



2020 Compensation Report

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1. Introduction.

This Compensation Report (the “Report”) is prepared in compliance with article 7ter of the Luxembourg Law of 24th May 2011, as amended by the Luxembourg Law of 1st August 2019 (the “Shareholders’ Rights Law”) on the exercise of certain rights of shareholders in general meetings of listed companies, which transposes EU Directive 2017/828 of the European Parliament and of the Council of 17th May 2017 (amending Directive 2007/36/EC) regarding the encouragement of long-term shareholder engagement in listed companies within the Member States of the European Union.

This Report sets forth the compensation paid or payable by Tenaris S.A. (“Tenaris” or the “Company”), or any of its subsidiaries, to the members of the Company’s board of directors (the “Board”) and Tenaris’s managing director or chief executive officer (the “CEO”) for the performance of their duties during the year ended 31st December 2020. This Report relates to, and must be read in conjunction with, the Compensation Policy, approved by the Board on 29th April 2020, which sets forth the principles and guidelines for purposes of determining the compensation payable to the Board and the CEO and is available on the Company’s website at <https://ir.tenaris.com/corporate-governance/annual-general-meeting>.

The Report has been approved by the Board on 29th March 2021 and, in accordance with the Shareholders’ Rights Law, will be submitted to the non-binding vote of the shareholders at the next general meeting of shareholders of the Company to be held on 3rd May 2021.

2. Directors’ Compensation.

2.1 Board’s composition.

The general meeting of shareholders held on 2nd June 2020 resolved to increase the number of members of the Board to twelve; appointed Mr. Simon Ayat as new Board member; and re-appointed all other existing Board members, each to hold office until the next annual general meeting of shareholders. The following table sets forth the name of the directors, their principal occupation, their years of service as board members and their age.

Name	Principal Occupation	Years as Director	Age at 31 st December 2020
Mr. Simon Ayat	Director of the Company	1	66
Mr. Roberto Bonatti ⁽¹⁾	Director of San Faustin S.A.	18	71
Mr. Carlos Condorelli	Director of the Company and Ternium S.A.	14	69
Mr. Germán Curá	Director and Vice Chairman of the Company's board of directors	3	58
Mr. Roberto Monti	Director of YPF S.A.	16	81
Mr. Gianfelice Mario Rocca (1)	Chairman of the board of directors of San Faustin S.A.	18	72

Mr. Paolo Rocca (1)	Chairman and Chief Executive Officer of the Company	19	68
Mr. Jaime José Serra Puche	Chairman of SAI Derecho & Economía	18	69
Mr. Yves Speeckaert	Director of the Company	4	60
Ms. Mónica Tiuba	Director of the Company and Chairperson of the Audit Committee	3	42
Mr. Amadeo Vázquez y Vázquez	Director of the Company	18	78
Mr. Guillermo Vogel	Director and Vice Chairman of the Company's board of directors	18	70

⁽¹⁾ Paolo Rocca and Gianfelice Rocca are brothers, and Roberto Bonatti is Paolo and Gianfelice Rocca's first cousin.

Simon Ayat. Mr. Ayat is a member of the Board. He served as Schlumberger's executive vice president and chief financial officer from 2007 until early 2020 and he is currently a senior strategic advisor to the chief executive officer of Schlumberger. Mr. Ayat has held several financial and operational positions in Schlumberger, where he commenced his career in 1982. He was based in Paris, Houston and Dallas, as well as in the Middle East and Far East regions, serving as group treasurer, controller, Geomarket manager for Indonesia and drilling regional vice president for Asia Pacific. Mr. Ayat is also a member of the board of directors of Liberty Oilfield Services, a leading provider of hydraulic fracturing and wireline services to E&P companies in North America, and Eurasia Drilling Company, the largest provider of drilling services in Russia. He is a French and Lebanese citizen.

Roberto Bonatti. Mr. Bonatti is a member of the Board. He is a grandson of Agostino Rocca, founder of the Techint Group, a group of companies controlled by San Faustin S.A. ("San Faustin"). Throughout his career in the Techint Group he has been involved specifically in the engineering and construction and corporate sectors. He was first employed by the Techint Group in 1976, as deputy resident engineer in Venezuela. In 1984, he became a director of San Faustin, and from 2001 until 2020 he has served as its president. He is also a member of the board of directors of Ternium S.A. ("Ternium"). Mr. Bonatti is an Italian citizen.

Carlos Condorelli. Mr. Condorelli is a member of the Board. He served as the Company's chief financial officer from October 2002 until September 2007. He is also a board member of Ternium. He has held several positions within Tenaris, including also the chief financial officer position in some of the principal Tenaris Group companies and member of the Company's audit committee between November 1, 2017 and May 2, 2018. He also served as president of the board of directors of Empresa Distribuidora La Plata S.A. (Edelap), an Argentine utilities company. Mr. Condorelli is an Argentine citizen.

Germán Curá. Mr. Curá is a member of the Board and also holds the position of Vice Chairman of the Board. He served as president of our operations in North America until May 2, 2018, a position held since 2006. He was first employed by Siderca in 1988. Previously, he served as Siderca's exports director, Tamsa's exports director and commercial director, sales and marketing manager of our Middle East subsidiary, president of Algoma Tubes, president and chief executive officer of Maverick Tubulars and president and chief executive officer of Hydril, director of our Oilfield Services global

business unit and Tenaris commercial director. He was also a member of the board of directors of API and currently serves as a member of the board of directors of the American Iron and Steel Institute and of Alussa Energy LLC. He is a marine engineer from the Instituto Tecnológico de Buenos Aires and an MBA graduated from the Massachusetts Institute of Technology. Mr. Curá is a U.S. citizen.

Roberto Monti. Mr. Monti is a member of the Board and of its audit committee. He is a member of the board of directors of YPF S.A. He has served as vice president of exploration and production of Repsol YPF and as chairman and chief executive officer of YPF. He was also the president of Dowell, a subsidiary of Schlumberger and the president of Schlumberger wire & testing division for East Hemisphere Latin America. Mr. Monti is an Argentine citizen.

Gianfelice Mario Rocca. Mr. Rocca is a member of the Board. He is a grandson of Agostino Rocca. He is chairman of the board of directors of San Faustin, member of the board of directors of Ternium, president of the Humanitas Group and president of the board of directors of Tenova S.p.A. Moreover, in Italy, he is member of the board of Bocconi University, of the advisory board of Politecnico di Milano. At international level, he is member of the Harvard Business School Advisory Board and member of the European Round Table of Industrialists. Mr. Rocca is an Italian citizen.

Paolo Rocca. Mr. Rocca is the chairman of the Board and the Company's chief executive officer. He is a grandson of Agostino Rocca. He is also the chairman of the board of directors of Ternium and a director and President of San Faustin. He is a member of the executive committee of the World Steel Association. Mr. Rocca is an Italian citizen.

Jaime José Serra Puche. Mr. Serra Puche is a member of the Board and of its audit committee. He is the chairman of SAI Derecho & Economía, a Mexican consulting firm, and a member of the board of directors of the Mexico Fund, Grupo Vitro, and chairman of the board of BBVA Bancomer. Mr. Serra Puche served as Mexico's Undersecretary of Revenue, Secretary of Trade and Industry, and Secretary of Finance. He led the negotiation and implementation of NAFTA. Mr. Serra Puche is a Mexican citizen.

Yves Speeckaert. Mr. Speeckaert is a member of the Board. He served as director of KPMG Consulting in London, United Kingdom and Sao Paulo, Brazil, where he led various high-profile engagements in the telecom, energy and agri-business industries. He was also director of structured finance of Banca Intesa-Sanpaolo (London). Since 2010 he is a Luxembourg-based independent director of regulated investment funds (mostly private equity, RE, and UCITS funds, as well as impact funds) and he is a member of the board of directors of several industrial holdings. He is also active in carbon offsetting and climate change mitigation strategies with funds, governments and corporations particularly as related to corporate environmental and social responsibility. He is a member of the Luxembourg Institute of Administrators. He holds an MBA from the University of California at Berkeley and a B.A. in Philosophy from the University of Louvain and is a contributing and active member of the Alumni association of UC Berkeley. Mr. Speeckaert is a Belgian citizen.

Mónica Tiuba. Ms. Tiuba is a member of the Board and chairperson of the audit committee. She is a Brazilian qualified lawyer and accountant with 20 years of professional experience in Brazil and Luxembourg. She started her career at Barbosa, Mussnich & Aragão law firm in Rio de Janeiro, Brazil, where she practiced corporate law, M&A and tax litigation. She worked in EY and PwC, in the Brazil and Luxembourg offices, advising multinational clients, private equity houses and family offices. She gained banking experience working as international senior wealth planner at Banque Edmond de Rothschild, in Luxembourg. She currently serves as member of the board of directors of Investing for Development SICAV, a Luxembourg social impact fund and is a member of its Forest and Climate

Change Fund. She holds a Master of Laws in International and Comparative Law at the Vrije Universiteit Brussel, a specialization in EU tax law from Leiden University and a Master of Laws in international taxation from Vienna University of Economics. Ms. Tiuba is a Brazilian and Luxembourgish citizen.

Amadeo Vázquez y Vázquez. Mr. Vázquez y Vázquez is a member of the Board and of its audit committee. He is a member of the advisory board of the Fundación de Investigaciones Económicas Latinoamericanas and member of the Asociación Empresaria Argentina. He is a business consultant and previously served as chief executive officer of Banco Río de la Plata S.A. until August 1997, independent director and chairman of the audit committee of BBVA Banco Francés S.A. until 2003, chairman of the board of directors of Telecom Argentina S.A. until April 2007 and independent alternate director of Gas Natural Ban, S.A, of Grupo Gas Natural Fenosa until April 2018. He is also independent alternate director of Naturgy BAN S.A, a gas distribution company in Argentina. Mr. Vázquez y Vázquez is a Spanish and Argentine citizen.

Guillermo Vogel. Mr. Vogel is a member of the Board and also holds the position of vice chairman of the Board. He is the chairman of G Collado SAB de C.V. and Exportaciones IM Promoción S.A. de C.V., and served as president of Cámara Nacional de la Industria del Hierro y el Acero (“CANACERO”) until April 16, 2018, where he is currently a member of the Executive Commission. Mr. Vogel is also a member of the board of directors of each of Techint, S.A. de C.V., Alfa S.A. de C.V., Banco Santander (México) S.A, the Universidad Panamericana – IPADE, Corporación Mexicana de Inversiones de Capital S.A., Innovare R&D S.A. de C.V. In addition, he is a member of The Trilateral Commission and member of the International Board of The Manhattan School of Music. Mr. Vogel is a Mexican citizen.

2.2 Audit Committee’s Composition.

The audit committee of the Company’s board of directors currently consists of four members. The board of directors resolved, at a meeting held on 3rd June 2020, to re-appoint Roberto Monti, Jaime José Serra Puche, Mónica Tiuba and Amadeo Vázquez y Vázquez, as members of the audit committee.

All members of the audit committee qualify as independent directors for purposes of the U.S. Securities Exchange Act Rule 10A-3(b)(1) and the Company’s articles of association.

The board of directors has determined that Ms. Tiuba is competent in accounting or auditing matters. In addition, the membership of the audit committee as a whole has sufficient relevant knowledge of the business and financial experience to properly discharge its functions.

2.3 Compensation for the year ended 31st December 2020.

The general meeting of shareholders held on 2nd June 2020 approved the compensation payable to directors and resolved that: (i) each director receive a fixed compensation for an amount of US\$97,750 for the performance of his/her duties during the fiscal year 2020; (ii) each director who is also a member of the Company’s audit committee receive an additional fee of US\$46,750; and (iii) the chairperson of the Company’s audit committee receive, further, an additional fee of US\$8,500.

No variable compensation has been paid or shall be payable to directors for the performance of their duties during the year 2020 and no long-term incentive or pension plan is available to directors.

2.4 Historical Evolution.

The following table sets forth directors’ compensation for the preceding five-year period.

Year	Compensation payable to each Director	Additional fee to each member of the Audit Committee	Additional fee to the Chairperson of the Audit Committee
2020	US\$ 97,750	US\$ 46,750	US\$ 8,500
2019	US\$ 115,000	US\$ 55,000	US\$ 10,000
2018	US\$ 115,000	US\$ 55,000	US\$ 10,000
2017	US\$ 115,000	US\$ 55,000	US\$ 10,000
2016	US\$ 85,000	US\$ 55,000	US\$ 10,000

Directors' compensation for the year 2020 is 15% lower than compensation for each of the fiscal years 2019, 2018 and 2017. Consistent with the cost containment actions (including pay reductions) taken by the Company in order to preserve adequate levels of operation and to ensure the financial stability of the Company in an adverse context affected by declining oil and gas prices and the COVID-19 pandemic, on April 29, 2020, the Board resolved that directors contribute to such cost containment measures by proposing to the annual general meeting of shareholders a 15% reduction in director's compensation for the year ended 31st December 2020.

2.5 Assessment.

The Board considers that the compensation payable to each director, to such directors who are also members of the Company's audit committee and to the audit committee's chairperson, for the performance of their duties for the year ended 31st December 2020, is competitive with peer companies and is at the same time consistent with Tenaris's overall strategic objectives.

The Board also believes that directors' compensation for the year 2020 is consistent with Tenaris's Compensation Policy.

3. CEO's Compensation.

3.1 CEO's appointment.

The Board resolved, at a meeting held on 3rd June 2020, to re-appoint Mr. Paolo Rocca as *administrateur délégué* or CEO, and to delegate to him the power to manage the Company's affairs within the ordinary course of business, to the full extent permitted by Luxembourg law, to direct and supervise the business activities of the Company's subsidiaries and to represent the Company in relation to such matters.

3.2 Compensation for the year ended 31st December 2020.

Consistent with Tenaris's past practice and applicable law, the Board approved, at a meeting held on 19th February 2020, the CEO's compensation proposal for the year ended 31st December 2020, establishing a base compensation of US\$3 million, and a variable compensation to be determined at the appropriate time. At a meeting held on 24th February 2021, the Board determined the CEO's variable compensation for the year 2020 in the amount of US\$2.6 million, based on the analysis of the criteria in Section 3.4 of this Compensation Report.

The CEO's annual compensation has been reported to the annual general meeting of shareholders in accordance with article 441-10 of the Luxembourg law of 10th August 1915 on commercial companies, as amended.

The base compensation is payable in monthly instalments.

Any amounts received by the CEO from the Company or any of its subsidiaries, as employee, member of the Board or in any other capacity, will be deducted from the above compensation package.

No long-term incentive or pension plan is awarded to the CEO.

3.3 Historical Evolution.

The following table sets forth the CEO' compensation for the preceding five-year period.

Year	Fixed Compensation	Variable Compensation
2020	US\$ 3,000,000	US\$ 2,600,000
2019	US\$ 3,000,000	US\$ 4,000,000
2018	US\$ 3,000,000	US\$ 4,000,000
2017	US\$ 2,700,000	US\$ 4,300,000
2016	US\$ 2,700,000	US\$ 3,500,000

3.4 Assessment.

For purposes of determining the CEO's compensation for the year 2020, the Board reviewed a CEO competitiveness assessment report prepared by a reputable independent compensation consultant, analyzing the compensation payable to the chief executive officers of nine NYSE listed steel or oil services companies of comparable size and complexity of business and operations during the year 2019 (2020 figures will only be available by mid-2021). In its report, based on Tenaris's size, financials and other relevant factors, the independent consultant recommended (i) to consider, as a reference indicator, the total cash *plus* long-term incentives paid to chief executive officers at the first quartile (25th percentile) of the peer group, which showed a three-year average compensation of US\$11.1 million, and (ii) to target the CEO cash compensation above the 25th percentile of the peer group.

The Board noted that the independent consultant's report did not factor in the adverse impact of the COVID-19 pandemic and the oil and gas crisis, which adversely affected the Company's business during 2020, and that, as a result, the consultant used survey data to explain typical practices in 2020. The report indicated less than one third of the companies reduced compensation during 2020, that 37% of survey participants anticipated that the bonus pool payable in 2021 with respect to 2020 will be lower than last year's, and that 17% of survey participants intended to change equity plans. The report also noted the CEO is not based in the U.S. and currently lives in a country where cost of living is lower than the U.S, and that the CEO's interests are aligned with those of the Company without the need of any additional remuneration reinforcements.

As part of its assessment, the Board also considered that the Company, under the supervision of the CEO, adopted a worldwide rightsizing program and cost-containment plan, aimed at preserving Tenaris's financial resources and overall liquidity position and maintaining the continuity of operations. The actions taken by the Company included (i) adjusting the level of Tenaris's operations

and workforce around the world, including through the temporary closure of certain facilities or production lines; (ii) introducing efficiency and productivity improvements throughout Tenaris's industrial system; (iii) downsizing fixed cost structure, including through pay reductions for senior management and board members, as well as R&D expenses, for a total annual savings of approximately \$230 million on a yearly basis; (iv) reducing capital expenditures by \$157 million in comparison to 2019 levels; (v) reducing working capital, especially inventories, in accordance with the expected levels of activity; and (vi) increasing the focus on managing customer credit conditions. In determining the CEO's contribution, the Board analyzed the outcome of such measures, which resulted in a positive EBITDA starting on the second quarter of 2020, a reduction of approximately 20% in headcount, a US\$ 157 million reduction in capital expenditures, a US\$ 230 million fixed cost reduction, a working capital adjustment of US\$ 1 billion and a significant increase of free cash flow.

The Board also noted that the variable compensation payable to the CEO for his services during the year 2020, seeks to incentivize his contribution to the Company's long-term sustainability and that the CEO's overall compensation for the year 2020 is in line with the compensation cutback applied to the Company's top management and Board members. The Board also noted that, as indicated in 3.2 above, no long-term incentive or pension plan is awarded to the CEO.

Based on the independent compensation consultant's report and recommendations, and having analyzed the impact of the main events that occurred during 2020 as well as the outcome of the rightsizing plan undertaken by the CEO, the Board concluded that the overall compensation payable to the CEO for the year 2020 (consisting of fixed compensation in the amount of US\$ 3 million and variable compensation in the amount of US\$ 2.6 million) is (i) competitive with peer companies; (ii) consistent with Tenaris's overall strategic objectives; and (ii) consistent with Tenaris's Compensation Policy.