



REGULATIONS OF THE SUSTAINABILITY AND GOOD GOVERNANCE COMMITTEE REPORTING TO THE BOARD OF DIRECTORS

OF TUBACEX, S.A.



01: NATURE

Article 1. Nature and Purpose

1. The Sustainability and Good Governance Committee (hereinafter, the “Committee”), set up in accordance with the provisions of the Articles of Association, is a body with reporting and proposal functions to the Board of Directors of TUBACEX S.A. (hereinafter, “Tubacex” or the “Company”), which will be governed by the provisions set out in the Law, in the Articles of Association, in the rules set out in these Regulations and for matters not provided for herein, the Regulations of the Board of Directors shall be applied as long as they are in line with the nature of this Committee.
2. These Regulations may be amended by agreement of the Company’s Board of Directors, either on its own initiative or upon proposal by the Committee.
3. These Regulations aim to determine the principles of action and internal functioning of the Tubacex Sustainability and Good Governance Committee, fostering its independence.

02: COMPOSITION

Article 2. Composition

1. The Committee shall be made up of at least three directors, who will be appointed by the Company's Board of Directors. The members of the Sustainability and Good Governance Committee shall be non-executive directors, most of whom must be independent.
2. Committee members shall be elected for their remaining term of office as directors notwithstanding their possible re-election. Re-appointment, re-election and termination lies with the Board of Directors, in accordance with the provisions set out in the Law, Regulations of the Board of Directors and the Company's Articles of Association.
3. The Board of Directors shall appoint a Chairperson from among its members, who must be an independent director. The Secretary of the Board of Directors shall act as Secretary of the Sustainability and Good Governance Committee.

03: FUNCTIONS AND SCOPE

Article 3. General Functions

1. The Committee has the duty of supporting the Company's Board of Directors in the overseeing of ESG (Environment, Social, Governance) matters set out in the Law, in the Articles of Association and in these Regulations, notwithstanding other tasks it is assigned by the Board of Directors.
2. Notwithstanding any other tasks that it may be assigned by the Board of Directors and which are attributed to it by means of the applicable legal provisions, the Committee shall exercise the following basic duties:
 - a) Foster the Company's ESG policies in order to steer them towards the creation of value through sustainable conduct. Regularly analyze the business recommendations and best practices in relation to Sustainability, in order to review the appropriateness of the Group's policies and propose any adaptations that may be required.
 - b) Guarantee that the Group's Strategic Plan integrates and develops the ESG policies coherently, in accordance with the guidelines approved by the Board of Directors. Oversee and regularly assess the level of compliance of the Group actions in terms of ESG.
 - c) Understand, oversee and assess relations with the different stakeholders, as well as the communication and positioning strategy in relation to them, bearing in mind their legitimate interests.
 - d) Guarantee that ESG risks are properly integrated in the Group's risk management and control models, and that they are considered in decision-making processes on potential investments and disinvestments. Guarantee that the Internal Audit function includes these risks in its review of the effectiveness and appropriateness of the Group's risk control processes and systems.
 - e) Determine the guidelines, criteria and general principles that must prevail in the content of Non-Financial Information, as well as any other equivalent reporting system required by the legislation of other countries in which the Group is present. The same applies to those international reporting systems that have been considered of interest for the Group. Foster the implementation of reference indicators and frameworks.
 - f) Work with the Tubacex Foundation in the identification of the elements of the Group's Strategy that may be implemented through specific ESG projects, so that it becomes an instrument of the sustainability policy.
 - g) Foster the Group's fulfillment of the 17 Sustainable Development Goals approved by the UN ("SDG").

3. In particular and notwithstanding the general nature of the previous section, the Sustainability and Good Governance Committee shall have the following specific duties:
 - (i) With respect to corporate governance:
 - a) Foster the Group's Corporate Governance strategy. Oversee the fulfillment of the legal requirements applicable to any subsidiary or partly-owned company of the group, codes of conduct and internal regulations.
 - b) Regularly evaluate the appropriateness of the Corporate Governance System. Suggest any modifications and updates that may contribute to its development or continuous improvement to the Board of Directors, for its approval, or for it to be submitted to the Shareholders' General Meeting, as appropriate.
 - c) Prior to its approval, report in the Company's Corporate Governance Annual Report, using the reports from the Appointments and Remunerations Committee in relation to the sections of the report that fall within its powers.
 - d) Foster the dissemination and integration of ESG in the corporate culture. Understand, promote, guide and oversee the Group's actions in this field.
 - (ii) With respect to environmental sustainability:
 - a) Understand and regularly evaluate the strategic and financial consequences of climate change and other environmental factors on the Group's business and partly-owned companies.
 - (iii) With respect to social sustainability:
 - a) Foster compliance by the Group and its subsidiaries of the strictest regulations and policies in terms of human rights, occupational health and safety, diversity and inclusion and professional development internally and throughout the entire value chain.
 - b) Guide, foster and oversee the Group's action in areas that affect the corporate reputation and report on it to the Board of Directors.

Article 4. Scope

The Committee shall perform its duties with respect to TUBACEX, S.A. and the subsidiaries that form part of its Group, in accordance with the provisions set out in Article 42 of the Commercial Code.

04: OPERATING RULES

Article 5. Meetings

The Committee shall meet whenever the Chairman considers opportune in order to carry out its duties. The Committee shall meet at least four times a year.

The Committee shall also meet at the request of at least one of its members. The request will be submitted to the Chairman of the Committee and must be accompanied by an agenda consisting of the issues on which the Committee is to pronounce.

Article 6. Call to Meeting

The person performing the functions of Chairperson shall be responsible for calling the Committee to meeting.

Members of the Committee shall be notified of the call to meeting at least five calendar days in advance thereof, except in the case of urgent meetings at the Chairperson's discretion, via letter, fax, telegram or e-mail.

The call to meeting shall include the agenda for the session. Notwithstanding, the Committee may deliberate on other issues that are not included in the aforementioned agenda.

Article 7. Establishment of a Quorum

A valid quorum for Committee meetings shall be established with the attendance, in person or by proxy, of half of its members plus one. Proxy may only be granted in favor of another director who is a member of the Committee.

The Chairperson and Secretary of the Committee shall be those designated to act in these roles. In the absence of the Chairperson or his/her inability to act, the Chairperson will be replaced with the longest standing member of the Committee and, in the event of several members with the same time serving, the Committee shall assign one of them as Chairperson.

Article 8. Resolutions

Resolutions shall be adopted by an absolute majority of the votes of the members present at the meeting in person or by proxy.

Minutes shall be recorded for each session by the Secretary, which will be signed by the Chairperson and the Secretary once they have been approved at the end of the same meeting or at the next meeting.

05: POWERS OF THE COMMITTEE

Article 9. Powers

1. For the proper performance of its duties, the Committee will have the full power to access all types of information, documentation or registers that it deems necessary to perform its duties.
2. The Committee also has the power to hire external advisory services in matters that are considered to be particularly relevant when it is considered that they cannot be appropriately provided or with the necessary independence by experts or technicians from the Company or Group companies.
3. The Committee may request personal collaboration or reports from any member of the management team of the Company or Group companies when they are deemed necessary or useful for the fulfillment of the Committee's duties, as well as the presence of any of them at the meetings to which they are called.

06: COMPLIANCE. INTERPRETATION

Article 10. Compliance and Dissemination

1. Members of the Board of Directors, Committee and the management team of TUBACEX, S.A. and its group companies have the obligation to be aware of and comply with these Regulations.
2. In addition, the Committee shall adopt appropriate measures for the required dissemination of these Regulations within the Company and its Group companies. In any case, the Committee has the obligation to ensure the compliance of these Regulations.

Article 11. Interpretation

Any dispute regarding the interpretation of these Regulations shall be resolved by means of a resolution adopted by the Committee itself, which must be ratified by the Board of Directors of TUBACEX, S.A.

Approved by the Tubacex Board of Directors on 16th December 2021.