
CORPORATE POLICY ON
COMPLIANCE AND CRIMINAL RISK PEVENTION



0. Introduction

The Tubos Reunidos Group (hereinafter, indistinctly referred to as the “**Group**” or “**TR Group**” or “**Tubos Reunidos**”) is the Business Group comprising those Companies which, within the meaning of the Law, form part of a commercial Group whose parent company is Tubos Reunidos, S.A. (hereinafter, “TRSA”). References in this Policy to the Tubos Reunidos Group should be understood to apply to each and every one of the individual companies that comprise it.

The Board of Directors of Tubos Reunidos, S.A. (hereinafter, “**TRSA**”) is responsible for designing, evaluating and permanently reviewing the Group's long-term governance and sustainability system and, specifically, for approving and updating its Corporate Policies. Such Policies develop the principles reflected in the set of internal regulations, made up, among other rules, of the By-Laws and the Regulations of the General Shareholders' Meeting, of the Board of Directors, and of such Board Committees as may be created, and contain the guidelines governing the actions of the Group, its directors, officers, and employees, ensuring that decision-making is oriented towards such sustainability and the creation of long-term value, always within a legal and ethical framework.

This Policy, like all Group Policies, both Corporate and detailed, applies to all the companies that make up the Group.

1. Purpose of the Corporate Policy on Compliance and Criminal Risk Prevention.

The Board of Directors of TRSA has assumed a firm ethical commitment, which goes beyond strict compliance with the Law, and has established and implemented a Tubos Reunidos Group Compliance System, which consists of a set of rules, procedures and good practices adopted to identify, classify, control and prevent the risks of unethical and/or unlawful conduct, and to react against such conduct

This Compliance and Criminal Risk Prevention Policy (hereinafter, the “Policy”), which is part of the Compliance System, establishes the basic principles and guidelines for regulatory compliance and criminal risk prevention for Grupo Tubos Reunidos (hereinafter, “**Group**”, “**TR Group**”).

In accordance with current criminal law and best practices in matters of compliance (*UNE 19601 Standard on Compliance Management Systems*), it is advisable for organisations to have organisational and management models that include surveillance and control measures to prevent and mitigate the commission of crimes within companies.

In view of the above, the Board of Directors of Tubos Reunidos, S.A. (hereinafter, “**TRSA**”) has implemented a Criminal Liability Prevention Model (hereinafter, the “**Model**”) in order to promote a true ethical business culture and prevent any irregularities or criminal offences. In this way, the Group strengthens and promotes its ethical business culture, establishes control mechanisms and reduces the possibility of criminal offences being committed within the Group, either directly or indirectly, expressly stating its rejection.

With a firm commitment to ensuring compliance with ethical principles, good corporate governance and transparency, quality and excellence, customer focus and integrity, one of TR Group's priorities, based on the highest standards already in place in the Group, is to develop a solid corporate culture of regulatory compliance, in which its ethical values are central to its activity and decision-making.

In this way, and in line with the provisions of applicable criminal law, the Group has adopted internal regulatory instruments and appropriate control and management systems in the area of detection and prevention of the criminal risks linked to its activity.

The purpose of this Policy is to express TR Group's desire to establish a culture of regulatory compliance that allows for the development of diligent and upright professional conduct within the Group, as well as to demonstrate the Group's firm condemnation of the commission of any kind of illegal act, criminal or otherwise, which under no circumstance may be justified on the basis of a benefit for the Group.

2. Scope of application.

2.1. Addressees of the policy

This Policy is binding on and applies to the members of the Board of Directors, Senior Management and in general, without exception and regardless of their position, responsibility, occupation or location, to all TR Group personnel (hereinafter, "Staff").

In addition, persons who act on behalf of TR Group without being part of its organisation shall comply with the provisions of this Policy and undertake to act in accordance with this Policy when acting on behalf of or in representation of the Group in the performance of their duties.

2.2. Covered activities

This Policy applies to all activities carried out by TR Group.

The TR Group is mainly engaged in the production, processing and marketing of seamless steel pipes in a wide range of sizes and with multiple technical requirements to meet the needs of the markets and sectors in which it operates.

3. General principles of action in the Criminal Liability Prevention Model.

Without prejudice to the provisions of the Code of Ethical Conduct, TR Group's Criminal Liability Prevention Model is inspired by the following general principles, which constitute the fundamental basis of both the Group's internal regulations and the actions of its Staff:

- **Compliance with the law and internal regulations:** Respect for the law and zero tolerance towards the commission of illegal or unethical acts is one of the fundamental principles of TR Group.
It is for this reason that TR Group, and especially the Board of Directors of TRSA and Senior Management, will act and demand that everybody act at all times in accordance with the provisions of current legislation and the Criminal Liability Prevention Model.
- **Independence and transparency in relations with third parties:** Independence and transparency are inalienable values for TR Group, and therefore all Staff will act impartially at all times, maintaining an independent criterion, free from any kind of external pressure or private interest.
- **Respect for the image and reputation of TR Group:** The Group considers respect for its image and reputation as one of its most valuable assets, which contributes to generating a perception of a company with integrity and respect for the market and its stakeholders).
Staff must exercise the utmost care and due diligence to preserve the Group's image and reputation in all their professional activities, including public speaking engagements.
- **Appropriate policies and procedures:** Group must have procedures and protocols appropriate to its activity and structure in order to reasonably prevent the various risks arising from its activity.
- **Continuous supervision and monitoring:** TR Group will provide an adequate framework for the definition, supervision, monitoring and achievement of the objectives of the Model, in such a way that all Staff, especially those in positions of responsibility, must promote and participate in the processes established for this purpose in terms of self-monitoring and verification of the Group's policies, procedures and protocols
- **Human and financial resources:** TR Group will ensure that the Independent Monitoring Body and the System Manager have sufficient resources to be able to effectively fulfil their supervisory, monitoring and control duties and Whistleblowing System management duties.

- **Obligation to communicate potentially unlawful conduct:** In order to prevent or, where appropriate, detect any irregular conduct that may occur in TR Group, all Staff are obliged to inform about potential risks or breaches of the Group's internal regulations and/or any action that may be considered unlawful or criminal that they suspect or become aware of, through the Group's Ethics Channel.

In the event that such unlawful conduct is confirmed, TR Group shall apply, in a proportionate and appropriate manner, the relevant disciplinary sanctions, without retaliating against those who report in good faith.

- **Consequences of non-compliance with TR Group's internal regulations:** The Group has a **disciplinary system** applicable to all Staff in the event of non-compliance with the Model or with the applicable internal regulations, by virtue of the provisions of the labour regulations in force (understood as the set of Collective Agreements, the Workers' Statute or any other applicable rule and/or regulation).

4. Bases of TR Group's Criminal Liability Prevention Model.

The Criminal Liability Prevention Model is a compilation of the procedures and controls in place in the Group to prevent, detect or react to the commission of criminal risks. It essentially comprises the following elements:

- The **Independent Monitoring Body** (hereinafter the "IMB") is a key control element to ensure the proper functioning of the Model. The functions of the IMB are regulated in the Internal Regulations of the Independent Monitoring Body.
- **Code of Ethical Conduct:** The Group has a Code of Conduct accessible to all Staff through the Group's website, which sets out the values, principles and conduct guidelines that must govern the professional behaviour of TR Group.
- **Compliance and Criminal Risk Prevention Manual:** This establishes TR Group's model for the organisation, prevention, management and control of criminal risks and aims to promote a culture of compliance within the Group, as well as the implementation of control standards and procedures that minimise the risk of illegal behaviour by TR Group's Staff.
- **Methodology for the evaluation and identification of criminal risks:** This is the basis for the identification of criminal risks, depending on the activity carried out by TR Group, as well as their evaluation and prioritisation.
- **Training on compliance and criminal risk prevention:** The Group has established a specific training plan on compliance and criminal risk prevention for all Group Staff.
- **Whistleblowing System:** The Group has an Whistleblowing System that allows employees, managers and directors, as well as third parties outside TR Group, to make enquiries and report actions or omissions that involve a breach of the Code of Ethical Conduct and/or current legislation. For the purposes of communicating the aforementioned information and/or queries, TR Group has set up an Whistleblowing Channel consisting of (i) an e-mail address, (ii) a telephone line and (iii) the possibility of a face-to-face meeting.
- **Supervision and monitoring system:** The supervision and monitoring system makes it possible to continuously validate the implementation of the Model in TR Group, periodically checking the effectiveness of the existing policies, procedures and controls, as well as their evolution, so that the Group has an overview of the activity carried out in this area, allowing it to take the necessary actions to ensure its adequacy and effectiveness in the development of its functions of prevention, management and control of criminal risks.
- **Disciplinary regime:** All Group personnel have the obligation to comply with the Code of Ethical Conduct and the Group's policies and procedures; therefore, any conduct contrary to such obligation will result in the application of disciplinary measures in accordance with the Group's internal regulations and, in particular, the Disciplinary Regime. Such measures shall in no case be contrary to applicable labour regulation.

- **Economic-financial management model:** The TR Group has a series of financial and economic controls and procedures that ensure full transparency and accuracy in its accounting books, transactions and, in general, the economic management of the Group.
- In addition, in the budgetary sphere, a sufficient financial allocation has been made to facilitate correct and effective compliance with the Model.

This Compliance and Criminal Risk Prevention Policy is now added to regulatory, operational and training instruments, all of which constitute TR Group's Criminal Liability Prevention Model.

5. Monitoring body, consultation and interpretation.

5.1. Independent monitoring body

The IMB shall be the internal body in charge of updating, supervising and monitoring compliance with the provisions of this Policy.

Additionally, the Whistleblowing System Manager, with the support of the IMB, will resolve any doubts or queries that may arise from the implementation and interpretation of the rules contained in the Policy.

5.2. Queries and interpretation

This Policy establishes the minimum requirements and should be understood as a guide to exemplary standards for the behaviour of personnel subject to this Policy. Likewise, any other internal provisions of TR Group that may be applicable to each specific case or circumstance must be observed at all times.

In case of any doubt or consultation regarding the application and interpretation of the content described in this Policy, please write to the following address: canaletico@tubosreunidosgroup.com . The query will be received by the Whistleblowing System Manager, who will analyse whether it meets the minimum requirements necessary to be processed and, if so, will resolve it. In case of doubt, it will be forwarded to the Independent Monitoring Body (IMB) for a response. With regard to the queries received, the System Manager shall issue and forward the resolution adopted to the persons concerned. Such resolutions may lead to improvements in the Code of Ethical Conduct, in order to keep it up to date and to enhance its content and proper understanding.

6. Commitment of the Board of Directors, Chairman and Senior Management.

This Policy reinforces the commitment of the Board of Directors of TRSA, the Chairman, the management bodies of the companies in the Group and the Group's Senior Management in the defence of compliance with ethics and the law, as well as in the communication and dissemination of the principles contained in the Model.

In addition, in implementing such commitment, both the Chairman and the members of senior management of TR Group will sign their respective statements of ethical commitment. The purpose of such statements is to confirm their respect for and commitment to compliance with the Model and the main internal policies that comprise it, rejecting the commission of any illegal or irregular act.

7. Breaches of the Policy.

Compliance with the provisions of this Policy is the responsibility of all directors, executives and employees of TR Group. However, both the directors and the members of Senior Management shall be responsible for disseminating the content of the Policy, as well as for supervising compliance with the same, in each of their respective areas of activity.

Staff subject to this Policy have the duty to report all breaches or violations related to the Policy and other applicable internal regulations of which they have knowledge or suspicion through the Whistleblowing Channel, using the following communication means:

- An **e-mail address** available on the Group's website through which enquiries or complaints can be made.

canaletico@tubosreunidosgroup.com

- An **Whistleblowing Hotline**: A telephone number through which any complaint or query can be communicated via a call, audio or message. The caller will be warned that the communication will be recorded. The telephone number is available on the Group's website, and is as follows:
+34 667 41 29 30
- The **possibility of a face-to-face meeting**: The possibility of reporting any infringement verbally is also offered by means of a request by the whistleblower for a face-to-face meeting with the Whistleblowing System Manager. The whistleblower will be advised that the communication will be recorded or transcribed accurately and completely, subject to his or her consent.

Failure to comply with the provisions of this Policy may result in the application of the appropriate disciplinary measures, all in accordance with the provisions of the Group's disciplinary regime.

8. Development, supervision and monitoring

TR Group's Independent Monitoring Body (IMB) in matters of Compliance is responsible for the development and periodic review of this Policy, supervising its application and submitting to the Board of Directors any observations or proposals for modification and improvement that it deems appropriate.

9. Approval, publication and entry into force.

At its meeting held on 29 June 2023, the Board of Directors of Tubos Reunidos, S.A. approved this Corporate Policy on Compliance and Prevention of Criminal Risks, with the aim of making progress in the adoption of the best practices in Compliance.

This Policy replaces and supersedes the previous version, dated 29 April 2021, and will be published on TR Group's corporate website and intranet. It will also be sent to the TR Group Staff and communicated, to the extent applicable to them, to the Third Parties with which TR Group interacts. It will be reviewed, updated, approved and disseminated regularly and whenever it is necessary to make any changes.
