



Code of Conduct
Guidelines and Standards of Integrity and Transparency

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Dear Colleague,

We are facing the challenge of transforming Tenaris, with its 17 industrial operations in 7 countries, more than 90 legal entities and 14,000 employees into a single, well-coordinated, efficient operation. This change will allow us to be more competitive in a difficult global environment and to continue to grow in a successful manner.

Integral parts of this transformation are the successful introduction of the brand, Tenaris, the exchange, the new organizational model and the construction of “the Tenaris Way”, in which Tenaris takes the best values and practices from the founding mills.

Integrity and Transparency are two of the core values of the Tenaris Way: respect for applicable laws, external and internal regulations, and sharing the most significant strategies and information about the management of the corporation constitutes a fundamental commitment on the part of Tenaris with all of its employees.

Part of this system is the adoption of a unified Code of Conduct that, in addition to establishing the ethical principles that form the basis for relations between Tenaris, its employees and its suppliers, provides means and instruments that grant transparency to issues and problems that may have an impact on the proper management of the company.

For this reason Tenaris Board of Directors has approved this Code of Conduct, which supersedes the existing Tenaris subsidiaries Codes and defines the guidelines and standards of integrity and transparency to which we all should adhere.

In the same context, the Transparency Policy Governing Relationships with Third Parties, the first in a series of Policies that will further specify the principles included in the Code, has also been approved. This Policy, posted on our Intranet, details the concepts of conflict of interest, duty of non-competition, gifts from third parties, and reporting of violations. As an annex, it includes the Conflict of Interest Declaration Form, which is to be completed by those of you whose responsibilities justify it.

Our commitment to an open and transparent administration, based upon respect for laws and internal regulations, is essential to ensure the trust of our shareholders and financiers, as well as that of our colleagues, customers, suppliers, and of the institutions with which we interact. This trust is now part of our assets, and a fundamental element of our competitive strength. To preserve it is a duty for all of us.

November 2003



Paolo Rocca
Chairman and CEO

The Code's guidelines apply to company employees, contractors, subcontractors and suppliers.

This Code of Conduct defines guidelines and standards of integrity and transparency which must be complied with by all employees at all levels within Tenaris.

As far as the nature of each relation permits, all principles detailed herein shall apply to the relations that Tenaris has with contractors; subcontractors; suppliers; consultants; interns and trainees, whether paid or non-paid, subject to and in accordance with applicable national laws.

Within the labor relationship established by each subsidiary, all employees must abide by the applicable laws, the external and internal regulations and the guidelines of this Code, with a personal commitment to honesty, loyalty to the company and transparency in all work-related actions.

The code calls for personal commitment to laws, honesty, company loyalty and transparency.

Contrary to the principles of this Code shall be considered, any work-related conduct that brings to employees or their relatives and associates, any unauthorized personal benefit that would harm the company or any of its stakeholders (shareholders, customers, suppliers, other employees, the community).

The following questions should be considered before making any work-related decision:

- Does this decision comply with my Company's internal rules and regulations?
- Does the decision comply with the letter and spirit of the Code of Conduct?
- Can the decision be justifiably viewed as the most appropriate course of action?
- Could this decision, if made public, compromise the Company or be harmful to its reputation or its standing in the community?

The Code is applied by managers, the Corporate Audit Department and the Tenaris Audit Committee.

The Tenaris Audit Committee will be the top-level decision making body for the implementation of this Code of Conduct by Tenaris.

The Corporate Audit Department under the supervision of the Tenaris Audit Committee, will resolve any question relating to the implementation or interpretation of the Code which cannot be satisfactorily resolved by the usual supervisory levels.

The Tenaris Human Resources Department shall implement the rules and procedures in order to ensure full compliance with the Code.

Tenaris management shall take the necessary measures to ensure that all staff, suppliers, subcontractors, and consultants know and understand the provisions of this Code and understand how it will apply in their workplace environment.

Employees requiring further information than that provided by their supervisors, may contact the Corporate Audit Department in Buenos Aires, Argentina by e-mail at auditoria_responde@tenaris.com.

The guidelines set out in the Code take precedence over obedience to higher-ranking officials.

Agreement to comply with the provisions of this Code is a condition for employment in Tenaris.

Compliance with this Code of Conduct shall be the exclusive and personal responsibility of every employee. In the event of any transgression, employees -once informed of the Code's application- may not plead ignorance or obedience to higher ranking officials.

Employees should adopt a proactive attitude, avoiding an attitude of non-intervention in light of suspected violations, and act on their own initiative should they discover incidents of non-compliance with the Code in any kind of process.

Every employee should comply with the guidelines in this Code and cooperate with internal investigations when required.

Supervisory levels shall not approve or tolerate violations to this code, and in case of awareness of such incidents, they shall report them immediately.

Disciplinary sanctions may lead, in accordance with the seriousness of the violation and with the laws in force, to dismissal and to legal action being initiated even after dismissal.

The Code regulates the development of a Compliance Line, with an option to keep reporters' ID confidential and respectful of the right of defense of the staff involved.

In accordance with applicable national laws, Tenaris shall establish a Compliance Line for any questions, requests for guidance or reports of situations or conducts contrary to the principles of this Code of Conduct.

This communication channel will ensure the mechanisms to prevent any punitive measures against employees who contact the Compliance Line.

The Compliance Line will operate according to procedures designed by the Corporate Audit Department under the direct supervision of the Tenaris Audit Committee.

Callers to the Compliance Line may ask that all records regarding their report use an assumed name in order to safeguard the confidentiality of their identity.

Tenaris management will take the necessary measures to ensure complete confidentiality of the information received, a fair treatment for the personnel involved in violations of the Code, and the right of defense of the employees involved.

5.1. Compliance with the law

Employees must comply with applicable laws.

All employees shall abide in all cases by the laws in force in the different countries in which they are operating for Tenaris.

All employees shall take the necessary steps in order to ensure that Tenaris may not be directly or indirectly involved in any money laundering operation.

5.2. Transparent Management

Information furnished must be accurate and decisions transparent.

Employees should take the necessary steps to ensure the transparency of information and decision-making.

For the purposes hereof, information is transparent when it accurately reflects reality.

A decision is defined as transparent when it meets all of the following conditions:

- It has approval at the appropriate level.
- It is based on a reasonable analysis of the risks involved.
- It leaves records of its rationale.
- It places the best interests of the company ahead of personal interests.

5.3. Conflict of Interest, Duty of Loyalty and Non-competition

Conflicts of interest must be disclosed.

A real or potential conflict of interest exists when a relationship between the employee and a third party might affect the interests of the Company.

In their relationship with customers, suppliers, contractors, and competitors, employees shall prioritize the interests of the Company over any situation that may lead to a real or potential personal benefit, for themselves or any of their relatives or associates.

Conflicts of interests involving Tenaris personnel must be fully disclosed in writing. This disclosure must be signed and updated at least once per calendar year, according to the **Transparency Policy Governing Relationships with Third Parties**.

5.4. Gifts

Acceptance of gifts is restricted.

Employees may accept courtesy gifts, such as small presents or hospitality gifts, only when the value of such gifts is small and cannot be construed by an impartial observer as aimed at obtaining undue advantages.

Within the Transparency Policy Governing Relationships with Third Parties, each subsidiary will define the economic limit in which employees may accept courtesy gifts.

Employees receiving presents or special treatment that cannot be directly related to normal courteous relations must inform their superior of the facts in order to request instructions regarding the final destination for such gifts.

Under no circumstances may cash or goods easily converted into cash be accepted.

Invitations to business-related events, conferences, conventions, commercial presentations or technical courses shall be authorized by the corresponding supervisory levels.

Restrictions on the reception of gifts are extended to employee relatives and associates.

5.5. Use of Assets

Company assets must be used with care and responsibly.

Staff shall ensure that company assets are used for the intended purposes and by duly authorized persons.

According to national laws in force, every employee has a responsibility to protect the company's property and other tangible and intangible assets against any unauthorized use, breach of trust, damage or loss through negligence or criminal intentions.

5.6. Security of Company Information

Information must only be accessed by authorized personnel and protected from undue disclosure.

Only duly authorized persons may have access to the company's internal physical, magnetic, electronic or optical information, and it may only be used for the purposes and periods specified in the authorization.

The password is equivalent to an employee's signature. It may only be known by its owner and disclosure to third parties is not permitted.

Employees are directly responsible for taking the necessary steps to safeguard company information from damage or loss and to ensure its safe custody for the period established in the internal rules and regulations.

5.7. Confidentiality of Company Information

Information that must not be legally disclosed, should be kept confidential.

Employees shall maintain confidentiality regarding all the information they have access to in the performance of their work for the company, even if this information is not classified and is not specifically about the company, but about related customers, competitors, suppliers, markets and public organizations.

Non-compliance with the obligation of confidentiality will be considered a serious violation, if it involves disclosure or providing the opportunity to disclose non-public information related to the company's undertakings and activities.

Non-disclosure shall be maintained, in line with national laws, until the corresponding information is made public.

The Corporate Audit Department reserves the right to monitor the flow of information, records, and any other company information, in order to verify if the provisions of this Code are being complied with, and to safeguard the interests of Tenaris. For these purposes, national laws and particularly the respect for the rights of privacy shall be taken into account.

The Corporate Audit Department keeps the authority to monitor company information flows.

5.8. Insider Trading

Insider trading and information tipping are strictly forbidden.

No employee may purchase, sell or otherwise trade in securities of Tenaris or any company that trades with Tenaris while in possession of material non-public information.

In addition, employees may not divulge, directly or indirectly, to third parties any material non-public information accessed by them in the performance of their tasks for the company, and concerning the company or any other publicly traded company.

Beyond disciplinary action, and within the applicable legal framework, a violation of this policy may lead to further legal actions against the employee involved.

Employees investing in stocks must know the regulations restricting their capacity to negotiate securities or provide sensitive information to third parties.

5.9. Use of Technological Resources

Hardware and software must be used only for corporate purposes or other expressly authorized uses. Use of non-licensed software is strictly prohibited.

Employees may not use equipment, systems and technological devices for purposes other than those authorized by the company.

The use of software that does not comply with official company standards is not permitted, unless authorized in writing by the respective technical areas. Employees must refrain from bringing into the company's technological environment illegal copies of software.

Employees operating technological resources shall be informed about user restrictions and shall not violate licensing agreements or do anything to compromise the company's responsibility.

Technological resources shall be handled in accordance with the operating regulations and procedures defined by the corresponding departments.

5.10. Intellectual Property Rights

Copyright on any know-how developed in the workplace environment is reserved to the company.

Proprietary rights over any knowledge developed in the workplace environment belong to the company, which upholds its right to exploit such knowledge in the manner and at the time it considers most suitable, in accordance with national laws in force.

The ownership of intellectual property includes plans, systems, procedures, methodologies, courses, reports, forecasts, drawings or any other activity performed in or contracted by the company.

5.11. Internal Control Environment

All Employees, in their respective functions, are responsible for the definition and proper functioning of internal controls.

It is Tenaris policy to disseminate, at every level of its organization, a culture characterized by an awareness of the existence of controls and a control oriented mentality. A positive attitude towards control is to be achieved in order to increase its efficiency.

Internal controls are all those necessary or useful tools for addressing, managing and checking activities in the company; they aim at ensuring respect of corporate norms and procedures, protecting corporate assets, efficiently managing operations and providing precise and complete accounting information.

The responsibility for building an efficient internal control system rests on all levels of the organization; therefore all Tenaris employees, in their respective functions, are responsible for the definition and proper functioning of internal controls.

5.12. Commercial Incentives

Commercial incentives must be consistent with applicable laws and market practice.

The grant of any commissions, discounts, credits and bonuses must be performed in accordance with existing legislation and officially granted to legally recognized organizations with the corresponding supporting documentation.

Even if it complies with the above-mentioned requirements, any commercial incentive must furthermore be in line with standard market practice, at authorized values and following procedures duly approved and recorded in accordance with internal regulations.

5.13. Workplace Environment

Prohibits unlawful discrimination in employment relationships.

All persons have the right to apply for a position in Tenaris or to be considered for a new position in accordance with opening requirements and merit criteria, without arbitrary discrimination.

All employees at all levels, shall cooperate to maintain a respectful environment should there be personal differences.

Promotes a respectful, healthy and safe workplace environment.

Tenaris will implement mandatory policies related to alcohol and drugs, in line with applicable national laws and aiming to promote a healthy and safe workplace environment.

5.14. Relations with the Community

Political dealings on behalf of the company are restricted, and relations with government officials are regulated.

On behalf of the company, employees are not authorized to openly support any political party; or to participate in electoral campaigns; or to take part in religious, ethnic, political or inter-state conflicts.

All employees of Tenaris must respect the legislation and regulations regarding relations with local government officials.

Respect for environmental legislation is promoted.

Respect for national laws and regulations also extends to compliance with environmental legislation and the rational use of natural resources.

<http://codigo.tenaris.ot>

For further information

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