

2022

ENVIRONMENTAL, SOCIAL RESPONSIBILITY & CORPORATE GOVERNANCE REPORT



MRC Global[®]



AN INDUSTRY
IN TRANSITION

A COMPANY
THAT IS READY

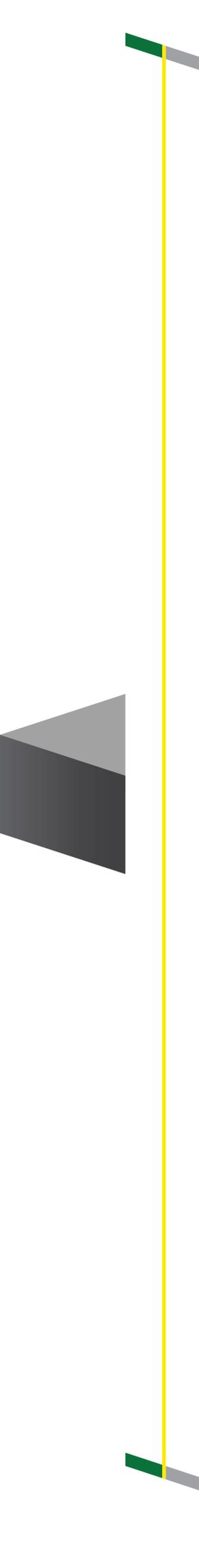


2022 ENVIRONMENTAL, SOCIAL RESPONSIBILITY & CORPORATE GOVERNANCE REPORT

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An aerial, top-down view of a warehouse or factory floor. The floor is made of large, light-colored concrete tiles. Numerous wooden pallets are scattered across the floor, each carrying large pieces of industrial machinery. The machinery is primarily grey and black, with some parts having yellow or red accents. One prominent piece of machinery in the center has a large, circular, spoked wheel. To the right, there are several large, black, cylindrical objects. In the bottom right corner, a white tag with handwritten numbers is visible. A semi-transparent green rectangular box with a thin yellow border is centered over the image, containing white text. The overall lighting is even, and the scene is organized but busy with industrial equipment.

COMMITTED
TO OPERATING
SUSTAINABLY,
ETHICALLY
& EFFICIENTLY

A vertical yellow line runs down the left side of the page, flanked by green and grey horizontal bars at the top and bottom. On the left edge, there are grey geometric shapes, including a triangle and a trapezoid.

MESSAGES FROM LEADERSHIP

2 OUR COMPANY & OUR STRATEGY

A NOTE FROM ROB SALTIEL, PRESIDENT & CEO

4 BUILDING A FOUNDATION FOR TARGETS

A NOTE FROM EMILY SHIELDS, VICE PRESIDENT – ESG



OUR COMPANY & OUR STRATEGY

A NOTE FROM **ROB SALTIEL**, PRESIDENT & CEO

2021 was a year of substantial environmental, social responsibility and corporate governance (ESG) achievements for MRC Global. As the leading global distributor of pipe, valves and fittings (PVF) and other infrastructure products and services to diversified energy, industrial and gas utility end-markets, we remain committed to maintaining a sustainable business model for our stakeholders while working with our business partners to support the energy transition.

At all levels of the organization, the people of MRC Global are proud of the enormous value that our products and services bring to society. Simply put, we offer pipe, valves, fittings and other products that keep fluids and gases where they should be and, by definition, keep them away from places they shouldn't – our surrounding land, water and air. In addition, we offer meters to carefully calibrate, products to enhance safety and coatings to protect. In fact, we supply literally hundreds of products that tangibly improve the lives of people, protect assets and benefit the larger environment.

We also are committed to quality. The spirit of continuous improvement influences not only what we do... but how we do it.

This is our fifth annual ESG report. During the past five years we have made great strides in assessing our impact and advancing our commitments to environmental care, social responsibility and good governance. Our corporate ESG commitment encompasses the following six areas of focus that are fully integrated into our business strategy and core values:



Our employees take pride in working for a company that is committed to operating sustainably, ethically and efficiently to create value for all our stakeholders.

-Rob Saltiel



Supporting the Energy Transition

At MRC Global, we embrace the energy transition and are well-positioned to assist development of a lower carbon future. Our products have essential uses in the development of biodiesel refinery conversions, carbon capture, utilization and storage (CCUS) projects, offshore wind farms, hydrogen generation and transportation, and geothermal and hydroelectric power. We maintain long-term relationships with many customers who are leading this movement, and we are already participating in many of these exciting projects. In 2021, we modified our downstream and industrial sector to include energy transition revenue, creating the Downstream Industrial and Energy Transition (DIET) sector. This move reflects our commitment to the energy transition and our belief that it will be a substantial driver of future growth.



Minimizing Greenhouse Gases and Reducing Pollution

We believe that traditional energy sources will remain vital to our global society through the next few decades. As a result of Russia's recent invasion of Ukraine, the global economy renewed its focus on energy security as countries seek to replace Russian oil and natural gas with more stable sources. We provide our customers with critical infrastructure to safely transport, store and control hydrocarbons and hazardous fluids while reducing pollution from fugitive emissions and spills. In fact, 94% of the valves we supply are low-emissions (Low-E) valves which significantly reduce methane and other greenhouse gases from leaking into the atmosphere. The U.S. and other countries where we operate are tightening regulations on greenhouse gas emissions, while investors, customers and local communities are pushing for reduced emissions along every step of the value chain. Low-E valves, controlled actuation technology and other MRC Global products are uniquely positioned to help our customers meet stricter environmental requirements and satisfy emerging stakeholder needs.



Reducing our Carbon Footprint

We are committed to reducing our carbon footprint through improved operational efficiencies and conservation of resources. Our hub-and-spoke distribution system is evaluated continuously to optimize the transportation of products from initial receipt to delivery at our customers' locations. Our fast-growing e-commerce platform, MRCSGO™, facilitates product shipments directly from our regional distribution centers rather than through local service centers. We have upgraded our corporate fleet with more fuel-efficient engines and new hybrid vehicles, and in North America alone, we increased the use of electricity from renewable sources from 0% in 2019 to 41% in 2021. Our electronic documentation process reduces paper consumption, while our shipping procedures reduce packaging, waste and transit weights.



Maintaining a Safe Workplace

We know that our foremost responsibility is the health and well-being of our more than 2,600 worldwide employees, so safety leadership remains our first Core Value. Though our safety results are industry-leading, we are not satisfied until we achieve zero incidents in our workplace. In 2021, we appointed a new global Director of Safety, introduced a new job planning tool to raise safety awareness, enhanced our recognition of safety leaders and improved our safety communications content and frequency. We continue to link the compensation of our operations managers and our senior executives to our safety performance.



Developing a Diverse Workforce and Inclusive Workplace

We believe that maintaining and developing a diverse workforce and an inclusive work environment is critical to our success. All MRC Global employees should feel that their contributions are valued and that their professional growth opportunities are supported by the company's professional development initiatives. As one measure of progress, we are proud to report that in 2021, our workforce was comprised of 55% women in corporate functions, up from 42% just three years prior. We recognize that diversity of thought, experience and culture improves our business performance and enhances our ability to attract, retain, develop and motivate our future leaders. In 2021, we enhanced our human capital management system and employee development offerings. We continue to identify areas of opportunity and improvement as we review results of our 2022 worldwide employee survey.



Governing ESG Risks and Opportunities

We recognize the growing importance of ESG initiatives to our business and to our stakeholders. In 2021, we appointed our first Vice President of ESG to communicate our progress and to formulate the agenda for future initiatives. Our Board of Directors (Board) recently changed the name of its Governance Committee to the Environmental, Social, Governance & Enterprise Risk Committee and the name of its Compensation Committee to the Compensation & Human Capital Committee. These committees, along with the Board's Audit Committee, oversee ESG matters. The name changes better reflect their oversight responsibilities.

Rob Saltiel presenting
ERP Program Manager,
Neil Priestley
with his 25-year
service award at the
MRC Global location in
Bradford, UK.



Reflecting on my first year at MRC Global, I have seen firsthand the enormous benefits that our ESG initiatives have on our employees, customers, suppliers and investors. Our company's future success depends on the continued progress of these initiatives and their alignment and integration with our corporate strategy. Our employees take pride in working for a company that is committed to operating sustainably, ethically and efficiently to create value for all our stakeholders. Our ESG focus remains fundamental to this commitment.





BUILDING A FOUNDATION FOR TARGETS

A NOTE FROM **EMILY SHIELDS**, VICE PRESIDENT – ESG

I am both proud and humbled to be the first Vice President of ESG for MRC Global, and I recognize the responsibility that comes with this appointment. I also recognize the dedication of my colleagues who make our ESG achievements possible, including the reporting on our continual progress.

For context, our ESG journey has evolved over the years from reporting on our various high-level ESG activities and management objectives to assessing the critical data needed to drive our ESG initiatives, especially in the environmental arena. Initially, we reported only our North American business, which represents over 87% of our revenue, because environmental data is more easily accessible and more centrally maintained in our U.S. and Canada segments compared to data in our International segment. Today, our reporting includes all of our International operations, and we continually seek opportunities to improve the quality and breadth of our ESG dataset.

Our ESG journey has included navigating applicable standards to our business. In our 2020 ESG Report, we adopted the core recommendations of the Task Force on Financial Climate-related Disclosures (TCFD). We report our data using a mix of the Sustainable Accounting Standards Board (SASB) Multiline and Specialty Retailers & Distributors and Oil & Gas – Services codes. This year’s report marks our first alignment in support of the United Nations Sustainable Development Goals. We believe this best reflects the distribution business of our company and the types of products and services that we provide to our energy industry customers.

This year, we have improved our data gathering, processes and verification to build a strong foundation to support the company’s ESG initiatives. In 2021, we enhanced our management-led ESG Committee and added my role as a dedicated ESG leader. Our enhanced ESG Committee is comprised of senior executives to further integrate the company’s ESG initiatives into the overall MRC Global business strategy. Our ESG Committee reports to our ESG & Enterprise Risk Committee of our Board (formerly known as the Governance Committee). Our team of business leaders is dedicated to identifying areas for improvement that align with company ESG objectives, while obtaining data metrics to track our progress and make informed decisions.

We are proud to report that our fleet Scope 1 emissions were reduced by approximately 10% in 2021 compared to the prior year, even while our office employees have returned to the office and activity has expanded from the pandemic restrictions in 2020. Additionally, we have made great strides to improve the data integrity process of our electricity use Scope 2 metrics to support future target setting. In 2021, we undertook a detailed examination of our North America electrical and water use, which resulted in higher quality results by closing gaps in our data collection process. We are now confident that our improved data collection methodology yields complete and more accurate North America results and view this as an important step in our data integrity enhancement plan.



This year’s report marks our first alignment in support of the United Nations Sustainable Development Goals.

-Emily Shields



We continue to maintain reliable data on our social metrics involving health and safety efforts, training for employees, community engagement and aspects of employee development and employee composition. In early 2021, we completed the second step in our multi-phase implementation of a global human resources information system (HRIS), which allows us to have more detailed metrics on various employee groups for strategic decision-making.

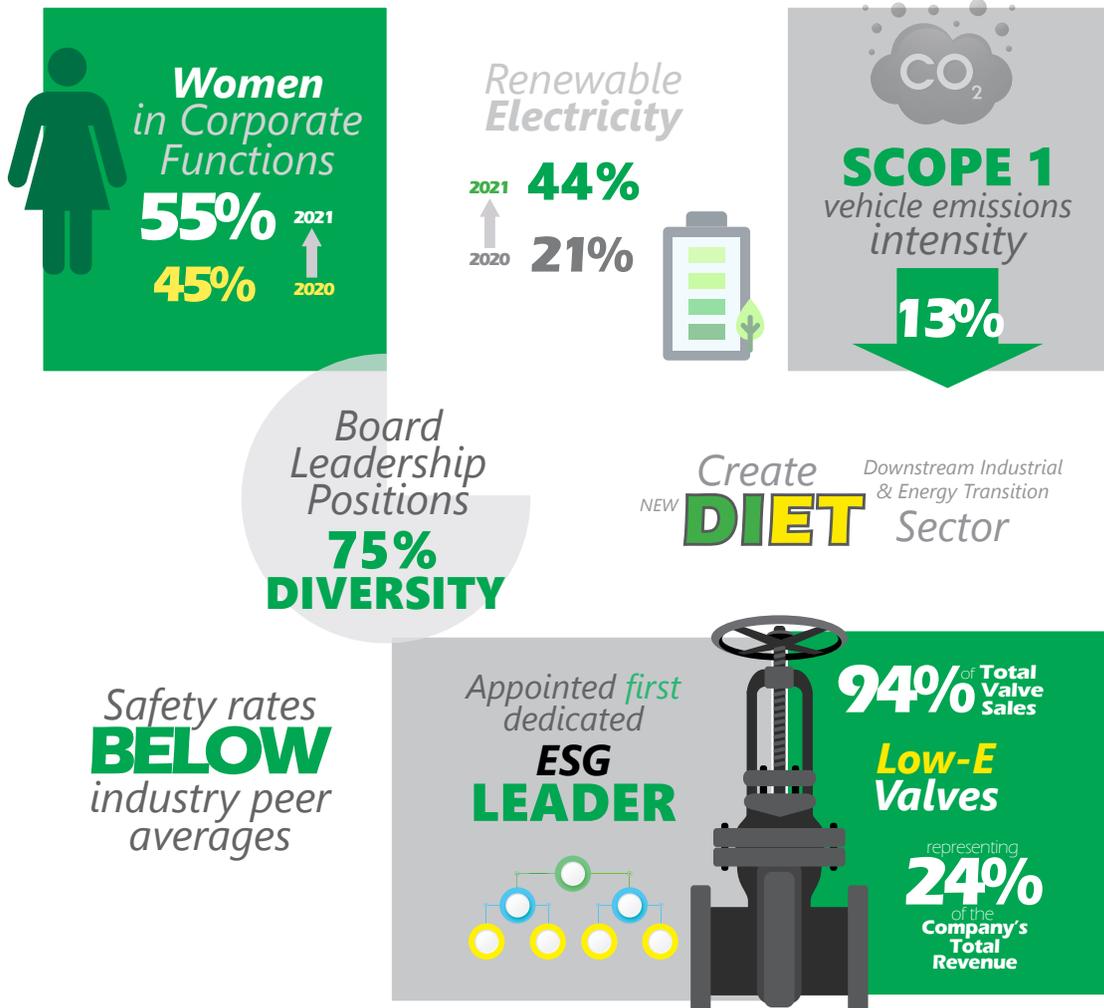
Starting in 2021, we are tracking our sales into energy transition projects in our Downstream, Industrial and Energy Transition Sector. To enable this change, we have made upgrades to our enterprise resource planning (ERP) systems, which will allow us to track the growth in the energy transition initiatives that are becoming an important growth engine for our company.

The data presented in this report is generally derived from various company reports and systems. However, in some cases, data is derived from third-party systems that vendors maintain on behalf of the company or provided to the company, which may not be subject to verification. Where data is not completely available or fully reliable, the company has utilized reasonable, good faith estimates to fill gaps, including estimates derived from trends in available data and by surrogate industry and regional trend data that is commonly used to supplement ESG data and analysis.

In 2021, our ESG data initiatives have resulted in much greater confidence in our data integrity, and we continue to navigate further improvements in this and other areas. Accurate data is the foundation of a strong ESG program that results in meaningful improvement over time. Our goal is to continue to strengthen our collection and organization of ESG metrics to consistently gather data and provide a baseline for future target setting.

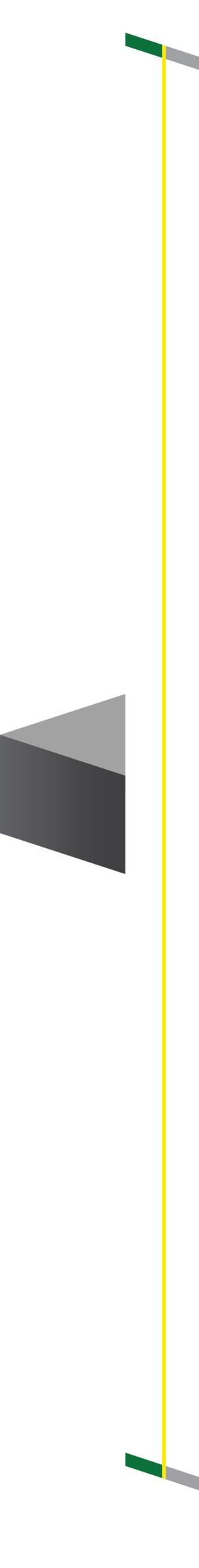
We look forward to updating you on our progress in these key areas in the years ahead.

2021 ESG PERFORMANCE SUMMARY & KEY ACHIEVEMENTS





OVER
ONE HUNDRED
YEARS OF
SUCCESS



WHO WE ARE

MRC Global began with the formation of McJunkin Supply Company in 1921 in West Virginia by Jerry McJunkin and Bernard Wehrle. Lew Ketchum, a member of the Delaware Indian tribe, was the driving force behind the Red Man organization that he founded in 1977 in Tulsa, Oklahoma. Since that time, over 120 companies have joined our organization through acquisitions and mergers. In 2007, McJunkin merged with Red Man Pipe and Supply to form the MRC Global that we know today. McJunkin and Red Man have held high ethical and business standards since their respective starts, and together, these principles have provided the foundation for over 100 years of success.

8	<i>WHAT WE DO</i>
11	<i>WHAT WE DON'T DO</i>
12	<i>MRC GLOBAL AT A GLANCE</i>
14	<i>ENVIRONMENTAL CARE</i> <i>ENABLING THE ENERGY TRANSITION</i> <i>ALTERNATIVE & RENEWABLE ENERGY SECTORS</i>

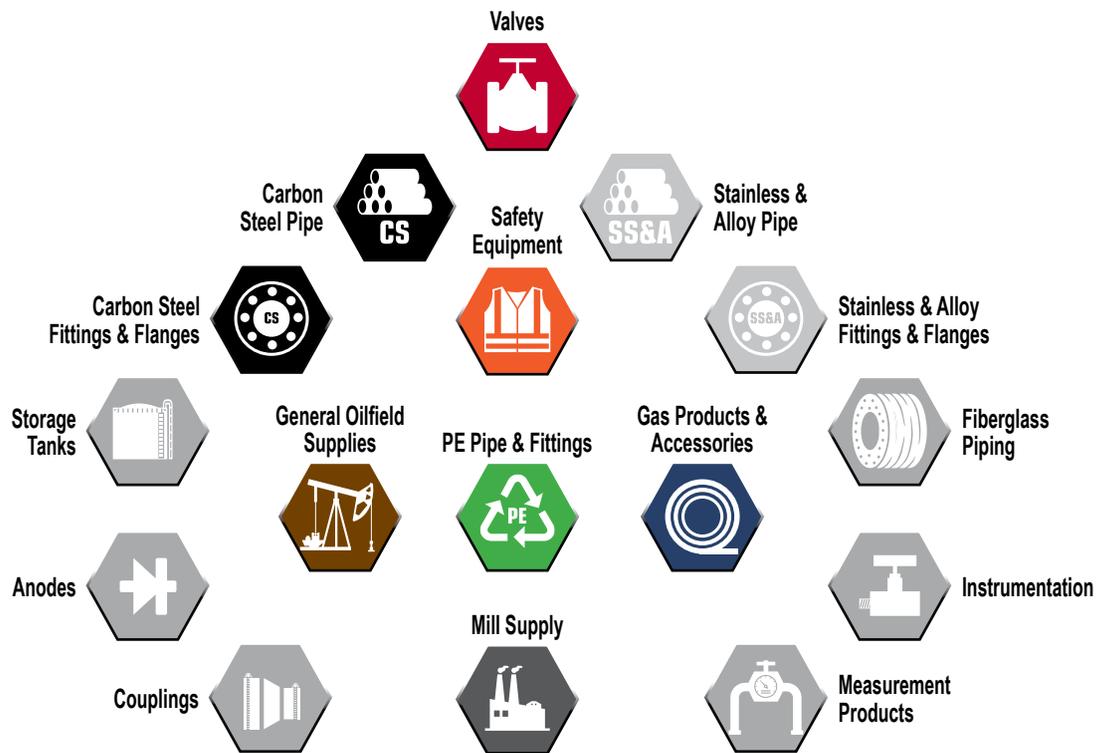


WHAT WE DO

MRC Global is the leading worldwide distributor of pipe, valves and fittings (PVF) products and other infrastructure products and services to diversified end-markets including the gas utilities, downstream, industrial and energy transition, upstream production, and midstream pipeline sectors. We provide customers with extensive technical product and supply chain expertise. We are a global team in 16 countries and over 200 locations dedicated to our customers, our communities and each other.

OUR PRODUCTS

As a distributor of PVF, we sell products that control the flow of liquids and gases in a safe and environmentally responsible manner. The products we provide dramatically reduce leaks of hydrocarbons, gases and other substances into the air, water and soil. Our product offering include the following:



The overwhelming majority of the valves that we sell are designed to minimize leaks of harmful gases such as methane, which has a greenhouse gas intensity many times greater than carbon dioxide.

In addition, the pipe, fittings and flanges that MRC Global provide are environmentally friendly; in most cases, they are manufactured from recycled steel scrap, and their purpose is to transport fluids and gases without leaks.

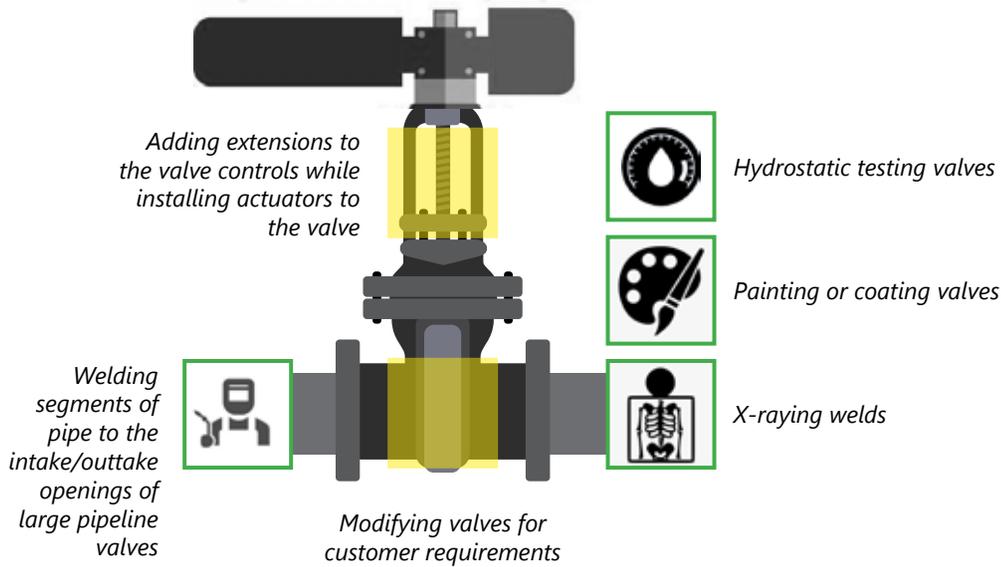
Our customers use many of these products to limit greenhouse gas (GHG) and other noxious emissions in their operations. For instance, the overwhelming majority of the valves that we sell are designed to minimize leaks of harmful gases such as methane, which has a greenhouse gas intensity many times greater than carbon dioxide. In addition, the pipe, fittings and flanges that MRC Global provide are environmentally friendly; in most cases, they are manufactured from recycled steel scrap, and their purpose is to transport fluids and gases without leaks.

For a more detailed discussion, see [Our Products at p. 32](#).

OUR VALUE-ADD SERVICES

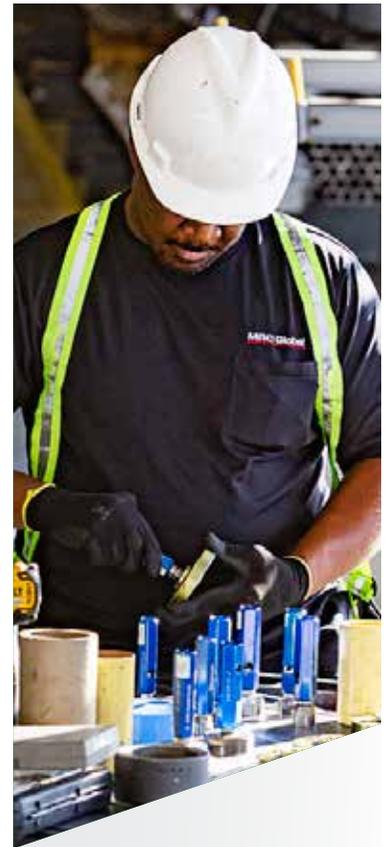
MRC Global has technical expertise and value-add supply chain solutions that differentiate us from our competitors and integrate our capabilities with our customers' demands. We have valve engineering centers worldwide that provide valve automation services. In addition, we have a valve engineering and modification center in La Porte, Texas that provides services primarily to our midstream pipeline and gas utility customers.

Delivering complete valve/actuation assemblies to our customers for field installations



To complement these services, MRC Global developed ValidTorque™, which certifies the precise baseline performance for each unique valve and actuation package before it is placed into service, providing for greater certainty of performance. This set of measurements enables operators to monitor changes in cycle time that could impact performance and predict degradation before failure because the certification data provides a baseline for optimal performance. MRC Global's FastTrackSM service provides specified classes of actuated valves in short delivery windows. We also provide:

- + complete engineering documentation
CAD drawings
- + testing services
e.g., hydrostatic testing, weld x-rays
- + steam system surveys and audits
- + on-site product assistance
- + training and demonstrations
- + technical support
- + order consolidation
- + volume purchasing
- + truck stocking
- + multiple daily deliveries
- + product tagging
- + system interfacing that is customized to customer and supplier specifications for tracking and replenishing inventory



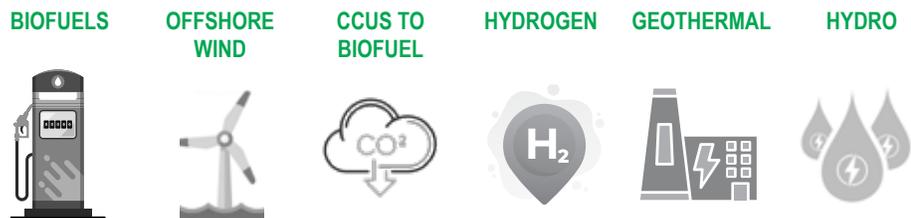
Our **quality assurance program** determines which manufacturers meet our standards for inclusion on our approved manufacturers list, provides for product quality testing and includes significant supplier audits. MRC Global has integrated supply solutions for customers who choose to outsource inventory management, including warehouse and logistics solutions, stock replenishment, and product rationalization.

OUR BUSINESS / CUSTOMERS

Our strategy to sustain our business includes continued expansion into energy transition markets, while providing products and services to multiple industrial and energy sectors – including contracts with the majority of the largest gas utilities in the U.S.⁽¹⁾ Our Gas Utilities sector represented 38% of the company's 2021 revenue and has experienced solid growth following the initial impacts of the COVID-19 pandemic in 2020. Our customer spending in the Gas Utilities sector is not determined by oil and gas prices but rather customer needs to replace existing infrastructure, modernize distribution systems and expand their markets. Our second largest sector, **Downstream, Industrial and Energy Transition (DIET)** represented 29% of the company's 2021 revenue and includes chemical and petrochemical plants, petroleum refineries, pulp and paper plants, mining operations and companies and installations involved in the energy transition. Finally, we also provide products to the Upstream Production (oil and gas) and Midstream Pipeline sectors.

Many of the products that we sell are used to prevent the escape of methane, a potent greenhouse gas. The U.S. Environmental Protection Agency (EPA) recently issued new regulations to reduce leakage of methane in the form of New Source Performance Standards, which are applicable in the Upstream Production and Midstream Pipeline Sectors. We are well-positioned to service our customers in these sectors to address their methane-reduction needs.

Our largest customers are among the leading investors in alternative and renewable energy technologies. As they rebalance their capital investment from traditional, carbon-based energy to alternative and renewable sources, we offer our support for their energy transition needs and expand our product and service offerings as needed to support their changing requirements. Our warehouses, distribution network and technology are capable of pivoting and enhancing our offerings for many industries and end uses, such as alternative and renewable energy. In fact, we already supply products to alternative energy and renewable energy end uses, which are included in our DIET sector. We are working to enhance our reporting systems to better capture sales to these end markets, which represent a fast-growing part of MRC Global's business. We have expertise in various energy transition areas, and we have supplied products to alternative and renewable energy projects, including those in the following categories:



The DIET sector is MRC Global's second largest sector, finishing 2021 at 29% of global sales. Oil prices, plant turnarounds and customer projects are key drivers for this business, and the customers we serve include refineries, chemical plants, offshore wind farms, and biofuel units to name just a few. These are the companies that refine the fuel for our cars, the chemicals in plastics for our personal items and so much more.

- Rance Long
SVP Sales & Marketing

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOAL ALIGNMENT

At MRC Global, we are committed to maintaining a sustainable business model and supporting the clean energy transition. We support the United Nations Sustainable Development Goals (UN SDGs), and our progress is described throughout this report. The following goals represent areas where we believe our business has the most impact:



(1) Utility size based on number of customers.

INDUSTRY ACCOLADES



ESG ACCOLADES

**TOP
15%**

In 2021, MRC Global participated in **S&P's** ESG assessment and scored in the Top 15% of companies in the Trading Companies and Distributors sector.



Since at least 2018, MRC Global has participated in the **Ecovadis assessment**. In 2021, MRC Global was awarded a Bronze Ecovadis Medal.

**TOP
20%**

Since 2018, MRC Global has participated in the TSP Project, now known as the **Electric Utility Industry Sustainable Supply Chain Alliance (EUISSCA)**. In 2021, MRC Global scored in the Top 20% of companies in the Distribution/Logistics and Shipping industry.



Newsweek named MRC Global one of America's Most Responsible Companies for 2022.

WHAT WE DON'T DO

- X** Engage in **heavy manufacturing** activities such as smelting, molding, refining, producing chemical compounds or discharging production waste materials – we only engage in light assembly, product modification or repair activities
- X** **Mine for minerals** or conduct oil and gas exploration and production activities – we distribute products that help our customers in these sectors do so in an environmentally responsible manner
- X** **Own, lease or operate** oil and gas pipelines
- X** **Source, use or discharge** large quantities of **chemical compounds or hazardous materials** for our operations – our chemical waste is limited to light amounts of oil, grease, paint and other coatings
- X** Develop, own or operate facilities in **critical habitats** or other **high biodiversity** value areas
- X** Transport **hazardous** chemicals



MRC GLOBAL AT A GLANCE

\$2.7B
SALES



~210
LOCATIONS



10,000+
CUSTOMERS



~2,600
EMPLOYEES



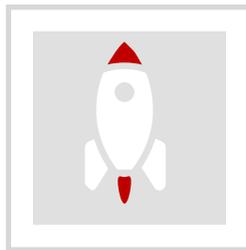
\$685 M
INVENTORY



10,000+
SUPPLIERS

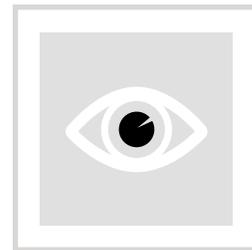


OUR MISSION



TO DELIVER SUPERIOR
SERVICE TO OUR
CUSTOMERS AROUND
THE WORLD AND
PROVIDE INNOVATIVE
SUPPLY SOLUTIONS
TO ENHANCE OUR
CUSTOMERS'
OPERATIONS

OUR VISION



BE THE WORLD'S
LEADING PROVIDER
OF PVF PRODUCTS
AND SOLUTIONS
TO THE ENERGY
AND INDUSTRIAL
MARKETS

VALUES ACTION



Make **safety**
our obligation.



Respect all people.



Create **value**
for our customers.



Grow our
business sustainably.

Core Values

Safety Leadership
Customer Satisfaction
Business Ethics
Operational Excellence



Financial Performance
Teamwork
Employee Development
Community/Charity Involvement

MRC Global



ENVIRONMENTAL CARE

ENABLING THE ENERGY TRANSITION – ALTERNATIVE AND RENEWABLE ENERGY SECTORS

We believe our business plays a significant role in the energy transition by offering our customers the products and services needed to drive continued progress in reducing greenhouse gas emissions.

Transitioning from hydrocarbon fuels to alternative and renewable energy sectors is a significant business opportunity for MRC Global, and many of our largest customers are among the leading investors in alternative and renewable energy technologies. As they further rebalance their capital investment from traditional, carbon-based energy to alternative and renewable sources, we aim to support their changing requirements through the supply of PVF products and the enhancement of our product and service offerings.

Our existing customer base provides a foothold in the energy transition while we monitor new developments and explore opportunities for new customers and end-uses in the alternative and renewable energy spaces. Our supply chain management team is deeply immersed in the products and product development occurring within our 10,000 manufacturers, many of which are seeking new designs and technologies for use in energy transition applications. Our warehouses, global distribution network and technology are well-suited to evolve our offerings to alternative energy and renewable energy end uses around the world.

Our experience in energy transition is heavily project based and rapidly growing. Because of the rapid growth of this expanding sector, our backlog is greater than the total revenue we generated in 2021 in this area. This supports our confidence that the energy transition will become a significant driver of growth in the coming years. The following are examples of alternative and renewable energy work we have performed or have in progress:

Talbingo Dam - Talbingo Reservoir is the bottom storage for the Snowy Hydro 2.0 project in Australia. MRC Global is proud to have supplied PVF to Snowy Hydro 2.0, the largest committed renewable energy project in Australia.



Alternative / Renewable Type	MRC Global's Contribution
------------------------------	---------------------------

BIOFUELS



MRC Global supplied pipes, fittings and flanges (PFF) for the conversion of a refinery in Bakersfield, California to a renewable diesel facility, which is expected to generate 15,000 barrels of renewable diesel daily.

MRC Global supplied PFF to a major U.S. refining company's conversion of its refinery to a renewable fuels facility in Martinez, California. This facility is expected to produce approximately 730 million gallons a year of lower carbon-intensity renewable fuels.

MRC Global supplied manual and automated valves to an oil refining and engineering services company's Rotterdam refinery and terminal, which has produced exclusively renewable products since 2011. MRC Global is continuing to supply valves and motor-operated valves in support of the customer's expansion of its sustainable aviation fuel production capacity in Rotterdam from 100k tons to 500k tons per year beginning in Q3 2023.

OFFSHORE WIND



MRC Global supplied valves to the Dogger Bank Wind Farm, which is located in the North Sea and is expected to be the largest offshore wind farm in the world with a capacity of 3.6 GW, enough energy to power the equivalent of six million UK homes.

Aker Solutions AS has awarded MRC Global contracts to provide the complete scope of valves, instrumentation, piping, tubing and fittings for the Sunrise Wind offshore wind power project located east of Long Island's Montauk Point in New York state. The Sunrise project, with a capacity of 924 MW, is a joint venture between Ørsted and Eversource. MRC Global is supplying approximately 1,000 valves to the project as well as over 7,600 meters of piping and tubing and more than 7,700 pieces of flanges and fittings. These products will be used in sea water cooling systems for high voltage equipment in the project, the diesel fuel system used to power certain parts of the wind farm and firefighting systems in the farm.

CCUS TO BIOFUEL



MRC Global supplied valves to a multinational steel manufacturing company's project in Belgium, which will capture carbon-rich process gases from a blast furnace and biologically convert them into bioethanol. It is expected to produce 80 million liters of bioethanol annually.

HYDROGEN



MRC Global provided PVF to an industrial gas company in Edmonton, Alberta for a world-scale blue-hydrogen plant. The facility is expected to begin net-zero hydrogen production and liquefaction in 2024.

GEOHERMAL



MRC Global provided automated valve assemblies for Baseload Power's Wineagle geothermal pilot plant in Wendel, California. Baseload intends to complete installation of four geothermal heat power generation units with capacity between 600 KW and 1.35 MW.

HYDRO



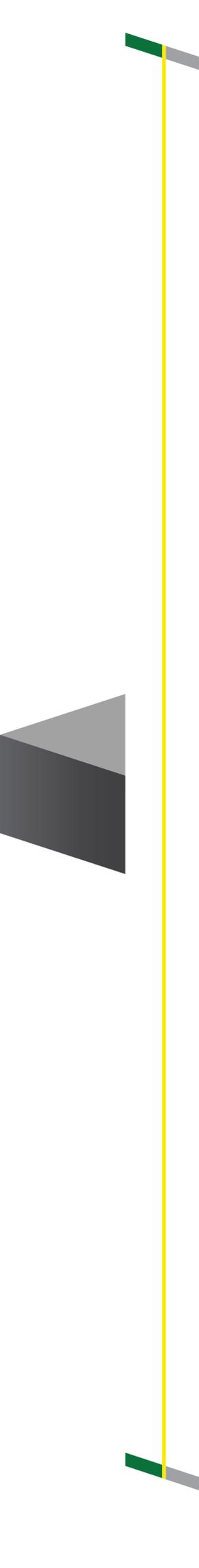
MRC Global supplied PVF to SnowyHydro 2.0, the largest committed renewable energy project in Australia, which links two existing dams and will provide on-demand power while reusing or "recycling" water in a closed loop to maximize efficiency of renewables by using excess solar and wind energy to pump water to the higher dam to be stored for future use. It will provide an additional 2,000 MW of dispatchable, on-demand generating capacity and approximately 350,000 MW hours of large-scale storage to the National Electricity Market.

MRC Global has supplied PG&E Hydro with actuators for its hydroelectric system at Lake Almanor in California, which has been generating clean energy since 1914.

MRC Global supplied So Cal Edison with actuators for its hydroelectric power plants on the Kern River near Bakersfield, California.

A worker wearing a white hard hat and a safety vest is working in a control room. The room is filled with a large panel of circuit breakers. The worker is looking down at a device in their hands. The image has a green tint and a yellow border around the central text area.

GROW OUR
BUSINESS
SUSTAINABLY



GOOD GOVERNANCE

We believe that good governance is the foundation for good business and how we continue to best serve our customers. Our emphasis on the highest standards of ethics and integrity begins with our Board of Directors (“the Board”) and extends to all levels of our organization.

MRC Global is committed to sound principles of governance and has adopted corporate governance practices that promote the effective functioning of our Board, its committees and our company. The primary responsibility of our Board is to foster the long-term success of the company by promoting the interests of our stakeholders. Our Board believes that strong corporate governance is critical to achieving our performance goals and to maintaining the trust and confidence of customers, investors, employees, business partners, local communities and all other stakeholders. To properly reflect the level of emphasis our Board puts on ESG matters, the Board renamed its Governance Committee to the Environmental, Social, Governance & Enterprise Risk Committee (the ESG & Enterprise Risk Committee) in 2021.

The following summarizes our corporate governance practices. For a more detailed description of the company’s Corporate Governance, please see our 2022 Proxy Statement beginning on page 33 under the caption “Corporate Governance Matters.” The 2022 Proxy Statement can be found on our website (investor.mrcglobal.com) or the EDGAR portion of the website of the U.S. Securities and Exchange Commission (www.sec.gov).

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CODE OF ETHICS

We are committed to high standards of honest and ethical behavior and integrity in carrying out our business activities. Business Ethics is a fundamental Core Value of our company. All employees must follow our Code of Ethics, compliance policies and applicable law in all of our activities and operations on a worldwide basis. We rely on the good judgment, high standards and the examples of our directors, officers and employees as the principal guide to ethical conduct. We conduct training and testing of our officers and employees on these issues on a regular basis. We require our employees to complete an annual online compliance ethics questionnaire concerning their activities to certify their compliance with our ethics policies. We also conduct interactive online compliance training that is required for all employees. Additionally, we have a strict code of ethics to which our principal executive and senior officers must adhere. Our compliance function routinely reviews recent developments in law so that we can immediately update our policies and practices to maintain our high standards.

Given that our workforce is distributed across 34 U.S. states and 16 countries, we utilize an on-line learning management system (LMS) to deliver broad based training to our employees. In 2020, we completed the global implementation of our compliance training, which is interactive and practical with industry-specific scenarios to better engage our employees on important topics that impact compliance and our business ethics. This four-part "ONE MRC Global" Compliance Training is a comprehensive series that addresses general ethical principles, anti-bribery and anti-corruption, human rights and environmental protection dimensions. Our international employees have access to localized and translated content. By establishing and reinforcing a company global standard for ethics and conduct expectations, these modules transform complex legal topics into easily comprehended practices. Employees learn our requirements in practical, actionable terms. Our "ONE MRC Global" Compliance training covers the following content:

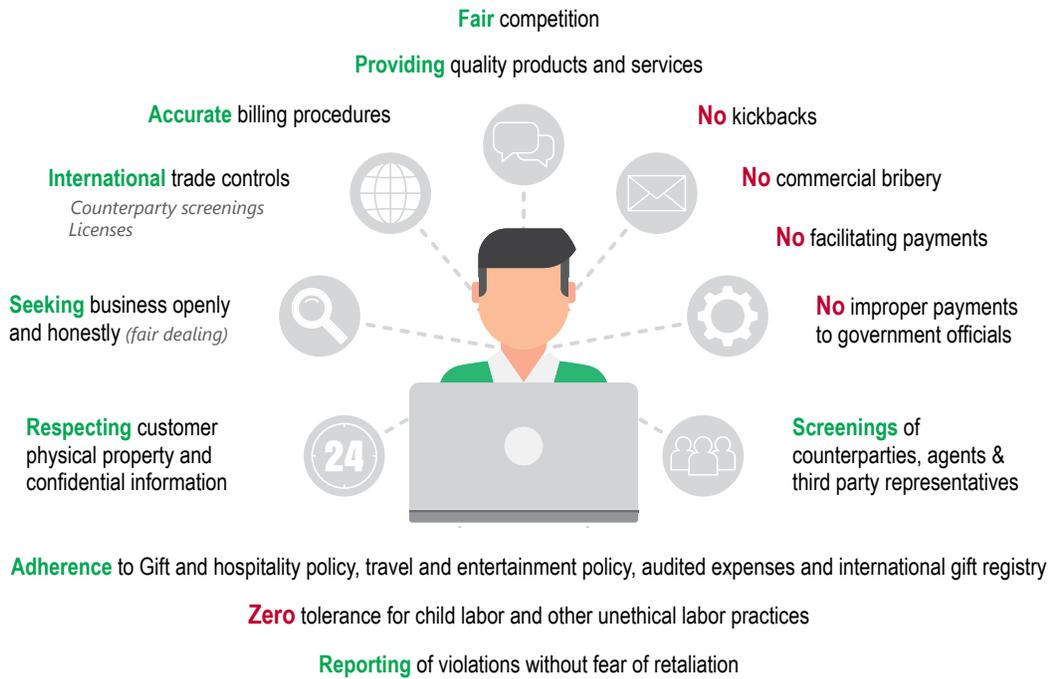
HOW WE ACT IN THE BEST INTERESTS OF THE COMPANY



2021 Board of Directors back row (L-R): Ronald L. Jadin, Dr. Cornelis A. Linse, Rob Saltiel, George J. Damiris
 front row (L-R): Henry Cornell, Deborah G. Adams, Rhys J. Best (ret. May 2022), Robert L. Wood, Barbara J. Duganier, Leonard M. Anthony



HOW WE TREAT OUR CUSTOMERS & SUPPLIERS



HOW WE TREAT OUR SHAREHOLDERS

- Honest** and accurate books and records
- Financial** disclosures and preventing fraud
- Third party** audit assurance on financial statements
- Reporting** violations without fear of retaliation
- Commitment** to strong shareholder value



HOW WE TREAT OUR COMMUNITIES

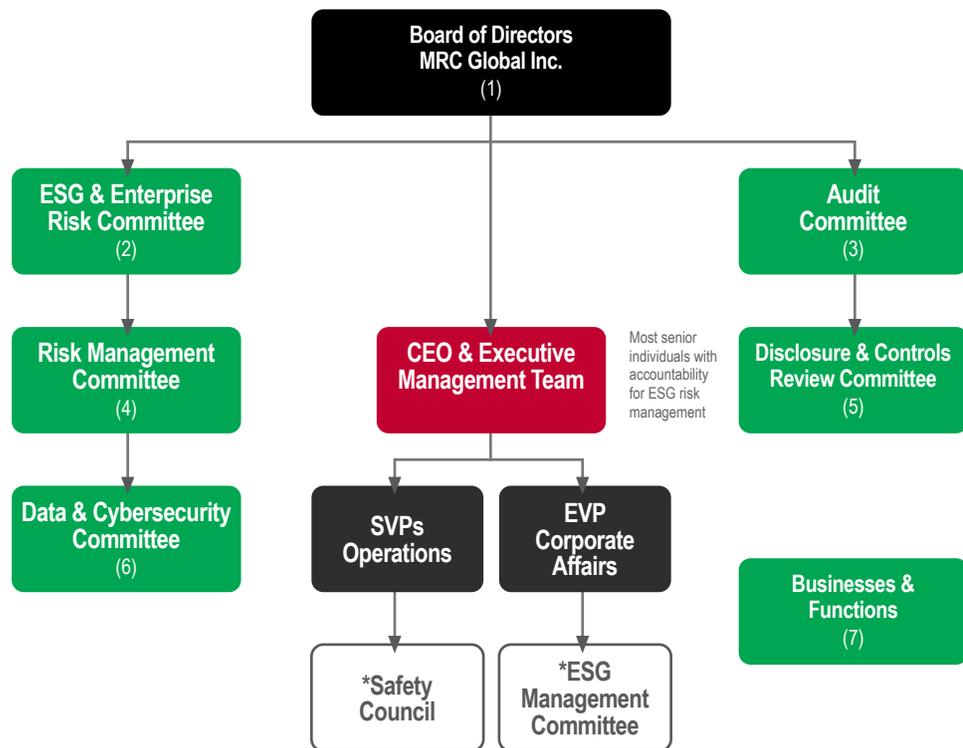


BOARD OVERSIGHT OVER ESG

Our effective management of ESG factors is of long-term significance to our stakeholders and critical to our company's success. Our Board has tasked its ESG & Enterprise Risk Committee with assisting the full Board in its oversight of the company's efforts on ESG matters, which are reviewed by our Board on a quarterly basis. In addition, we have a senior management-level ESG Committee that reports to the Board's ESG & Enterprise Risk Committee and is responsible for monitoring, assessing and improving all relevant issues with respect to ESG. Our EVP – Corporate Affairs chairs the ESG Committee, comprised of leaders from operations, finance, quality, safety, corporate services, marketing, human resources, legal, investor relations and supply chain management. In 2021, we enhanced our ESG efforts by adding a Vice President – ESG as a dedicated leader, and she is a member of the ESG Committee. The ESG Committee drives ESG initiatives within the company and oversees reporting and benchmarking of key performance indicators to measure MRC Global's effectiveness.

The following ESG Board Oversight diagram depicts the oversight responsibilities of the Board and two committees as they relate to ESG matters:

ESG GOVERNANCE STRUCTURE



*One senior member of the Safety Council is a member of the ESG Management Committee. Certain members of the Safety Council are on the Risk Management Committee.

- (1) Oversight of ESG risk management.
- (2) Non-executive Directors appointed by the Board to review and advise on sustainability policies and practices including climate change and other ESG matters.
- (3) Non-executive Directors appointed by the Board to oversee the effectiveness of the system of risk management and internal control.
- (4) Assists the ESG and Enterprise Risk Committee and Board in identifying, assessing and monitoring key risks to the company. Members include the CEO, EVPs, SVPs, certain VPs and executive directors.
- (5) Assists the Audit Committee, Board, CEO and CFO in meeting their obligations with respect to disclosures regarding financial results and other financial and non-financial disclosures. Members include the CEO, EVPs, SVPs, certain VPs and executive directors.
- (6) Takes steps to understand and mitigate information security risks by completing regular reviews and approvals of the company's information security program.
- (7) Responsible for implementing MRC Global's ESG strategy. They are represented in the ESG Management Committee and Safety Council.

CORE VALUES IN ACTION SNAPSHOTS



Business Ethics

“Executives from one of MRC Global’s longtime pipe suppliers presented the company with an acknowledgment of MRC Global’s 100th anniversary. MRC Global has purchased 156,000 miles of pipe from them over the two companies’ long history. **They spoke very highly of our thoroughness, transparency, and culture of fairness.**”

By the way, 156,000 miles is 824,000,000 feet (6.25 X around the earth). That is a lot of pipe.”

Jack McCarthy
Senior Vice President
Supply Chain Management



Respect All People

What does Respect all People mean to you?

“Respect means a lot of different things to everyone. But in my opinion, it comes out to two aspects: acceptance and empathy. Everyone wants to be accepted for who they are and what they bring to the table. To do that, **I follow the Platinum Rule: Treat Others as They Want to be Treated.** They should be treated with respect and courtesy without criticism or stereotyping. Doing so makes the workplace a better place to be and more productive as well.”

Jordan Thombs
Sales Associate
Houston, TX



Business Ethics

“At MRC Global, we are dedicated to maintaining a positive and supportive workplace. We have a Core Values statement that says, “We respect all people.” There is no place for harassment, discrimination or other misconduct that impacts our employees, our customers, our suppliers or others. If you have a concern about an issue or behavior that does not align with our Core Values, **we want you to speak up.**”

Dan Churay
Executive Vice President
Corporate Affairs,
General Counsel &
Corporate Secretary

Core Values

- + Safety Leadership
- + Customer Satisfaction
- + Business Ethics
- + Operational Excellence
- + Financial Performance
- + Teamwork
- + Employee Development
- + Community/Charity Involvement

BOARD OF DIRECTORS

In 2021, our company leadership conducted a structured transition in accordance with longstanding board and management succession plans. Our prior CEO retired, and Robert Saltiel joined our company as our new CEO and joined our Board along with two other new members. After 14 years of dedicated service, Rhys Best, our Chairman of the Board, retired effective with our Annual Meeting of Stockholders in May 2022. The Board named Robert Wood as our new Chairman of the Board upon Mr. Best's retirement and named Deborah Adams to replace Mr. Wood as our Chairman of the Board's Compensation & Human Capital Committee. Our Board is comprised of the following members:



Robert L. Wood

Independent Director since 2015
Former Chairman, President and CEO of Chemtura Corporation

Chairman of the Board



Deborah G. Adams

Independent Director since 2017
Former Senior Vice President of Phillips 66

Compensation & Human Capital Committee Chair
ESG & Enterprise Risk Committee Member



Leonard M. Anthony

Independent Director since 2008
Former CEO of WCI Steel, Inc. and former Chief Financial Officer of Dresser-Rand Group, Inc.

Audit Committee Member
ESG & Enterprise Risk Committee Chair



Henry Cornell

Independent Director since 2018
Founder and Senior Partner of Cornell Capital LLC and former Vice Chairman of the Merchant Banking Division of Goldman Sachs & Co.



George J. Damiris

Independent Director since 2021
Former CEO of HollyFrontier Corporation and Holly Energy Partners

Compensation & Human Capital Committee Member
ESG & Enterprise Risk Committee Member



Barbara J. Duganier

Independent Director since 2015
Former Global Chief Strategy Officer of Accenture and former Global Chief Financial Officer of Andersen Worldwide

Audit Committee Chair
ESG & Enterprise Risk Committee Member



Ronald L. Jadin

Independent Director since 2021
Former Chief Financial Officer of W.W. Grainger, Inc.

Audit Committee Member
Compensation & Human Capital Committee Member



Dr. Cornelis A. Linse

Independent Director since 2010
Former Chairman of the Netherlands Commission for Environmental Impact Assessment and former Shell executive

Audit Committee Member
Compensation & Human Capital Committee Member



Robert J. Saltiel, Jr.

Director since 2021
President & CEO of MRC Global, Former CEO of Key Energy Services, Inc. and Atwood Oceanics, Inc.

CEO

BOARD MEMBERSHIP & DIVERSITY

The Board of Directors regularly considers the long-term composition of our Board and how the members of our Board change over time. The entire Board selects nominees for the Board in accordance with the procedures and criteria set forth in our Corporate Governance Guidelines.

The Board seeks a diverse group of candidates who possess a broad range of backgrounds, skills and expertise to make a significant contribution to the Board and the company. When reviewing director candidates, the Board considers each candidate's qualifications for membership (including the enhanced independence, financial literacy and financial expertise standards that Audit Committee membership may require) and assesses the performance of current directors who are proposed to be renominated to the Board. The Board considers qualified candidates for membership on the Board without bias to race, color, religion, sex, ancestry, sexual orientation, national origin or disability. In assembling our Board, our objective is to have wide diversity in terms of business experiences, functional skills, gender, race, ethnicity and cultural backgrounds. Today, 33% of our directors are from diversity groups, up from 30% in the prior year.

KEY STATISTICS ABOUT OUR DIRECTORS FOR THE 2022-23 TERM



89% *Independent Directors including our Chairman of the Board*



2 *New Directors Have Been Added Since 2021*



44% *Current or Former CEOs*



33% *Diversity - Women or Racial / Ethnic Minority*



67% *Tenure of Less Than 8 Years*



75% *Diversity - Board Leadership Positions including our Chairman of the Board*

BOARD COMMITTEES

The Board currently maintains three committees that have been tasked to assist with the oversight of their respective areas of focus and certain categories of risk management, and the committees report to the Board regularly on these matters. The responsibilities of each of these committees is set forth in greater detail in our Proxy Statement for the 2022 Annual Meeting of Stockholders filed with the SEC, which can be found on the Investor Relations page of our website at investor.mrcglobal.com. All committees play significant roles in carrying out the risk oversight function that typically focuses on their areas of expertise. These three standing committees oversee the following risks:

Audit Committee:

Reviews and assesses the guidelines and policies governing the company's financial and accounting risk management and oversight processes and assists with the Board's oversight of financial and accounting matters, including compliance with legal and regulatory requirements and the company's financial reporting and internal control systems.



Compensation & Human Capital Committee:

Reviews the company's employee compensation policies and practices to assess whether such policies and practices encourage long-term focus, support the retention and development of executive talent and discourage excessive risk-taking behavior.

ESG & Enterprise Risk Committee:

Assists the Board with its oversight of the enterprise risks that may be applicable to the company from time to time, including (among others) risks from cybersecurity incidents, ESG failures, reputational risks and the risks set forth in our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC. The full Board is actively involved in overseeing risk management for the company, including material risks relating to climate change.



THE BOARD'S OVERSIGHT OF RISK MANAGEMENT

The Board is responsible for overseeing the company's risk exposure, as part of determining a business strategy that generates long-term stockholder value and improved ESG performance. The Board shapes our enterprise-wide risk policies and acceptable risk tolerance levels that provide the foundation for our overall business strategy and recognizes that risk mitigation not only preserves value, but, when managed appropriately, can create value and opportunity for the company.

Purposeful and appropriate risk-taking in certain areas is important for the company to be competitive and to achieve our long-term goals. Accordingly, we have established an enterprise risk management (ERM) framework through which the company regularly identifies key risks that face the company and carefully considers its appetite for, and exposure to, each risk. This ERM framework is designed to identify, assess, prioritize, address, manage, monitor and communicate risks across the company's operations and foster a corporate culture of integrity and risk awareness.

As part of the company's strategic planning process, the company maintains a Risk Management Committee that assists the Board in identifying key risks. Our Risk Management Committee is not a committee of the Board but rather is comprised of senior members of our management team.

The Risk Management Committee meets quarterly and its principal responsibilities are to review, assess and monitor any material risks or exposures associated with the conduct of our business, our corporate culture, the internal risk management processes or systems implemented to identify, mitigate, monitor or manage these risks or exposures and the company's policies and procedures for risk management.

Consistent with this approach, one of the Board's primary responsibilities is overseeing and interacting with senior management with respect to key aspects of the company's business, including risk assessment, monitoring, managing and mitigation of the company's top risks. Our Board meets with senior management at regular Board meetings and, if necessary, at other times to discuss the strategy and success in addressing our identified key risks and identifying any potential disruptive forces and other risks the company may face.

THE BOARD'S OVERSIGHT OF INFORMATION & CYBERSECURITY

Our information security department is headed by our fully qualified chief information security officer (CISO) and includes both internal and external cybersecurity resources and experts. Our CISO reports to our executive vice president of corporate affairs, general counsel, and corporate secretary (EVP-CA) who leads our enterprise risk management function as well as our risk management committee. Among other qualifications, our EVP-CA is a former computer programmer and systems analyst and has received his Cybersecurity Certification from the CERT® division of Carnegie Mellon University & the National Association of Corporate Directors (NACD). Our Board receives quarterly reports from our CISO and the EVP-CA regarding cybersecurity threats, defenses and related matters, usually through the Board's ESG & Enterprise Risk Committee, which has responsibility for assisting the Board with enterprise risk management (ERM), including cybersecurity. The committee also includes another director who has received the Cybersecurity Certification from CERT/NACD.

For more information, see our 2022 Proxy Statement beginning on page 38.

EXECUTIVE COMPENSATION & ESG PRIORITIES

Our compensation program is designed so that higher-ranked executives have a greater percentage of their compensation contingent on the company's financial performance, long-term stock price performance and other key performance indicators, described as "at-risk" compensation. The company believes that having a significant portion of our executives' compensation at risk more closely aligns their interests with the company's long-term interests and those of the company's stockholders. As relates to linking ESG metrics to executive compensation, some of the company's safety goals are reflected in the 2021 and 2022 short-term cash incentive compensation opportunity for the CEO and other members of our executive leadership team. Specifically, a portion of that compensation opportunity will be based on achieving our annual internal objectives related to safety performance as measured by the company's total recordable incident rate (TRIR) and lost workday rate (LWDR).

A more detailed discussion of our executive compensation program is available in our 2022 Proxy Statement beginning on page 44 under the title "Compensation Discussion and Analysis."

A portion of ("at-risk") compensation opportunity will be based on achieving our annual safety performance objectives related to the company's total recordable incident rate (TRIR) and lost workday rate (LWDR).

MANAGEMENT OF CLIMATE CHANGE MATTERS

The adoption of new regulatory developments and environmental laws designed to support energy transition to low carbon sources could have significant impacts on the energy business and ultimately our business. Governments at the international, national, regional and state levels are at various stages of considering or implementing agreements and laws that could limit emissions of GHGs, including carbon dioxide and methane, associated with the burning of fossil fuels. Certain states and regions have also adopted or are considering environmental laws that impose overall caps or taxes on GHG emissions from certain sectors or facility categories or mandate the increased use of electricity from renewable energy sources. It is not possible to predict how new environmental laws to address GHG emissions would impact our business or that of our customers, but these laws and regulations could impose costs on us or negatively impact the demand for the products we distribute. Our Board and management continue to monitor these developments to not only address the risks attendant to the developments but also the business opportunities that may arise. We also thoroughly consider these developments when pursuing our diversification and energy transition strategies.

For instance, as a distributor of PVF, we sell products to existing and new customers to control the flow of liquids and gases in a sustainable manner. Most of the products we provide are used to prevent and minimize leaks or spills of hydrocarbons or other hazardous fluids. In addition, many of our energy company customers are required to reduce methane and other emissions and consider these targets when designing, constructing, upgrading, maintaining and operating their facilities. Recently, the EPA initiated a rulemaking process to require the reduction of methane in oil and gas production and hydrocarbon pipelines. We sell a number of products that reduce the emissions of gases, including methane. In particular, in 2021, 94% of our sales of valves were low-emission valves that control methane and other emissions.

ANTI-BRIBERY & ANTI-CORRUPTION

We are committed to complying with all applicable anti-bribery and anti-corruption laws and rules, including, but not limited to, the local laws of the countries in which we operate, the U.S. Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act 2010 and any laws enacted pursuant to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Our employees receive training on anti-corruption and anti-bribery. Additionally, we actively monitor and audit our internal compliance with this policy and we expect our suppliers to fully comply with these laws and regulations.

The Transparency International's 2020 Corruption Perception Index (TICPI) scores and ranks countries and territories based on how corrupt a country's public sector is perceived to be by experts and business executives. During 2021, approximately 0.031% of our revenue was derived from countries that have the 20 lowest rankings according to the TICPI.

For further information, see also our Anti-bribery and Anti-corruption Policy on our website.



GLOBAL ETHICS HOTLINE

Our Global Ethics Hotline allows employees and other individuals to anonymously report unsafe, illegal, unethical behavior, harassment and other concerns without fear of retaliation. Our Global Ethics Hotline, monitored by NAVEX Global, our independent third-party operator, is available 24 hours a day, seven days a week and in multiple languages to address our employees' concerns in the various countries in which we operate. We proactively communicate the existence of our Global Ethics Hotline with prominent display at the top of our intranet homepage, and each of our global locations has a poster with information on how to access the hotline. We conduct an annual ethics survey of our employees to determine if they have ethics concerns. In that survey, we ask them to let us know if they are aware of the hotline and provide them with information on where to access it. Finally, when conducting service center, distribution center or other site audits, we request confirmation that the hotline has been adequately publicized.

We maintain reports regarding concerns reported on the hotline and any related investigations, including any whistleblower reports. We will not allow retaliation for reports of violations, and we endeavor to investigate reports consistently and fairly. Our General Counsel provides a summary report to the Audit Committee of our Board each quarter regarding the number and nature of the employee concerns. Of course, any major whistleblower report is communicated to the Audit Committee in accordance with our Whistleblower Policy.

HUMAN RIGHTS

MRC Global is committed to conducting its worldwide business and operations in accordance with high standards of integrity in a legal, ethical and socially responsible manner. This includes a commitment to respecting human rights as a fundamental principle in our operations. We support the protection of internationally proclaimed human rights including the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, which enshrines the core principles of freedom of association; the effective recognition of collective bargaining; the elimination of all forms of forced and compulsory or child labor; and the elimination of discrimination in respect of employment and occupation.

Our employees receive regular training on Core Values, including specific training for anti-discrimination and anti-harassment. We encourage our suppliers to align their practices with the International Labor Organization's core principles and are committed to working in partnership with suppliers, customers and third parties to promote the furtherance of human rights. As part of our audit process of suppliers on our Approved Manufacturers List, we consider these suppliers' performance regarding human rights and labor rights, including their conformance with our human rights and labor rights policies. We have not discovered any noncompliance by our suppliers with our policies, but should issues arise, we will investigate immediately and determine the appropriate next steps. We encourage our stakeholders' involvement in the company's commitment to protect human rights and the implementation of our human rights policy by reporting any human rights violations or concerns related to our business through our Global Ethics Hotline.

For further information, see our Human Rights Statement on our website.

HUMAN TRAFFICKING & SLAVERY

MRC Global has a zero-tolerance approach to slavery. Modern slavery is a violation of fundamental human rights and a crime. It takes various forms, such as slavery, servitude, forced and compulsory labor and human trafficking, all of which have in common the deprivation of a person's liberty to exploit them for personal or commercial gain. We are committed to implementing and maintaining systems, controls and practices to prevent modern slavery from taking place within our global business or supply and logistics chains.

We oppose all forms of forced and child labor, and we hold both ourselves and our supply chain accountable for compliance with the U.K. Modern Slavery Act and other applicable law. We maintain internal accountability standards and processes for employees, contractors and members of our supply chain regarding this responsibility.

For further information, see our Anti-Slavery and Anti-Human Trafficking Statement on our website.

**ETHICS
HOTLINE**



INFORMATION & CYBERSECURITY

We recognize that threats to our data and systems continue to grow, requiring proactive measures to protect the company, its customers and suppliers, and its employees. We have a fully qualified CISO who leads our information security department, which includes both internal and external cybersecurity resources and experts. We also have required cybersecurity training for all employees. This training explains the threat landscape and our employees' role in keeping our company's systems secure against these threats. The training introduces employees to current cybercrime strategies, followed by an exploration of 12 common types of digital and in-person threats used by today's cybercriminals to trick employees into taking an action. By learning how to recognize these threats, an employee can make smarter security decisions every day and help prevent a cybercrime attack that would put our organization, and themselves, at risk. This training is conducted globally and localized in all languages across our footprint to ensure a complete understanding. In addition to this standard training required of all employees, the company continuously administers monthly mock phishing exercises to identify potential employees who require additional education. Targeted follow up training is provided promptly following the event to maximize relevance and understanding. Each employee trains annually and, in 2021, 99% of our employees were trained.

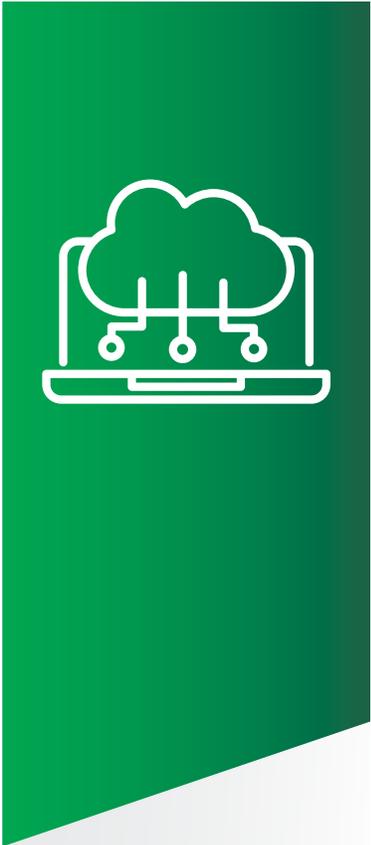
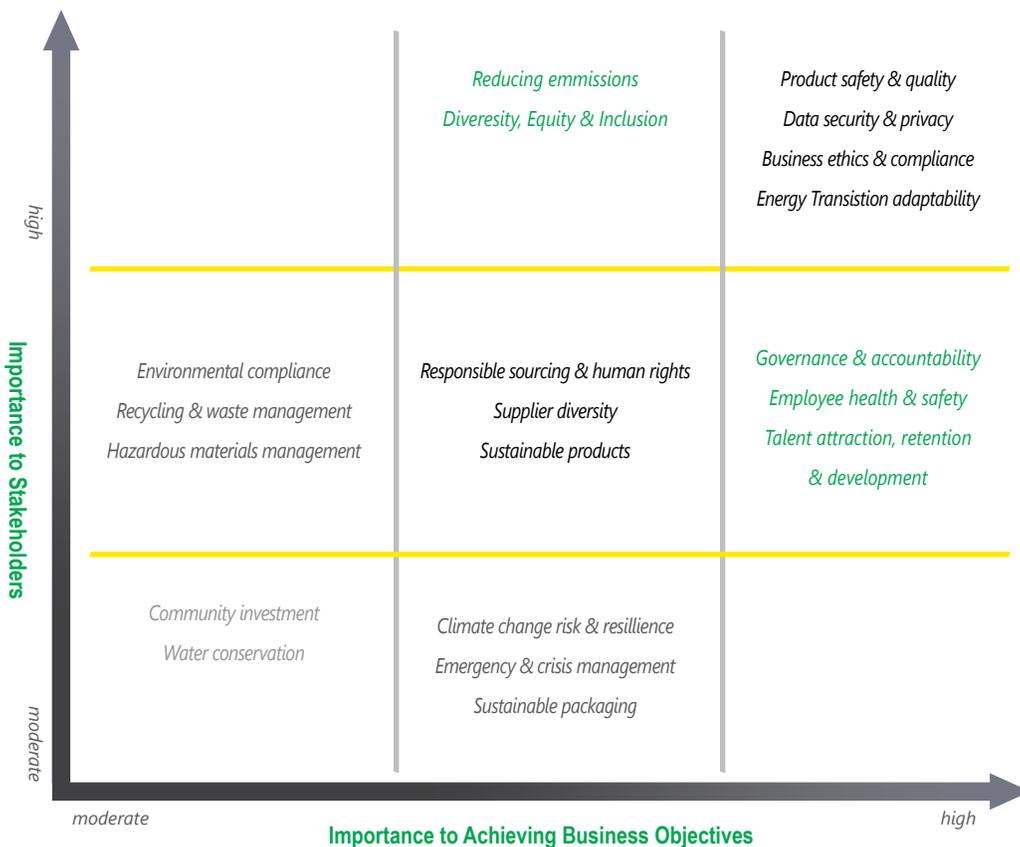
We endeavor to create an employee culture, through policies and continued education, that is sensitive to information security and cybersecurity threats. In addition to escalation procedures, employees utilize the Phish Alert Button in Outlook and a well-known email address for additional reporting of suspected threats.

On the system side, we follow a Penetration Testing Execution Standard and work with a third party to conduct vulnerability analysis, including simulated hacker attacks. We conduct a wide range of technical assessments, vulnerability scans, remote retests, attestation reporting and internal and external PCI penetration testing. Additionally, we participate in a biweekly meeting with industry leaders sharing the latest info-security and cybersecurity emerging threats for situational awareness and collaborate on lessons learned and solutions.

We protect the privacy of each individual person who transacts business with us. In addition to policies and communications to employees, we use electronic monitoring systems to capture and prevent transmission of protected information within corporate systems. This includes electronic mail, file attachments, and publicly shared or accessible data. Strict privacy controls are enforced through policy and contract addenda to all entities who require or may have access to MRC Global information systems.

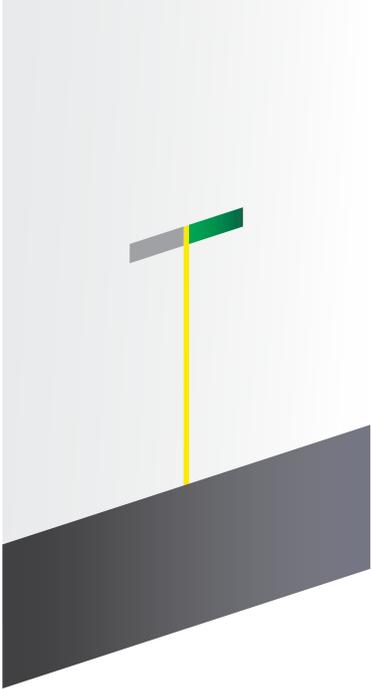
MATERIALITY ASSESSMENT

MRC Global continually reviews and assesses key issues affecting the company by evaluating each issue against the issue's relative importance to stakeholders and importance to achieving business objectives. The materiality of key issues helps drive our initiatives.



EMPLOYEE CYBERSECURITY TRAINING

99%
TRAINED





CORPORATE POLICIES

Our adherence to our corporate policies is the first step in maintaining our corporate integrity. Our most important policies related to our corporate integrity include:

- > Code of Ethics
- > Code of Ethics for Senior Officers
- > Human Rights Statement
- > Anti-Slavery & Anti-Human Trafficking Statement
- > Gifts & Hospitality Policy
- > Anti-Bribery & Anti-Corruption Policy
- > Related Party Transaction Policy
- > Dignity at Work & Equal Opportunity Statement
- > Delegation of Authority Policy
- > Antitrust Compliance Policy
- > Anti-Discrimination & Anti-Harassment Policy
- > Health and Safety Policies
- > Environmental Policy
- > Conflict Minerals Policy
- > Code of Conduct for Suppliers
- > Whistleblower Policy
- > Privacy Statement
- > Business Data Use Statement
- > Third-Party Due Diligence Procedures and Standards
- > Global Trade Compliance Policy
- > Sanctioned Country, Restricted Parties, & End User Policy
- > Record Retention Policy



ethics HOTLINE



888-601-3911



<https://www.reportlineweb.com/mrcglobal>
NAVEX Global Attn: MRC Global
333 Research Court
Norcross, GA 30092



Anonymously report unsafe, illegal, unethical behavior and harassment to NAVEX Global, MRC Global's independent third party.



Examples of Ethics Violations

- Accounting/audit irregularities
- Conflicts of interest
- Discrimination
- Falsification of company records
- Fraud, including fraudulent insurance claims
- Kickbacks
- Harassment in any form
- Safety and environmental issues
- Release of proprietary information
- Theft of goods, services, time, money
- Workplace threats or violence
- Inappropriate business conduct
- Reasonable suspicion of substance abuse
- Other unsafe, illegal or unethical behavior

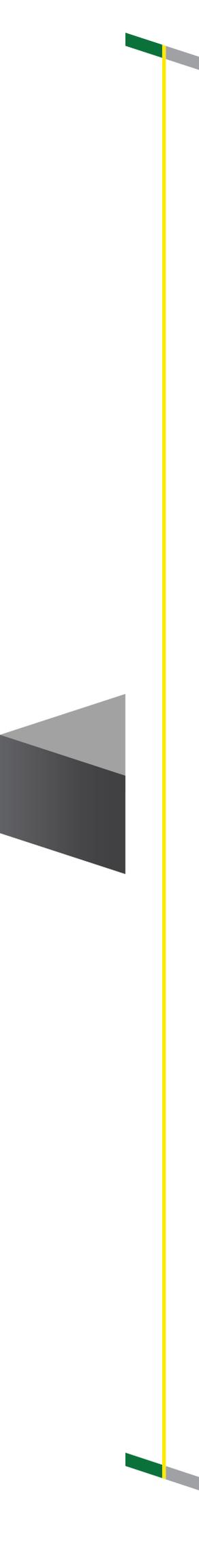
MRC Global is committed to the highest standards of honest and ethical behavior and integrity in carrying out its business activities. The Company must rely on the good judgment and high moral standards of its directors, officers, and employees as the principal guide to ethical conduct. If you are aware of any breaches of ethical conduct, please report the matter to NAVEX Global.

MRC Global[®]



RESPECT
ALL PEOPLE

RESPECT
OUR PLANET



ENVIRONMENT & CLIMATE

We are committed to acting in an environmentally responsible manner and continually improving our environmental performance. In addition, our products and services help to improve air quality and reduce greenhouse gas emissions for the benefit of our customers and the broader society.

Our actions to address climate change increase our revenue through demand for Low-E valves and other pollution control products and services, and, most importantly, benefit our society by preserving our planet.

Our opportunities to make a positive impact on our environment are two-fold: the products we provide to our customers and the environmental footprint that our operations create.

- 32 *OUR PRODUCTS*
- 33 *OUR CLEAN TECHNOLOGY*
- 34 *OUR ENVIRONMENTAL FOOTPRINT*
- 35 *MANAGING ENVIRONMENTAL RISK*
- 35 *BIODIVERSITY*
- 36 *EMISSIONS IN OUR OPERATIONS*
- 36 *SCOPE 1 EMISSIONS*
- 37 *SCOPE 2 EMISSIONS*
- 38 *WATER*
- 38 *DEFORESTATION*
- 39 *WASTE MANAGEMENT AND RECYCLING*



OUR PRODUCTS

We play a key role in positively impacting our environment. The products we provide are fundamental to moving and storing hydrocarbon products and other substances in a safe and environmentally responsible manner and in preventing harmful emissions that would negatively impact the environment.

Integrated oil companies (IOCs) and other companies in the energy industry, many of whom are our customers, have published targets to reduce their methane emissions. These customers consider these targets when designing, constructing and operating their facilities. As a distributor, we purchase valves and actuators designed in compliance with Recognized and Generally Accepted Good Engineering Practices, which regulate valve stem leakage to minimize emissions such as methane. This measurable leakage between the stem and house is referred to as “fugitive emissions” in the valve industry. Between 60 – 85% of fugitive emissions of hydrocarbons, gases and other substances in the chemical processing and refining industries are attributed to valves, due in part to the cumulative effects of large numbers of valves in processing plants. By working with MRC Global to sustainably manage their supply chains, energy producers can operate with confidence that their products will perform as intended and prevent pollution.

Low-E⁽¹⁾ valves for use in hydrocarbon applications represented approximately 24% of the products that we sold in 2021 and 94% of total valve sales. MRC Global also distributes valves, such as brass and bronze valves, for use in non-hydrocarbon services such as water, steam and air service. MRC Global keeps all manufacturer Low-E certificates and manufacturer’s material test reports (MTRs) on file, and they are available through our quality assurance function.

In addition to Low-E valves, one of our manufacturers has developed emissions controlled actuation technology to prevent methane emissions from release into the atmosphere from isolation valve operations on high pressure natural gas pipelines. For over 50 years, the most efficient and reliable method for powering these types of actuators is the high pressure gas in the pipeline. The drawback to these gas-powered actuators is that natural gas is exhausted into the atmosphere after each stroke of the valve. This cutting-edge technology captures methane and re-injects it into the pipeline, rather than release into the air, eliminating environmental contamination. With natural gas pipeline customers under increased pressure to reduce emissions, we expect this new product offering to be attractive. While the emissions controlled actuation technology is too new a product offering to report revenue, it allows us to partner with our suppliers to bring innovative new products to control environmental emissions that will help MRC Global and its customers reduce emissions.

All of the carbon and stainless steel pipe, flanges, and valves we sell are made from recycled steel to varying degrees. The majority of pipe we sell is API 5L steel pipe, which is produced from a high percentage of recycled steel scrap. Using recycled materials dramatically reduces the carbon footprint for manufacturers of these products. The GHGs released through the mining and processing of new ores as well as the GHGs released through the transportation of ores and intermediate products are greatly reduced by utilizing recycled steel. In the U.S., for instance, much of this recycled steel is sourced from scrap in the U.S. and repurposed in electric arc furnaces, which have shown to emit up to 96% lower CO2 emissions relative to blast furnace steelmaking.⁽²⁾

The U.S. Environmental Protection Agency (EPA) recently issued new regulations to reduce leakage of methane in the form of New Source Performance Standards, which are applicable in the Upstream Production and Midstream Pipeline Sectors. Our Low-E valves, controlled actuation technology and other products are uniquely positioned to help our customers meet the new standards in these regulations once they become finalized.

(1) Low-E valve - a valve or valve packing that will not release fugitive emissions greater than 100 ppm per ISO 15848-1:2015.

(2) Li, Yin & Xu, Wenqing & Zhu, Ting & Qi, Feng & Xu, Tie & Wang, Zhen. (2012). CO2 emissions from BF-BOF and EAF steelmaking based on Material Flow Analysis. Advanced Materials Research. 518-523. 5012-5015. 10.4028/www.scientific.net/AMR.518-523.5012.

94%

of total valve sales are Low-E valves



ALL
carbon steel &
stainless steel PVF
is made from
recycled steel
to varying degrees

Emission controlled
actuation technology
to prevent methane
emissions from valves
in high pressure
natural gas lines

OUR CLEAN TECHNOLOGY

In addition to our core PVF products and new environmentally-conscious product offerings, we have worked with oil and gas operating companies to develop and deploy ValveWatch®, an automated, online valve monitoring system for critical valves and actuators. Users can remotely monitor a valve or actuator's performance and correct degradation before it affects safe and reliable operation or causes harmful impacts on the environment. ValveWatch® employs small sensors installed on or near each valve that log precision measurements at high data sample rates to capture the information needed to properly assess valve and actuator condition during every operation. The result is a calculable high level of safety and environmental risk prevention that cannot be achieved with any other test or analysis approach. Using this information, customers can remove valves for repair or replace them before they fail. This has the added benefit of preventing leakage of GHGs, hydrocarbons or other substances due to valve failure.



OUR ENVIRONMENTAL FOOTPRINT

We strive to limit the negative environmental effects of our operations by creating an efficient supply chain, which reduces the carbon footprint of deliveries to our distribution centers, service centers, and our customers, while conserving resources.

What we do best:
create an efficient
supply chain

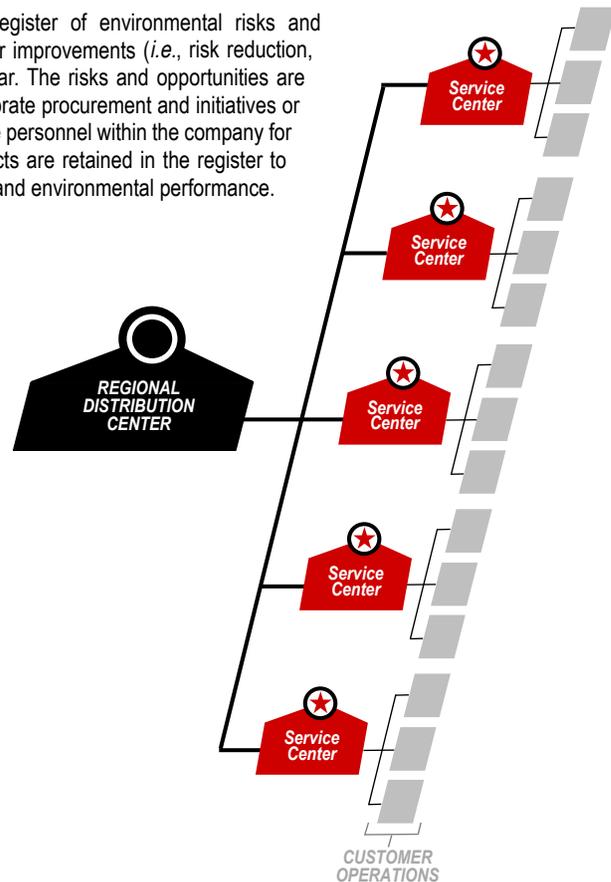
Overall, as a distributor, we are engaged in a relatively low amount of manufacturing and assembly, mostly through the actuation and valve modification services that we offer our customers. Our energy inputs are primarily electricity for lighting, heating and office and warehouse equipment, natural gas for heating and gasoline for company sales and delivery vehicles. We do not utilize large amounts of water. We review our resource usage in these areas from time to time and seek efficiencies to reduce use of these resources and resulting emissions. We have recycling programs to minimize waste from used pallets, cardboard, plastics, office paper and other recyclables.

In general, we know that the primary way to reduce our carbon footprint is to do what we do best – create an efficient supply chain. By identifying and utilizing the most efficient methods to move products from one place to another, we create efficiencies for our customers and our business. This reduces cost, increases financial returns for our business and contributes to the health of the environment by reducing the fuel and GHG emissions required for us to transport our products.

Our hub and spoke distribution system, whereby our regional distribution centers (RDCs) receive the vast majority of the product we sell, then resupply our service centers when products are needed, is designed to create efficiencies and reduce the product that we must maintain in inventory. Because the RDCs receive most of the product we sell, individual service centers have reduced the number of products they order and receive, thereby reducing the transportation used to deliver products to and from the service centers. We continuously review the operations of our distribution network to optimize the flow of products from initial receipt to customer delivery. Our shift to greater use of e-commerce, digital transactions and our MRC Global Online (MRCGO™) customer and supplier interface simplifies the procurement process and allows customers to efficiently order our company's products online. In 2021, approximately 42% of our revenue was through e-commerce, up from 36% in 2020. 51% of purchase order lines were transacted digitally in 2021. This allowed us to ship more to our customers directly from RDCs, which reduced the need to ship to our service centers to fulfill orders. In addition, we closed seven service center locations in the U.S. to meet demand more efficiently. These changes further reduced our shipping needs and minimize our carbon footprint by removing downstream emissions associated with our supply chain.

Another approach we use to evaluate our carbon emissions relates to fuel usage, electrical usage and solid waste creation in our operations. We work closely with our vendors of the applicable service to gather and review that data. We seek to reduce the rate of consumption of those resources in relation to the volume of our business.

We conduct a yearly review of our register of environmental risks and opportunities, and then develop plans for improvements (*i.e.*, risk reduction, waste reduction, etc.) for the coming year. The risks and opportunities are arranged into operational, property, corporate procurement and initiatives or projects and are then given to appropriate personnel within the company for action and completion. Completed projects are retained in the register to document improvements in our systems and environmental performance.



In 2021,
~42% of our revenue
was through e-commerce,
up from 36% in 2020,
which allows for direct
shipment from our RDCs,
reducing our
transportation
footprint.

MANAGING ENVIRONMENTAL RISK

We are in compliance with a variety of federal, state, local, foreign and provincial environmental, health and safety laws, regulations and permitting requirements (collectively, “environmental laws”), including those governing the following:

- + the discharge of pollutants or hazardous substances into the air, soil or water
- + the generation, handling, use, management, storage and disposal of, or exposure to, hazardous substances and wastes
- + the responsibility to investigate, remediate, monitor and clean up contamination
- + occupational health and safety

We do not own or operate any facilities that are subject to U.S. Superfund clean-up, and on the rare occasion where there is a concern regarding a legacy environmental condition, we work cooperatively with authorities to remediate it. We conduct environmental assessments on our major facilities before we begin operations and on any facility that we sell. We have not been the subject of a single regulatory action in more than seven years regarding the possible discharge of hazardous chemicals into the air or water.

Our commitment to environmental protection as described in our Environmental Policy, available on our website, requires that a minimum standard of environmental performance is established at all of our facilities. Four of our locations are ISO 14001 certified, and 30 of our locations are ISO 9001 certified. For further information, see also our Code of Conduct for Suppliers on our website.

We recognize the risk posed by unknown liabilities connected to our owned or leased sites or to operations we have assumed or acquired. We believe that indemnities contained in certain acquisition agreements may cover certain environmental conditions existing at the time of the acquisition subject to certain terms, limitations and conditions. However, if these indemnification provisions terminate or if the indemnifying parties do not fulfill their indemnification obligations, we may be subject to liability with respect to the environmental matters that those indemnification provisions address.

BIODIVERSITY

As a distribution-based company with limited manufacturing capabilities, we do not operate in critical habitats or other high biodiversity value areas. Nonetheless, we approach our operations with respect for the land on which we operate, and we remain committed to reducing our impact on the local environment.



4
**ISO 14001
Certified Locations**

30
**ISO 9001
Certified Locations**

645,690 ft²
59,986 m²
**LEED Certified
Space**

We do not operate in
critical habitats or other
high biodiversity
value areas



Scope 1 Emissions

2021	Global	2020
8,912	KG <i>metric tons</i>	9,888
127,977	GJ <i>gigajoules</i>	142,788
3.34	CO ₂ <i>intensity</i>	3.86

See the 2021 ESG Performance Summary Supplement at p.60 for more detail.

EMISSIONS IN OUR OPERATIONS

Nearly all of our total emissions impact that result from the operation of our business are attributable to (i) our fleet of cars and trucks, (ii) consumption in and use of our facilities, and (iii) our use of third party transportation and logistics providers in our supply chain. Because of this, energy efficiency is critical to reducing our total emissions and intensity. Consistent with the internationally recognized Greenhouse Gas Protocol, we report our emissions as:

Scope 1 – emissions emitted directly from our fleet³

Scope 2 – emissions that result from electricity used to light, heat and operate our facilities⁴

SCOPE 1 EMISSIONS

In 2021, our absolute vehicle emissions were down over 10% due to a reduction in our fleet size, the addition of more fuel efficient vehicles, and some continued restrictions on travel for at least a portion of the year in many global jurisdictions in response to the COVID-19 pandemic. In 2021, vehicle emissions intensity also decreased by 13% to 3.34.

We actively monitor and track our fleet emissions trends and are committed to improving our average fuel consumption. We are committed to reducing our carbon dioxide emissions by switching our fleet vehicles from eight-cylinder gasoline engines to six-cylinder gasoline engines where feasible. Since 2018, we have liquidated 786 vehicles and replaced 188 vehicles out of that total with energy-efficient engines. In total, 18% of our fleet has been replaced with energy efficient vehicles.

We are making further strides towards the greening of our fleet. In 2021, we ordered our first factory orders of full hybrid pickup trucks for delivery in Spring 2022. We've also purchased full hybrid SUVs and have other SUVs with emission reduction engines. We are on the waiting list to order a large U.S. auto manufacturer's first ever all-electric (EV) pick-up trucks which are expected in 2024. The EV trucks will be part of a pilot program for us to monitor the charging process, the development of charging station infrastructure near our service center locations and our customers, the towing capacity's effect on the battery charge duration and overall maintenance needs and costs. In anticipation of this pilot program, we are preparing to install charging stations at our LaPorte and Bakersfield facilities.

The electric truck pilot program and our conversions of vehicles from conventional to hybrid models are part of our strategy to decrease emissions and provide us with necessary data to set goals and green fleet expansion efforts as our gasoline-engine fleet ages from service, as electric charging station infrastructure improves near our service centers and customer locations, and the operating costs make sense for our business.

In addition, we have replaced our gasoline and diesel-powered forklifts with electric-powered forklifts where feasible. Our remaining gasoline and diesel-powered forklifts are primarily utilized for applications with heavy weight requirements for which there is not a suitable alternative or renewable option available. At the end of 2021, we selected for implementation in 2022 a single service provider for remaining U.S. gasoline and diesel forklifts to centralize maintenance records and other key data to enable us to capture emissions data for improved reporting.

One of our fleet vendors participates in and supports the Environmental Protection Agency (EPA) SmartWay Transport Partnership. SmartWay is a voluntary partnership between the freight industry and the EPA that establishes incentives to improve fuel efficiency and reduce greenhouse gas emissions.

(3) We have electric, compressed natural gas and diesel forklifts and do not currently report on these emissions. We also do not currently report on emissions from generators. We plan to report on these emissions in the near future.

(4) We do not currently report on emissions from steam, heat or cooling from natural gas or other fuel sources. We plan to report on these emissions in the near future.



SCOPE 2 EMISSIONS

In 2021, we consumed 42,713 gigajoules (GJ) of electricity generated from hydrocarbon sources, a 13% reduction from 2020. We achieved this reduction even as our office workers began to return to work at our facilities rather than at home as they did in response to the COVID-19 pandemic. In turn, we increased the electricity consumed from alternative and renewable sources to 44% (33,827 GJ), up from 21% (13,350 GJ) in 2020. Our ESG Committee is also seeking to move to more renewable electricity sources in North American de-regulated markets. In addition, we seek opportunities in our international operations, where feasible. For example, our regional distribution center in The Netherlands has solar panels on its roof that generate 24% of its power.

The vast majority of our company's electricity consumption and use is from lighting, heating and cooling our distribution centers, service centers and offices around the world. While we have yet to set specific targets to reduce the electricity we use, our ESG Committee has evaluated our present practices and implemented an initiative to track our specific electricity use globally so we can make any necessary changes to forward our conservation efforts. In North America, we increased the use of electricity from renewable sources from 0% in 2019 to 41% in 2021.

Approximately 98% of our nearly 4 million square foot global facility portfolio is leased, so we do not have complete control over the electricity-consuming aspects of the majority of our facilities. However, upon every lease renewal or initiation at a new location, we look for opportunities to:



promote energy efficiencies that we have determined through internal evaluations



retrofit and update those facilities to current efficiency standards



upgrade to motion activated lighting

Moreover, we are improving energy efficiency standards on all new buildings and strategically replacing old light fixtures in existing facilities.

 **44%**

Share of electricity consumed in 2021 from alternative & renewable sources
33,827 GJ

Scope 2 Emissions

electricity consumption from alternative & renewable energy sources

2021 **Global** 2020

electricity consumption from hydrocarbon sources

42,713 **GJ** 49,211
gigajoules



electricity consumption from alternative & renewable energy sources

33,827 **GJ** 13,350
gigajoules

electricity consumption from all sources

76,540 **GJ** 62,561
gigajoules

See the 2021 ESG Performance Summary Supplement at p.60 for more detail.





See the 2021 ESG Performance Summary Supplement at p.60 for more detail.

WATER

MRC Global is not a large user of water resources. Even so, we acknowledge that water is a tremendously valuable resource. In 2021, we improved our estimation process of our water usage. We were able to obtain data more accurately from multiple sources including utility bills, landlords that provide water as part of the services under our real estate leases and certain other sources. As a result, our 2021 water data reflects this greater degree of accuracy and shows a significant increase in consumption from 2020. Some of the increase in consumption was due to better estimation and, to a lesser extent, some of the increase resulted from a return of our non-essential office workers to our workplaces during 2021.

As a distributor and services provider, we primarily use water only for toilets, kitchen use and light irrigation as most facilities have little or no lawns or landscaping. We also use water for hydrotesting the seal integrity of certain valves. Although water is not a focal point of our sustainability efforts, we continue to look for opportunities to reduce our consumption where possible. For example, we continue to seek opportunities to upgrade existing facilities to have, and lease new facilities that have, motion-activated bathroom toilets and sinks to reduce water consumption. Our ESG Committee assesses and manages water related issues and will continue the process of developing guidance for us going forward.

DEFORESTATION

We acknowledge that the protection and preservation of our forests are crucial to the well-being of our planet. As a PVF distributor and services provider, we use cardboard and wood pallets in some of our packaging, most of which come with the products we procure from our suppliers for sale to our customers. We also use wood pallets made from recycled wood, and work to minimize the use of paper products in our offices. Other than cardboard and pallets in packaging, we do not produce, use or sell any timber or any other forest risk commodities. As forest-related issues have limited relation to, and minimal impact on, our business, we currently do not undertake a forest-related risks assessment nor track production or consumption data for forest risk commodities. However, our general environmental policy includes impacts regarding forest-related issues. For example, we recycle cardboard and pallets in those areas where recycling services are reasonably available and, since 2019, we only use recycled paper in our printed marketing materials. Our ESG Committee will continue to monitor, assess and manage any forest-related issues should they arise.

WASTE MANAGEMENT & RECYCLING

We understand that recycling not only prevents millions of pounds of materials from going to landfills on an annual basis and any associated emissions that may result, but it also stimulates the economy by transforming usable materials into new products. To manage waste materials more efficiently, we are constantly improving our processes and evaluating ways to reduce our overall waste and promote recycling of materials within our operations.

We have a solid waste recycling program for both business and production waste in place in most locations. In 2021, we reviewed locations without recycling programs to determine whether those locations can be added through increased services by existing recycling providers or through new suppliers. We encourage all employees and contractors to recycle consumer goods and other business and production waste by utilizing dedicated recycling containers in most of our warehouses and corporate offices.

Additionally, since 2017, we have a national contract with a major waste management company to manage our waste and recycling in the U.S., a region responsible for 82% of our 2021 sales. When compared to 2017, our 2021 recycling tonnage increased by 56%⁵. We also increased U.S. waste diversion from landfills to recycling over two years by 4% in 2021 (with 13% of total waste recycled) compared to 2020 (12%) and 2019 (9%). We are proud of this achievement considering sales of feedstock of recyclable material to China have been dramatically limited since 2019, which impacted the U.S. recycling supply chain and limited the feasibility of economically viable recycling in many locations.

Our U.S. service centers work closely with our waste management provider and local service providers to improve our pallet and wood recycling/resourcing to limit the amount of raw material that is dumped in local landfills. We also have cardboard recycling programs in many of our larger locations and are expecting to implement this where possible throughout the U.S. We also recycle paper in our corporate offices. Finally, in conjunction with our waste management provider, we work to maximize our loads of waste to minimize the effects of hauling. By limiting the number of hauls, we limit the amount of fuel burned that it takes to haul as well as the carbon dioxide that is produced from these hauls.

We continue to implement work processes to reduce waste from transportation and warehousing activities (e.g., wood pallets, packaging) and have work processes for labeling, storing, handling and transporting hazardous waste. We use a mix of recycled wood pallets and new wood pallets and at one of our larger regional distribution centers, we contract with a vendor who repairs and re-uses pallets to avoid waste. We conduct regular training on these work processes. Additionally, we have a detailed packaging specification for many incoming product shipments that reduces the use of wooden crates and time spent on material handling in our facilities. As a result, we moved away from packaging in crates to the use of pallets on most material. This also eliminates safety risks to our employees when handling incoming material.

In 2021, we participated in an electronic waste recycling program to recycle items such as old telephones, monitors, hardware, and fax/copier machines. We will continue looking for opportunities to improve our short-term and long-term recycling and limit our environmental footprint for future generations.

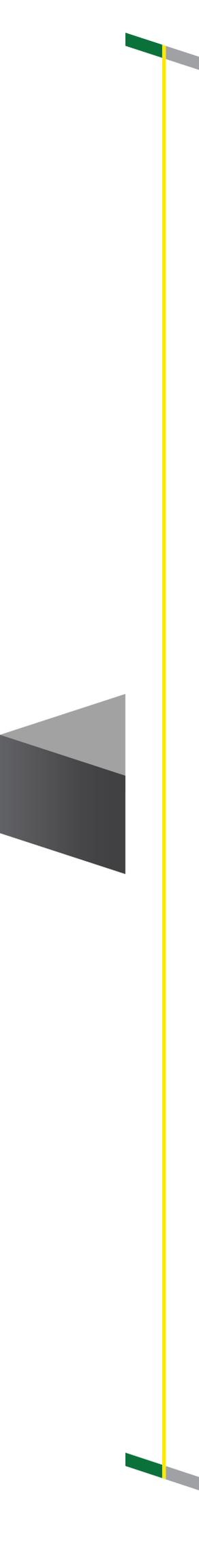
⁽⁵⁾ MRC Global's waste management provider revised its estimates of material recycled for 2020 that was originally reported in the 2021 ESG Report and MRC Global recalculated its tonnage increase accordingly.



56%
2017-2021
recycling tonnage
increase

A photograph of an industrial worker in a blue uniform and yellow hard hat working on a complex system of pipes and valves. The scene is set outdoors at an industrial facility, possibly a refinery or chemical plant, with various pieces of equipment and structures visible in the background. The image has a dark, teal-green overlay, and a central text box is superimposed over the middle. The text box has a yellow border and a semi-transparent teal background. The text is white and centered within the box. The overall mood is professional and industrial.

INNOVATIVE
SOLUTIONS
TO ENHANCE
CUSTOMERS'
OPERATIONS



SUPPLY CHAIN SUSTAINABILITY

Building and maintaining a supply chain centered on sustainability and ESG expectations is fundamental to our value proposition for our customers. Supplying quality products to our customers is key to providing confidence that products will not break, crack or leak and harm the environment or create safety hazards. We go to great lengths to select, purchase and supply quality products that meet these high standards.

The following summarizes how we leverage a proactive quality assurance program to serve our customers with diligence and dedication.

43 SUPPLIER CODE OF CONDUCT

43 CONFLICT MINERALS

SUPPLY CHAIN SUSTAINABILITY



+ Our supply chain has been tested during the COVID-19 pandemic and has proven to be resilient. In 2021, our supply chain management team continued to closely monitor the impact of the coronavirus on raw material shortages, decreases in manufacturing plant production, workforce quarantines and transportation and shipping delays worldwide. Our supply chain team took steps to mitigate the impact of global supply disruptions and delays by using our purchasing power to reserve as much product as we could in relation to manufacturing capacity and place orders for products that require long manufacturing lead times into 2023. These strategies allowed us to continue to deliver product to our customers in a challenging market. Because our sales team updates customers on an order-by-order basis, our supply chain team provided ongoing updates internally and frequently participated in discussions with customers to provide the most up to date information on product availability. We also notify customers of supply chain impacts through our semi-annual InSight publication. Our continuous and transparent communications with customers and our ability to problem solve with mitigation steps and product alternatives give our customers confidence they can execute their business plans in unprecedented and challenging times. We continue our customers because of the diligence and dedication of our employees and leaders throughout the pandemic.

+ Our **product quality assurance program** includes manufacturer qualification, product inspection, routine destructive material evaluations, and non-conformance response processes to increase ethical behavior in our supply chain, avoid improper labor practices and encourage sustainability. In the last 10 years, we have significantly increased the average number of audits we conduct annually and these new improvements are expected to support that trend. Starting in 2020, during the COVID-19 pandemic, quality audits were split into two parts, the first conducted virtually and the second in-person as health and safety restrictions allowed. This blended strategy allowed us to complete audits as effectively and safely as possible. In fact, this blended strategy worked so well that, in 2021, we formally incorporated it into our quality model not just for the global pandemic, but as a go-forward model with manufacturers to allow for ongoing audits rather than delays. In 2021, we enhanced our audit process and scoring methodology to provide better and more detailed statistical analysis and to allow for sharing results with customers without releasing proprietary information.

Benefits of our enhanced quality process involves the following initiatives:

- 

Approval of new suppliers through a rigorous quality approval process that includes on-site audits
- 

A revised audit scoring methodology that offers more detailed analysis
- 

Capabilities for result-sharing with customers without the release of proprietary information
- 

Increased transparency of our quality audits between customers and suppliers
- 

Enhanced audit capabilities and efficiencies through our expanded global auditing team

In addition, we require each prospective significant supplier to complete a thorough due diligence form to determine if the supplier meets our quality and sustainability expectations. This due diligence form helps us evaluate their performance capability. Questions contained in this form address the supplier's health and safety practices, sustainability and environmental impacts, labor and human rights practices, legal compliance and social responsibility. Our ESG Committee is evaluating how we can additionally engage with suppliers to better assess their sustainability performance and help them advance their sustainability efforts.

If a supplier meets our standards, we add the supplier to our Approved Manufacturers List (AML). A place on our AML ultimately helps them access over 10,000 customers including some of the largest gas utilities, energy producers and industrial companies in the world. We also maintain a database containing all material testing summaries for our required products. Product testing records, including material test reports (MTRs), are stored for 20 years, and our audit results and testing results are stored for 15 years. We recently added MTRs to our customer platform, MRCGO™, for ready access by our customers and employees.

Our supplier diversity program encourages purchases of products and services from manufacturers and service providers that are majority owned and operated by women, racial and ethnic minorities, veterans, and other diversity groups. We support increasing opportunities for diverse suppliers to obtain our business and our customers' business. We also track progress specifically for our gas utility customers to help them execute their diversity initiatives.

SUPPLIER CODE OF CONDUCT

We have more than 10,000 suppliers worldwide from over 40 countries, and we require that each supplier, contractor and third party with whom we do business maintains high standards in the conduct of its businesses and operations. By adhering to our Supplier Code of Conduct. This document details the behaviors, practices and responsible business standards with which we expect our suppliers, contractors and third parties to comply.

CONFLICT MINERALS

As a distributor of products manufactured by other companies, MRC Global does not directly purchase any raw conflict minerals from any source and is many levels removed from the mines, smelters and refiners that produce the metals used in the products manufactured by our suppliers. We support the goal of the Dodd-Frank Act and related applicable 2012 U.S. Securities and Exchange Commission (SEC) rules of preventing armed groups in the Democratic Republic of the Congo (DRC) from benefitting from the sourcing of conflict minerals. We desire to have a conflict mineral-free supply chain with ethical sourcing of materials and products. Our supply chain program strives to prevent purchased products from containing conflict minerals (tin, tantalum, gold and tungsten) that directly or indirectly finance or benefit armed groups in the DRC or adjoining countries. We require the suppliers and manufacturers of the products distributed by us to adopt the same policy for their businesses and comply with applicable legal standards and requirements. For further information, see also our Conflict Minerals Policy on our website, and our annual Form SD and Conflict Minerals Report under the SEC Filings section of the Investor Relations page of the company's website.

MANAGER TESTIMONIAL

What makes you better than the competition?

We have a talented team that works relentlessly for every inquiry we receive to locate material for our customer's needs. MRC Global has deep relationships with the manufacturers that we support, and this makes locating material easier. Our warehouse staff is neat, organized, efficient and deadly accurate.

- Mike Paulley
Service Center Manager
Sarnia, Ontario Canada



Our supplier diversity program encourages purchases of products and services from manufacturers and service providers that are majority owned and operated by women, racial and ethnic minorities, veterans, and other diversity groups.

OUR

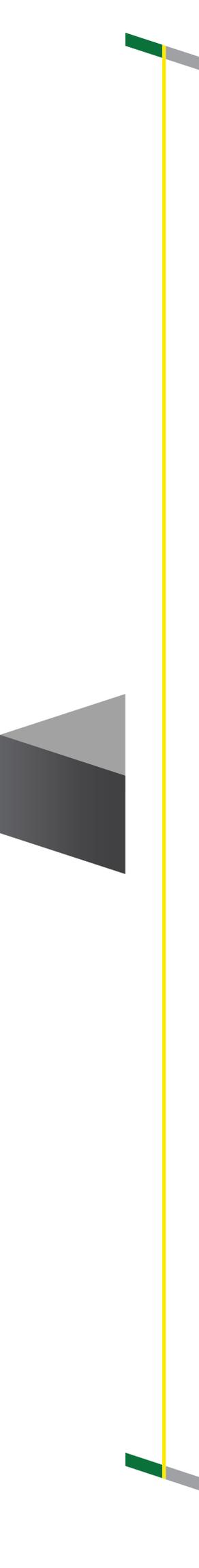
AML

ultimately helps manufacturers access over 10,000 customers including some of the largest gas utilities, energy producers and industrial companies in the world.



MAKE
SAFETY
OUR
OBLIGATION

MRC Global



SOCIAL RESPONSIBILITY

We believe in the societal benefit of our products and services work to safeguard the health and wellbeing of our employees, customers and our communities wherever we do business.

46	HEALTH & SAFETY
48	STOP WORK OBLIGATION
48	DAILY SAFETY MEETINGS & QUARTERLY SAFETY STANDUPS
48	2021 SAFETY AWARDS
48	SHORT SERVICE EMPLOYEE (SSE) PROGRAM
49	LIFE PROTECTOR GUIDES
49	ASSISTANCE PROGRAM
49	OUR CONTINUED RESPONSE TO COVID-19
49	ADDITIONAL PROGRAMS
50	EMPLOYEES
50	DIVERSITY & CULTURE
51	TALENT MANAGEMENT & RETENTION
52	EMPLOYEE & LEADERSHIP DEVELOPMENT PROCESS
53	EMPLOYEE RELATIONS
53	MONITORING FOR SUCCESS
54	COMMUNITY INVOLVEMENT – MRC GLOBAL CARES
55	CHARITABLE CONTRIBUTIONS
55	NO POLITICAL ADVOCACY



"We have one goal at MRC Global around safety, and that is that no one ever get hurt while working here. We know that 'Zero is Achievable' in our workplace."

-Rob Saltiel
President
& CEO

Our #1
Core Value
Safety Leadership

In 2021, we
appointed a
Global
Director of
Safety

HEALTH & SAFETY

Safety leadership is a fundamental part of our culture at MRC Global. Our goal is for all employees to return home at the end of each day in the same – if not a better – condition than when they arrived at work. At MRC Global, we believe zero injuries is an achievable goal. In 2021, we continued our multi-year trend of zero fatalities on the job. Our safety metrics include our total recordable incident rate (TRIR), lost workday rate (LWDR) and recordable vehicle incident rate (RVIR).

In 2020, we achieved our best recorded safety performance in our history. As business began to recover in 2021 and our office employees returned to work, our safety results in 2021 did not match our 2020 results; however, our performance still compared favorably to our peer group in the 2020 U.S. Bureau of Labor Statistics (BLS). Our TRIR was 1.09 in 2021 – far better than the BLS average of 3.5 for wholesalers of metal products. Our LWDR was 0.48 in 2021 compared to the BLS average of 2.3 for wholesalers of metal products. In addition, our RVIR has also remained low at 0.39 compared to a peer group average of 1.94, based on the most recent survey that the National Association of Wholesaler Distributors (NAW) compiled of its members with excess of \$1 billion in annual revenue. Our Near Miss Frequency Rate for 2021 slightly decreased, which demonstrates improvement; however, we continue to view this number positively as an indicator that employees are willing to report near misses. Near miss reporting reveals that our safety culture encourages this reporting to identify specific improvements to remediate for a safer environment overall.

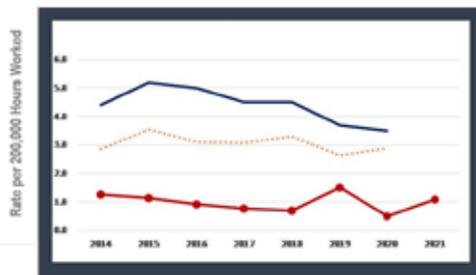
We participated in the 2021 NAW survey, but the results have not been published as of the publication of this report. Based on our participation in the 2020 NAW survey, **our 2020 safety results were in the top quartile of distributors with over \$1 billion in annual revenue.**

While each of our Core Values are important at MRC Global, we always list safety leadership first to demonstrate its top-of-mind prominence. Every employee has a personal responsibility to make sure that they, along with their co-workers, work safely and free from injury. Our dedication to providing safe working conditions and involving all employees in our safety efforts has been fundamental to our company's success. Additionally, we share our customers' commitment to safety and are proud that safety is a deeply embedded part of our culture.

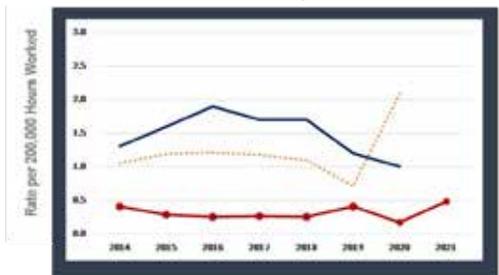
In 2021, we appointed a Global Director of Safety, who regularly reports to our CEO and updates our Board on safety initiatives and performance. In her role, our Global Director of Safety is promoting our safety culture, creating consistent standards throughout our global company and coordinating safety policies, procedures and work plans. We maintain dedicated safety specialists in every region, a short-service employee program, and life protector standards for specific job processes. We emphasize operational discipline and accountability in the planning and execution of all job tasks.

— BLS – Bureau of Labor Statistics benchmark data
— MRC Global Data
— NAW – National Association of Wholesaler & Distributors benchmark
— PVIR – Preventable Recordable Vehicle Incident

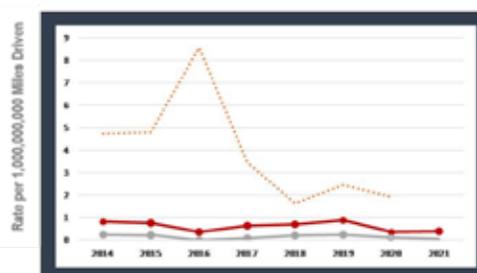
Total Recordable Incident Rates



Lost Workday Rates



Recordable Vehicle Incident Rates



In 2021, we developed a new job planning tool for our front-line employees. This tool is a durable card with a short list of questions designed for employees to keep with them and refer to for each new task. The questions prompt the employee to conduct a mental risk assessment before engaging in any work activity. After a pilot program at select locations, we solicited employee feedback and incorporated that feedback into a final product that we rolled out across North America in Q4 2021. Since roll-out, we received highly positive employee feedback and have rolled it out worldwide. In addition, in 2021, we identified enhanced safety protocols for further development in 2022 for our valve engineering and modification centers.

Moreover, we promote a safe workplace by providing ongoing training and resources for all employees. In 2021, we implemented new live streaming “Safety Standup” training on a quarterly basis. Each live stream event is hosted by our CEO, members of our Executive Leadership Team, and our Director of Global Safety, focused on specific actionable opportunities. Participation is mandatory and the most recent recorded session is required for all new hires as part of their introduction to our safety culture.

Each of our managers and leaders is responsible for the safety of the employees who report to them. We have a Safety Council comprised of global safety and operational leaders which sets overall safety policies for the company. Our operations leaders have safety managers who advise the leader on safety matters in their region, implement safety policies, coach on safety issues and conduct safety programs and audits for employees. Our Senior Vice President – North America Operations, Senior Vice President – International and Global Safety Director, with input from the Safety Council and senior leadership, work with our CEO every year to set our safety goals, including goals for TRIR, LWDR, RVIR and preventable vehicle incident rate (PVIR) as well as goals on U.S. Department of Transportation driver fitness. We monitor these safety metrics at the location and regional level and report the overall results to our Board at each quarterly Board meeting. As part of every service center, distribution center and facility audit, auditors review each operation for adherence to our safety policies and procedures.

In 2021, we held our first safety summits, chaired by our CEO. Our safety team and our highest level of operations management collaborated on how best to engage employees in our safety culture to develop them into safety leaders at all levels of our organization. We held two safety summits in North America and one in our international operations. We expect that safety summits will be held at least once per year.

Furthermore, to enhance and continue our “journey to zero” incidents and take the next step in the development of our safety culture, in 2019, MRC Global utilized DuPont Sustainable Solutions, often considered to be the “Gold Standard” when it comes to safety, to conduct nine, two-day Safety Leadership workshops. These workshops included all levels of management from senior leadership to service center and warehouse managers. In 2022, we plan to complete the third phase of this training, which was delayed in 2020-2021 due to COVID-19 restrictions. Regional Operations Managers and Regional Safety Managers will be conducting training sessions at all of our North American locations for front line employees at this time but anticipate further roll-out of the program for our international employees shortly thereafter.

We offer extensive safety training opportunities to all employees on a broad variety of topics, including role-appropriate safety topics. The company’s senior safety manager for North America reviews safety training requirements in North America and works with a team of local safety leaders to do the same in our international region. Requirements are met with updated compliant curricula delivered through a variety of modalities including on-line training modules. Additional job-specific training is delivered so that employees are safely prepared for their respective duties. All mandatory and compliance/safety training is tracked through a learning management system (LMS), and assignments are configured to retrain each topic on a customized schedule as determined by our safety leadership.

SAFETY IMPROVEMENT CARD

The Safety Improvement Card (SIC) is an online tool for reporting near misses, unsafe conditions, positive and “at risk” behaviors and safety suggestions. Any employee is empowered to submit ideas to create a safer work environment in this ongoing Hazard ID campaign. We receive an average of 200 thoughtful SICs per month. SIC suggestions have also been a central focal point during the DuPont Safety Leadership Workshops, which were held for all levels of management in 2019.



In 2021, we held **safety summits**, chaired by our **CEO**.



STOP WORK OBLIGATION

Every employee has the authority and responsibility to stop any unsafe work practice and immediately notify management or correct the situation.

DAILY SAFETY MEETINGS AND QUARTERLY SAFETY STANDUPS

Every day at an MRC Global operational facility begins with a safety talk. We also hold company-wide Safety Stand Ups, where a specific topic is covered on a single day across the globe.

2021 SAFETY AWARDS

Through its safety awards programs, we regularly recognize individuals, teams, facilities and regions that have demonstrated an exceptional commitment to safety. The awards presented in 2021 are:



CEO Safety Leadership Award

*Outstanding positive Management
Team impact on Safety Culture*



SVP International Safety Award

*Country or International Sub-Region
w/best Safety Performance*



SVP NA Safety Award

*Region or US sub-region w/Best Safety
Performance in North America*



VEC Safety Award

*VEC with best safety performance in
North America*



Distribution Center Award

*RDC with best safety performance in
North America*



International Location Safety Award

*Best International location Safety
Performance (SC/VEC/RDC)*



NA Service Center Safety Award

*Best Service Center Safety perform-
ance in each NA sub-region (7
total)*

SHORT SERVICE EMPLOYEE PROGRAM SSE

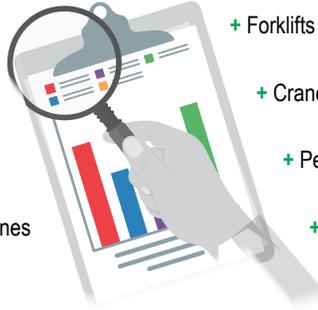
Warehouse associates with less than six months of experience in a particular job tend to have a higher risk of being involved in a safety incident than more-tenured employees. To reduce this risk, these employees are paired with a more experienced team member who trains and coaches them on the safest way to perform their new role. New employees are either new to the company or new to their location. New employees in warehouse supervisor or warehouse associate positions wear distinctive safety gear and colors so that more experienced employees can train and monitor their progress in learning our safe work processes.

LIFE PROTECTOR GUIDES

As part of our commitment to improve our safety performance by learning from past experiences, we have developed a series of standards that are intended to deliver common work practices across our company, with a focus on preventing high consequence safety incidents.

We routinely monitor and audit our compliance with these standards.

- + Contractor management
- + Electrical safety
- + Emergency response plans
- + Loading, restraint & transportation guidelines
- + Risk management assessments
- + Forklifts and powered industrial trucks guidelines
- + Cranes & lifting operations guidelines
- + Personal protective equipment guidelines
- + Steel storage racking system guidelines
- + Pressure testing guidelines



ASSISTANCE PROGRAM

This program gives employees no-cost access to immediate help with some of life's most stressful situations. This includes face-to-face sessions with a mental health professional, help in a crisis and discounts on many health and wellness products.

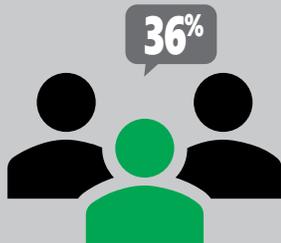
OUR CONTINUED RESPONSE TO COVID-19

As part of our continued efforts to reduce the impact of COVID-19, we monitored and revised protocols implemented in 2020 to address the changing nature of the pandemic and support the health, safety and well-being of our employees and stakeholders. This included increased hygienic and cleaning procedures and social distancing processes at all our facilities as we began to welcome our employees back to the office.

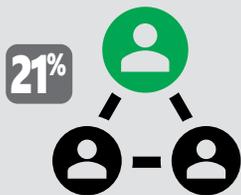
ADDITIONAL PROGRAMS

We have a monthly Leading Indicator Scorecard that tracks Department of Transportation violations and clean stops, monthly facility inspections, and Safety Lesson Meetings (four per month). In 2021, we completed implementation of a new Short Service Employee Safety Orientation program for office employees in North America and, in 2022, will expand its use to our International region. We are also developing a Truck Driver Safety and Compliance Handbook, which will be published in 2022.

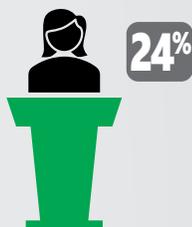
2021
U.S.
Workforce
Diversity



Workforce (Total - U.S.),
% persons of color or
diverse ethnic groups



Workforce Manager and
Above (U.S.), % persons
of color or diverse ethnic
groups



Workforce Director
and Above,
% women

EMPLOYEES

We are a global team of over 2,600 employees in 16 countries dedicated to our customers, our communities and each other. MRC Global employees regularly go out of their way to support each other in times of need, provide excellent service to our customers and uplift the communities where we live and work.

DIVERSITY & CULTURE

We are proud of the role we play in providing safe, productive and fulfilling jobs to our employees. Our Core Values underpin our culture. All new hires are onboarded with training that covers our culture including the MRC Global Mission, Vision and Core Values. Adherence to the Core Values is also evaluated for every employee as part of our regular employee review and feedback process. We maintain an independent process for confidential reporting of workplace concerns through our ethics hotline, and the ability to bypass management and directly contact the Legal or HR Departments or the company's Audit Committee regarding concerns.

As we operate in 16 countries and have an increasingly global and diverse customer base, we strive to have a team that reflects this diversity of cultures, backgrounds and approaches in our business. We are committed to maintaining a harassment and discrimination-free workplace where every employee feels safe, valued and encouraged regardless of age, gender, race, religion, ethnicity, sexual orientation, veteran status, disabilities or backgrounds. We want every one of our employees to have the opportunity to advance his or her career.

While we do not maintain specific diversity quotas, our Human Resources department actively monitors our hiring and promotion processes so that diverse candidates are considered for open roles. We are piloting a build-the-bench program to recruit diverse cohorts with the intention of identifying early career employees for development into operational and commercial leadership positions. This program is intended to accelerate the pace of increasing the diversity of our leadership while leveraging our investment in building upon the knowledge, experience, training, and corporate culture components that help make our leadership teams successful. For all director and above positions, we use diverse candidate slating to drive our process by ensuring diverse candidates are recruited and considered. By making sure our process is focused on attracting gender and minority representation, we believe it will inevitably follow that our management positions become more diverse while selecting the most qualified candidate for an open position. In addition, as part of our succession planning process, we identify high potential employees that include diverse candidates that are considered for promotions and developmental assignments.

For more information on our Diversity, see "Human Capital" in our Annual Report on Form 10-K for the year ended December 31, 2021 that can be found on our website (www.investor.mrcglobal.com) or the EDGAR portion of the website of the U.S. Securities and Exchange Commission (www.sec.gov).



TALENT MANAGEMENT & RETENTION

We seek to recognize and reward our employees and create a culture that attracts and retains leading talent.

We believe that we provide our employees with competitive compensation within our industry in the form of wage or salary, depending upon the position. In the U.S., where approximately 66% of our employees live and work, in 2021, we paid our hourly employees at least \$15 per hour beginning in their first year of employment and in other countries we pay the living wage that is prevailing for our industry. In the U.S., Canada, and Australia, we offer a defined contribution retirement plan and in other countries we offer similar plans or participate in local government retirement schemes. In addition, we offer a cost effective, comprehensive medical and health plan. For those positions where short-term incentives, such as annual or quarterly bonuses are applicable, we align our incentives with overall financial results. While we align overall incentive payout with financial results, many employees are also incentivized on non-financial performance objectives and safety or operational efficiency goals or project objectives. An employee's objectives are usually set at the beginning of each year with the employee's supervisor.

Total rewards for executive compensation, see "Item 11 Executive Compensation" in our Annual Report on Form 10-K for the year ended December 31, 2021 and a detailed explanation in "Compensation Discussion and Analysis" in our 2022 Proxy Statement that can be found on our website (www.investor.mrcglobal.com) or the EDGAR portion of the website of the U.S. Securities and Exchange Commission (www.sec.gov).



We operate in
16
countries



2021
paid our U.S. hourly
employees at least
\$15 per hour
beginning in their
first year of
employment



17.3
Average Number
Training Hours
Per Employee



\$324
Average Amount
Spent on Training
Per Employee



VETERAN SPOTLIGHT



"For those transitioning from the military, there are opportunities out there for you. You just have to take the leap. It might not be the same job you had in the military, but we have been trained to easily adapt. Be patient with yourself and put in the effort."

- JD Rosenthal
US Marine & US Army Veteran
Sales & Service Representative

EMPLOYEE SPOTLIGHT



Kirk Jones
Executive Director – Supply Chain Management

"I started here when I was 20 years old. Between me and my dad, who was an outside salesman, we have been part of the company for 77 years."

EMPLOYEE DEVELOPMENT & LEARNING OPPORTUNITIES

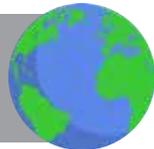
We provide our employees with educational tools and development opportunities to continually improve their talent and skills. We have an organizational development and learning team who develops and presents training to employees along with other subject matter experts inside and outside of the company.

Because our workforce is distributed over 160 locations in 16 countries, we have a strong internet-delivered learning management system (LMS) that has many training modules that can be accessed throughout our company. The LMS maintains both our core training content to meet compliance obligations and our wealth of discretionary content for employee development. In 2021, we upgraded and implemented a new LMS consisting of a Netflix-style interface that builds engagement and training utilization by offering individualized content offerings based on job duties and past accesses. This enhanced format effectively encourages employees to take advantage of our discretionary content and, between implementation in August 2021 and year end, the number of individual users accessing our discretionary online content more than doubled, growing by 104%.

We require employees to complete modules on anti-harassment, anti-discrimination, legal compliance, safety and computer systems security at regular intervals. We provide additional training covering the company's proprietary procedures and systems, product knowledge, leadership and management, sales skills, Office 365 applications, and a wide variety of information technology (IT) areas. In 2021, we implemented new live streaming "Safety Standup" training on a quarterly basis. In 2021, we also introduced a monthly video segment, "Coffee with Rob," in which our CEO focuses on highlighting our business strategy, Core Values, safety culture, corporate policies and resources and individual employee recognition. In addition, the company also implemented a human capital management system in early 2021. The system's framework has expanded throughout 2021 and into 2022 with the use of employee talent and career profiles to highlight individual skills and experience for future career growth. As we are increasing our digital capabilities through our MRCGO™ offering as well as other internal initiatives, we are increasing the capabilities of employees to develop, implement, use and promote those digital platforms. In addition to modules on the company's LMS, we provide employees many opportunities to grow their product knowledge through targeted training that the company, its suppliers or its customers present.

Below is information on the percentage of our total workforce across all locations who received training on business ethics and preventing discrimination and human rights violations:

	2021	2020	2019	GLOBAL
WORKFORCE TRAINED ON				
Anti-Corruption & Anti-Bribery	98%	98%	97%	NORTH AMERICA
Workplace Equality, Harassment & Discrimination	99%	98%	97%	



In 2021, implemented a new LMS interface that builds engagement and training utilization by offering individualized content offerings based on job duties and past accesses.

Aug '21 - Dec '21 individual users accessing discretionary online content

UP 104%

Average Training Hours per Employee

17.3 (2021)

All employees are required within five days of employment to take compliance training, and employees have 90 days to take required refreshment training, so the training percentages above reflect a lag in new employee completion. Our on-boarding process for new employees provides a broad and accelerated understanding of MRC Global's business and culture. We also periodically assess our employees' satisfaction through company-wide surveys that we undertake every few years with the most recent one occurring in early 2022.

For more information on our Employee Development, see "Human Capital" in our Annual Report on Form 10-K for the year ended December 31, 2021 that can be found on our website (www.investor.mrcglobal.com) or the EDGAR portion of the website of the U.S. Securities and Exchange Commission (www.sec.gov).

CAREER DEVELOPMENT TRAINING

Our employee development process begins upon hire and at the start of each calendar year by documenting individual goals, both for performance and development. Goals are mutually agreed upon between employee and manager, then reviewed for progress throughout the year. A mid-year review is undertaken, enabling employees to receive individualized feedback regarding goals and development progress in support of year-end success. Training options are widely available and can be efficiently aligned to development goals accordingly. As stated above, we are expanding our career development focus with the 2021 addition of a talent and career profile in our human resources management system (HRIS) for employees to highlight their skills and experience for future career growth. We also offer employees with more than six months of service the opportunity to participate in a tuition reimbursement plan for both graduate and undergraduate courses that align their career objectives based on their successful completion of classes. In 2021, we had 15 North American employees use this benefit to grow their professional development through formal education.

MRC Global also hosts internships and apprentice programs in some countries. Both of these initiatives focus on allowing young employees the opportunity to learn on the job training and gain experience in technical product roles. As of December 31, 2021, we had 4 people in our apprenticeship program and 10 people in the business or financial professional qualification programs working to expand their skillset and future career opportunities within the company.

EMPLOYEE AND LEADERSHIP DEVELOPMENT PROCESS

Our Human Resources team facilitates a review of our company leadership for all director and above roles for each of the business and functional teams in the company. This leadership planning process occurs twice a year with a full census review of all leaders for talent mapping and calibration, development assignments and succession plans. The process also incorporates identification of emerging leaders in the company, as well as comprehensive remuneration review for internal equity and market competitiveness.

Our Organizational Development and Learning team collaborates closely with health, safety and environmental (HSE) stewards, field operations and executive leadership to enable employee and manager development across the enterprise. Career development training includes a broad variety of options, from leadership development, communication skills, sales excellence, technical content and operations systems/processes.

Training is conducted in a variety of formats to effectively appeal to a wide variety of adult learning styles and preferences including self-guided e-Learning, instructor-led training (ILT), virtual instructor-led training (VILT), and informal on-the-job training (OJT). Training is role-specific, ensuring content is relevant and supports short-term and long-term performance needs.

Given our global footprint and operational efficiency, many locations operate with small teams who are cross trained for multiple functions. Informal OJT conducted in the moment is not possible to quantify, however it represents a large percentage of development activities within MRC Global. As such, OJT hours are not included in the metrics covered in this report.

EMPLOYEE RELATIONS

Of our workforce of approximately 2,600 employees, 66% are based in the U.S., 27% are in our International segment, and 7% are in Canada. In the U.S., Norway and Australia, 86 employees belong to a union and an additional 160 employees are covered by union-negotiated agreements. We are committed to freedom of association and our employees' desires to bargain collectively. We consider our relationships with our employees to be good, as verified by employee engagement surveys and other feedback mechanisms.

MONITORING FOR SUCCESS

We monitor our workforce to determine its overall effectiveness by reviewing metrics related to headcount, composition, performance per employee (such as revenue per employee, individual employee safety ratings or adjusted EBITDA per employee) and selling, general and administrative expense as a percentage of sales. We also use people analytics to assist in our strategic workforce planning, identify current workforce skills gaps, recruit and hire new talent, identify flight risks to improve retention, and obtain competitive intelligence.

To deliver data-driven people practices and drive decisions to support our business, we use data mined from our HRIS platform to analyze human resource talent to inform our strategic workforce planning, organization development, learning, and recruitment practices.

We further utilize people analytics in our strategic workforce planning with a module in our HRIS that includes a behavior change work practice as a critical execution component. We create custom employee-specific experiences and actions taking into account their location, management level or any other employee parameter within our HRIS. The process creates on-demand experiences through an "if-then" model where human resources can deliver real-time prompts, nudges and queues for employees. Managers are provided with information to help take steps to drive action, reinforce behaviors and tap into discretionary effort. This model has increased the effectiveness of our employee engagement. For example, this HRIS model has driven our internal referral and candidate process as part of our overall workforce planning to increase internal referrals. Because our distributed workforce presents challenges to optimize internal candidate sourcing and external referral model, this HRIS model allows us to customize workflow to differentiate our action notifications which resulted in a 60% increase in our internal referral programs in the U.S.

Furthermore, in 2021, we began planning for an early 2022 implementation of a new dynamic employee survey to solicit feedback on what we, as a company, do well and what we could improve to enhance our employees' experience and growth within the company. This survey uses artificial intelligence to tailor the question profile for individual users by populating follow-up questions based on answers to previous questions. The information is anonymized to encourage open and honest responses. These survey results provide the company with useful metrics on employee engagement.



DATA MINING & EMPLOYEE SURVEYS





“Heart disease and stroke affect all of us. No matter what country we are in, or language we speak, heart disease impacts all MRC Global employees. We are looking forward to working with the American Heart Association to help all of our employees and their loved ones live longer, healthier lives.”

**- Kelly Youngblood
Executive VP & CFO
and
AHA Greater Houston
Board Member**

We also monitor our employee exits and solicit direct feedback to determine the reasons employees leave the company. As with most employers in 2021, MRC Global was not immune to the “great resignation,” experiencing 15% voluntary turnover of its workforce.



We strongly support both the letter and the spirit of the current U.S. laws on pay equity, including the long-established Equal Pay Act, which requires that men and women be given equal pay for equal work in the same establishment. This law allows pay differentials when they are based on seniority, merit, quantity or quality of production, or a factor other than sex. We fully support equal pay for equal work, as well as all federal antidiscrimination laws applicable to employment, including those within Title VII of the Civil Rights Act. Pay practices that reward performance and all other legitimate factors should remain lawful.

With the implementation of our new HRIS platform, we now have a data host and system that provides for much improved analytics related to pay. While we do not have a pay equity monitoring program now, we are implementing a pay banding program in our U.S. market as the first step in that direction. Pay banding will provide the framework we need to start the pay equity analysis.

See “Item 1 Business-Human Capital” in our Annual Report on Form 10-K for the year ended December 31, 2021 that has been filed with the Securities and Exchange Commission (SEC) for additional information.

COMMUNITY INVOLVEMENT

MRC GLOBAL CARES

We are dedicated to uplifting the communities where we live and work. MRC Global supports education, health and human services, the arts and humanities and civic projects through the MRC Global Cares initiatives. We provide support to various charitable and community causes and have several corporate-sponsored opportunities for our employees to volunteer their time. In addition to our charitable contributions in 2021 (as described below), we had employees fundraise for charitable causes, and volunteer over 360 hours of their time.

American Heart Association – Heart Walk

Our national support for the American Heart Association (AHA) is deeply rooted in the loss of Lew Ketchum, the founder of one of our heritage companies, Red Man Pipe and Supply, in 1995 after a heart attack. We honor his legacy by standing with the American Heart Association in the fight against heart disease. In 2021, we had 109 employees dedicate 304 hours of volunteer time for AHA’s Heart Walks in Houston, Texas and Charleston, West Virginia, in addition to the Heart Walk planning committee, participation in Cycle Nation in Houston, and executive leadership service. In addition to our corporate donation, our employees fundraised more than \$24,000 in support.

Additional Global Community Involvement

We had an additional 571 participants on a worldwide basis throughout the year involved in a wide range of corporate community service and fundraising activities. These activities included, but were not limited to, donating enough blood to save 237 lives, providing holiday gifts for underprivileged children and donating food to individuals with disabilities and their families.

Education - PVF Roundtable Scholarship Sponsorship

As a leader in the PVF industry, we recognize the need to invest in the next generation of industry professionals. That commitment led us to fund an annual scholarship through the PVF Roundtable with Texas A&M University for students in the industrial distribution field of study. In 2021, our employees donated approximately 65 hours of their time for the PVF Roundtable, including volunteer services for the creation of promotional video and materials, quarterly board meetings, and other activities to support the scholarship committee’s needs. The company also sponsors multiple events throughout the year, which raise money for additional scholarships at other industrial distribution programs and trade schools.

Natural Disaster Relief

In response to hurricanes, tornadoes, flooding, winter storms, wildfires, and other natural disasters, we stand ready with support for our communities. In 2021, we donated pallets of bottled water to affected employees and customers, loaned generators to employees and their families to keep their homes powered until utilities could be restored and provided cash contributions to employees who suffered damage to their personal property to assist them with repairs.

CHARITABLE CONTRIBUTIONS

We make grants to nonprofit organizations in our communities for charitable causes, including education, health and human services, arts and humanities and civic projects. In 2021, we made nearly \$200,000 in charitable contributions across a wide range of causes including, but not limited to the American Heart Association, United Way, Special Olympics, Make a Wish Foundation, Boys & Girls Club, Susan G. Komen, the Boy Scouts of America and the YMCA.



“The PVF Roundtable would like to recognize MRC Global for its commitment to the long-term success of our industry’s future through sponsorships to students who are continuing their education as PVF professionals. In December 2019, the Roundtable began its annual fundraising campaign to raise scholarship funds for 2020, with no idea of the challenges that would arise just a few months into the new year.

Critical fundraising events such as the popular TroutBlast and the regular quarterly networking meetings at The Bell Tower on 34th St. in Houston were canceled due to the pandemic, which directly affected scholarship donations. In addition to MRC Global’s generous contribution – enabling The PVF Roundtable to award scholarships – many MRC Global team members with key roles in our industry began networking through social media and offering real-time solutions for our campaign.

The unconditional support of MRC Global has resulted in the Roundtable’s ability to award scholarship funds to San Jacinto College, Lamar Institute, Lee College, Associated Builders and Contractors’ Pelican Chapter and Houston Community College. These, along with four-year industrial distribution and engineering programs at Texas A&M and The University of Houston, offer financial assistance to students who are already working toward a degree in the PVF field.”

– The Wholesaler Magazine, January 2021



“Blood donation is one of the easiest ways to save a life. I’ve seen firsthand how important donors are to people in need. I’m grateful to work at a company full of so many heroes who choose to give the gift of life on a regular basis.”

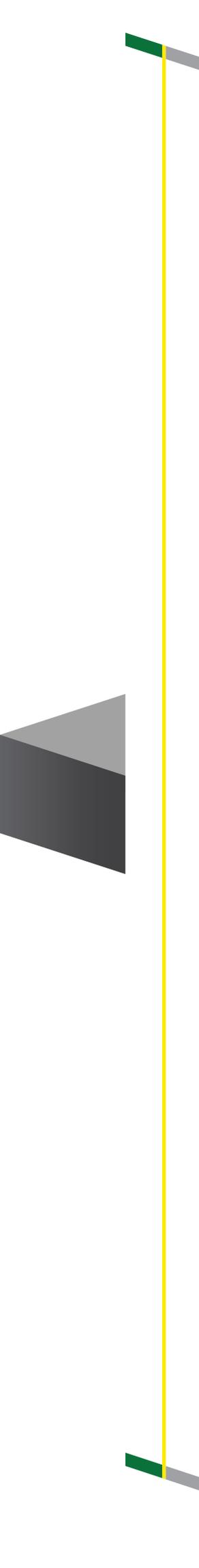
**– Carlin Walters
Service Center Manager
La Porte, TX, USA**

NO POLITICAL ADVOCACY

MRC Global does not use corporate funds for political advocacy, and in 2021 no funds were allocated to lobbying expenses. In addition, MRC Global does not provide matching gifts related to employee political donations or solicit for corporate political action committees.

A man with glasses and a beard, wearing a bright yellow polo shirt with a red collar, is speaking into a microphone. He is standing in front of a group of people. The background is slightly blurred, showing other attendees and what appears to be an industrial or warehouse setting. A yellow rectangular box is overlaid on the image, containing the text "SUPPLY CHAIN EXPERTS YOU CAN TRUST".

SUPPLY CHAIN
EXPERTS
YOU CAN
TRUST



ABOUT THIS REPORT

The information included in this ESG Report has been subjected to MRC Global's policies surrounding the disclosure of financial and non-financial data. The financial information included in this ESG Report was sourced from our Annual Report on Form 10-K for the year ended December 31, 2021 that has been filed with the Securities and Exchange Commission (SEC). This financial information and all non-financial data included in this ESG Report was not subject to a third-party audit verification process.

FORWARD-LOOKING STATEMENTS

Certain information contained in this ESG Report may constitute forward-looking statements within the meaning of applicable securities laws, including, but not limited to, words such as “will,” “expect,” and similar expressions are intended to identify forward looking statements. Statements regarding our company's plans, strategies, objectives and assumptions, including plans to move forward with climate change opportunities and plans to seek opportunities to further integrate sustainability factors into investment decisions are not guarantees of future performance. Readers are cautioned not to place undue reliance on forward-looking statements as they are subject to a number of assumptions and known and unknown risks and uncertainties that may cause the actual results, performance or achievements of MRC Global to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements contained herein are made as of the date of this document. We also describe risks and uncertainties in our reports filed with the SEC, including our Annual Report on Form 10-K for the year-ended December 31, 2021 (under the headings “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” and elsewhere) and our subsequent reports, which are available through the SEC's EDGAR system at www.sec.gov, and on our website at www.mrcglobal.com. MRC Global assumes no obligation to update or otherwise revise these forward-looking statements, whether as a result of new information, future events, or otherwise.

APPENDIX

- 58 STAKEHOLDER ENGAGEMENT
- 59 2021 SASB INDEX
- 60 2021 ESG PERFORMANCE SUMMARY SUPPLEMENT

STAKEHOLDER ENGAGEMENT

The company continually communicates and collaborates with its stakeholders. Our method of engaging these stakeholders is tailored around our mutual priorities, initiatives and needs.

Stakeholder & Topics

Method

Communities

Safety, environmental stewardship, emergency response planning, sponsorships and local engagement

- Our website
- Social media
- Employee initiatives
- Company sponsored or promoted charitable or civic efforts

Current & Prospective Customers

Business performance, sustainability, policies, safety and regulatory information

- Customer meetings
- Ad hoc conversations
- Key performance indicator review with managed account customers
- Negotiations
- Our website
- Social media
- Trade shows and industry events
- Customer electronic portals (MRCGO™)
- Our external company magazine, InSight

Current & Prospective Suppliers

Performance criteria, expectations, policies, proper labor and human rights practices, sustainability and safety

- Supplier meetings
- Ongoing business agreements and contract negotiations
- Daily field sales business
- Interactions with preferred suppliers
- Our website
- Risk evaluations and QA/QC processes
- Our external company magazine, InSight

Current & Prospective Investors

Communication of our strategy and performance to shareholders and other stakeholders

- Quarterly earnings calls; Investor conferences and events
- One-on-one investor discussions
- Annual stockholders meeting
- Our website
- Press releases
- Our SEC filings
- Participation in various evaluations, ratings and rankings, such as the Carbon Disclosure Project, EcoVadis, TSP Project and IntegrityNext

Governments & Regulators

Business performance strategy, execution, disclosures of ESG topics and further areas of investor interest

- Participation through industry associations
- SEC filings
- Other mandatory filings such as EEO-1 filings with the Department of Labor

2022 SASB INDEX

MULTILINE AND SPECIALTY RETAILERS & DISTRIBUTORS (CODE CG-MR)

OIL & GAS - SERVICES (CODE EM-SV)

The Sustainability Accounting Standards Board (SASB – now part of the Value Reporting Foundation) is an independent, private sector standards-setting organization whose mission is to help businesses identify, manage and report on the sustainability topics that SASB believes will be financially material, decision-useful information to investors. According to the SASB's Sustainable Industry Classification System®, we determined the two industry standards listed below most accurately reflect our business operations. This index references only the disclosure topics within those two standards that we believe are significant and relevant to our business.

Topic	SASB Code	Accounting Metric	Page(s)
Emissions Reduction Services & Fuels Management	EM-SV-110a.1	Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment and vehicles and (2) off-road equipment	36 & 60
Emissions Reduction Services & Fuels Management	EM-SV-110a.2	Discussion of strategy or plans to address air emissions-related risks, opportunities and impacts	32, 34, 36-37
Energy Management in Retail & Distribution	CG-MR-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	37 & 60
Workforce Health & Safety	EM-SV-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), (4) total vehicle incident rate (TVIR), and (5) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	46-49 & 60
Workforce Health & Safety	EM-SV-320a.2	Discussion of management systems used to integrate a culture of safety throughout the value chain and product lifecycle	42-43, 46-49
Data Security	CG-MR-230a.1	Description of approach to identifying and addressing data security risks - see pages 38-39 of our 2022 Proxy Statement on our company's website at investor.mrcglobal.com	24, 27 & 61
Labor Practices	CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labor law violations*	
Workforce Diversity & Inclusion	CG-ME-330a.1	Percentage of gender and racial/ethnic group representation for management and all other employees	50 & 61
Workforce Diversity & Inclusion	CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination*	
Product Sourcing, Packaging & Marketing	CG-MR-410a.3	Discussion of strategies to reduce the environmental impact of packaging	38 & 39
Business Ethics & Payments Transparency	EM-SV-510a.1	Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception index	25
Business Ethics & Payments Transparency	EM-SV-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	18-19, 24-29
Management of the Legal & Regulatory Environment	EM-SV-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	35
Critical Incident Risk Management	EM-SV-540a.1	Description of management systems use to identify and mitigate catastrophic and tail-end risks	24, 27

* There were no monetary losses resulting from any legal proceedings that resulted from employment discrimination or labor law violations.

2021 ESG PERFORMANCE SUMMARY SUPPLEMENT

\$637 million of the company's 2021 revenue of \$2.7 billion was represented by Low-E valve sales. This amounts to 94% of total valve sales and approximately 24% of the company's total revenue.

EMISSIONS

	Global		North America (except as noted)		
	2021	2020	2021	2020	2019
Scope 1 Emissions, metric tons ⁽¹⁾	8,912	9,888	8,588	9,637	14,640
Scope 1 Emissions, gigajoules ^(1, 2)	127,977	142,788	120,692	137,146	208,907
Scope 1 Emissions Intensity ^(1, 3)	3.34	3.86	3.72	4.48	4.60
Average Miles per Gallon ⁽¹⁾	n/m	n/m	13.94	14.23	13.72
Scope 2 Emissions, electricity consumption from hydrocarbon sources - gigajoules ⁽⁴⁾	42,713	49,211	33,178	39,131	42,213
Scope 2 Emissions, electricity consumption from alternative and renewable energy sources	33,827	13,350	22,759	4,287	0
Total Scope 2 Emissions – electricity consumption from all sources	76,540	62,561	55,937	42,418	42,213
Water Consumption, cubic meters	54,966	21,405	46,262	13,286	27,695
Material Recycled, tons (U.S. only) ⁽⁵⁾	n/a	n/a	499	487	557
Percentage of Waste Recycled (U.S. only) ⁽⁶⁾	n/a	n/a	13%	12%	9%

(1) MRC Global's fleet provider revised its estimates based on improved methodology for 2020 and 2019 that was originally reported in the 2021 ESG Report. Scope 1 emissions are for MRC Global's fleet only.

(2) total fuel consumed in on-road equipment and vehicles; no fuel consumed in off-road equipment

(3) emissions/1,000,000 unit total revenue

(4) excludes alternative and renewable energy sources

(5) MRC Global's waste management provider revised its estimates of material recycled for 2020 that was originally reported in the 2021 ESG Report.

(6) MRC Global produces negligible to zero hazardous waste, totals above incorporate only non-hazardous waste

[n/m] denotes data that was not measured

REAL ESTATE

	Global		
	2021	2020	2019
ISO 14001 Certified Locations	4 (1)	6	8
ISO 9001 Certified Locations	30	34	31
LEED Certified Space	645,690 ft ² (59,986 m ²)	645,690 ft ² (59,986 m ²)	415,272 ft ² (38,580 m ²)

WATER

	Global		North America (except as noted)		
	2021	2020	2021	2020	2019
Water Consumption Cubic meters	54,966	21,405	46,262	13,286	27,695

HEALTH & SAFETY

	Global		
	2021	2020	2019
Total Recordable Incident Rate (TRIR)*	1.09	0.49	1.27
Lost Workday Rate (LWDR)*	0.48	0.17	0.41
Recordable Vehicle Incident Rate (RVIR)**	0.39	0.38	0.85
Near Miss Frequency Rate (NMFR)+	19.76	20.22	12.96
Work Related Fatalities	0	0	0

*per 200,000 hours worked

**per 1,000,000 miles driven

+The company changed NMFR recording methodology in 2020. 2021, 2020 and 2019 numbers were calculated using this methodology.

[n/m] denotes data that was not measured

ETHICS AND VALUES

	Global		
	2021	2020	2019
Percentage of Workforce Trained on Anti-Corruption & Anti-Bribery	98%	98%	n/a
Percentage of Workforce Trained on Workplace Equality, Anti-Harassment & Anti-Discrimination	99%	98%	n/a
Percentage of Workforce Trained on Basic Cybersecurity*	99%	96%	82%

*Cybersecurity training includes contractors.

All employees are required within five days of employment to take compliance training, and employees have 90 days to take required refreshment training, so the training percentages above reflect a lag in new employee completion. Employee actions must always reflect the highest possible standards of business conduct and ethics, and all employees are required to sign their agreement to the code of conduct as part of their employment condition.

DIVERSITY

Global Workforce Diversity	Global		
	2021	2020	2019
Workforce (Total), percent women	27%	26%	26%
Workforce Director and Above, percent women	24%	19%	17%
Workforce (Corporate Functions), percent women	55%	45%	45%
Board of Directors, women or persons of color	33%*	33%	36%

*75% of our Board leadership roles are from diversity groups.

We operate in 16 countries and have an increasingly global and diverse customer and employee base.

U.S. Racial/Ethnic Make Up	U.S. Only		
	2021	2020	2019
American Indian/Alaska Native	0.69%	0.45%	0.90%
Asian	1.77%	1.86%	1.96%
Black or African American	7.88%	7.74%	7.67%
Hispanic or Latino	16.22%	16.34%	17.25%
Native Hawaiian/Other Pacific Islander	0.23%	0.05%	0.08%
Not Specified	7.65%	10.41%	10.15%
Two or More Races	1.14%	0.70%	0.61%
White	64.42%	62.44%	61.38%

U.S. Workforce Diversity	U.S. Only	
	2021	
Workforce (Total), percent persons of color or diverse ethnic groups	36%	
Workforce Director and Above, percent persons of color or diverse ethnic groups	6%	
Workforce Manager and Above, percent persons of color or diverse ethnic groups	21%	

EMPLOYEE DEVELOPMENT

	Global		
	2021	2020	2019
Average Number of Training Hours Per Employee	17.3	17.2	20.8
Average Amount Spent on Training Per Employee	\$324	\$153	N/A





2022

**ENVIRONMENTAL,
SOCIAL RESPONSIBILITY &
CORPORATE GOVERNANCE
REPORT**



MRC Global[®]

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