

SUSTAINABILITY REPORT 2019



TASA - TUBOS ARGENTINOS











About us and what do we do?

What sets us apart?

TASA is the first Argentinian company to manufacture steel pipes with seams. More than 100 years of history allow us to talk about quality assurance, based on a commitment that we constantly reaffirm until today.

Our products

We are dedicated to the production and wholesale distribution of steel products such as structural tubes, pipes, C-profiles and dry construction.

 <p>47.6 thousand metric tons of manufactured products shipped</p>	 <p>US\$ 57.29 million in consolidated revenue</p>	 <p>0 fines for non-compliance in social or economic matters.</p>
 <p>167 workers⁴⁰</p>	<p>US\$ 4.38 million in EBITDA</p>	<p>2 complaints on the Integrity Channel.</p>
<p>14% women</p>	 <p>Ownership 99.9% INTASA S.A.⁴¹</p>	
<p>23 contractors</p>	 <p>100% of workers under OHSAS 18001 and ISO 14001; 67% under ISO 9001</p>	

Composition of the Board of Directors⁴² (as of December 31, 2019)

Gender		Independence ⁴³		With executive positions in the company	
Man	Woman	Independent	Not independent	Executive	Non-executive
3	3	6	0	0	6

⁴⁰ Total number of own employees as of 31/12/2019.

⁴¹ The main shareholders of INTASA S.A. are CAP S.A. with 57.79% and Novacero S.A. with 30.56%. The latter is part of the Cintac Group.

⁴² Refers to the Board of Directors of INTASA S.A.

⁴³ Independence" is defined according to the criteria used by the Dow Jones Sustainability Index (DJSI).

General Manager's Vision

What are the main trends and issues that are impacting TASA's business?

Our business depends directly on the activity in the internal market of construction and public investment. Our products are traded at a dollar value; therefore, they are highly affected by changes in economic policies.

What are the priorities that TASA has set, and the main progress and developments in those priorities during 2019?

Tubos Argentinos is committed to provide the customer with an excellent service, with customized products and information services that integrate all areas. In this sense, additional equipment as well as drilling and cutting service providers have been developed to be able to add value to the product, meet the requirements of demanding customers who need large scale solutions. In addition, a digital access was developed through a web page where the customer can manage all the information related to its interaction with all the sectors of the company. As a result of these actions, an improvement was detected in the Customer Satisfaction Survey.

Regarding Tubos Argentinos' internal priorities, safety was defined as a strategic value, working on the infrastructure and training people. Visual inspections of tasks, housekeeping audits, training regarding unsafe actions, follow-up of improvement proposals, among other activities, are carried out. An in depth work is expected to be carried out with each production line to define the risk points and seek their management.



Paula Poloni
General Manager



Corporate governance

Tubos Argentinos is a corporation. The Board of Directors of INTASA S.A. The Board of Directors of INTASA S.A., TASA's controlling company, is composed of six people. It is responsible for leading the strategy, including the definition of the objectives, the annual business plan, as well as the medium and long term ones. Along with this, it defines the fundamental principles, mission, values, policies, strategies and priorities; monitors value creation and the efficient use of resources; supervises performance, risks and management control systems, including those of sustainability.

Ethics and compliance

The Integrity and Compliance Program developed by the CAP Group in 2019 is extended to TASA, as well as the new Code of Integrity and the Group's guidelines on due diligence, relations with government officials, influential people or people who represent others, and conflict of interest management, among others.

Innovative solutions that contribute to the quality of life and the environment

We have three product lines that contribute to the quality of life and the environment:

1. Solar TASA

CAP Group, through Cintac, is the most experienced supplier in Chile of rooftop solar plants, with more than 100 thousand m² installed. TASA has incorporated this line of business by offering solar panel systems adaptable to any type of roof or floor, as well as structures for the generation of renewable energy.

2. Road TASA

TASA provides the Argentinean and regional market with road fenders made of the highest quality galvanized steel. It also offers other structures for road and mining use, as well as ponds for water storage that allow to take care of this scarce resource.

3. Steel House

Innovative architectural solution that allows to build more durable houses, with great flexibility in the design, as well as large size sheds and warehouses of excellent durability and Safety, due to their characteristics of seismic and fire resistance. These have greater thermal insulation, which generates energy savings at the time of use. The agility in the planning of work allows a great simplification of the construction processes.

Our commitment to product quality is reflected in our compliance with a number of national and international quality standards. Likewise, all our processes are certified under the ISO 9001 quality management standard, safeguarding the application of control mechanisms and continuous process improvement.





Workers

All labor policies of CAP Group and Cintac Group apply to the Argentinean Pipe and Tube operation. We seek to generate quality jobs for the 167 people working in the company, generating spaces for dialogue and opportunities for improvement for each position. We apply labor surveys, which have shown a noticeable improvement in the quality of life of our workers.

Occupational health and safety

The Safety Policy developed by CAP Group extends to TASA, so it has a preventive approach that puts safety at the center of every process and activity. During 2019 we tripled the hours of training in safety matters, which will continue in 2020. Given the greater seniority of the workers, it is necessary to make greater efforts to generate awareness and achieve the required cultural change.

The 23 contractor workers who work for the company must meet the same safety standards as TASA employees. To this end, they are trained and monitored through ISO and OSHAS audits.

Environment

The CAP Group's Environmental Policy also applies to TASA, thus maintaining a precautionary approach in its operation. 100% of our employees work under an ISO 14001 management system.

75% of the energy we consume is natural gas (3,639,756 GJoules), which is a more environmentally friendly energy source.

We have a Waste Management Plan focusing on the industrial waste we generate. These are segregated and stored in a safe area, and then removed for safe disposal, which is certified by a third party.

Our values



We encourage teamwork in all areas.



We facilitate the addition of value to the end user from production and logistics.



We promote safe working conditions for our people.



We are an open door company to our customers.



We respect and care for the environment.



We promote training as a means to achieve the development of our human resources.



We are involved in the community to which we belong.



We innovate to meet new solutions with steel products.



We serve the needs of our customers by listening to their own point of view



We seek physical safety in the use of our products.



We value the development of the creativity of our technicians and engineers from existing technology.

