States and Asian countries.

F INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS RELATING TO THE PROCESS OF PUBLISHING FINANCIAL INFORMATION (ICFR)

Describe the mechanisms forming your company's Internal Control over Financial Reporting (ICFR) system.

F.1 The entity's control environment

Report on at least the following, describing their principal features:

- F.1.1. The bodies and/or departments that are responsible for: (i) the existence and maintenance of an adequate and effective ICFR system; (ii) its implementation; and (iii) its supervision.

The Board of Directors is the responsible, among other aspects, for determining the corporate governance policy of the company, society and the group; its organization and operation. Within these functions is considered included its responsibility for the existence and maintenance of the Financial Information Internal Control System (SCIIF).

In order to strengthen the control environment of the entity, as far as governance is concerned, during the 2021 financial year the Board of Directors approved the constitution of the Sustainability and Good Governance Commission. Among the functions of this Commission, and in relation to the environment of control of the entity, are the following:

- Promote the Group's Corporate Governance strategy. Supervise compliance with the legal requirements applicable to any a subsidiary or investee company of the group, the codes of conduct and the internal regulations.
- Periodically assess the adequacy of the Corporate Governance System. Propose to the Board of Directors, for its approval or submission to the General Shareholders' Meeting, as appropriate, of the modifications and updates that contribute to its development and improvement keep going.
- Inform, prior to its approval, the Annual Corporate Governance Report of the Company, obtaining for this the reports of the Appointments and Remuneration Committee in relation to the sections of said report that are specific to its powers.

The Audit and Compliance Committee is the body responsible for supervising the effectiveness of the SCIIF, the internal audit and the management systems of risks, as well as discussing with the accounts auditor the significant weaknesses of the internal control system detected in the development of the audit, all without compromising its independence. The Audit and Compliance Committee is supported by the Internal Audit Department to carry out these functions, constituting for it a fundamental axis of the Annual Plan of Activities approved annually.

F.1.2. Indicate whether the following exist, especially in relation to the drawing up of financial information:

- Departments and/or mechanisms in charge of: (i) the design and review of the organisational structure; (ii) clear definition of lines of responsibility and authority with an appropriate distribution of tasks and functions; and (iii) ensuring that adequate procedures exist for their proper dissemination throughout the entity.

The Group has a single organizational structure, approved and disclosed on the Group's website. Each business unit has its own organizational structure duly documented, formalized and disclosed by each Human Resources department and approved for each General Manager that is included in the Welcome Pack for new hires. It reflects, in a generic way, the scope of action and responsibility of each department and its members.

With regard to the preparation of financial information, the responsibility lies with the Administration and Control Department, which reports to the corporate finance director.

- Code of conduct, the body approving this, degree of dissemination and instruction, principles and values covered (stating whether there is specific mention of record keeping and preparation of financial information), body charged with analysing breaches and proposing corrective actions and sanctions.

In 2013, the Board of Directors approved a Code of Conduct that included the standards of behavior required of all employees, internal and external collaborators of the Tubacex Group. During 2014, the Code of Conduct was released internally throughout the organization, remaining in recent years, different initiatives have been carried out with this aim, such as audiovisual training, internal communication and inclusion in the welcome pack of new additions.

Additionally, and in view of its status as a listed company, the Group has an "Internal Code of Conduct in the field of Securities Markets" (hereinafter, the Regulations), approved by the Board of Directors in 2004, which establishes the principles of action that must govern the behavior of the members of the Board of Directors and Senior Management of Tubacex, S.A. of the companies of its Group. These Regulations are published on the CNMV website. In order to demonstrate adherence to the same by the subject persons, the Control and Monitoring Body maintains an updated list of these persons.

In this sense, and among other matters, the Regulation establishes that "the content of the communication [of the relevant information to the Commission National Securities Market] must be truthful, clear, complete and, when required by the nature of the information, quantified, in a that does not lead to confusion or deception". The Regulation defines as relevant information "all that whose knowledge may affect a investor reasonably to acquire or transfer the Securities and Instruments affected by the Regulation [the negotiable securities issued by the Company and/or any of the companies in its group that are traded in a market or organized trading system, as well as the financial instruments and contracts of any kind that grant the right to acquire the aforementioned securities] and, therefore, could significantly influence its price on a secondary market.

- Whistleblower channel allowing notifications to the audit committee of irregularities of a financial and accounting nature, in addition to potential breaches of the code of conduct and unlawful activities undertaken in the organisation, indicating whether this channel is confidential and whether anonymous notifications can be made, protecting the rights of the whistleblower and the person reported.

The approved Code of Conduct has an ethical channel located on the Group's intranet, to report irregular behavior and regulated in the Code of Conduct. The communication is made via email and is managed by the Compliance Officer and ultimately by the Audit and Compliance Committee by express delegation of the Board of Directors according to the Regulations of the Board.

- Training and periodic refresher programmes for personnel involved in the preparation and revision of financial information, as well as in the assessment of the ICFR system, covering at least accounting standards, auditing, internal control and risk management.

Each company has defined and formalized training programs. The Human Resources areas prepare annual plans in which that anticipate the specialization needs and degrees of training of the different levels of their corresponding templates. These plans are submitted for approval to the General Management of each company. Throughout the year, the Human Resources area of each Company monitors the degree of compliance with the Training Plan.

Specifically, the areas most linked to the preparation and review of financial information and the evaluation of the SCIIF, participate periodically in different training programs, with the aim of complying with training requirements for the maintenance of accreditations in the matter, such as the ROAC (official registry of account auditors), CIA ("Certification in Internal audit") and CRMA ("Certification in Risk management Assurance"). Additionally, there are other ways of continuous training, among which the following stand out:

-Permanent contact with its external auditors and other auditing firms in order to be up to date with new regulations that in accounting matters and risk management and internal control of financial information could affect them and provide them with material and support for updating.

-Regular distribution of the news that apply to the different subsidiaries of the Group.

F.2 Assessment of risks in financial reporting

Report on at least the following:

F.2.1. The main characteristics of the risk identification process, including risks of error and fraud, as regards:

- Whether the process exists and is documented.

The Group has a documented and formalized Financial Information Risk Map, which is updated annually.

In relation to the SCIIF, the Group has identified, for the most relevant companies, the main risks and controls to manage timely and mitigate to a reasonable level the main risks related to the process of generating and issuing financial information, as well as those responsible for the effective execution of these controls.

The risk identification process starts from the consolidated annual accounts, from which the headings of the statements are identified. financial statements and relevant disclosures. On the basis of this information, those processes and controls from which they are processed are identified. The transactions that are finally reflected in the aforementioned headings and relevant breakdowns. Finally, identify and prioritize the relevant risks that, for each of the aforementioned processes, may lead to errors in the process of generating and issuing the financial information.

- Whether the process covers all the objectives of financial reporting, (existence and occurrence; completeness; valuation; presentation; disclosure and comparability; and rights and obligations), whether it is updated and if so how often.

During the identification and analysis of the risks, all the objectives of the financial information are covered. In this sense, each risk identified is related to one or several of the potential errors in the process of generating and issuing financial information, such as the of Integrity, Accuracy, Existence and Occurrence, Court, Valuation and Presentation.

- The existence of a process for identifying the scope of consolidation, taking into account, among other factors, the possible existence of complex corporate structures or special purpose vehicles.

Within the SCIIF there are controls over the Group's corporate perimeter that are intended to ensure that all corporate operations are formalized and communicated in accordance with current processes.

- Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.

The currently developed model identifies different risks that, regardless of their nature, may affect the information financial.

- The governing body within the company that supervises the process.

The Audit and Compliance Committee supervises the process, supported by the Internal Audit function.

F.3 Control activities

Report on whether the company has at least the following, describing their main characteristics:

- F.3.1. Review and authorisation procedures for financial information and a description of the ICFR, to be disclosed to the securities markets, indicating those responsible, as well as documentation describing the flow of activity and controls (including those relating to the risk of fraud) of the various types of transactions which may materially affect the financial statements, including accounting closing procedures and the specific review of significant judgements, estimates, valuations and projections.

The regulations of the Audit and Compliance Committee in section 3.1.e expressly state that it must "Monitor compliance with the legal requirements, the adequacy of the scope of consolidation and proper application of generally accepted accounting principles and reporting standards that are applicable to the Company. In particular, it will review: judgements, criteria, valuations and estimates; significant criteria changes applied; significant internal control weaknesses and audit adjustments."

The process of preparing and reviewing the financial information to be published in the securities markets is structured on the basis of the calendar closing and publication of the annual accounts prepared, for each publication period, by the Corporate Finance Department. According to this calendar:

- The annual accounts of Tubacex, S.A. as well as the consolidated annual accounts of Tubacex, S.A. and subsidiaries are prepared by the Corporate Finance Department based on the reports of each of the subsidiary companies.
- The annual accounts prepared in this way, and after supervision by the internal audit area, are sent to the CEO, who proceeds to review prior to sending it to the Audit and Compliance Committee and the Board of Directors. Once reviewed by the CEO, the annual accounts are sent to the Audit and Compliance Committee and the Board of Directors. Administration a few days before the Board meeting in order to proceed to review it prior to its formulation.

All this is coordinated in the first instance by the Corporate Finance Department, and subsequently by the Secretary of the Board, through a IT platform that guarantees accessibility and prior delivery of the necessary supporting documentation for the meetings of the Board and its Commissions.

Once the annual accounts have been prepared by the Board of Directors, the Secretary of the Board of Directors sends the financial information to the CNMV, whose telematic procedure varied for the 2020 financial year in accordance with the provisions of the guideline of said organism.

Regarding the publication of relevant facts, and as described above, the "Internal Code of Conduct in the field of the Securities Markets" of the Group defines what must be understood by relevant information as well as the guidelines that must be followed for its diffusion. In particular, it establishes that "the communication to the National Securities Market Commission must be made prior to its diffusion by any other means and as soon as the fact is known, the decision has been adopted

or the agreement or contract signed with third parties in question", as well as that "the Company will also disseminate this information on its website. Monitoring of compliance with these obligations are the responsibility of the Control and Monitoring Body which, together with the Corporate Finance Department, drafts the relevant fact for its communication to the CNMV.

Tubacex Group, and for the most relevant companies located in the Basque Country, Austria, Italy, India and the United States, have identified the main controls that allow adequate management and mitigation of the impact, if any, of each of the risks in relation to the process of generation and issuance of financial information identified and documented in the Financial Information Risk Matrix of the group. For each of these controls, the Group has identified the person responsible for its execution as well as the evidence that allows support its operation, and which will be the basis for the review of internal control to be carried out annually. This information has been documented and structured through the corresponding Risk-Control Matrices, which will be reviewed annually within the process review of the aforementioned internal control as well as those subject to internal audits to be carried out by the corporate internal audit function.

The accounting closing process is found through an accounting closing checklist, which includes the main tasks to be carried out in the process as well as those responsible for the execution of each of them. This checklist is duly completed by each of the people involved in each accounting closing process (monthly) and is part of the controls identified in the aforementioned matrix previously.

In regard to the procedures and controls established in relation to relevant judgements, estimates and projections, the Group, at through its Risk-Control Matrix, it maintains the identification of the main risks related to these aspects, as well as the controls established to ensure its proper management. In particular, the main areas exposed to judgments and estimates have been related with:

- The estimate of the recoverable value of inventories and accounts receivable,
- The valuation of inventories of product in progress and finished as well as derivative financial instruments, and
- The recording of provisions of any nature, with special attention to the provisions derived from long-term obligations with personnel.

In summary, the controls established in this regard can be summed up in the clear identification of responsibilities in terms of the identification of possible liabilities, the realization of the corresponding estimates and their review. The report of these controls is supervised by the Internal Audit Function, and presented to the Audit and Compliance Committee.

- F.3.2. Internal IT control policies and procedures (access security, control of changes, system operation, operational continuity and segregation of duties, among others) which support significant processes within the company relating to the preparation and publication of financial information.

The Group has formally approved and formalized procedures in matters of Information Technology, which include analysis periodic evolution of all systems as a whole.

In 2016, the Audit and Compliance Committee approved a plan to update and improve the systems. The lines of work that have been continued have allowed the Company to adapt its procedures to the new dimension of the scope of consolidation.

During the 2018, the corporate information and reporting systems were reinforced with a new manager. Throughout the 2019 a security master plan was defined and various actions were taken in terms of access security and cybersecurity.

This plan will continue to be developed in 2022, which has been approved by the Audit and Compliance Committee, reinforcing in this way the importance from the first level of the organization that is being given to this area and its associated risks.

F.3.3. Internal control policies and procedures for overseeing the management of activities subcontracted to third parties, as well as of those aspects of assessment, calculation or valuation entrusted to independent experts, which may materially affect financial statements.

In the process of identifying the processes from which the transactions are processed that are finally reflected in the mentioned headings and relevant breakdowns, as well as the relevant risks that may arise for each of the aforementioned processes in errors in the process of generating and issuing financial information, no activities subcontracted to third parties that could have a material impact on the financial statements, except for those corresponding to acquisition exercises of holdings (in accordance with IFRS 3) and which is described in the consolidated Group's 2021 and 2022 financial statements.

Additionally, and with regard to the valuations of derivative financial instruments, a review process has been established. of the quality and independence of the works. The Corporate Finance Department obtains the corresponding valuations of the different

financial entities with which these products have been contracted, as well as support from external advisors. These ratings are subject to review by you, making your own estimates using a financial model developed internally and compares with those obtained from financial entities. In case of discrepancy, the financial entities are contacted to clarify them and, in your case, get new valuations. The aforementioned financial model for the valuation of derivative financial instruments is reviewed periodically by an independent third party to adapt it to changes in regulations. Likewise, and in relation to the estimation of actuarial liabilities arising from commitments of this nature assumed by the Group, the Corporate Finance Department obtains the corresponding actuarial report carried out by an independent expert third party. This report is subject to review by the Management Corporate Finance, who also submits it to the appropriate review by the external auditor, prior to the registration of the corresponding accounting entries.

F.4 Information and communication

Report on whether the company has at least the following, describing their main characteristics:

F.4.1. A specifically assigned function for defining and updating accounting policies (accounting policy area or department) and resolving doubts or conflicts arising from their interpretation, maintaining a free flow of information to those responsible for operations in the organisation, as well as an up-to-date accounting policy manual distributed to the business units through which the company operates.

The responsibility for defining and updating the Group's accounting policies is attributed to the Administration and Control Department who, for this purpose, performs, among others, the following activities:

- Constant communication with the external auditors to update accounting news and new breakdowns of information in accounts. annual, as well as any other fiscal or regulatory aspect that applies both to the Financial area and to Internal Audit.
- Periodic referral to the financial and administration managers of the subsidiaries to convey to them the main developments in accounting and regulatory matters that apply to them.
- Resolution of any accounting questions that may arise from the different companies of the Group.

The Corporate Administration and Control Department is supported by the Internal Audit function and the Corporate Financial Department in the development of the aforementioned activities.

F.4.2. Mechanisms for capturing and preparing financial information in standardised formats for application and use by all units of the entity or group, and support its main financial statements and notes, as well as disclosures concerning ICFR.

The Group's reporting and consolidation process is the responsibility of the Corporate Administration and Control Department and, in particular of the Head of Consolidation. In this way, and on an annual basis, the Head of Consolidation sends a reporting calendar to the financial and administrative managers of the various Group companies, in order to ensure timely receipt of information sufficient to allow the preparation of the consolidated financial statements in accordance with the established schedule.

The information on the subsidiaries is reported by them using a "Consolidation Reporting Package" standardized in Excel format, which is sent by the Head of Consolidation. Annually and prior to sending the instructions for reporting to the subsidiaries for the annual closing, the Head of Consolidation meets with the external auditors so that they review the content of the "Consolidation Reporting Package" and it is, where appropriate, subject to updating, in accordance with the new information requirements in the annual accounts.

The reporting packages received from the subsidiaries for the preparation of the Group's consolidated annual accounts corresponding to the closing of the year, are audited by the external auditors of each subsidiary. Likewise, these consolidation packages are reviewed by the Head of Consolidation.

Throughout 2021, the group has been working on automation tools for the consolidation and extraction process of the accounting information that will streamline the consolidation and reporting process for 2022.

F.5 Supervision of the functioning of the system

Report on at least the following, describing their principal features:

F.5.1. The activities of the audit committee in overseeing ICFR as well as whether there is an internal audit function one of the responsibilities of which is to provide support to the committee in its task of supervising the internal control system, including ICFR. Additionally, describe the scope of ICFR assessment made during the year and the procedure through which the person responsible for performing the assessment communicates its results, whether the company has an action plan detailing possible corrective measures, and whether their impact on financial reporting has been considered.

Among the functions assumed by the Audit and Compliance Committee is periodically supervising the control systems internal and risk management, so that the main risks are properly identified, managed and disclosed.

Likewise, among its powers is supervising the preparation process and the integrity of the financial information, having to ensure that semi-annual financial reports and quarterly management statements are formulated using the same accounting criteria than the annual reports and, to this end, consider the appropriateness of a limited review of the semi-annual financial reports by the auditor external. Additionally, the specific Regulations of the Audit and Compliance Committee reinforce the role of the Committee, including as a function of the same, monitor compliance with legal requirements, the adequacy of the consolidation perimeter and the adequate application of the generally accepted accounting principles and the information standards that are applicable to the Company.

In particular, the Commission will review: judgments, criteria, valuations and estimates; changes in the significant criteria applied; weaknesses significant internal control and audit adjustments.

To perform these functions, the Audit and Compliance Committee relies on the Internal Audit Function, formally established and approved in 2007 and directly dependent on it.

The Internal Audit Department is defined in the Group as an objective and independent function from the rest of the areas, which depends functionally from the Audit and Compliance Committee and hierarchically from the CEO.

Internal Audit develops its activities around an Annual Plan approved by the Audit and Compliance Committee. The main tasks of Internal Audit, in line with those of the Audit and Compliance Committee, are the supervision of financial information and internal control and risk management systems. In this sense, the Annual Plan for the 2021 financial year included different projects: supervision quarterly financial information, SCIIF supervision, monitoring of internal control weaknesses identified by the auditor, review of policies and monitoring non-financial risks (particularly fiscal and technological risk) among others. The results of the reviews,

as well as the plans for action agreed, are presented to the Audit and Compliance Committee, which continuously monitors the Activity Plan.

- F.5.2. Whether there is a discussion procedure whereby the auditor (as defined in the Spanish Technical Audit Standards), the internal auditor and other experts can report to senior management and the audit committee or directors of the company any significant weaknesses in internal control identified during the review of the annual financial statements or any others they have been assigned. Additionally, state whether an action plan is available for correcting or mitigating any weaknesses detected.

The Audit and Compliance Committee, through the Internal Audit Department, maintains a constant relationship with the external auditor, who appears in the Audit Committee to present the conclusions of his work. In this regard, during the 2021 the external auditor participated in 5 sessions of the Audit and Compliance Committee. The auditor of 2020 presented in one of these appearances the report of internal control weaknesses, weaknesses on which Internal Audit carries out a periodic follow-up.

Additionally, Internal Audit presents to the Committee the conclusions of the different works carried out, as well as the action plans signed with the objective of mitigating or correcting the weaknesses that have been observed.

F.6 Other relevant information

There is no additional relevant information.

F.7 External auditor's report

Report:

- F.7.1. Whether the ICFR information sent to the markets has been subjected to review by the external auditor, in which case the entity should include the corresponding report as an attachment. If not, reasons why should be given.

It has been duly verified by the external auditor.

G DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Specify the company's degree of compliance with recommendations of the Good Governance Code for listed companies.

In the event that a recommendation is not followed or only partially followed, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company's conduct. General explanations are not acceptable.

1. That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market.

Complies Explain

2. That when the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:

- a) The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries.
- b) The mechanisms in place to resolve any conflicts of interest that may arise.

Complies Complies partially Explain Not applicable

3. That, during the ordinary General Shareholders' Meeting, as a complement to the distribution of the written annual corporate governance report, the chairman of the Board of Directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:

- a) Changes that have occurred since the last General Shareholders' Meeting.
- b) Specific reasons why the company has not followed one or more of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

Complies Complies partially Explain

Until the last Annual General Shareholders' Meeting is held, the Chairman of the Board of Directors did not usually explain verbally at the General Meeting the reasons why it does not comply with any of the recommendations of the Corporate Governance Code, since this is included in the documentation that is submitted for formal approval by the General Meeting.

4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly situated shareholders. And that the company should publish this policy on its website, including information on how it has

been put into practice and identifying the contact persons or those responsible for implementing it.

And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

Complies X Complies partially Explain

5. That the Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of preemptive rights in an amount exceeding 20% of the capital at the time of delegation.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of preemptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies Complies partially X Explain

There is an authorization approved by the General Meeting of May 2017 which has not been used at any time.

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:

- a) Report on the auditor's independence.
- b) Reports on the workings of the audit and nomination and remuneration committees.
- c) Report by the audit committee on related party transactions.

Complies X Complies partially Explain

7. That the company should transmit in real time, through its website, the proceedings of the General Shareholders' Meetings.

And that the company should have mechanisms in place allowing the delegation and casting of votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Meeting to be conducted by such remote means.

Complies X Complies partially Explain

8. That the audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the chairman of the audit committee should clearly explain to the general

meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals and

Complies X Complies partially Explain

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.

And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory fashion.

Complies X Complies partially Explain

10. That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:

- a) Should immediately distribute such complementary points and new proposals for resolutions.
- b) Should publish the attendance, proxy and remote voting card specimen with the necessary changes such that the new agenda items and alternative proposals can be voted on in the same terms as those proposed by the Board of Directors.
- c) Should submit all these points or alternative proposals to a vote and apply the same voting rules to them as to those formulated by the Board of Directors including, in particular, assumptions or default positions regarding votes for or against.
- d) That after the General Shareholders' Meeting, a breakdown of the voting on said additions or alternative proposals be communicated.

Complies Complies partially Explain Not applicable X

11. That if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.

Complies Complies partially Explain Not applicable X

12. That the Board of Directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business.

And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

Complies X Complies partially Explain

13. That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.

Complies Explain

14. That the Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:

- a) Is concrete and verifiable;
- b) Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and
- c) Favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favour gender diversity.

That the result of the prior analysis of the skills required by the Board of Directors be contained in the supporting report from the nomination committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

The nomination committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

Complies Complies partially Explain

15. That proprietary and independent directors should constitute a substantial majority of the Board of Directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors..

And that the number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less 30% prior to that date.

Complies Complies partially Explain

16. That the number of proprietary directors as a percentage of the total number of non-executive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.

This criterion may be relaxed:

- a) In large-cap companies where very few shareholdings are legally considered significant.
- b) In the case of companies where a plurality of shareholders is represented on the Board of Directors without ties among them.

Complies Explain

17. That the number of independent directors should represent at least half of the total number of directors.

That, however, when the company does not have a high level of market capitalisation or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company's

share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies Explain

18. That companies should publish the following information on its directors on their website, and keep it up to date:

- a) Professional profile and biography.
- b) Any other Boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.
- c) Category of directorship, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.
- d) Date of their first appointment as a director of the company's Board of Directors, and any subsequent re-elections.
- e) Company shares and share options that they own.

Complies Complies partially Explain

19. That the annual corporate governance report, after verification by the nomination committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than 3%. It should also explain, if applicable, why formal requests from shareholders for presence on the Board were not honoured, when their shareholding was equal to or exceeded that of other shareholders whose proposal for proprietary directors was honoured.

Complies Complies partially Explain Not applicable

20. That proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.

Complies Complies partially Explain Not applicable

[This has not happened since 2018, when the corresponding resignation of the proprietary director took place.](#)

21. That the Board of Directors should not propose the dismissal of any independent director before the completion of the director's term provided for in the articles of incorporation unless the Board of Directors finds just cause and a prior report has been prepared by the nomination committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.

The dismissal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that such changes in the structure of the Board are the result of application of the proportionate representation criterion provided in Recommendation 16.

Complies X Explain

22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.

And that, if the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the nomination and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented

Complies X Complies partially Explain

23. That all directors clearly express their opposition when they consider any proposal submitted to the Board of Directors to be against the company's interests. This particularly applies to independent directors and directors who are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the Board of Directors.

Furthermore, when the Board of Directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.

This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director.

Complies X Complies partially Explain Not applicable

24. That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

Complies X Complies partially Explain Not applicable

25. That the nomination committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

And that the Board regulations establish the maximum number of company Boards on which directors may sit.

Complies X Complies partially Explain

26. That the Board of Directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.

Complies X Complies partially Explain

27. That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions.

Complies X Complies partially Explain

28. That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the Board of Directors, such concerns should be included in the minutes at the request of the director expressing them.

Complies X Complies partially Explain Not applicable

29. That the company should establishes adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.

Complies X Complies partially Explain

30. That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.

Complies X Explain Not applicable

31. That the agenda for meetings should clearly indicate those matters on which the Board of Directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.

When, in exceptional circumstances, the chairman wishes to bring urgent matters for decision or resolution before the Board of Directors which do not appear on the agenda, prior express agreement of a majority of the directors shall be necessary, and said consent shall be duly recorded in the minutes.

Complies X Complies partially Explain

32. That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.

Complies X Complies partially Explain

33. That the chairman, as the person responsible for the efficient workings of the Board of Directors, in addition to carrying out the duties assigned by law and the articles of incorporation, should prepare and submit to the Board of Directors a schedule of dates

and matters to be considered; organise and coordinate the periodic evaluation of the Board as well as, if applicable, the chief executive of the company, should be responsible for leading the Board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.

Complies X Complies partially Explain

34. That when there is a coordinating director, the articles of incorporation or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the Board of Directors in the absence of the chairman and deputy chairmen, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chairman.

Complies Complies partially Explain Not applicable X

35. That the secretary of the Board of Directors should pay special attention to ensure that the activities and decisions of the Board of Directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

Complies X Explain

36. That the Board of Directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:

- a) The quality and efficiency of the Board of Directors' work.
- b) The workings and composition of its committees.
- c) Diversity in the composition and skills of the Board of Directors.
- d) Performance of the chairman of the Board of Directors and of the chief executive officer of the company.
- e) Performance and input of each director, paying special attention to those in charge of the various Board committees.

In order to perform its evaluation of the various committees, the Board of Directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the nomination committee.

Every three years, the Board of Directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the nomination committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

The process and the areas evaluated must be described in the annual corporate governance report.

Complies X Complies partially Explain

37. That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

Complies Complies partially Explain Not applicable X

38. That the Board of Directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the Board of Directors receive a copy of the minutes of meetings of the executive committee.

Complies Complies partially Explain Not applicable X

39. That the members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Complies X Complies partially Explain

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the Board or of the audit committee.

Complies X Complies partially Explain

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies X Complies partially Explain Not applicable

42. That in addition to the provisions of applicable law, the audit committee should be responsible for the following:

1. With regard to information systems and internal control:

a) Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational, technological, legal, social, environmental, political and reputational risk, or risk related to corruption - reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.

b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.

c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a

financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.

d) Generally ensuring that internal control policies and systems are effectively applied in practice.

2. With regard to the external auditor:

a) In the event that the external auditor resigns, examining the circumstances leading to such resignation.

b) Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence.

c) Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.

d) Ensuring that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks.

e) Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.

Complies X Complies partially Explain

43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.

Complies X Complies partially Explain

44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies Complies partially Explain Not applicable X

[They have not been produced in 2021](#)

45. That the risk management and control policy identify or determine, as a minimum:

a) The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.

b) A risk control and management model based on different levels, which will include a specialised risk committee when sector regulations so require or the company considers it to be appropriate.

c) The level of risk that the company considers to be acceptable.

d) Measures in place to mitigate the impact of the risks identified in the event that they should materialise.

e) Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies X Complies partially Explain

46. That under the direct supervision of the audit committee or, if applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:

- a) Ensuring the proper functioning of risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.
- b) Actively participating in drawing up the risk strategy and in important decisions regarding risk management.
- c) Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the Board of Directors.

Complies X Complies partially Explain

47. That in designating the members of the nomination and remuneration committee – or of the nomination committee and the remuneration committee if they are separate – care be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies X Complies partially Explain

48. That large-cap companies have separate nomination and remuneration committees.

Complies Explain Not applicable X

49. That the nomination committee consult with the chairman of the Board of Directors and the chief executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the nomination committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies X Complies partially Explain

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

- a) Proposing the basic conditions of employment for senior management to the Board of Directors.
- b) Verifying compliance with the company's remuneration policy.
- c) Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.
- d) Making sure that potential conflicts of interest do not undermine the

independence of external advice given to the committee.

- e) Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies X Complies partially Explain

51. That the remuneration committee should consult with the chairman and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies X Complies partially Explain

52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

- a) That they be composed exclusively of non-executive directors, with a majority of independent directors.
- b) That their chairpersons be independent directors.
- c) That the Board of Directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.
- d) That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.
- e) That their meetings be recorded and the minutes be made available to all directors.

Complies X Complies partially Explain Not applicable

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the Board of Directors, which may be the audit committee, the nomination committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of Directors, in the exercise of its powers of self-organisation, may have decided to create. And that such committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies X Complies partially Explain

54. The minimum functions referred to in the foregoing recommendation are the following:

- a) Monitoring of compliance with the company's internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.
- b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in

which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.

- c) The periodic evaluation and review of the company's corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.
- d) Supervision of the company's environmental and social practices to ensure they are in alignment with the established strategy and policy.
- e) Supervision and evaluation of the way in which relations with the various stakeholders are handled.

Complies X Complies partially Explain

55. That environmental and social sustainability policies identify and include at least the following:

- a) The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct
- b) Means or systems for monitoring compliance with these policies, their associated risks, and management.
- c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.
- d) Channels of communication, participation and dialogue with stakeholders.
- e) Responsible communication practices that impede the manipulation of data and protect integrity and honour.

Complies Complies partially X Explain

In July 2021, the Board of Directors decided to set up a Sustainability and Good Governance Committee which to the date of issuance of this report is in full reflection and analysis of its sustainability policies.

56. That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

Complies X Explain

57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.

Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be

directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

Complies X Complies partially Explain

58. That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.

And, in particular, that variable remuneration components:

- a) Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.
- b) Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the company's rules and internal operating procedures and with its risk management and control policies.
- c) Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.

Complies X Complies partially Explain Not applicable

59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.

That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies Complies partially X Explain Not applicable

The deferral is tacit because the calculation of the accrual is made with the fiscal year fully closed and audited.

60. That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies X Complies partially Explain Not applicable

61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.

Complies X Complies partially Explain Not applicable

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the nomination and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies Complies partially Explain Not applicable

The conditions of the stock option plan were approved at the General Meeting in full compliance with the Capital Companies Law as well like the Stock Market, but without additional conditions.

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies Complies partially Explain Not applicable

The variable components are not paid until the end of the audit of the corresponding year. There is no formal clause reimbursement but it is understood to be claimable in the event that irregularities are detected in the audited annual accounts on which the accrual.

64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies Complies partially Explain Not applicable

H FURTHER INFORMATION OF INTEREST

1. If there is any significant aspect regarding corporate governance in the company or other companies in the group that has not been included in other sections of this report, but which it is necessary to include in order to provide a more comprehensive and reasoned picture of the structure and governance practices in the company or its group, describe them briefly below.
2. This section may also be used to provide any other information, explanation or clarification relating to previous sections of the report, so long as it is relevant and not repetitive.

Specifically, indicate whether the company is subject to any corporate governance legislation other than that of Spain and, if so, include any information required under this legislation that differs from the data required in this report.

3. The company may also indicate whether it has voluntarily subscribed to other ethical or best practice codes, whether international, sector-based, or other. In such case, name the code in question and the date on which the company subscribed to it. Specific mention must be made as to whether the company adheres to the Code of Good Tax Practices of 20 July 2010.

There is no additional information on corporate governance.

This Annual Corporate Governance Report was approved by the Board of Directors of the company in its meeting held on 23th February 2022

Indicate whether any director voted against or abstained from approving this report.

Yes

No