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# Sustainability Report 2022

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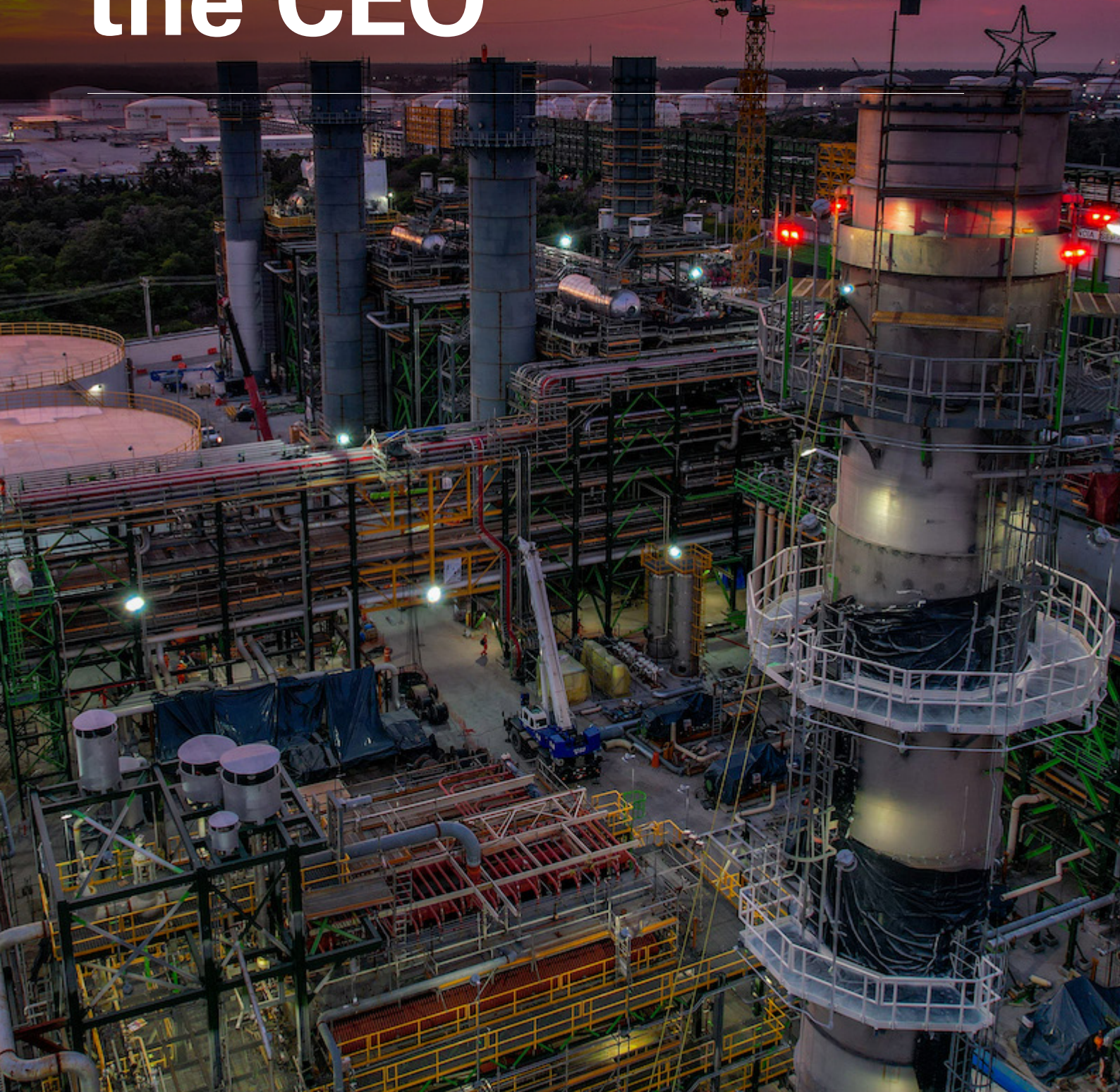
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# Message from the CEO

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**Carlos Bacher**

CEO of Techint Engineering &amp; Construction

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**GRI STANDARDS** 102-14

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During 2022, we designed and executed highly complex, large-scale works that contributed to improving infrastructure at country level. This included infrastructure projects, water impulsion systems for sustainable mining, and initiatives related to the energy transition. In a context of high activity characterized by global logistical challenges involving tight deadlines and the need for fast-paced work, people's safety and caring for the environment continue to be our top priorities.

This report is an overview of the main activities carried out over the past year to sustainably manage both our projects and offices.

The energy transition is a global priority and involves a shift to a new paradigm. Accordingly, at Techint E&C, we have been dedicating considerable efforts to the study and development of initiatives related to carbon dioxide capture, hydrogen generation and transport, and wind power generation.

Similarly, we hold that environmental sustainability is intrinsic to the quality of our operations as an essential value. Along these lines, we reduced our carbon footprint by 10% and applied innovative solutions throughout our operations. In addition, we continue to work both with our Sustainable Environmental Management Plan and with the principles underpinning our Integrated Management System so that we can continue to be a sustainable company over time, committed to the environment, economically profitable and complying with the highest standards of quality. We have renewed our commitment to international standards, recertifying for ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018.

In terms of Human Resources, we have moved ahead with our "Towards a New Way of Working" program throughout its different axes, recording improvements in time management, adopting new technologies, promoting a more collaborative work environment, and fostering an innovative and entrepreneurial mentality, among other achievements.

At the same time, as signatories to the United Nations Global Compact, in 2022 we added new initiatives related to the Sustainable Development Goals, such as the Social Management Plan we deployed for the communities living near the Dos Bocas project, in Mexico, to enhance the health and well-being of their members.

We have closed the year with record billing levels and working hours. My heartfelt thanks go to out to all our employees because it is thanks to their commitment and professionalism that we were able to carry out and complete all our projects, even in extremely complex circumstances. In 2023, with Oscar Scarpari at the helm as the new CEO, and myself accompanying from my position as Chairman, we will tackle new challenges in the conviction that together we can contribute to the development of countries and society as a whole.

# Profile of the organization



Techint Engineering & Construction is part of the Techint Group and has over 75 years of experience in the engineering and construction market.

SUSTAINABLE DEVELOPMENT GOALS



GRI STANDARDS

102-2, 102-3, 102-4, 102-6, 102-7, 102-18

Techint E&C has completed over 3,300 projects throughout its history, building expertise and enabling it to offer added value to its customers and partners. The company permanently seeks ways of enhancing its competitive advantages, creating a unique differential thanks to its people, processes and systems.

As part of its performance, the company recognizes its duty to protect the environment by championing sustainable development. Its pledge to employees, customers, contractors, and the community, is to minimize the environmental and social impact of its activities, a commitment reflected in its Mission, Vision and Values, and embodied in its Management and Energy Policies.

### Mission

To provide shareholders and customers with value by offering Engineering, Supplies, Construction, Operation and Management services for infrastructure projects, industrial, and energy projects.

The company shares the conviction that training its human resources is essential to building knowledge on an ongoing basis and is committed to ensuring the safety of its employees.

### Vision

The company is committed to supporting development in the countries where it operates, seeking the well-being of its communities and caring for the environment.

### Values

- Commitment to people’s safety, environmental care and community development.
- Local roots and respect for cultural diversity as intrinsic to a global business vision.
- Development of human resources and knowledge creation.
- Transparency and professional management.
- Emphasis on processes and predictability.



JAGUATIRICA II

RORAIMA,  
BRAZIL.

## Segments, products and services

Over the last 75 years, Techint E&C has diversified and expanded, honing its expertise to develop specialized know-how in the following areas:

- Feasibility studies.
- Process studies and technology research.
- Basic and detail engineering.
- Supplies.
- Project management.
- Construction and assembly.
- Plant pre-commissioning, commissioning and start-up.
- Operations and maintenance.

The company is dedicated to the search for continuous improvement, adding value to the works it develops thanks to a global vision of the business and a local approach to its projects.

Techint E&C professionals are committed to going the extra mile, developing competitive, efficient and sustainable solutions commensurate with the highest standards of quality and safety, and caring for the environment and welfare of the communities where they work.



# Management policy

At Techint Engineering & Construction, we seek to achieve the continuous improvement and sustainability of our processes in order to satisfy and exceed the expectations of our customers, employees, shareholders and suppliers, as well as the communities where we carry out our work.

## Turning our Management Policy into a reality:

- **Our actions are guided by the principles of ethics and transparency.**
- **We work to prevent and avoid diversions, incidents and accidents that could endanger the health and safety of people and the environment.**
- **Our Integrated Management System allows us to provide top quality services, and is respected and followed by all members of the organization.**
- **We build long-term relationships with our customers, partners and suppliers, rooted in trust, mutual respect and the certainty that we always meet our commitments.**
- **We plan and develop our working processes by assigning the right resources, setting clear objectives to be met as part of a continuous cycle of control and improvement.**
- **We manage knowledge, apply technology and encourage innovation at all levels to improve efficiency and provide greater added value.**
- **Our people receive all-around ongoing training, with the opportunity to challenge themselves and achieve extraordinary results, honing their skills and developing their careers to become industry referents.**
- **We approach the issue of social responsibility as intrinsic to our activity, promoting sustainability, respect for diversity and the well-being of the communities where we operate.**
- **We comply with all applicable legal norms regulating our activity and the environment in which we work.**

Our management policy faithfully reflects our vocation for excellence and leadership as we seek to make our Company the best place for our employees to work and to develop their future.

May 2019



Carlos Bacher  
CEO of Techint Engineering & Construction

FR-MA-MNG-001-02 R02



SIERRAS BLANCAS OIL PIPELINE  
NEUQUÉN, ARGENTINA



PARNÁIBA V  
MARANHÃO, BRAZIL



TENARISBAYCITY  
TEXAS, UNITED STATES



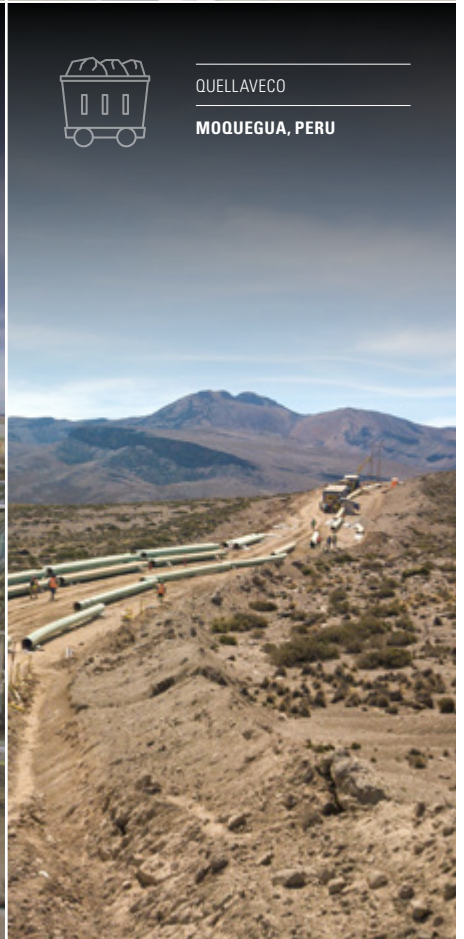
ROUTE 9 BRIDGE  
URUGUAY



PROFERTIL FERTILIZER PLANT  
BAHÍA BLANCA, ARGENTINA



QUELLAVECO  
MOQUEGUA, PERU

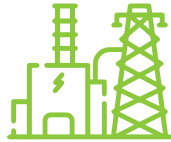


# Market segments



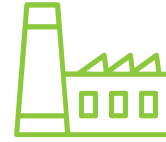
## Oil & Gas

Pipelines to transport oil, gas and derivatives, gas and oil treatment plants, sea terminals and offshore works, facilities for transport systems, compressor and pumping stations, storage tanks and LNG plants.



## Power

Single and combined cycle power plants, hydroelectric power plants, nuclear facilities, renewable energy, power lines and electrical substations.



## Industrial plants

Design and construction of facilities, industrial cleaning facilities and services, materials handling facilities, aluminum, paper and cellulose plants, cement plants, and manufacturing facilities producing building materials and domestic appliances.



## Infrastructure Civil Works

Large-scale buildings: hospitals, bridges, roads, highways, underground subways and railways.



## Downstream & Petrochemical plants

**At oil refineries:** various processing, treatment and production units and facilities, including hydro-treatment and hydro-desulfurization units for naphtha and diesel products.  
**At petrochemical plants:** chemicals facilities to produce methanol, fertilizers, agrochemicals and herbicides, polyethylene and polypropylene, and hydrogen-producing facilities.



## Mining

Civil works, roads, access roads and ports, aqueducts and slurry pipelines, ore processing plants, industrial and service facilities and buildings.

# Global presence



- Central Headquarters
- Regional Offices
- Engineering Centers
- Sales and Operations Centers

## Techint E&C in numbers



**Mumbai**  
India

**+75**

Years of experience.

**+55**

Million construction and engineering hours in 2022.

**+550**

Pipelines installed and 10 mountain range crossings.

**+600**

Downstream & petrochemical plants.

**+900**

Projects executed in the Oil & Gas sector.

**+3,300**

Projects completed around the world.

**+7,000**

Km of routes and highways.

**+23,000**

Employees.

**+20,000**

Km in electrical transmission lines.

**+600,000**

Tons of steel structures assembled.

**+900,000**

Tons of equipment installed.

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# Awards, prizes and certifications

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## 2022

### **Environmental Quality Certificate**

Carbonser S.A. - Techint E&C. Federal Environmental Protection Agency (PROFEPA), Government of Mexico.

### **Award for Organization of the Year**

Dos Bocas Refinery Project, Techint E&C. *Oil & Gas Journal*, presented at the International Energy Meeting Mexico.

### **Bechtel Award for Best Sustainability Performance**

Quebrada Blanca II project, Techint E&C Chile. Bechtel.

### **Health & Safety Certification, Gold Category**

Chile Equipment Management, Techint E&C. Accident Insurance Firm of the Chilean Chamber of Construction.

### **Ecofindi Awards, Ecogreen Prize**

Implementation of rainwater collection system with minimum use of groundwater. Shushufindi, Ecuador, CPP - Techint E&C. Consorcio Shushufindi S.A.

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## 2021

### **Violeta Prize for Gender Equality, Silver Category**

CPP - Techint E&C. Labor Ministry & Human Rights Secretariat, Ecuador.

### **COVID-19 Seal**

Techint E&C. Accident Insurance Firm of the Chilean Chamber of Construction.

### **Collective Bargaining Committee, Silver Category**

Techint E&C. Accident Insurance Firm of the Chilean Chamber of Construction.

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## 2020



### **Certification ISO 50001:2018**

### **Energy Management System.**

Techint E&C. Det Norske Veritas (DNV)

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## 2019

### **Adherence to Ten Principles of UN Global Compact**

Techint E&C. United Nations.

### **Safe Supplier Program**

Sidernet. Ternium San Nicolás, Argentina. Ternium.

### **XXIX National Quality Award, Best Construction Company Category**

Techint E&C. Ministry of Economy, Mexico.

### **Diamond Prize for Excellence in Quality**

Techint E&C, Switzerland. European Society for Quality Research (ESQR).

### **Awards & Mentions. Best Performance in Environmental Management**

Quellaveco Project, Peru. Anglo American.

### **Awards & Mentions. Best Performance in Quality**

Quellaveco Project. Anglo American.

### **50 million labor hours (LH) with no Lost Time Accidents (LTA)**

South Helwan Project, Egypt. Techint E&C.

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**Distintivo Recicla**

Techint E&C, Peru. Claro company.

**Recognition of altruistic work in favor of the IPN**

Techint E&C, Mexico. Instituto Politécnico Nacional (IPN), Mexico.

**2018**

**Honor Award for Occupational Health and Safety**

Techint E&C, Chile. Chilean Chamber of Construction.

**Diploma for Excellence and Commitment to Safety**


Los Bronces mining project, Chile. Anglo American.

**Quality Prize**

Techint E&C. ESQR.

**Recognition of Safety, Health & Environmental Management**


Techint E&C. Shell Contractor Safety Management (CSM) "Spotlight Banding" Green.



**Certification**  
**ASME**

**American Society of Mechanical Engineers**


Techint E&C. American Society of Mechanical Engineers.



**Certification**  
**ISO 45001:2018**

**Occupational Health and Safety Management System**


Techint E&C. Det Norske Veritas (DNV).



**Recertification**  
**ISO 9001:2018**

**Quality Management Systems**

Techint E&C. Det Norske Veritas (DNV).



**Recertification**  
**ISO 14001:2018**

**Environmental Management Systems**

Techint E&C. Det Norske Veritas (DNV).


**Annual Prize for Excellence in Risk Prevention**

Techint E&C, Peru. Seguros Rimac.

**Recognition for Optimization Management related to Health and Safety**

Techint E&C, Argentina. 3M company.


**2005**



**Certification**  
**OHSAS 18001**

Techint E&C. Det Norske Veritas (DNV).


**2004**



**Certification**  
**ISO 14001:2004**

**Environmental Management System.**

**1996**



**Certification**  
**ISO 9001:1994**

**Quality Management System**

Techint E&C. TÜV Rheinland.

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## Strategic planning

The company is constantly seeking measures and practices to create value for all the stakeholders in the construction industry. It focuses on models that can integrate sustainable management into its business strategy, always in the interests of the development of the communities and its employees, in addition to economic returns.

This approach underpins the company's actions, aligning seamlessly with the concept of sustainability, as it encompasses a commitment to minimizing environmental and social impact through informed decision-making in our management practices. Decision-making at both operational and strategic levels is supported by the extensive analysis of indicators.

Techint E&C is dedicated to achieving the goal of "zero deviations" to minimize adverse effects and maximize favorable outcomes in its operations, employing a rational quality process.

Management Committee meetings, including the CEO, company directors and managers, provide a strategic platform for keeping the front line updated on market-sensitive matters.

The meetings are also an opportunity to share updated information about project progress and oversight, enabling prompt decision-making and minimizing the gap between awareness and action. With different formats, the committees meet with varying frequencies, e.g., Quarterly for Management, Operational Management and Commercial Strategy and by Geographic Area.

For QHSE, the Management Committees focus on spreading innovative sustainability concepts, aligning best practices and facilitating-wide-scale communication.

Internal channels, such as the intranet, social networks, information campaigns and corporate announcements, are leveraged to promote the company's commitment to sustainability.

The company's annual action plans integrate environmental, social and economic considerations from the earliest stages in the projects. Priority is given to the effective management of subcontractors and suppliers, enabling sustainability indicators to be optimized across all operations.

### The company's pillars of action

#### KNOWLEDGE MANAGEMENT

A strategic dimension making the company more efficient and sustainable, meaning more competitive. Lessons learned and good practices are assimilated by applying innovation throughout processes to achieve market differentiation.

#### EMPLOYEE TRAINING AND DEVELOPMENT

Work focuses on training people to develop their strengths and opportunities for improvement for a greater positive impact on operations. This includes subcontractors and suppliers, vital players in the value chain.

#### PREVENTIVE BEHAVIOR

Focused on quality, the environment, safety, participatory health and improving energy performance, the approach is about shifting attitudes to work and life in general, ensuring this is sustainable over time and able to evolve in line with the dynamics of the business.

#### OPERATIONAL EXCELLENCE

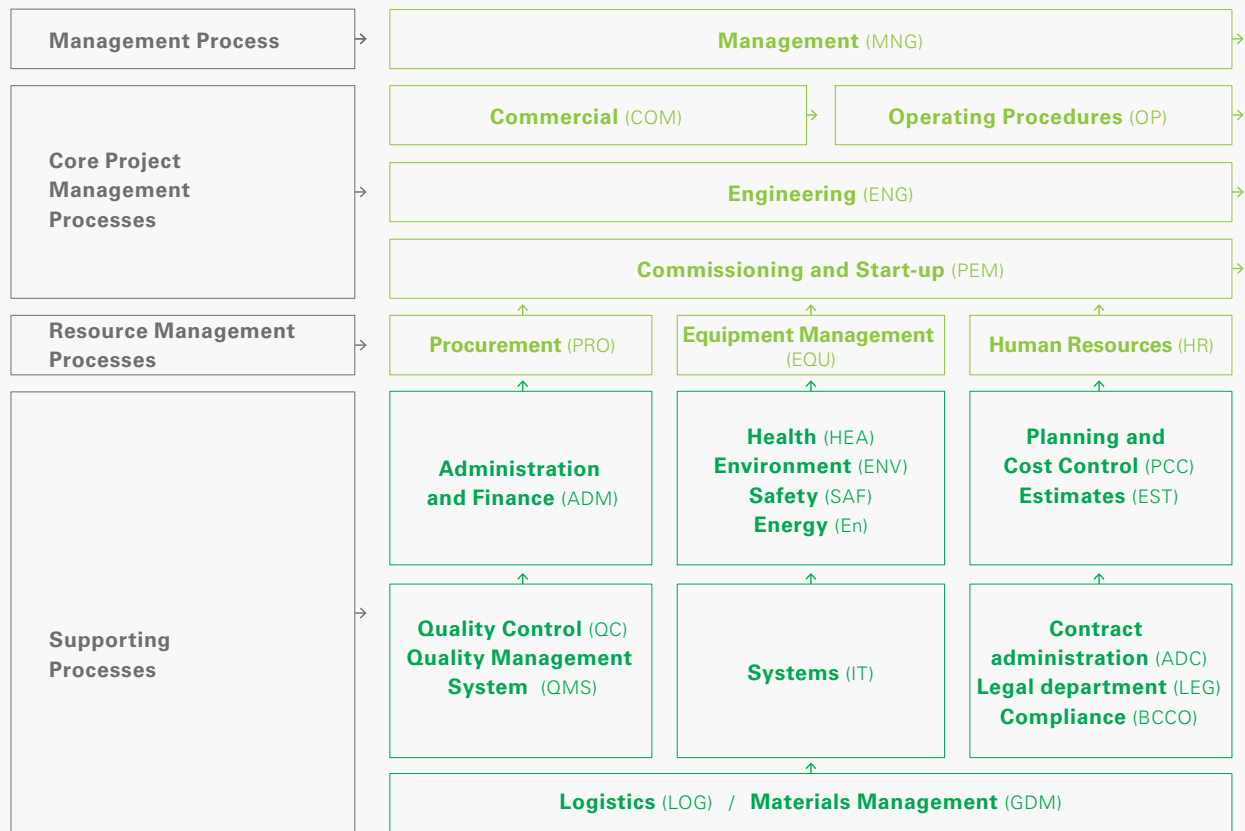
Results are attained through proactive risk and opportunity management across all organizational tiers, with an unwavering focus on enhancing processes as the main goal.

#### TOP MANAGEMENT ACTIVE LEADERSHIP

The main forces driving sustainable projects.



## Processes



## Process management

Techint E&C’s approach to Process Management is based on a participatory model that involves the entire company and has the optimum maintenance of the value chain as its main axis. It associates the company’s business model with its strategy through the integration of processes.

Efficiency in operations is achieved by identifying the company’s main processes and how these are related to each other.

### STRATEGIC PROCESSES

Setting strategies, goals, policies and general lines of action and control for all processes and functional areas.

### CORE/OPERATING PROCESSES

These create the product/service delivered to the customer. The starting point is the commercial process that uses market monitoring and analytics to build an offer. This later becomes a contract and is subsequently executed. The procedures run in parallel with engineering, which is an integral part of the process from project conception to completion.

### SUPPORTING PROCESSES

Support for operational/core processes, allowing the company’s operations cycle to function efficiently and effectively. This covers the management of all materials, equipment and services; the management and control of machinery and equipment, and talent selection and hiring.

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## Focus on the energy transition

The surge in carbon dioxide (CO<sub>2</sub>) emissions and other greenhouse gases (GHG) in the past 150 years can be attributed primarily to human activities; as a result, the Earth is changing faster than ever before in human history.

In response to this concern, the International Energy Agency (IEA) presented the medium-term requirements to achieve net zero emissions. It mandated companies to establish their strategies in this area, ensuring their investment commitments aligned with a specific objective: integrating advanced technology with the wealth of experience and knowledge garnered from diverse projects while adopting a pragmatic approach to Engineering, Procurement and Construction (EPC).

Techint E&C is firmly committed to reducing CO<sub>2</sub> emissions by optimizing its use of resources and implementing cutting-edge technologies. The company painstakingly evaluates the most suitable options for each project and provides customers with innovative solutions to minimize their environmental impact. In 2022, the company reduced its carbon footprint by 10%.

The company's Engineering and Business Development teams take this approach when working with our customers from the initial stages of a project, undertaking pre-feasibility and feasibility studies, conceptual engineering, basic engineering and FEED (Front-End Engineering Design).

The work agenda is mainly focused on developing hydrogen solutions as an energy vector and on exploring decarbonization options for different market segments.

### Decarbonization projects at Techint E&C

The use of photovoltaic solar energy presents a prime opportunity to decrease reliance on fossil fuels and reduce energy costs, while simultaneously promoting sustainability.

Although photovoltaic technology has been around for several decades, it is less common to find it in use at temporary installations.

The company is currently undertaking work to develop a standardized solar power generation design to run workshops, while expanding the use of solar-powered lighting towers at project sites to reduce its carbon footprint.

The goal is to reduce the consumption of commonly-used fossil fuels and replace them with renewable energies. Accordingly, the company is researching a range of adaptable, scalable and simple solutions that can be applied at its various projects, making the most of the specific features of each energy source to ensure the greatest sustainability possible.

The range of initiatives includes introducing of solar-powered lighting towers at project sites, able to run autonomously for six hours, replacing conventional energy sources. The company is also investigating sustainable concrete options as well as exploring alternatives for autonomous electricity generation using H<sub>2</sub> combustion generators and cells.

### Decarbonization projects for customers

Techint E&C aims to establish itself as a key player in the energy transition, offering valuable support to customers with decarbonization projects right from the initial engineering phase.

The company is currently researching new decarbonization alternatives for application, depending on the specific locations of the projects where it is involved.

During 2022, the main focus was on projects related to carbon dioxide capture, green hydrogen, lithium and renewable energy sources.



Examples of successful projects include the Extended Basic Engineering undertaken for a carbon capture plant in the United States, and the engineering provided for a zero-carbon methanol plant, envisaging a 220-MW green hydrogen plant, one of the largest of its kind in the world.

The company is also accompanying Tecpetrol with the construction of a direct lithium extraction pilot plant in Olacapato, province of Salta, Argentina. For Tenaris, it is building a wind farm equipped with 24 4.2-MW turbines in Adolfo Gonzales Chaves, in the province of Buenos Aires, Argentina.

In 2023, the company will be evaluating the use of hydrogen (green, blue and turquoise) and biofuels made from biomass in some of the large-scale projects in the countries where it operates.

## Innovation

Techint E&C fosters a culture of innovation that promotes the constant evaluation, enhancement, procurement and sharing of cutting-edge practices and tools to optimize operations. With input from its Applied Technology, Innovation and Knowledge Management sector, the company effectively communicates, validates and oversees corporate-supported initiatives and those driven by entrepreneurially-minded employees. It actively evaluates industry trends to enhance operational efficiency.

In 2022, the company focused on bolstering internal innovation opportunities for entrepreneurs. Alliances were forged with external entities to embrace the concept of Open Innovation, actively scouting for startups and new technologies in its areas of interest.



LITHIUM  
PLANT  
OLACAPATO

SALTA,  
ARGENTINA



↑  
LEGO  
MODULES,  
PERU  
LOGISTICS  
CENTER

LURÍN,  
PERU

### Axes of innovation and high-impact initiatives

The most relevant initiatives for 2022 for each of the innovation axes are detailed below.

#### 1. PROJECT MANAGEMENT

- Opentext document management system for Contract Administration tasks in projects, mainly to exchange letters with customers.
- SGD System: new document management system for projects.

#### 2. DESIGN AND ENGINEERING

- Design of modular vine structure together with a lifting system.
- Pipe Thruster to replace the traditional pipe launch system.
- Autonomous System Containers (CAS in Spanish).

#### 3. CONSTRUCTION

- Paint touch-up system carried out by drones on metal structures and piping together with Argentine startups.

- 3D Concrete Printing, enhancing project safety, reducing CO<sub>2</sub> emissions and achieving savings in the use of materials.
- Liftbot: a robot that replaces the use of different hoisting equipment to assemble and disassemble scaffolding.

#### 4. SITE DIGITALIZATION

- Pipeline works management system based on quality control production monitoring during different phases of the work, monitoring pipes tagged in the field and ensuring the traceability of the welded pipe for customer delivery.
- Internet of Things (IoT) devices, to measure the internal temperature of large-scale concrete structures and transmit information to cell phone apps.
- Integration of the Universal Plant Viewer (UPV) with the Precom/Com tool "HMSWeb" to view system release states using a 3D model.
- Deviation Management Application to reduce times and automate processes.

## More than 40 innovative ideas

Over 150 employees involved in developing projects to optimize processes and incorporate new technologies.

### 5. BACK OFFICE PROCESSES

- Supply Chain Initiatives: Purchase and Materials Tracking System, creating a single space for reserving and purchasing materials, as well as tracking the materials until their arrival at the work site and completion of the warranty period.
- Database organizing the flow of information during the commercial stage.
- PepsControl Budget: managing the allocation of hours in projects.

### 6. NEW TECHNOLOGIES

- Study of the use of Watergen equipment to condense water from atmospheric air and transform it into drinking water through filtering and UV radiation.
- Demonstration of solar and wind-powered lighting equipment to be installed at project sites in Argentina.
- Advances in developing solar power generation for workshops, together with the Power Generation team from Seville, Spain.
- Sigfox-powered IoT to monitor equipment location and time of use at works.

## IT and technology systems

Techint E&C continues to implement new technological solutions focused on core processes and improving cybersecurity standards.

### 2022: highlights

- Awareness and cybersecurity: Ethical Phishing campaign, new detection tools, change in perimeter security technology.
- Migration to Exchange Online.
- WiFi on construction sites for mobile applications.
- Construction of prototype for autonomous containers to be used on construction site.
- BIM methodology for mining projects.
- New solution for materials, catalogs and estimation of engineering quantities.
- Virtual reality for engineering design review and in process for constructability analysis.
- New mobile solutions for digitalization of processes in the field.
- Data & Analytics: progress in the Data & Analytics Self-Service Strategy.
- New reporting for construction equipment, based on telemetry (IoT) and integrated with mobile solutions.
- New system for quality control and monitoring of materials in pipeline projects.
- New document management solution for Contract Administration processes.
- Development of solutions to improve selection and recruitment processes.
- Development of high level cloud strategy.
- New computer asset management system.

# Materiality and stakeholders



# Techint E&C is proud to present its eighth Sustainability Report, showcasing its dedication to environmental, social and economic sustainability in the projects and services that were undertaken during 2022.

**SUSTAINABLE DEVELOPMENT GOALS**



**GRI STANDARDS**

102-4, 102-6, 102-11, 102-42, 102-43, 102-46, 102-47, 102-50, 102-53, 102-54

In 2022, Techint E&C focused on developing large-scale projects, prioritizing the highest standards of quality, health, safety and environmental protocols.

During this year, the company recertified for the ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Quality Management System), ISO 45001:2018 (Occupational Health and Safety Management Systems) and ISO 50001:2018 (Energy Management System).

This report has been developed according to international standards such as the Global Reporting Initiative (GRI), in its G4 version.

The intention is to provide the organization's stakeholders with relevant and clear information presented as transparently as possible.

Throughout the year, 11 Sustainability and Energy Performance Committee meetings were held, as well as 37 weekly meetings on Quality, and 38 on Energy Performance, with the referents from the projects. The meetings were held to research, debate and foster change and progress in the context of sustainable development. Data and material were also collected and organized to draw up this Report.

Each chapter of the Sustainability Report reflects how Techint E&C's values translate into concrete actions and hence into performance indicators. It also reveals the multifaceted and complex context inherent to the business landscape, while highlighting the seamless incorporation and integration of its constituent factors.

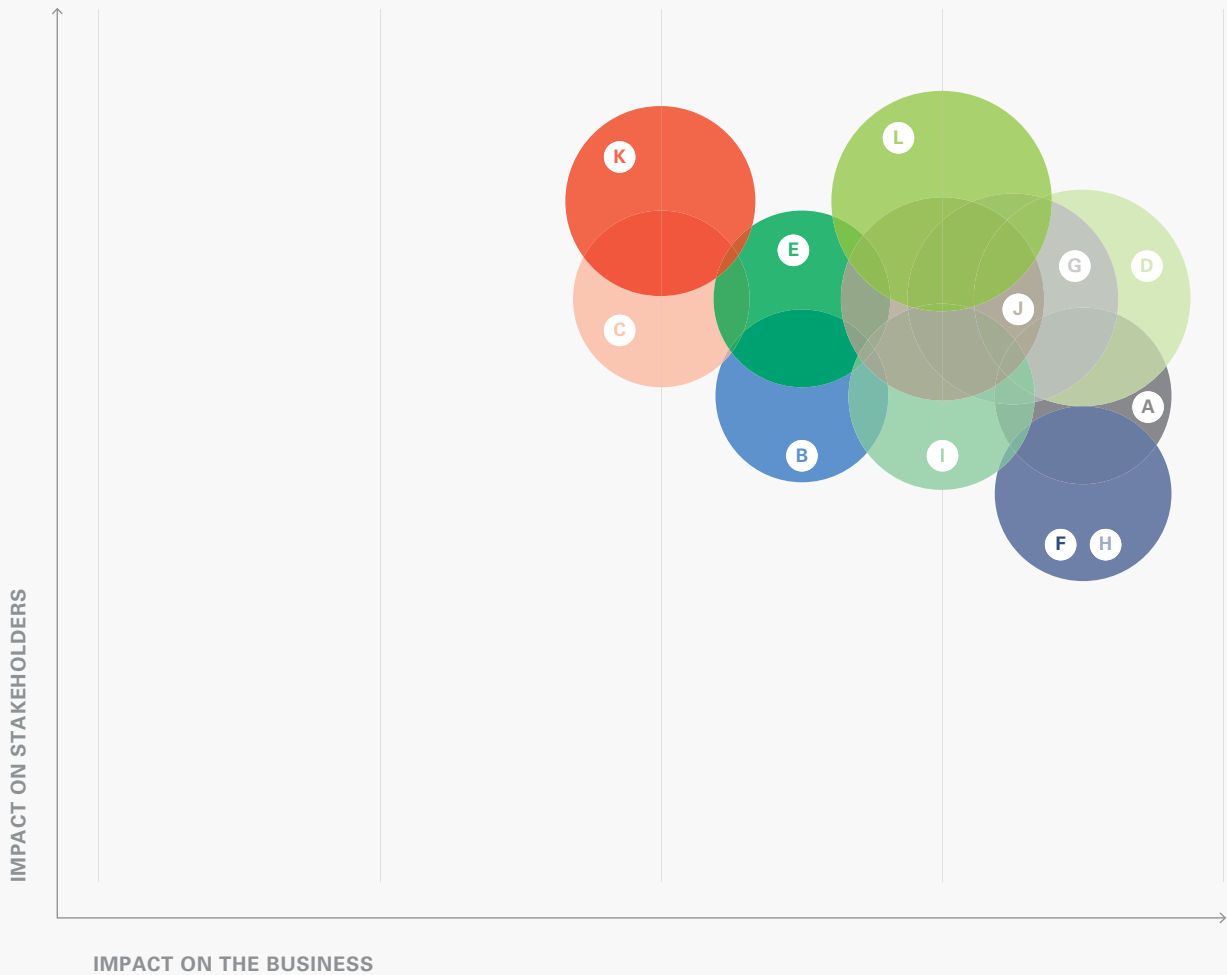
For inquiries or more information about the Techint E&C Sustainability Report and its content, contact: [comunicaciones@techint.com](mailto:comunicaciones@techint.com).

## Materiality and stakeholders

Materiality at the corporate level is determined by identifying and analyzing the key issues reflecting the most substantial economic, environmental and social impacts for Techint E&C. Additionally, it takes into account those factors that influence stakeholder evaluations and decision-making.

The company's risk and opportunity analysis is commensurate with the Integrated Management System and its updates, and allows it to identify its key stakeholders as well as their needs and expectations.

## Materiality and stakeholders



- A. Knowledge management, capture, transfer and application.
- B. Sustainable management of resources.
- C. Relations with local communities.
- D. Guarantee of reliability and quality.
- E. Proper work-life balance.
- F. Planning and meeting deadlines.

- G. Performance in quality, health, safety and environment.
- H. Supply chain management.
- I. Innovation.
- J. Acquisition of products and services.
- K. Ergonomics.
- L. Energy Management System.

**Note:** The size of the spheres is proportional to the importance of the impact.



The following groups have a high impact on the company in terms of sustainability. Their composition is described below:

- Customers: consume the company's products and services.
- Employees: are part of the organization.
- Members of the communities where the company operates.
- Partners: with whom the company shares the development of projects.
- Subcontractors and suppliers: part of its value chain.
- Certification bodies: verify the company's commitment to international standards.
- The Board of Directors: finances and obtains benefits from the results of the business.
- Government of each country where the company operates.
- Trade unions: defend the interests of workers before companies and the government.
- NGOs: defend the interests of communities before companies and the government.

#### **Materiality matrix based on the impact on stakeholders and the business**

In order to determine which aspects have the greatest impact on the business and are the most important for stakeholders, the following evaluation criteria were defined:

1. Identification and quantification of stakeholders impacted by each area evaluated.
2. Degree of relevance for stakeholders, representing the sum of the stakeholders impacted.
3. The Business Impact was defined as "low", "medium" or "high".
4. Impact on Materiality: "Importance for Stakeholders" x "Business Impact".

## **Sustainable Development Goals**

To meet the demands of its stakeholders, Techint E&C is dedicated to implementing a sustainable business model that drives economic growth, enhances human development, and minimizes the environmental effects of its operations. These premises inspire the company to work toward achieving a harmonious balance between operational excellence and community welfare.

The company carries out its activities in line with the 17 Sustainable Development Goals (SDGs) of the United Nations and their 169 Targets. These seek to provide countries, citizens and companies with global guidelines for minimizing social, economic and environmental problems by 2030.

Techint E&C has developed a comprehensive sustainable quality system to enable things to be done right the first time around, without any deviations, a process that ensures the traceability of its actions.

In this Report, the company provides examples of the actions taken as they relate to each SDG, showing how these contribute both directly and indirectly to achieving the goals through different activities and projects.

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## Sustainable Development Goals

SDGs with a direct impact on the company

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### Good health and well-being

Strengthen prevention through campaigns to promote good health and implement participatory occupational health management systems.



### Quality education

Reinforce training plans to improve employees' technical and professional skills, developing their strengths and working on opportunities for improvement.



### Gender equality

Promote respect and equal opportunities, fostering a diverse work environment in its broadest sense.



### Clean water and sanitation

Build infrastructure for proper water management, contributing to its rational use, and improving reuse methods and techniques at projects.



### Affordable and clean energy

Incorporate equipment and technology that enable the development of projects through the use of modern and sustainable energy services.



### Decent work and economic growth

Ensure processes to strengthen the response to occupational risks and promote economic growth in the communities where the company operates.

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### Industry, innovation and infrastructure

Achieve improvements in Energy Performance, by implementing an Energy Management System, certified under ISO 50001:2018.



### Sustainable cities and communities

Raise awareness of cultural and natural heritage at projects. Evaluate the impact of activities and waste generation. Share the chain of command for waste management beginning with zero waste.



### Responsible consumption and production

Work with a responsible approach to the consumption of resources and waste generation as part of the circular economy.



### Climate action

Promote a business model and undertake activities that are more energy efficient, in favor of a low carbon economy.



### Life on land

Focus on the care and preservation of biodiversity, including revegetation and compensatory afforestation actions throughout the projects.



### Peace, justice and strong institutions

Implement regulations and control mechanisms to ensure ethical conduct, transparency and integrity throughout operations.

# Economic development



Revenues generated during 2022 amounted to USD 1.839 billion. Among the countries where Techint E&C operates, Mexico is the country that generated the highest revenue (40%), followed by Argentina (24%) and Chile (21%). Regarding the markets, 57% of revenues correspond to the Oil & Gas segment and 23% to Mining.

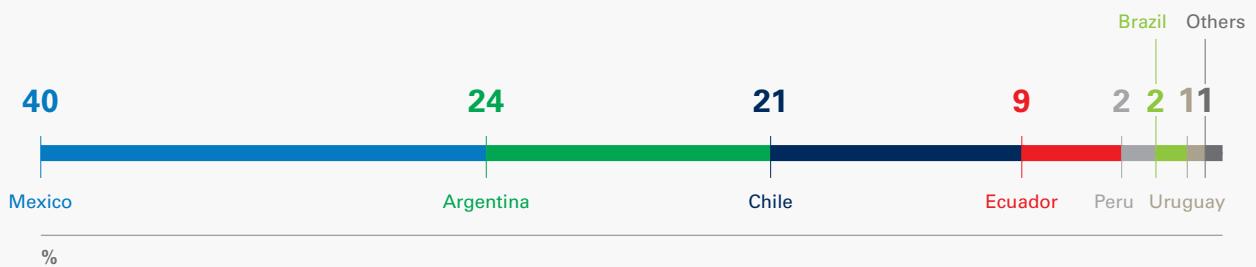
SUSTAINABLE DEVELOPMENT GOALS



GRI STANDARDS 102-4, 102-6, 102-40, 201-1

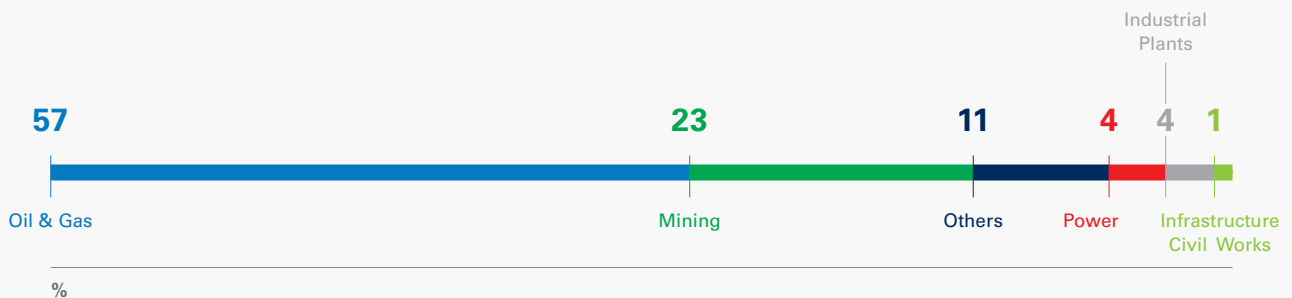
### Income by country

December 2022



### Income by market segment

December 2022



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# The projects



## Oil & Gas

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### Argentina

#### **President Néstor Kirchner Gas Pipeline (GPNK) – ENARSA**

Engineering, Procurement and Construction (EPC) services for main gas pipeline of Ø36" x 540 km. Provinces of Neuquén, Río Negro, La Pampa and Buenos Aires. 50/50 joint venture between Techint E&C and SACDE.

#### **CPF - La Calera – Pluspetrol**

EPC services at Central Processing Facility (CPF). Gas treatment, condensates, production water treatment and injection plants. 2 x Ø16" production trunk lines each of 12,000 m in Neuquén.

#### **Sierras Blancas Oil Pipeline – Shell**

EPC for Vaca Muerta surface facilities Ø16" x 103 km oil pipeline from Sierras Blancas (Tratayén, Neuquén) to Oldelval pumping station (Allen, Río Negro).

#### **Pichi Mahuida - Puerto Rosales – Oldelval**

EPC for expansion of crude oil pumping and transport capacities. Ø24" and Ø30" pipelines running from the Pichi Mahuida pumping station (province of Río Negro) to the terminal in Puerto Rosales (province of Buenos Aires).

#### **Fortín de Piedra – Tecpetrol**

EPC for shale gas surface facilities, in Neuquén.

#### **O&M for Oil Fields – Tecpetrol**

Operations and Maintenance (O&M) for surface facilities at Fortín de Piedra, Agua Salada, Los Bastos, in Neuquén.

#### **O&M El Tordillo – Tecpetrol**

O&M, scrap-handling, earthworks for surface facilities at El Tordillo, in Chubut.

#### **Master Service Agreement (MSA) – Tecpetrol**

For Tecpetrol's upstream facilities, in Neuquén.

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### Colombia

#### **O&M for Pendare field – Tecpetrol**

O&M for CPF at Block CPO 13, Puerto Gaitán, in Meta.

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### Ecuador

#### **Auca – Shaya**

EPC for Auca oil field (83,000 bpd): earthworks, well platforms, intra-field oil & water flowlines, power lines, in Orellana.

#### **Shushufindi – Shaya**

EPC for field operating facilities. Integral design, construction & assembly, in Sucumbíos.



## Mining

### Mexico

#### Dos Bocas Refinery &

#### Cogeneration plants – PEMEX

EPC for ARU, SWS, effluent & treatment plants (340,000 bpd). EPC for electricity substation producing 300 MW and 1,100 t/h steam, in Tabasco.

#### SEE-Veracruz Norte – TC Energy

EPC for a 60-MW compression station and a 25-km section of Ø36" pipeline.

### Peru

#### O&M Malvinas – Pluspetrol

O&M of flowlines in oil & gas fields in the Peruvian Amazon basin (Camisea, Cashiriari and San Martín fields), in Cusco.

### Argentina

#### Orocobre Facilities – Orocobre Ltd. (Sales de Jujuy)

Expansion of LCP facilities. Pre-commissioning, commissioning, assistance for start-up, in Jujuy.

### Chile

#### SADDN Codelco (2023) – Aguas Horizonte SPA

EPC for water desalination plant (840 liters/s) and Ø48" x 160 km pipeline, in Antofagasta.

#### Collahuasi – Compañía Minera Doña Inés de Collahuasi

EPC services for Ø44" x 194 km water pipeline, including 5 pumping stations, 1 terminal and other facilities, in Tarapacá.

#### QB Phase 2 – Minera Quebrada Blanca

EPC for Ø36" x 165 km pipeline for desalinated Makeup Water System (MWS) & for Ø6"-8" x 165 km concentrates transport system, in Tarapacá.

#### TTS – Minera Escondida Ltda.

EPC for TTS system (2,155 m<sup>3</sup>/s): tailings pumping station, collection well, emergency ditch, water cleaning & sealing system, in Antofagasta.

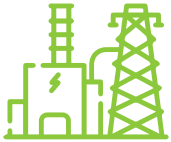
#### Los Bronces IV – Anglo American Sur

Replacement of 31.1 km of STP, SAR and STR pipeline, and execution of additional works, in Santiago.

### Peru

#### Quellaveco – Anglo American

EPC works for Ø28"-24" x 87 km fresh water pipelines, 2 pumping stations & facilities, in Moquegua.



## Power

### Argentina

#### **Buena Ventura Wind Farm – Tenaris**

EPCM for 100.8 kW wind farm with 24 turbines, in Adolfo Gonzales Chaves, in the province of Buenos Aires.

#### **Ensenada Barragán – YPF Luz and Pampa Energía**

EPC to close combined cycle thermoelectric power plant, increasing capacity from 560 MW to 840 MW, in the province of Buenos Aires.

### Brazil

#### **Jaguatirica II – ENEVA**

EPC for 120-MW open cycle thermo-electric power plant, in Roraima.

#### **Parnaíba V – ENEVA**

EPC for 386-MW open cycle thermoelectric power plant, Parnaiba, in Maranhão.

### Mexico

#### **O&M Petacalco – CFE**

O&M for internal coal management system, Petacalco port. Transport of up to 1,800 t/h coal to Lázaro Cárdenas Power Plant, in Guerrero.



## Infrastructure Civil Works

### Italy

#### **Innovation Building – Humanitas University**

6,100 m<sup>2</sup> expansion of University Campus facilities using green technologies, in Milan.

#### **Revamping of the Policlinico of Milan – Fondazione IRCCS Ca' Granda**

Modernization of 900-bed city hospital.

### Uruguay

#### **Maldonado Treatment Plant – OSE**

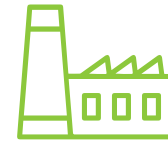
EPC for 12-km wastewater pipelines, including 2 pumping stations and executive projects, in Maldonado.

#### **Litoral corridor Bridges – CVU**

EPC for 9 bridges on Route 2, in Soriano.

#### **Route 9 – CVU**

Repair and maintenance of 105-km highway. Revamping & construction of bridge & roundabouts, in Maldonado and Rocha.



## Industrial Plants

### Brazil

#### **Several projects – Usiminas**

Labor-Management Agreement. Electromechanical assembly & activities at Usiminas facilities, Ipatinga, in Minas Gerais.

### United States

#### **Bay City – Tenaris**

Technical and maintenance services for 100,000 m<sup>2</sup> seamless pipe manufacturing mill, in Texas.

### Argentina

#### **Steel Services TECSESI S.A. – Ternium**

Heavy cleaning services at the Ternium plant in San Nicolás, and the Service station, in the province of Buenos Aires.

#### **Steel Services – TenarisSiderca**

Electromechanical activities, civil works, piping, surveying and paintwork at the Tenaris plant in Campana, in the province of Buenos Aires.





TENARISBAYCITY

TEXAS,  
UNITED STATES



ENSENADA  
BARRAGÁN

BUENOS  
AIRES,  
ARGENTINA

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# Environmental sustainability

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Techint E&C pursues the primary goal of developing and executing engineering and construction projects, providing valuable opportunities for our neighboring communities and ensuring a minimal environmental footprint.

**SUSTAINABLE DEVELOPMENT GOALS**



**GRI STANDARDS**

301-2, 302-1, 302-3, 302-4, 303-1, 303-2, 303-5, 305-1, 306-2, 306-3, 307-1

- The Company seeks to achieve zero deviations in each of its activities, focusing efforts on:
- Working to prevent pollution and minimize the impacts of its operations on the environment.
  - Using natural resources rationally and efficiently.
  - Administrating inputs and materials sustainably.
  - Deploying an integrated approach to waste management according to the 4R priorities: Reduce, Reuse, Recover/Repair and Recycle. The goal is to promote the participation of the Company’s processes in a circular economy.
  - Improving energy performance by optimizing use and consumption and promoting energy efficiency.
  - Consuming water sustainably with a focus on maximizing its reuse.
  - Disseminating key environmental information and promoting environmental education throughout its projects.

**Sustainable environmental management**

The Company’s environmental management approach is intrinsic to project design and planning as from the offer stage. Its Sustainable Environmental Management Plan considers all the aspects of each work, from context and project documentation to regulatory and normative requirements as well as any other commitments made to partners and customers.

The primary objective is to ensure the seamless execution of environmental preservation initiatives measures throughout all stages of project development.

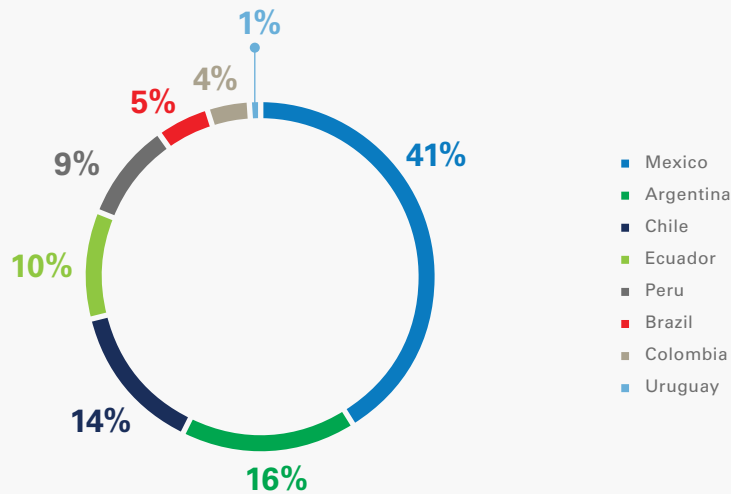
Each project is monitored monthly, using Sustainable Environmental Management Indicators and any deviations are analyzed to determine their causes, avoid recurrence and propose a solution for steps going forward.

The indicators are based on data taken from the Company’s Environmental Accidents Index and Environmental Management Index, which contain a series of questions covering the main environmental management aspects of the project.

The Company also refers to a Resources Consumption and Waste Management index based on: information drawn from water consumption and reuse rates; data about the consumption of non-renewable energy and electricity; statistics about 4R waste management, and the treatment and disposal of organic and hazardous waste products.

In turn, and as part of the monitoring performed at each site depending on the type of project, a range of air, water, soil and noise quality parameters are checked monthly to assess their impact on biodiversity and local cultural heritage.

## Distribution of waste by country



### Materials management

Techint E&C seeks to instill in its employees an attitude of commitment to handling materials properly in order to extend their lifecycle and avoid the unnecessary creation of waste.

The Company employs an innovative materials utilization system that places the utmost importance on reducing waste generation and maximizing the potential for reduction and reuse. This system offers multiple advantages, resulting in enhanced efficiency and cost savings in transportation, treatment, and disposal. It not only reduces greenhouse gas emissions but also fosters a circular economy that emphasizes zero waste and encourages social recovery initiatives.

Proper waste segregation is the cornerstone of effective waste management. Our employees undergo comprehensive training and are equipped with top-notch environmental education, enabling them to be well-informed and aware of their responsibilities.

This involves developing various impactful activities that directly influence employee behavior and indirectly contribute to our daily waste management efforts.

Every month, our projects hold comprehensive surveys to track the materials used in the development of our work. Additionally, we closely monitor and document the various waste streams generated as part of our commitment to sustainable environmental management.

All the data reported (including 4R waste, organic, hazardous, and industrial) are documented in a comprehensive global database to enable efficient data tracking and monitoring.

#### Examples of actions taken at the projects:

→ Recovery of aggregates, and reuse in road structures, construction sites, installation of camps, and community improvements.



"EL ARTE DEL RECICLADO" AT THE TEPAM

GRAL. PACHECO, ARGENTINA

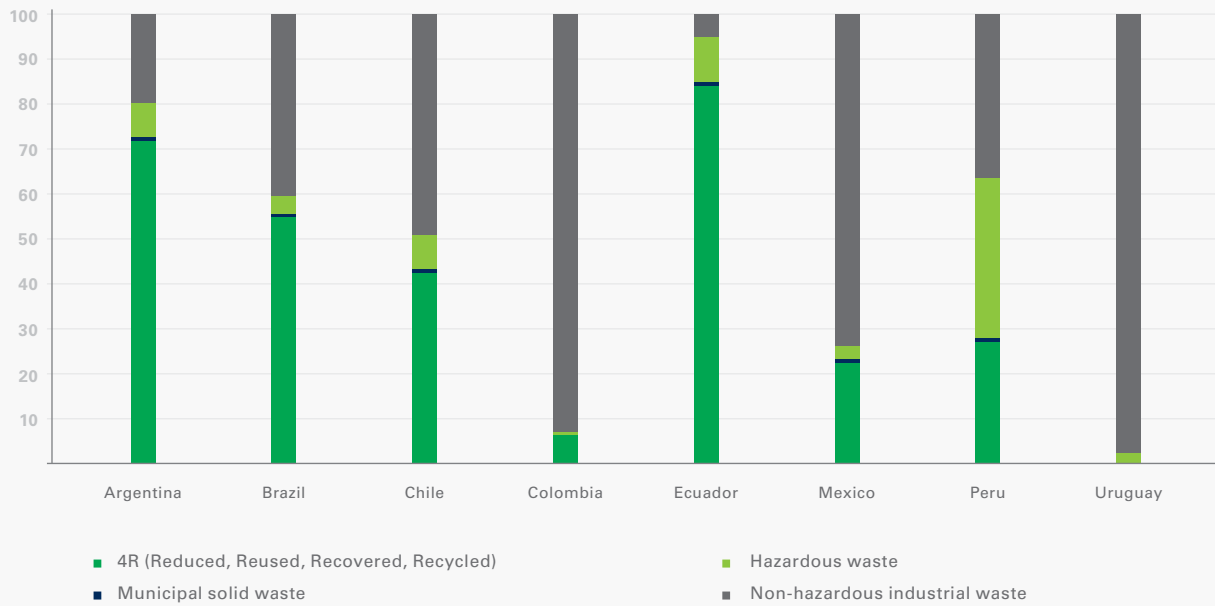
- Campaigns for materials reduction, reuse, recovery, and recycling. For example, soda bottle caps are collected in Argentina for donation to the Garrahan hospital.
- Elimination of single-use plastics in dining areas and offices.
- Compost generation and subsequent use for landscaping.
- Recycling of not-for-use tires at authorized sites, repurposing of used tires.
- Participation in recycling campaigns for: white paper, cardboard, plastic bottles, printer toner, and batteries.
- Management of hazardous waste from point of origin to treatment, and final disposal at authorized sites.
- Reuse and repurposing of office equipment and furniture for different projects.
- Reuse and subsequent donation of wood from packaging, formwork, masonry, and others used at project sites.
- Scrap reuse. Disposal streams for scrapping, collection and subsequent reuse in steel services.

**15,900**  
tons of waste were handled  
at Company level.

- Recovery and donation of out-of-use electronic equipment. Disposal of non-recoverable items in authorized treatment and final disposal sites.
- Implementation of campaigns, mobile technology, QR code information to replace paper use at Company level.
- Campaigns to encourage creativity among employees as a way of giving a second life to discarded items otherwise considered waste. For instance, "The Art of Recycling" contest held at the Gral. Pacheco Machine Yard in Argentina.

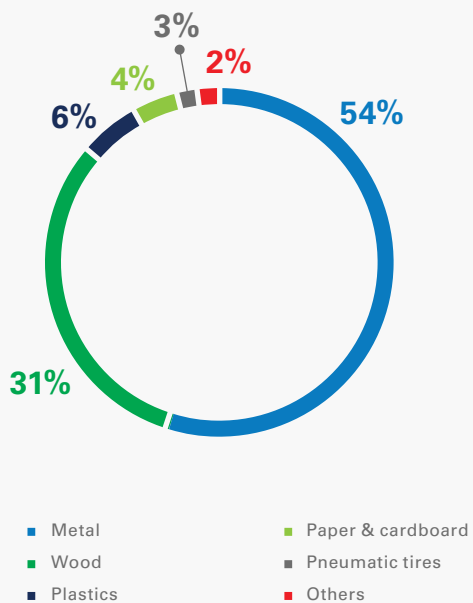
## Waste segregation

By country in %



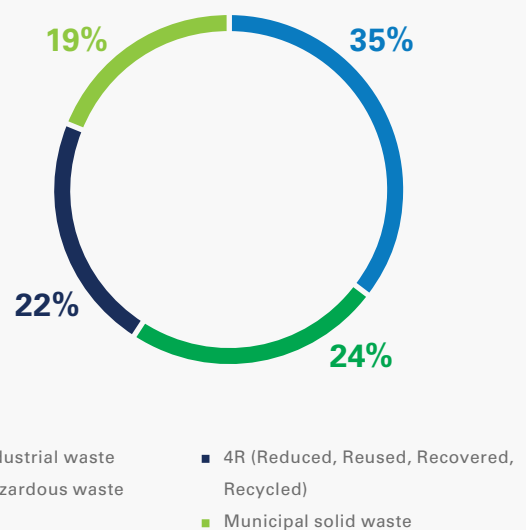
## 4R waste management

In %



## Integrated waste management

In %





PLANTING TREES AT THE AÑELO BASE

**NEUQUÉN, ARGENTINA**

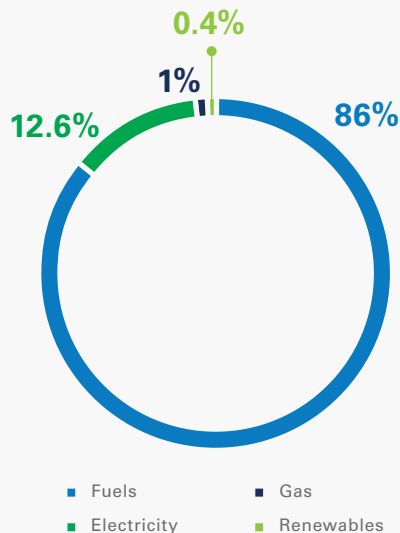


RECYCLING AT THE DOS BOCAS REFINERY

**PARAÍSO, MEXICO**

## Distribution of energy consumption

2022 in kWh



### Energy performance

Techint E&C pursues an Energy Management System (EnMS) certified under the international standard ISO 50001:2018.

For the Company, energy management means using energy in a rational and efficient way as required to carry out activities at projects, machine yards and offices.

The principal source of energy consumed throughout the Company according to current data is fossil fuels, used in construction equipment, logistics, personnel transfer and at temporary facilities. This is followed by acquired electricity and natural gas, to a lesser extent.

Techint E&C adopted the guidelines enshrined in the ISO 50001:2018 standard and incorporated the EnMS into its Integrated Management System (IMS) for Quality, Health, Safety and Environment, to optimize energy use in systematic form.

The purpose is to reduce costs associated with energy consumption and manage the amounts of energy consumed, which requires commitment from the entire Company, and in particular from senior management through active leadership.

The Company defined its [Energy Policy](#) and [10 Energy Performance Rules](#) in 2019, laying out guidelines for requirements to be met by employees, customers and suppliers in contracts. In parallel, documents applicable to the EnMS were drafted for incorporation into the IMS to act as the main procedural and energy performance indicators.

Competence, training and awareness are vital to improving overall energy performance at projects.

Energy performance checks are carried out at each project by analyzing performance indicators, such as:

#### Machinery Fuel Consumption (CCHeq)

$$\text{CCHeq} = \frac{\text{(Amount of non-renewable fuel consumed in liters)}}{\text{(Total use in hours)}}$$

#### Vehicle Fuel Consumption (CCKM)

$$\text{CCKM} = \frac{\text{(Amount of non-renewable fuel consumed in liters)}}{\text{(No. of kilometers traveled)}}$$

#### Electricity Consumption (CEHH)

$$\text{CEHH} = \frac{\text{(Amount of power consumed in kilowatts)}}{\text{(Total labor hours worked)}}$$

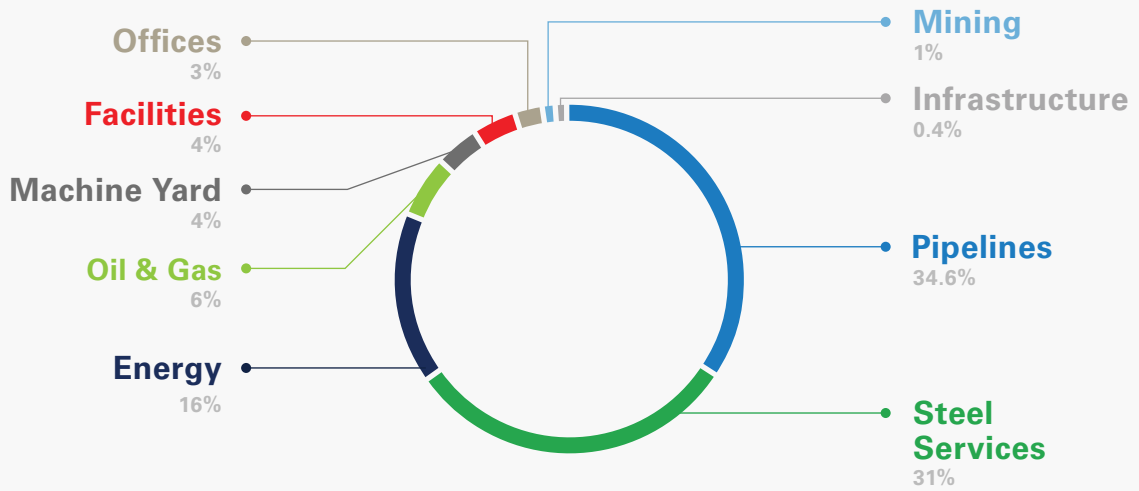
To implement the EnMS, each project management establishes their own benchmarking system and indicators according to the specific features of the work.

Internal EnMS audits are held systematically throughout the projects to establish performance indicators in terms of application, implementation and compliance with the Company's Energy Policy, objectives and other requirements indicated by the standard.



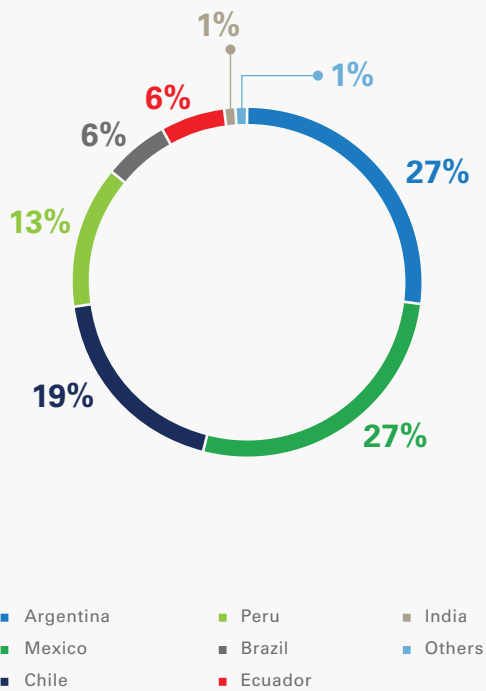
### Energy consumed according to market segment

In %



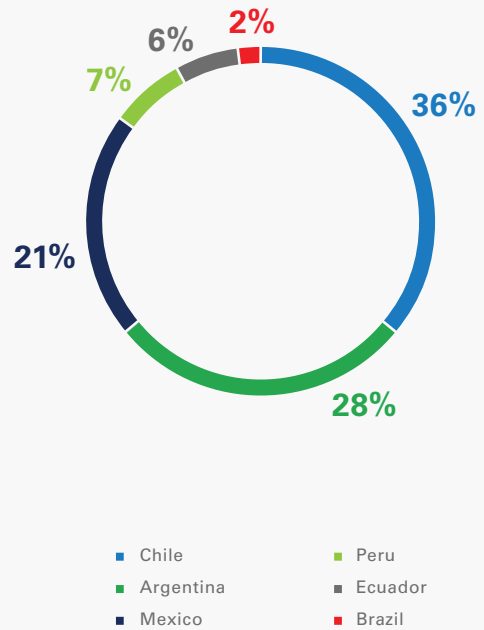
### Distribution of electricity consumption

By country



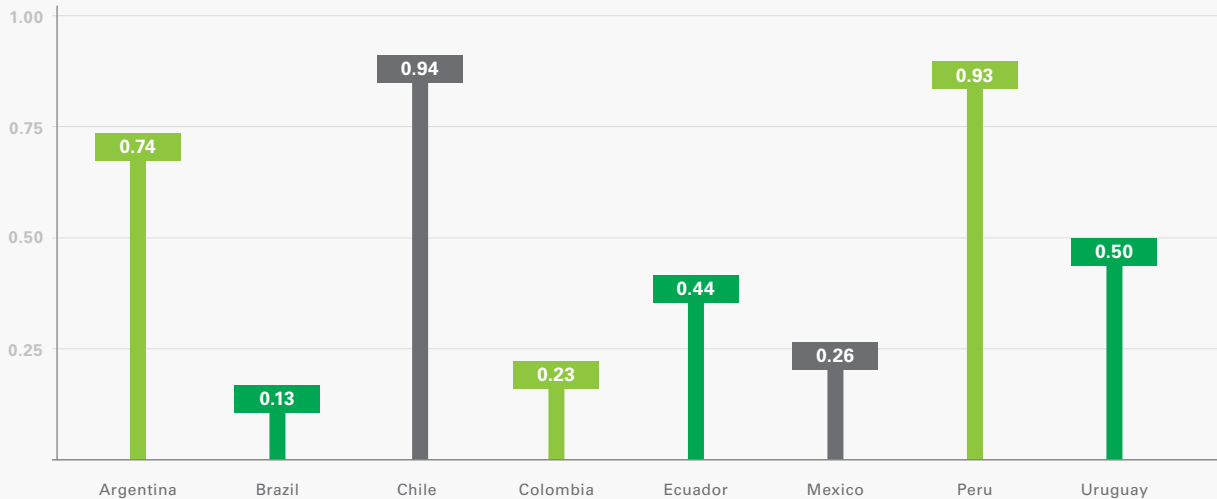
### CO<sub>2</sub> emissions by country

Tons of CO<sub>2</sub> eq. / liters of fuel



## Fuel consumed

Per hours worked



# 10%

reduction in Techint E&C's carbon footprint compared with 2021 levels.

The continual dedication and active engagement of the Company's leaders, employees, contractors and suppliers to attaining these goals within our projects are vital for the effective execution, upkeep and improvement of the EnMS.

In 2022, objectives were set according to the degree of progress at each project, with reduction targets for those getting underway and stricter goals for those with a longer period of development and implementation.

The implementation of the EnMS has brought about several improvements in energy efficiency performance, as can be seen by different consumption and use benchmarking results.

For instance, an average reduction in per km fuel consumption of 18% was achieved in light vehicles, a 12% reduction in fuel consumption per hour of use in heavy vehicles, and a reduction of over 13% in electricity consumption.

### Some initiatives and actions taken to ensure the effective implementation of the EnMS at Techint E&C:

- Awareness campaigns promoting responsible energy use.
- Prioritizing natural light and sunlight in offices, machine yards, workshops and camps.
- Installing translucent polycarbonate roofing for sheds, workshops and warehouses to allow the passage of natural light.
- Temperature adjustments in boilers and air conditioning units.
- Campaigns highlighting the importance of turning off heaters and electronic devices when not in use.
- Reduction in the use of idling equipment.
- Weekly meetings and Energy Performance Monitoring Committees.
- Replacement of conventional (halogen) lighting with LED technology.



WIND FARM

**ADOLFO  
GONZALES  
CHAVES,  
ARGENTINA**

“

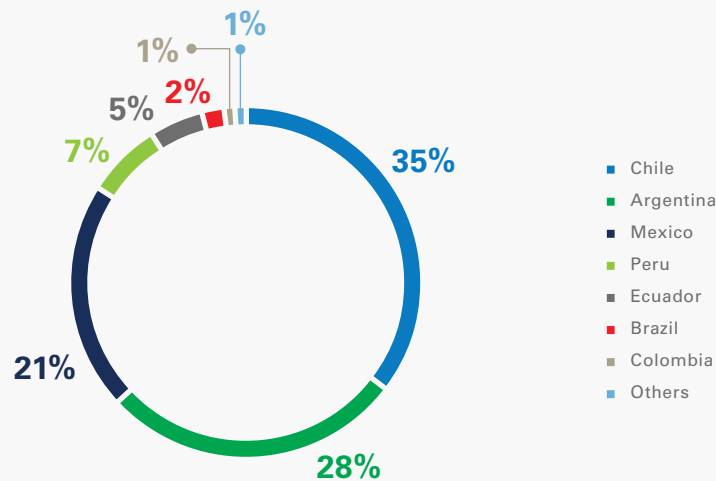
At the Buena Ventura Wind Farm, Techint E&C is building internal access roads, civil works, laying electricity lines, maneuvering platforms and the foundations to install 24 wind turbines. The wind farm will produce 50% of the electricity needed to supply the TenarisSiderca plant and reduce its CO<sub>2</sub> emissions by 152,000 Tn/year.”

**María Concepción Borrás**, responsible for Environment at the Buena Ventura Wind Farm and the GPNK, Argentina.

- Progressive change-out of high energy consumption equipment for lower energy use equipment.
- Modular construction according to environmental standards: thermal insulation, easily relocatable modules, ventilation design.
- Analysis of heavy machinery specifications regarding energy consumption.
- Implementation of motion sensor lights in restrooms and meeting rooms.
- Specific electricity meters assigned per area or process.
- Optimization of washdown processes for vehicles and effluent treatment plants.
- Modifications to personnel entry and exit times.
- Implementation of photovoltaic panels to supply fuel in areas distanced from storage.
- LED system for site light towers.
- Activity-focused lighting, avoiding general lighting.

## Fuel consumption

By country



### Emissions

Greenhouse gas emissions are proportionally responsible for the greatest environmental impact. This is due mostly to fuel consumption associated with the transportation of employees, materials and products at the projects, and the number of operating hours accrued by light and heavy machinery.

This has prompted the Company to carry out specific emission-reducing actions as part of efforts to implement the EnMS.

#### Preventive transport management measures include:

- Efficient driving campaigns.
- Maintenance plan and preventive inspections for vehicles and machinery. Fleet equipment is replaced after six years of service.
- Measuring atmospheric emissions, with a view to monitoring the carbon footprint.
- Travel plans: defining driving routes (conditioning access roads), speed limits, checking road attention and driving times, all tracked using GPS technology.

- Optimization of materials and input logistics.
- Changing out 4WD vehicles for 2WD in fleet used at urban projects.
- Maintenance plan for access and internal roads at projects.
- Transportation efficiency campaigns: preference for full capacity to reduce numbers of trips.
- Local sourcing of supplies in project development catchment areas.
- Training in preventive safety measures for personnel handling machinery as well as private vehicles and motorcycles, targeting behavior-related aspects and vehicle management. These measures have been disseminated among partners, suppliers and customers.
- Internal and external dashboard cameras for personnel transport vehicles, as well as MobilEye devices for hazard control.
- Road safety training courses aimed at key aspects needing work: driving at constant speed, regulating braking intensity, optimizing interior temperatures, correct ventilation and air conditioning.
- Defensive driving course.



LOS BRONCES IV

SANTIAGO, CHILE

→ Signage and markings delimiting the electricity lines and pipeline courses around the worksite as well as existing roads.

**Other actions to improve energy performance**

→ QUEBRADA BLANCA, FASE 2, CHILE.

Over 3 million km were covered in 2022. The successful implementation of the EnMS led to a 4% reduction in vehicle fuel consumption compared with 2021, and a 7% reduction in fuel used by machinery.

The fuel supply sector for equipment in the working area was fitted with solar panels.

→ TECSESI SIDERNET, ARGENTINA.

There was a 4.8% improvement in fuel use during 2022.

→ MACHINE YARD (TEPAM), DEPARTMENT OF ICA, PERU.

Improvements were made to workshop ceilings to make the most of natural light, while a focused light system was implemented at workstations to avoid the use of general lighting. This helped to reduce energy consumption by 22% at the project as a whole.

→ MACHINERY PARK (TEPAM) IN ANTOFAGASTA, CHILE.

Installation of internal meters to monitor electricity use, enabling a detailed data breakdown when analyzing monthly consumption. Energy consumption fell by 3.7% compared with the previous year. Fuel use also improved, achieving a reduction in consumption of 28%.

→ LOS BRONCES IV, CHILE.

An improvement of 22% was achieved in fuel consumption compared with the number of hours worked, improving the project’s overall energy efficiency.

→ SHUSHUFINDI, ECUADOR.

The rate of fuel consumption per hours worked at the project was reduced by 1.6%.



QUEBRADA  
BLANCA 2

TARAPACÁ,  
CHILE



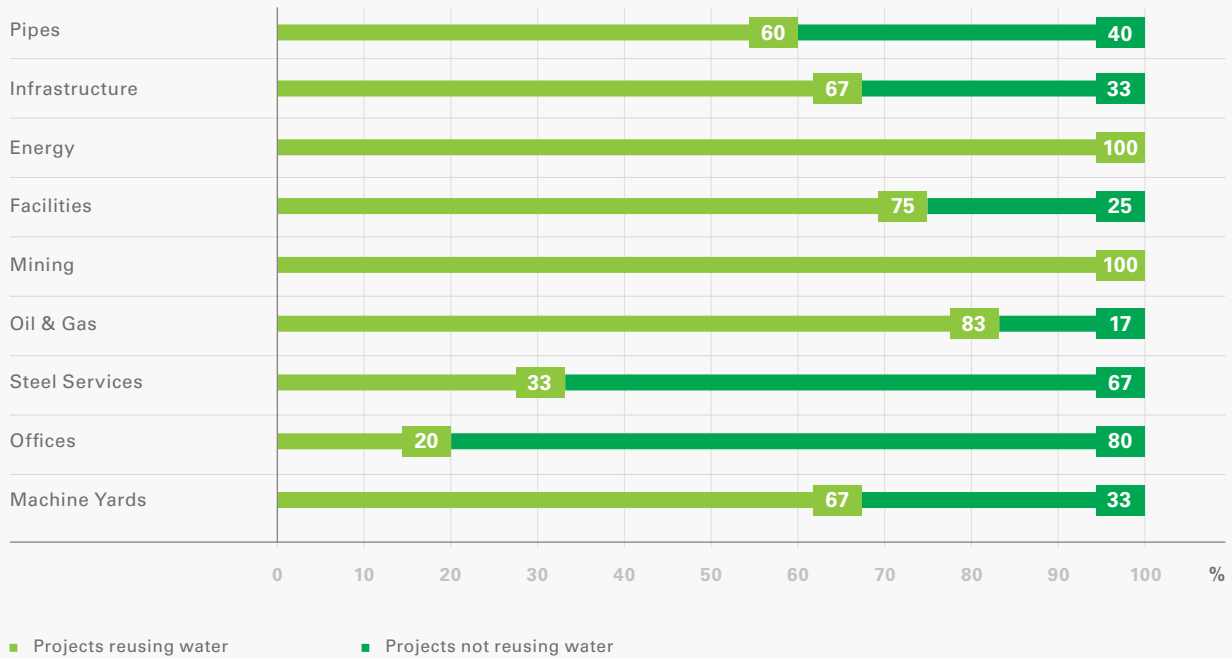
GPNK

NEUQUÉN,  
ARGENTINA



## Water reuse by segment

Percentage of projects reusing water



## Water and effluents

GRI 201-2, 203-15

### Water

The Company actively encourages the optimization of water use throughout the stages of a project, from start to finish. This includes measuring consumption and reuse, and applying good practices to ensure responsible use.

For projects developed in urban areas, water is taken from local networks, whereas in rural areas, the water can be sourced from the customer, provided that this has been approved at environmental level, or piped in from surface or groundwater sources, after all the corresponding authorizations have been granted.

The analysis of water use according to project type, whether open, (laying pipelines and building infrastructure), or closed (plants), shows that it is a vital resource for basic construction activities. The Company thus takes preventive measures as standard practice to preserve this resource and ensure rational water use.

### Activities common to all projects requiring water use include:

- Supply for camps and workrooms, mainly kitchens and living facilities.
- Irrigating workplaces and roads to mitigate dust dispersion into the atmosphere.
- Irrigation during digging work.
- Cleaning materials and facilities.
- Washing facilities for vehicles and machinery at fixed Company facilities (e.g., TEPAM Machine Yard).

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“

At Los Bronces, we opted for a plant model that is very innovative in our industry, leading to a 5% decrease in the consumption of energy used to treat water for drinking purposes. We've been able to reuse up to 65% of the water consumed.”

**Camila Duarte Vallejos**, Environmentalist at Los Bronces IV, Chile.

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- On-site concrete-mixing plants.
- Cooling processes.
- Hydrostatic testing.

Each project logs the monthly amounts of water consumed and reused as part of the data collected to draw up the environmental indicators managed at Company level.

The data includes information about water sources, use, and disposal.

### **Effluents**

Techint E&C runs specific management plans at all the projects with effluent treatment plants.

It designs and manages actions to monitor environmental variables (air, water and soil) and ensures compliance with discharge regulations and other requirements enshrined in applicable legislation and detailed in the operations permits issued.

At sites where portable restroom facilities are in use, these are supplied by authorized providers.

At Shushufindi, the Company installed an effluent treatment plant which reduced groundwater use by 44%.

### **Liquid effluents arising from water use may include:**

- Gray water, from kitchens and dining rooms.
- Black water from sewage effluents. These effluents are discharged into the main sewage network (mainly for projects located in urbanized areas), or are disposed of in septic tanks, or treatment plants.

### **To make water preservation more efficient, the Company has divided its approach into four areas:**

#### **MINIMIZATION**

Awareness-raising, training and water care campaigns. This motivational approach includes contests and educational activities carried out at community level.

#### **REUSE**

Water used in concrete-making processes, equipment and vehicle washing, hydraulic testing, as well as from the effluent treatment plant, and rainwater, can be reused, subject to monitoring and testing to evaluate its quality and guarantee its suitability for use.

#### **RECOVERY**

Rainwater is collected to irrigate green spaces, as well as for cleaning the worksite, workshops and offices.

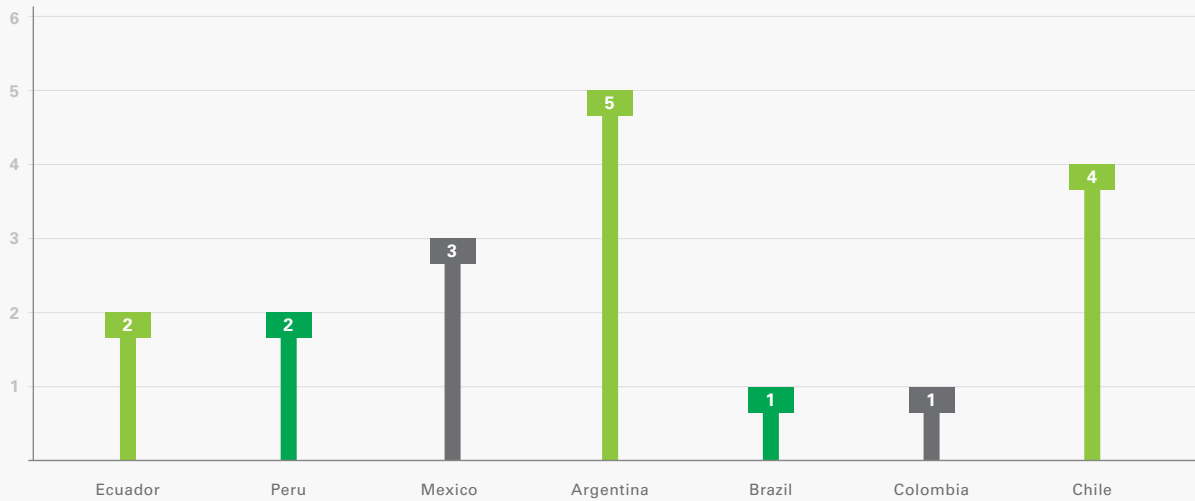
#### **ALTERNATIVE PROPOSALS FOR EFFLUENT TREATMENT**

This includes the construction of artificial wetlands.



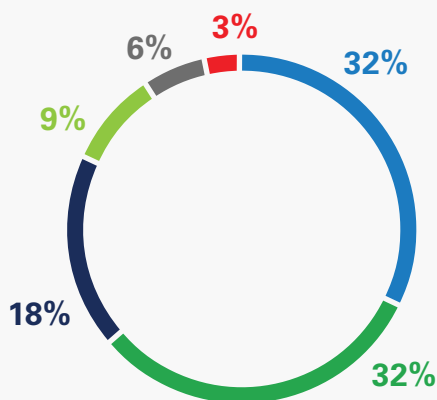
## Number of water treatment plants

By country



## Water reused by country

In %



- Mexico
- Peru
- Ecuador
- Chile
- Argentina
- Brazil

**72,000 m<sup>3</sup>**

of water is treated each year at Techint E&C's 18 treatment plants. Of this amount, 20% is reinjected into the circuit.

**100%**

of the recirculation of the waste water treatment plants is used to water down access roads and internal working areas.

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“

The Auca project lies in the Ecuadorian Amazon, a region renowned for its rich biodiversity and environmental significance. As such, safeguarding local wildlife is a key aspect of our employee and contractor training program. When a species is identified in our work areas, we activate the rescue and relocation protocol. So far, we've relocated 51 animals (reptiles, mammals, birds, fish) which is immensely gratifying.”

**Isabel Intriago**, Environmentalist at the Auca and Shushufindi projects, Ecuador.

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## Biodiversity

Given the diverse range of natural scenarios in which the Company operates, we place the utmost importance on thoroughly evaluating and analyzing the potential impact of our projects on biodiversity from the initial offer stage, as well as the influence they may have on surrounding communities. Large-scale works can significantly alter the environment by changing the landscape. Worksite activities can also interfere with local fauna and their habitat, directly affecting vegetation.

To reduce these impacts, action is taken at each project to foster good practices aimed at ensuring the best possible preservation and conservation of flora and fauna. Preventive measures are defined in tandem with the analysis of the main environmental documentation available. Specific actions are detailed for each project phase, beginning with initial surveys and topography, through engineering, installation, construction, operation and maintenance, to decommissioning and infrastructure removal, ending with the closure and demobilization stages.

---

**100**

species were located, including birds, mammals, reptiles and fish.

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### **In 2022, the Company carried out the following preservation actions:**

- Identification of protected and/or vulnerable sectors in the areas directly affected by projects.
- Implementation of plans to safeguard locations of cultural significance.
- Wildlife training to develop sighting, rescue, relocation and monitoring skills as well as monitoring of fauna and flora.
- Fauna and flora rescue simulation exercises in work areas.
- Formation of corridors and wildlife passages and the creation of buffer zones.
- Diagnosis of affected areas, recovery plans and final restoration.



←  
LEFT: SIERRAS  
BLANCAS-  
ALLEN PIPELINE

**NEUQUÉN  
AND RÍO  
NEGRO,  
ARGENTINA**

←  
LEFT:  
SHUSHUFINDI  
FIELD

**ECUADOR**



←  
RELOCATION  
OF REPTILES  
AT THE AUCA  
FIELD

**ECUADOR**



---

## Archaeology

In recognition of the potential presence of archaeological sites in project areas, the Company has a multidisciplinary team of archaeologists and paleontologists. Working closely with our workforce, they provide comprehensive training to ensure the correct recovery and preservation of any significant discoveries.

In the province of Río Negro, Argentina, traversed by a section of the President Néstor Kirchner Gas Pipeline (GPNK) project, our archaeological teams diligently adhere to the guidelines outlined in the approved Environmental Impact Study, as mandated by the Provincial Application Authority.

### **The work carried out daily is largely preventive in nature and consists of the following:**

- Archeological surveys before the earthworks phase, carried out in the areas directly and indirectly affected by the work, including the right of way and secondary road running parallel.
- Preventive archaeological surveys in any area modified or altered during the development of the works (quarries, construction sites, camps, material stockpiles, access roads, among others).
- In situ surveillance, (control or monitoring) during earthworks carried out by machinery.
- Interventions involving the surface collection of archaeological materials upon detection; proceeding to geo-reference the findings, their spatial distribution, photographic record and subsequent collection.
- Subsurface interventions in cases where layered material may be present, depending on the characteristics of survey geofoms.
- Communication to the Provincial Application Authority in timely fashion of all the interventions carried out, which contain relevant geo-referenced information on the cultural property intervened and the materials recovered.

- Laboratory work where the material is cleaned, analyzed, conditioned and bagged for subsequent delivery to the Provincial Authority of Application. The archaeological material recovered so far consists exclusively of lithic pieces, mostly carving debris (flakes).
- Training lectures are given to all site personnel and contractors to inform them about the characteristics of the archaeological profile of the area crossed by the pipeline, as well as to promote respect for the importance of its valuation.
- Once the work has been completed, a final report will be produced detailing all the actions and interventions performed.

## Environmental costs

### **Sustainable Management Valuation**

All project-associated environmental costs are taken into account during planning, from the tendering stage to demobilization and closure.

### **The main aspects typically included in the different stages of the development in a project are:**

- Baseline, complementary and specific environmental studies, according to needs.
- Comprehensive waste management and associated logistics.
- Installations and maintenance of effluent treatment plants and sanitation services.
- Environmental monitoring.
- Preparation for environmental contingencies.
- Management together with the community.
- Installation and maintenance of a water treatment plant.
- Specific wildlife habitat plans such as rescuing flora and fauna, cultural heritage.
- Restoration and revegetation of affected areas.

“

Preventive surveys and archaeological monitoring tasks carried out along the course of the GPNK enabled some 300 artefacts to be recovered in 2022, which will go to the heritage collections housed by local communities.”

**Leonardo Mucciolo**, Archeologist, GPNK, Argentina.

During this period, the most representative costs were distributed as follows: 50% for sanitation services and effluent treatment plants, 34% for integrated waste management, and 16% for drawing up contingency plans, environmental monitoring plans, studies and permits.

## Purpose

Techint E&C continues to pursue programs centered on prevention, optimizing the management of environmental aspects and minimizing the potential for negative impacts. The company focuses on environmental stewardship and the responsible and sustainable use of resources.

It also undertakes programs to reduce the discharge of effluents and solid waste by encouraging 4R activities.

At the same time, it seeks to improve operating methods and techniques with a view to reducing emissions, optimizing energy use, consumption and efficiency, to improve overall energy performance.

## Action plan for 2023

- Implementation of Energy Management System throughout the projects (ISO 50001:2018).
- Optimization of sustainable environmental management indicators, including new platforms to view data.
- Plans to reduce CO<sub>2</sub> emissions and greenhouse gases, achieving an improvement on the 10% reached during 2022.
- Improvement of energy performance throughout projects, optimizing energy use, consumption and efficiency. Energy consumption rates are projected to be reduced by 5% in 2023.
- Identification of opportunities to reduce water consumption and encourage reuse practices.
- Expansion of Integrated Waste Management Programs to foster a circular economy.
- Systematic actions to prevent waste creation and encourage reuse, with an impact on cost reduction related to temporary storage and final disposal.
- Strengthening local community involvement.
- Development of communication, education and training programs on energy and environmental management issues throughout the organization.

# Social development



Techint E&C actively encourages the development of its employees to enhance their skills and growth potential, as their input is key to knowledge-building. The company is committed to development in the countries where it operates and undertakes actions to improve community welfare near its projects.

**SUSTAINABLE DEVELOPMENT GOALS**



**GRI STANDARDS**

102-7, 102-8, 102-9, 102-43, 203-2, 204-1, 401-1, 401-2, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 404-1, 404-3, 413-1

**Training and development**

**Employees**

Techint E&C has 23,958 employees around the world, including executive, managerial, technical, administrative staff and operational personnel.

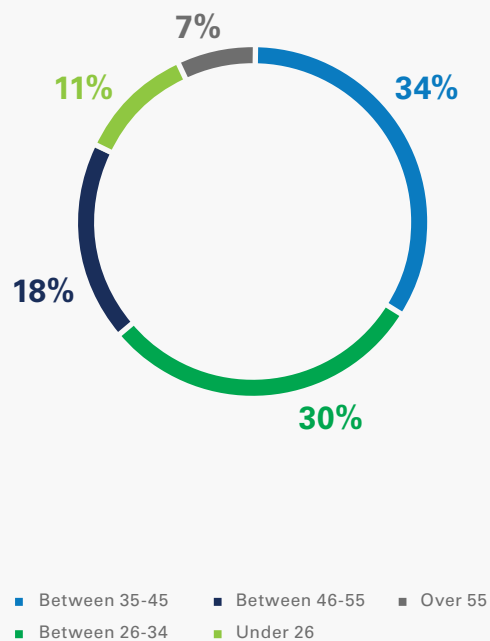
New hires are onboarded according to needs at different stages of the projects, which reflects the nature of the business. This feature also allows for job rotations, driven through different career development programs.

As common practice, the company prioritizes the hiring of staff from the communities where it carries out its projects.

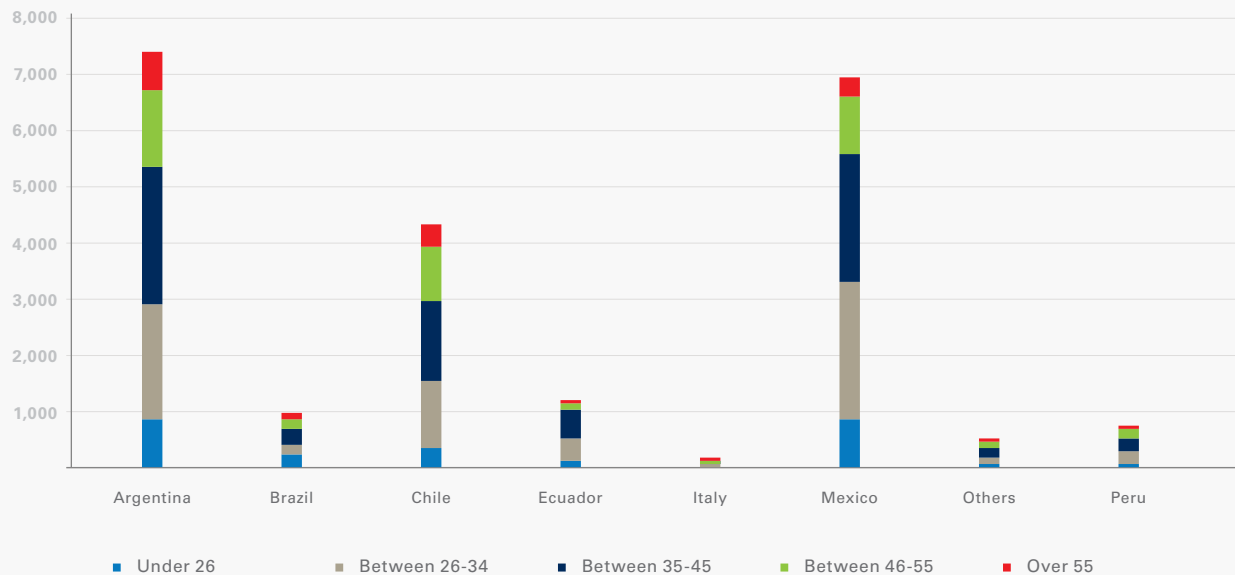
In cases where there is a shortage of qualified labor, demand is covered with resources from other localities. The company also invests in the development and education of the communities near its projects, providing training programs tailored to their needs.

**Global age range**

In %



## Age range by country



### Professional development

The Company fosters a conducive work environment that nurtures creativity, fosters collaboration, empowers individuals to take initiative, and cultivates a strong sense of collective accountability among its employees.

It guarantees equal treatment and opportunities for all those in its work teams throughout its different projects.

In line with current legislation and Company policies, workers may organize themselves freely, enjoy freedom of association and the right to collective bargaining. Techint E&C's Compensation Policy aims to ensure fair treatment and market competitiveness for all employees, irrespective of gender.

### Human resources development

Techint E&C's professional development programs are crafted with care and consistently enhanced to support employees on their journey of self-improvement. The idea is to ensure that they are ready to take advantage of opportunities that make the most of their potential, within the scope of the positions required by the business.

### YOUNG PROFESSIONALS PROGRAM

This is a key program aimed at the development of future executives at senior management levels. It accompanies young people during their first years in the Company to help them acquire a global vision of the business. Academic skills are complemented by technical and managerial training so they can fulfill their potential. For more information, [click here](#).

### PEOPLE REVIEW PROCESS

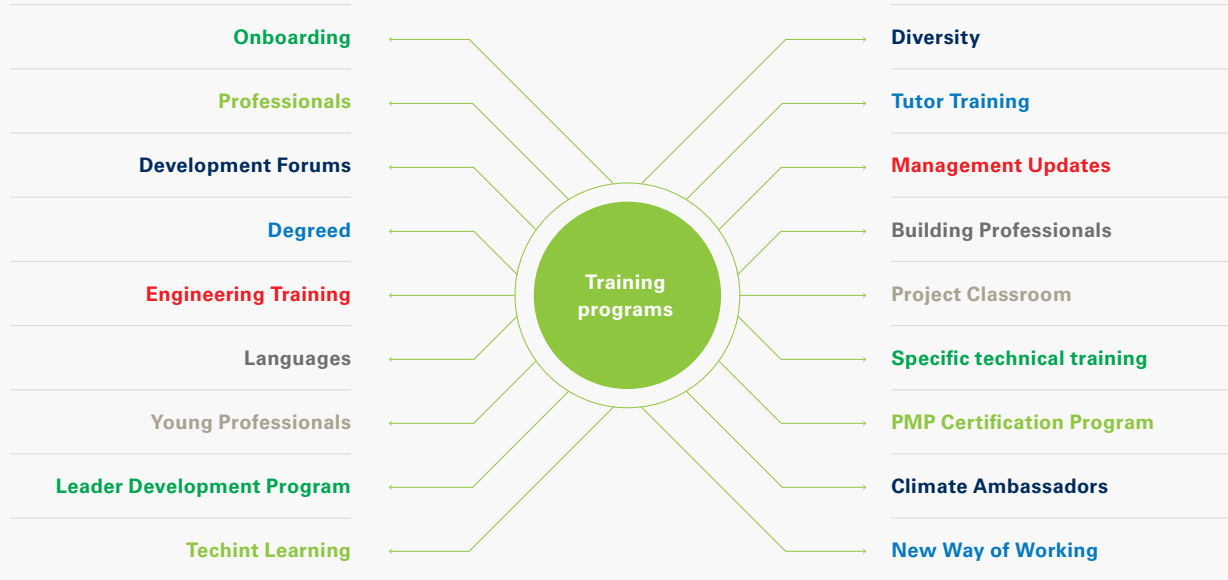
Techint E&C uses a diagnostic tool to project job position needs and ensure the Company has adequate personnel to meet current and future needs in qualitative and quantitative terms. Individual career development plans are tailored for employees showing potential.

### INTERNAL JOB POSTING PROCESS

Employees are encouraged to apply for positions through the internal Job Posting facility as part of internal talent searches. This gives them broader access to the opportunities available in the Company and is also a way for them to express and track their professional growth expectations.



## Main training programs



### PERFORMANCE MANAGEMENT PROCESS

The Performance Management Process evaluates the individual contributions of employees towards the attainment of the Company's objectives, highlighting their impact on the success of the business.

The process involves an analysis of each person's particular goals, skills and achievements, and is held twice a year for young professionals and yearly for other employees.

There are several stages involved in the process, including a mid-term review of objectives, several instances of self-evaluation and evaluation, as well as personalized feedback, before uploading the following year's objectives.

A detailed personnel benchmarking process is carried out by the Evaluation Committee, where managers and directors from the different areas adjust or validate evaluations through consensus.

The skills assessed include knowledge of the business, customer focus, professional attitudes, leadership, teamwork, collaboration and ability to adapt to the context.

All salaried personnel are involved in the Performance Management Process, while hourly workers are assessed on an ad hoc basis.

### TRAINING PROGRAM

Techint E&C encourages its employees to pursue their career development by offering professional training programs on cultural and management issues, as well as technical knowledge about the business, its processes and procedures.

#### The training program has two main axes:

- Technical training
- Management training.

The Company believes that training is a core element of its executive and management development strategy, and fosters a culture of continuous improvement, encouraging employees to enhance their performance, gaining recognition from peers and higher-ups.

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“

Preventive management is an essential aspect of our Company, as it ensures the long-term sustainability of our business. It's a non-negotiable value that encompasses both our people and our processes.”

**Omar Campos**, IMS Senior Auditor, Buenos Aires offices, Argentina.

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Curricular courses complement non-curricular content which can be integrated into programs serving a broad-based group rather than specific individual needs.

Thanks to Degreed, a virtual training platform that complements and enhances the Company's different training programs, the emphasis is on driving self-development and social learning.

Throughout 2020 and 2021, despite the challenges posed by the pandemic, the Company held virtual training sessions. In 2022, it reintroduced in-person training for the majority of the programs, harnessing the advantages of virtual training and seamlessly transitioning to a hybrid format.

The 5th edition of the *Project Management Professional* certification was launched, involving joint work between the Southern, Northern and Andean regions. The qualification is awarded by the Project Management Institute and is internationally recognized, serving as a unifying language within the industry and the company, facilitating effective project management.

This certification serves as a tool which is used by the Company to assure its stakeholders that its leaders have undergone extensive training to successfully tackle both current and future projects. There are currently some 85 employees across the organization who have received the PMP certification.

The 4th edition of the Leaders Development Program was held in the Southern, Northern and Andean regions. This training program is designed to provide middle management with the skills sets to lead and inspire high-performing work teams, enhancing their professional growth in their role as leaders. So far, 197 employees have graduated from this program and in 2022, another 85 embarked upon the course.

The Company is constantly expanding its reach, closely overseeing the training program for project supervisors at the worksite. The aim is to enable them to continually hone their expertise in addition to ensuring a consistent and accurate evaluation of their proficiency, both in their specific domains and on a more general level.



'BUILDING  
PROFESSIONALS'  
COURSE

NEUQUÉN,  
ARGENTINA





↑  
MOA-  
USIMINAS  
IPATINGA,  
BRAZIL

### Preventive culture

In the last few years, the Company has boosted its Training and Professional Development Plan on Quality, Safety Health and Environment (QHSE) to raise awareness and strengthen leadership in these areas. All new hires take part in a QHSE induction course when joining the Company.

Other training programs are also provided according to the skills sets required for specific posts and the risks associated with the activities being carried out at each project.

Training courses are held on a regular basis as well as according to project needs, raising awareness of health and safety issues, and keeping people informed and up-to-date with the scope and implications of preventive standards.

The idea is to accompany employees throughout their professional growth and careers by providing them with the tools and resources needed to continue building a preventive culture.

In July 2022, the Company launched its new training center in the province of Neuquén, Argentina. During the year, some 10,000 training hours were given, aimed at fostering a culture of prevention among employees. The center hosts courses for leaders, middle management and hourly workers.

Over the year, 11 Culture Fridays, as these safety events are called, were held. The focus of these sessions is on aspects such as: QHSE Roles & Responsibilities; Inspection and Testing Plan; Participatory Occupational Health; Accident Prevention: Event Analysis and Investigation Criteria; 3D Assessment Model and Psycho-workplace Dimension; QHSE Dashboard (Argentina, Brazil, Chile, Ecuador and Peru); Energy Efficiency & Performance; the Energy Management System; ISO 50001:2018 standard; handling and consignment of hazardous energy sources; Operational Prevention Tools; earthworks and their risks; the Risk Matrix, and Safe Work Analysis.

In April, the Company hosted the Health & Safety at Work Week, featuring a day on Occupational Safety, one on Energy Performance and Sustainability, a session dedicated to Quality, and lastly, one on Health & Safety.

**During 2022, the following safety campaigns were held:**

- Falling items.
- Manually operated tools.
- Interaction between machines and people.
- Sideboom operators.

In the last week of November, the QHSE 24<sup>th</sup> Workshop was held in hybrid format, bringing the teams from around the world together with external experts to present best practices in areas such as Quality, Energy Performance and Sustainability, Prevention and Health. The workshop was attended by customers and other guests, including Bechtel, PEMEX, PetGas, Combustible Energy, Anglo American, BHP, Codelco, Schlumberger, Clínica Nova, Mutual de Seguridad, Pluspetrol, Ternium, Tenaris and Tecpetrol. This was a four-day event covering issues such as health and ergonomics, quality, prevention, sustainability and energy efficiency. The last day ended with a prize-giving ceremony for outstanding projects developed by Company employees in the area of prevention.

**Managing the work climate**

Techint E&C believes that good management is conducive to overall well-being and boosts employee commitment, fostering greater productivity and quality work. As a continuous process, it involves annual benchmarking, where results are analyzed, shared and used as input to improve the quality of people's lives at work.

As part of the Techint Group, the Company holds biannual Opinion Surveys and yearly Pulse Surveys to find out what employees think about a range of issues related to the workplace climate.

**+153,000**  
hours of training in Quality, Health,  
Safety and Environment.

The surveys are open to all salaried employees with a seniority of more than three months, and are both voluntary and confidential.

**The recent surveys have given rise to a range of programs which tackle some of the most relevant workplace climate issues:**

**WORKPLACE CLIMATE AMBASSADORS PROGRAM**

Area-specific representatives have been designated to oversee the management of workplace climate conditions in each sector and ensure the implementation of previously-defined strategies. Other responsibilities include polling and recording employee queries and needs. The idea is to design and implement actions for improvement together with HR and each area management. So far, 94 Climate Ambassadors have been appointed in different regions and trained in climate management skills.

**FLEXIBILITY PROGRAM**

This program covers all employees working in Techint E&C offices throughout Latin America. Its main objective is to encourage people to achieve a better work-life balance by helping employees to make the most of flexible entry and exit schedules, through concepts such as Flexible Fridays.

In 2022, as part of the New Way of Working being introduced throughout the Company, a holistic approach centered on employee welfare, and following the analysis of the most recent Employee Opinion Survey, Techint E&C rolled out a new range of employee benefits.



↑  
GPNK  
PROJECT  
LA PAMPA,  
ARGENTINA

- Maternity leave  
A minimum paid leave of 120 consecutive days is guaranteed.
- Paternity leave  
A minimum paid leave of 30 consecutive days is guaranteed.
- Adoption leave  
The leave conditions are the same as those provided to biological parents.
- Flexible scheme for new parents  
New parents may work three days a week from home and two days in the office during the first year following their child's birth, after the completion of their maternity, paternity or adoption leave.

#### GENDER DIVERSITY

The Company's Diversity and Harassment Free Environment Policy was drawn up in 2019, enshrining its duty to respect and provide fair treatment to all employees and other people involved in its activities.

Diversity and inclusion are core values for the Company and it is implementing a large-scale program across its regions to educate employees about the importance of gender diversity, the prevention of discrimination, and workplace safety.

This reinforces Techint E&C's unwavering stance of zero tolerance towards any form of harassment or abuse.

In line with the programs and actions undertaken in this area, the Company is driving a policy to position women in leadership roles, in particular at its projects around the world.

In addition, regards recruitment, the Company is committed to ensuring that each shortlist of candidates for a specific position includes at least one female candidate.



Various initiatives and programs have been rolled out in different countries to support the principles of diversity and inclusion by providing and strengthening opportunities for different communities underrepresented in the workplace.

In Brazil, the Company launched a Diversity & Inclusion Committee made up of senior management representatives as well as ambassadors from different communities (gender, differently-abled, ethnic and racial, LGBTQIA+, and multicultural), an initiative that was singled out for recognition by the *Guía Exame de Diversidad* three years running.

In Chile, the Company launched the Female Workforce Inclusion program, which provides advice, training, and oversight to women in operational specialties.

In Argentina, women from different sectors in leadership positions are giving talks at secondary and technical schools to encourage girls and young women to pursue careers in STEM subjects and finish their education.

In Mexico, the growth in activity for the Company led to an increase in the numbers of women hired, reaching 24% of the total numbers of new hires at peak contracting.

PERSONNEL SURVEYS

Since 2020, Techint E&C has been using the Glint platform to hold its Workplace Climate Surveys. The methodology obtains high quality data by using modern methodologies complemented by technology to integrate with the Company’s own systems and provide a more agile and user-friendly experience.

In 2022, a Pulse Survey was held to follow up on the previous Employee Opinion Survey, as part of the Company’s commitment to monitor working conditions and develop actions for all projects and areas to improve the workplace climate.

↑  
OPERATIONS  
& MAIN-  
TENANCE,  
FORTÍN  
DE PIEDRA  
**NEUQUÉN,  
ARGENTINA**



COMPANY  
HEALTH  
DAY AT THE  
DOS BOCAS  
REFINERY

**TABASCO,  
MEXICO**



AWARD OF  
ROBERTO  
ROCCA  
SCHOLARSHIPS

**GRAL.  
PACHECO,  
ARGENTINA**





## Community relations

Techint E&C seeks to work alongside partners who share its values regarding human rights, employees, communities, and ethical business practices. Its objective is to foster mutual growth with the communities where it operates, actively contributing to social and individual progress.

The Company prioritizes transparency and honesty in business, values intrinsic to its cultural identity throughout its history.

Over the years, various tools have been implemented with a view to strengthening a culture based on ethics, including the [Code of Conduct](#), the [Business Conduct Policy](#) and the Policy of Transparency Governing Relations with Third Parties.

These instruments regulate the way in which the company expects its employees, agents and representatives to interact with public officials and government entities, as well as other organizations and private individuals. They also establish specific rules to evaluate and ensure third-party adherence to Techint E&C's ethical standards.

The Company is a firm supporter of actions designed to strengthen the labor, social and health inclusion systems in the different countries where it operates.

With education as the main driver for social development, the Techint Group's Community Relations area runs a range of different programs designed to strengthen technical education.

### Roberto Rocca Technical Gene

The program seeks to strengthen technical education at secondary level in the community, with a focus on building Industry 4.0 skills. The program includes teacher training and on-the-job internships for high-school students, and in parallel helps educational establishments to upgrade infrastructure and equipment.

# 344

Roberto Rocca Scholarships were awarded by the Company in 2022.

In 2022, the Company began work to build a technology classroom at a technical school in San Nicolás, furnishing it with tools and equipment to strengthen teaching in technical subjects and enhance students' learning experience. This initiative was undertaken with support from the Fundación Hermanos Agustín y Enrique Rocca.

### Roberto Rocca Scholarships

The Roberto Rocca Scholarships program is the longest-running of all the education initiatives developed by Techint E&C. These bursaries are awarded to young people who show outstanding academic results and effort, to enable them to continue their studies at secondary, university and postgraduate level. The program seeks to support equal opportunities and foster growth and development at community level.

In 2022, the candidate selection process for the award of high-school Scholarships, in addition to standards of academic excellence, took into account criteria such as the students' socio-economic background. The program's manifest aim is to promote equal opportunities in the firm belief that education is the main driver for upward social mobility.

Last year, Techint E&C awarded 72 Scholarships to high-school students and 272 to university students. Of the total number of 344 Scholarships, 267 were awarded in Argentina, thanks to additional support from the Fundación Hermanos Agustín y Enrique Rocca, as well as 50 in Ecuador, 17 in Chile and 10 in Peru.

---

“

As part of our Social Management Plan, we held two welding courses in Paraíso, in the Mexican state of Tabasco, both aimed at the community in general as well as for graduates from the Tabasco Technological University.”

**Adriana Valdez**, Community Relations Coordinator at the Dos Bocas Refinery.

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**Scholarships for high-school students, channeled through Fundación Cimientos**

The company works with the NGO Fundación Cimientos to award scholarships enabling young people from vulnerable backgrounds to access higher education. Young people supported by the foundation receive financial support and assistance so that they can continue at school.

In 2022, ten scholarships were awarded on behalf of Techint E&C in Argentina, and four in Uruguay.

**Techint E&C Welding School**

In early November 2022, the company launched the Welding School at the Company’s Machinery Yard (TEPAM) in General Pacheco, Argentina, an initiative with a long history of success at the Company’s different projects. The Welding School sought to train and qualify welders and welding operators so they could work on the President Néstor Kirchner Gas Pipeline (GPNK) project. The training course included induction sessions as well as covering work procedures, technical specifications, risk management in terms of job safety analysis (JSA), and offered daily prevention tours of the works sector.

TEPAM also hosted a new Practice and Qualification School, which involved organizing operational activities as part of a training workshop using structures and supplies left over from previous activities to practice with.

The TEPAM Practice School was run by the Company’s Welding Engineering department and the course was given by its welding supervisors.

Forty-four welding operators qualified and were duly incorporated into the GPNK project.

Similarly, the Company held two welding courses in Tabasco, Mexico, training 30 people in the techniques of Shielded Metal-Arc Welding (SMAW) and Gas Tungsten-Arc Welding (GTAW).

**Other actions held in 2022:**

- In General Pacheco, Argentina, the Company completed work to build and equip a laboratory classroom for high-school students. It also refurbished a classroom for primary-school in a low-income district.
- As part of its continued support to local health authorities following the COVID-19 pandemic, medical supplies and equipment were donated to healthcare institutions in Orellana and Shushufindi in Ecuador.
- In the Brazilian city of Arujá, a group of TEPAM employees organized an outdoor day with some local schools, planting hanging gardens and painting murals around the city.
- Year-end saw the Solidarity Christmas campaign distributing food parcels donated by volunteers among communities living near the Company’s projects throughout Brazil.



WELDING  
SCHOOLS

DOS BOCAS,  
MEXICO,  
AND THE GPNK,  
ARGENTINA





HEALTH,  
SAFETY AND  
ACCIDENT  
DRILLS AT THE  
DOS BOCAS  
REFINERY

TABASCO,  
MEXICO



## Integrated Management System - IMS



### Preventive culture

#### Integrated Management System - IMS

The company works to foster a preventive culture as one of its core values. It is firmly committed to reaching the global ‘zero deviation’ goal as enshrined in its Management Policy. Work to achieve this objective takes shape through the IMS, based on the ongoing evolution of the company’s preventive philosophy.

#### The search for continuous improvement as part of the IMS can be seen in the following achievements:

- The LTIFR Index (number of accidents with lost days, based on labor-hours worked) has fallen considerably since 2005. Compared with 2021, the LTIFR fell by 7% over the last year.
- Compliance with prevention activities by operational leaders has shown a substantial increase.

# 90%

drop in the Lost Time Injury Frequency Rate since 2005.

The IMS is built upon six foundational pillars that exemplify a commitment to quality, preventive management, and continuous improvement.

The ‘zero deviation’ goal set for each financial year is a motivational slogan that inspires employees on a daily basis.

During 2022, Techint E&C reaffirmed its active, visible leadership in the field of prevention, demonstrating an unwavering commitment to its core values.



↑  
 DAILY SAFETY  
 TALK AT  
 THE GPNK  
 PROJECT  
 NEUQUÉN,  
 ARGENTINA

These priorities include people’s health and safety, environmental stewardship, the respectful development of resources, and the concept of providing value to shareholders, partners, customers, suppliers, employees and the communities where the Company operates.

**The company’s preventive management strategy at each of its projects and services is visible in these areas:**

- Visible and explicit commitment of company leaders to prevention.
- Exercise of line responsibility.
- Focus on people and their behavior.
- Efficient management of deviations.
- Continuous learning.
- Teamwork.

Techint E&C rigorously programs its activities in line with specific plans for each of the issues addressed.

As regards Verification and Corrective Action, during 2023, work continued to audit the projects and services in the Corporate Assistance System.

**Participatory occupational health**

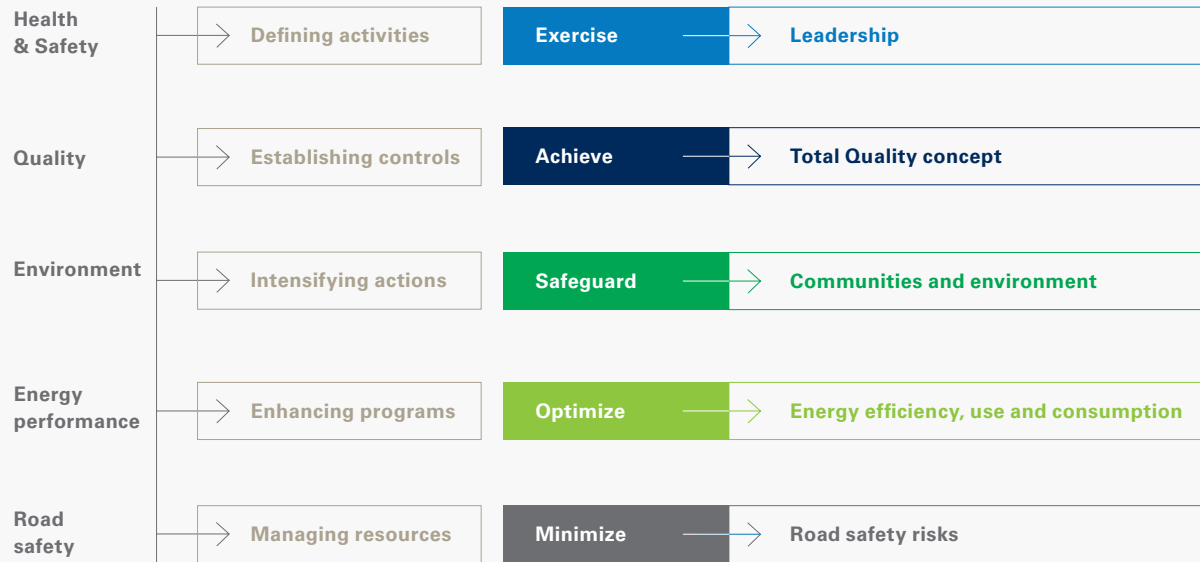
When employees join Techint E&C, they undergo various medical examinations to evaluate their physical fitness to perform their tasks. They also receive instruction in occupational health, participate in campaigns and are trained in Medical Emergencies, CPR and First Aid.

There are Voluntary Prevention Groups at each project whose members are taught specific skills enabling them to act as a team in emergencies.

The projects have Medical Service facilities of varying complexity as well as a Medical Surveillance Program to ensure that employees with preexisting pathologies can receive ongoing treatment, and be evaluated as fit to carry out those tasks, commensurate with their abilities.

The company routinely monitors the environment at its worksites to evaluate physical, chemical and biological risks, as well as any psychosocial and ergonomic risks which could endanger people’s health.

## Preventive management plans



Specific parameters are monitored as a way of protecting employee health as people pursue their activities, to prevent the appearance of different pathologies and not aggravate existing pathologies, as well as ensure general well-being. The Company’s Integrated Ergonomics Plan (IEP) is designed to prevent work-related musculo-skeletal disorders, periodically identifying and analyzing risk factors for exposed body parts with a view to introducing improvements and specific task-related recommendations.

The ergonomic risk matrices and reports reflect the real-life aspects of each activity and help to optimize any associated preventive measures. The Psychosocial Risk Prevention Program aims to foster physical, mental and social well-being among employees through a range of preventive and educational measures arising from work to identify, evaluate and reduce psychosocial risks in the workplace.

The Review stage in the IMS is an ongoing exercise in improvement, as seen in the Company’s indicators.

As part of its commitment to continuous improvement, the company encourages qualities such as a critical approach and the observance of corporate values, which are the mainstay of business continuity.

During 2022, the Company’s guidelines and protocols for dealing with the pandemic and the related health emergency were reviewed and updated, which made it possible to define specific guidelines for different activities. These took into account the preparation of workplaces, how tasks were to be executed, and people’s exposure to risk in each context.

All activities were duly planned in accordance with the preventive measures defined by the COVID-19 Monitoring Committee and QHSE area.

This led to the development of an innovative approach to employee health, centered on managing chronic pathologies based on a definition of the employee population considered to be at risk and thus more prone to infection.



BLUE  
NOVEMBER  
AND PINK  
OCTOBER

LOS  
BRONCES IV,  
CHILE,  
AND THE  
DOS BOCAS  
REFINERY,  
MEXICO



The Company holds a yearly IMS Auditor Training Course to foster greater awareness among employees of the tools required by company processes as part of its continuous improvement drive to achieve 'zero deviations'. Held twice a year, the course is an opportunity for everybody working on the Company's projects to benefit from valuable training.

In 2022, 97 Internal Auditors qualified while a further 154 are currently receiving instruction.

### Health and well-being

The company continues to work on the early identification and management of health risks to minimize their impact. The key objective is to strengthen prevention, through actions such as healthy lifestyle campaigns and a participatory approach to occupational health management.

### Participatory occupational health focuses on the following areas:

- Extension of the implementation of the IEP as applied to tasks.
- Optimization/review of medical examination protocols according to job position.
- Implementation and development of Psychosocial Risk Prevention Program.

- Implementation of approach to participatory occupational health management.
- Healthy lifestyle campaigns and physical activity programs.
- Nutritional Plan - Food Hygiene.
- Optimization of medical surveillance programs.
- Preventive work observations in the area of occupational health.
- Health and wellness training.
- Consolidation of the Program on the Problematic Consumption of Psychoactive Substances Affecting the Workplace.
- Incorporation of health management indicators in automated reports.

The Company's Integrated Ergonomics Plan is designed to prevent work-related musculo-skeletal disorders, periodically identifying and surveying risk factors and exposed body parts.

The ergonomic risk matrices and reports are part of a comprehensive evaluation designed to reflect the real-life aspects of each activity. As such, they enable the appropriate corrective measures to be taken, including the definition of specific task-related recommendations.





JAGUATIRICA II PROJECT

RORAIMA, BRAZIL

The ergonomic evaluation of people’s workstations is a powerful tool which has had a positive impact on employee health, contributing to a better workplace climate as a whole.

The Company has additionally sought to innovate in this area by applying new technologies, such as an exoskeleton providing mechanical support for tasks carried out above shoulder height to reduce muscle and joint loading.

**Ergonomics with a gender perspective**

During 2022, the IEP sought to ensure that both tasks and evaluations were undertaken with a gender perspective. The idea is to actively foster inclusion and access for women to positions usually held by men, leading to greater equity and better career development opportunities. A total of 24 different positions were assessed, and a new section was added to the ergonomics forms and reports evaluating the degree of inclusion of each position, setting a new milestone for the construction industry.

**Psychosocial risks**

As part of the IMS, Techint E&C launched a new preventive program focused on the psychosocial risks to which employees are exposed.

Its objective is to address and change those organizational, social and environmental situations likely to affect people’s well-being and the workplace climate in general.

Over the year, the Company held measurements and surveys to benchmark a wide range of aspects relating to leadership, skills development, organization at work, and emotional stability, for instance, with a view to developing actions designed to foster a healthier workplace climate.

**Other campaigns**

**VACCINATION CAMPAIGNS**

Techint E&C considers vaccination to be a public good in the interests of universal health, and one of the most cost-effective strategies for disease prevention and control. For this reason, it regularly holds annual vaccination campaigns, enabling free access for all employees to immunization.

The vaccination campaigns held in 2022 placed special emphasis on immunization against influenza and COVID-19.

## REGIONAL ENDEMIC DISEASE CAMPAIGNS

Training courses were held as part of campaigns to combat regional endemic diseases, mainly sandfly-borne Leishmaniasis, at the Ecuador and Peru projects. These consisted of introductory talks about prevention and self-care, such as weekly inspections of skin and mucous membranes, and the need to report the lesions typical of the disease to the authorities as early as possible. Additionally, the company also distributed insecticide repellents and bednets for personal protection to increase precautions at night (when the vector is most active).

### Health training

Talks and training were given throughout the regions on health-related topics such as:

- Personal self-care, healthy nutrition and physical activity.
- Alcohol and drugs.
- Psychosocial risks at work.
- Ergonomics and taking active breaks.
- Hearing protection.
- Sun protection.
- Basic first aid and CPR for Voluntary Prevention Groups.
- Prevention workshops on breast cancer, gender violence, among others.
- Community health workshops.

### Medical Service: satisfaction survey

At the projects' Medical Services, polls and surveys are regularly held to establish issues such as the number of people using the service, opinions about the quality of medical care and health training courses provided, as well as the percentage of those vaccinated against COVID-19. The tool evaluates the quality of the services offered by the company, and identifies problem areas and opportunities for improvement. The objective centers on seeking continuous improvement in terms of employee health.

## XXIV Workshop on Quality, Sustainability and Energy Performance, Health and Safety

In December 2022, the 24th QHSE workshop was held in hybrid fashion, attended by an audience of 600 people online and 400 in person. The main theme was "Meeting up Again", a reference to the return to in-person work following the COVID-19 pandemic. The workshop showcased the latest trends in Quality, Health, Safety and Environment, as well as the programs currently underway.

- 15 countries.
- Over 1,000 attendees over the four-day course.
- Participation of customers and partners.

As well as the workshops, several different committees met over the year, as follows: 11 Corporate Committee meetings, 11 Quality Committee meetings, 11 Sustainability and Energy Performance Committee meetings, and 11 Medical Committee meetings. The meetings involved employees from all geographic areas. The meetings made it possible to create the right environment for the debate and definition of proposals for improvement, through the preparation of action plans for future implementation contemplating all aspects of QHSE work.

### Motivational plan

Techint E&C has developed guidelines for a Motivational Prevention Program to recognize those employees who show commitment to the company's Management Policy.

The program is aimed at encouraging and reinforcing proactive attitudes and behavior related to the prevention of accidents or incidents. The idea is to motivate all project personnel, whatever their level of responsibility, to play an active role in accident prevention and environmental protection.



GOLD CERTIFICATION FOR HEALTH & SAFETY AT THE MACHINERY YARD

ANTOFAGASTA, CHILE

**Each site recognizes those employees with outstanding preventive behavior:**

- At the Auca project, in Ecuador, during the second half of the year, 119 recognitions were awarded to workers for their contributions to preventing accidents and incidents, as well for their participation and active listening.
- At the Dos Bocas Refinery project in Mexico, the Motivational Plan featured contests and activities, and awards were presented to those employees who excelled. The Safety World Cup pitted teams from different sectors against each other, such as Electrical, Piping, TEPAM, Mechanics and Instrumentation. Motivational Plan prizes were also awarded to ‘Personnel in charge of waste separation and recycling’ as well as the ‘Maneuvering personnel in the mechanical sector’.
- At Fortín de Piedra II, in Argentina, the Plan recognized excellence in the categories of:
  - Full specialty: no deviations or events.
  - Crew with no deviations or events.
  - Crew with best Job Safety Analysis (JSA).

## 83

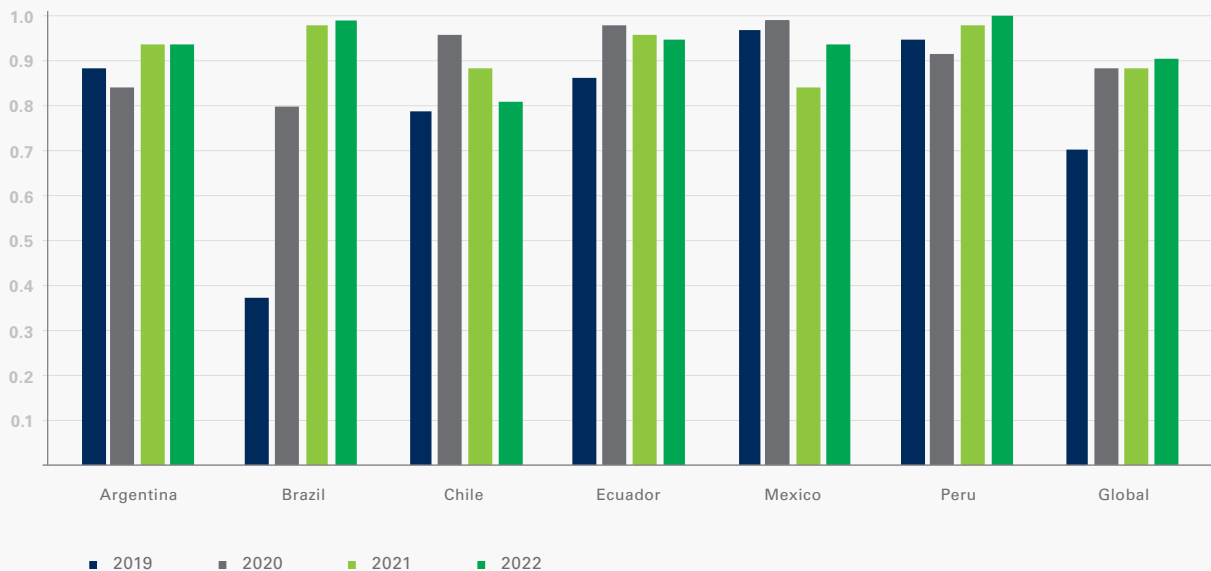
Employees were singled out for recognition as Company prevention leaders.

- Best Planned Task Observation (PTO)
- Best Road Safety Observation (RSO).
- Crew with the best Quality oversight performance.
- Crew with the best Quality record management.
- Best bus leader.
- Best individual improvement proposal.
- Special mention for environmental care.

In 2022, 278 awards were presented under the slogan “Continuous improvement can be achieved by motivated people.”

## Proportion of purchases made from local suppliers

At sites with large-scale operations



### Key Prevention Principles

Techint E&C disseminates its Key Prevention Principles to foster a safe working culture by implementing initiatives that encourage behaviors commensurate with employee health and safety.

#### Prevention Rules

Techint E&C regularly disseminates its Ten Prevention Rules series, including:

- 10 Rules that Save Lives.
- 10 Rules that Mark Quality.
- 10 Rules of Hand Care.
- Co-driver's Checklist.
- 10 Energy Performance Rules.

### Commitment to the value chain

The supply purchasing process runs from the moment a purchase or contracting need arises until the expiry of the warranty period for the products or services.

The standards observed by subcontractors and suppliers are instrumental to the quality of services and products, which is why Techint E&C has developed a series of actions designed to foster compliance with its own quality and ethical standards, which are intrinsic to its organizational culture and policy. Suppliers and subcontractors are subject to ongoing evaluation, which ensures a core of reliable and trustworthy entities able to uphold and promote ethical and responsible behavior throughout the value chain.

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“

During the pandemic, in Kiteni, where we're working on the Camisea Operation, we hired a consultant to work alongside our suppliers and draw up agreements with the local authorities to help them comply with health protocols as well as teach them marketing techniques.”

**Tania Burstein**, Head of Community Relations of the Andean Area.

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At its projects, the company takes into account different purchasing aspects, depending on the supplies and services required. These aspects include the type of undertaking, related legal requirements, the commitments it has assumed with its customers, and, most importantly, the availability of supplies at the project site.

The Company's long-standing relationship with local suppliers in the countries where it operates underpinned its efforts to deepen its local supplier relations program during 2022. Meetings and workshops were held with suppliers in Chile, Ecuador and Mexico, including training on company policies, processes and expectations, in order to optimize contract times and broaden the range of opportunities open to suppliers.

### ProPymes

The Techint Group has a program in place to support its SME customers and suppliers as part of its value chain. The ProPymes Program is designed to foster productive investment, build SME export capacity, and promote efficient import substitution as well as encourage the transfer of knowhow. It also helps different parts of the Group's corporations to develop relationships with the value chain as well as between the SMEs themselves.

### Customer satisfaction

The measurement, evaluation and improvement of results is a process led by the company's QHSE department, which plays a vital role in closing the continuous improvement cycle.

A key goal of these measures is customer satisfaction, as the process aims to achieve a high level of effectiveness in preventive management, pivoting on the commitment to exceed expectations. Vital to this are continuous and efficient planning, execution and monitoring.

Performance benchmarking is carried out with customer feedback in the form of Customer Satisfaction Surveys (CSS), while the Customer Satisfaction Benchmarking Program (CSBP) holds periodic evaluations at project or service level.

All the results are routinely followed up and indicators checked. At corporate level, the customer satisfaction dashboard focuses attention on the main issues, showing opportunities for improvement, strengths and other observations to be taken into account.

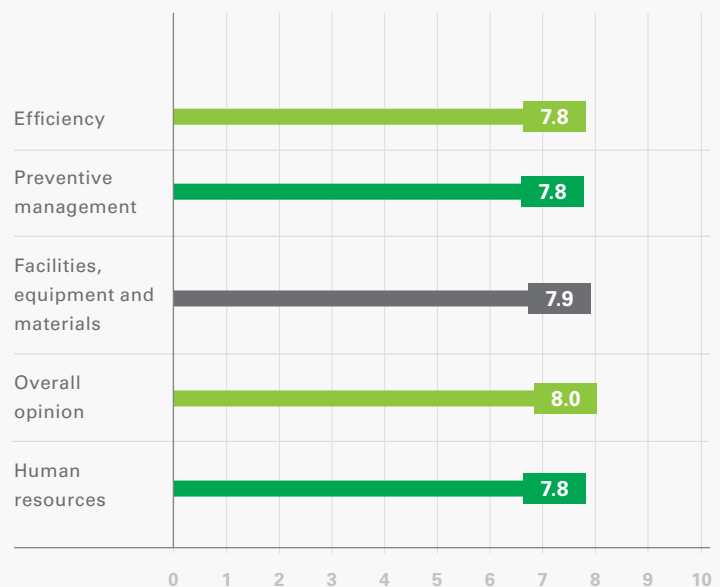
It is worth noting that the Management System has its own series of procedures enshrining a detailed description of the methodology involved in measuring, analyzing and monitoring performance from the customer's perspective.

## Customer satisfaction management



## Satisfaction survey

2022 average



These procedures aim to meet the requirements established for each project or service. In 2022, survey results showed an 84% satisfaction rate.

Afterwards, the results were analyzed in depth and those aspects scoring under 7 were considered deviations, according to Deviation Management procedures. The other points fell into the satisfaction bracket (91% in 2022).

### Aspects highlighted by customers

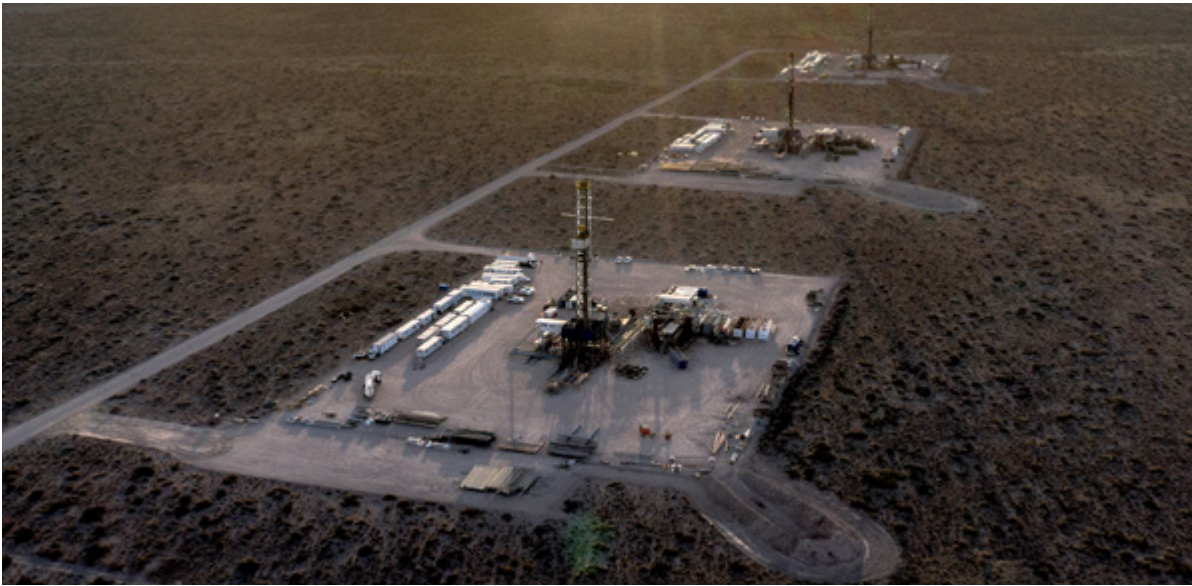
The Management System groups the areas evaluated into five different categories:

- Efficiency.
- Preventive management.
- Facilities, equipment and materials.
- Overall opinion.
- Human resources.

The evolution in performance in these different categories is monitored over time for comparison with previous periods.

The areas showing the best performance in terms of customer satisfaction in 2022 had to do with facilities, equipment and the functioning of the Company's integrated preventive management system.

Other aspects that also achieved high scores were objectivity and transparency in the provision of information, as did planning which received a good rating. The areas of oversight, resolution capabilities, professionalism and efficiency in meeting commitments and contract compliance were rated as excellent.



OPERATION & MAINTENANCE AT FORTÍN DE PIEDRA

NEUQUÉN, ARGENTINA

### Future challenges

Preventive management actions are about broadening and deepening commitment to QHSE issues throughout the company.

#### Objectives

- Deploy defined, cross-sectoral and representative processes, and streamline all associated documentation.
- Monitor and evaluate the efficacy of these processes.
- Develop and measure the effectiveness of QHSE communication programs, education and training at different levels of the organization to ensure people have the skills necessary to sustainably achieve the expected QHSE performance standards.
- Strengthen the QHSE performance benchmarking process by undertaking a comprehensive review of the process. This includes the definition, calculation, communication and audit of functional indicators and associated objectives.
- Efficiently monitor the deployment of operational prevention tools in all aspects.

- Instill a culture focused on managing deviations, based on a unified methodology for reporting, communication, investigation, improvement and learning.
- Consolidate the preventive program for Risk Identification, Evaluation and Management in Operational and Labor Processes.
- Early identify and manage health risks to minimize their consequences.
- Review all work positions and undertake an ergonomic analysis of their risks.
- Deepen work into psychosocial risks.

#### Actions

- Emphasis on the investigation and management of deviations and incidents with a high risk potential.
- Specific risk identification, evaluation and management training program.
- Further work on road safety, emphasizing people’s behavior, complemented by the incorporation of new prevention awareness campaigns.
- Measurable and effective training program to improve the standard of employees’ technical and professional skills.
- Focus on digital transformation to support preventive management.

# Sustainable quality





For Techint E&C, quality is non-negotiable. To achieve this, the Company has a solid Integrated Management System in place, featuring the tools needed to define, integrate and improve all processes.

SUSTAINABLE DEVELOPMENT GOALS



GRI STANDARDS 403-2

Techint E&C believes that quality is the cornerstone of preventive management and the key to the sustainability of its business. The right approach to quality management means that reworking can be avoided, increasing process efficiency; it reduces the use of resources and minimizes exposure to risks for its employees.

These variables enhance customer satisfaction and contribute to overall business success.

The Company relies on the cycle of continuous improvement as the main tool able to achieve operational excellence, this being the objective underpinning all of its processes.



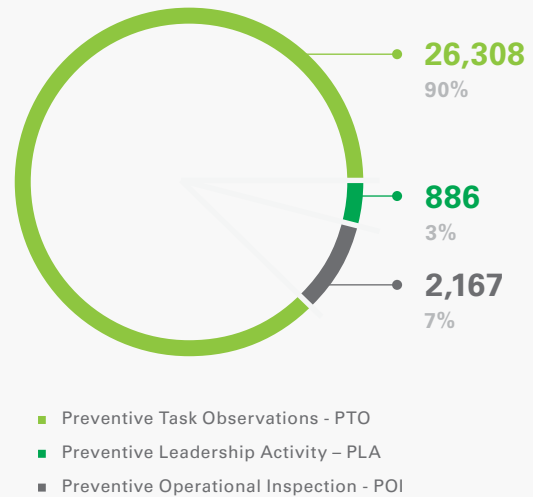
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# 29,361

Operational Prevention Tools (OPTs) were deployed during 2022 using the QHSE Mobile application.

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## Operational Prevention Tools (OPTs)



### Planning quality

Planning is the principal process whereby the Company provides value, which happens through its Engineering, Construction, Supply, Operation and Project Management services. Planning is also what sets it apart, as, combined with a consistent operational and regulatory discipline, it has enabled Techint E&C to complete over 3,500 highly complex projects, all meeting the highest standards of quality.

The first step toward ensuring project quality is the preparation of a Quality Plan for each of the works carried out by the Company. This is the cornerstone of the project's quality management process, and establishes how the IMS will be applied to ensure that both customer and stakeholder requirements are met. It enshrines all stages of the continuous improvement cycle.

Each project has its own Inspection and Testing Plan, describing and regulating all the activities involved, from conception to completion.

The Plan indicates which procedures are applicable to specific tasks, and establishes compliance conditions and inspection frequency and methodology.

### Making quality happen

Techint E&C has a comprehensive documentary archive, thanks to its extensive track-record of completing highly complex projects going back over 75 years. The database includes clear and concise procedures for each of the activities performed, enabling its people to get things right the first time around.

Another pillar of preventive management, which seeks to provide predictability in terms of results, is the Operational Prevention Tools (OPTs). These are a set of documented activities providing detailed instructions about managing risks in each task, and methodically describe how to proceed in order to execute a task correctly and safely.



QHSE Mobile is a mobile application designed to raise the standard of preventive management at all leadership levels at a project. It enables OPTs to be deployed in the field, both on and offline.

In 2022, over 225,000 OPTs were deployed, of which 13%, 29,361 in total, used the QHSE Mobile application. This shows the extent to which technology is being used, even in geographically remote areas where mobile connections are unreliable. Additionally, using digital tools strengthens Techint E&C’s pledge to be a paperless company.

**Preventive Task Observations (PTO):**

These are Operational Prevention Tools for deviation management, which use observations to identify substandard actions or behaviors as part of a line of constructive communication and feedback based on positive reinforcement.

**Preventive Leadership Activity (PLA):**

This kind of activity is assigned to those in a leadership position, as it aims to change people’s behavior by facilitating and enabling the Visible and Active Commitment of a project’s leaders (management).

**Operational Prevention Inspection (OPI):**

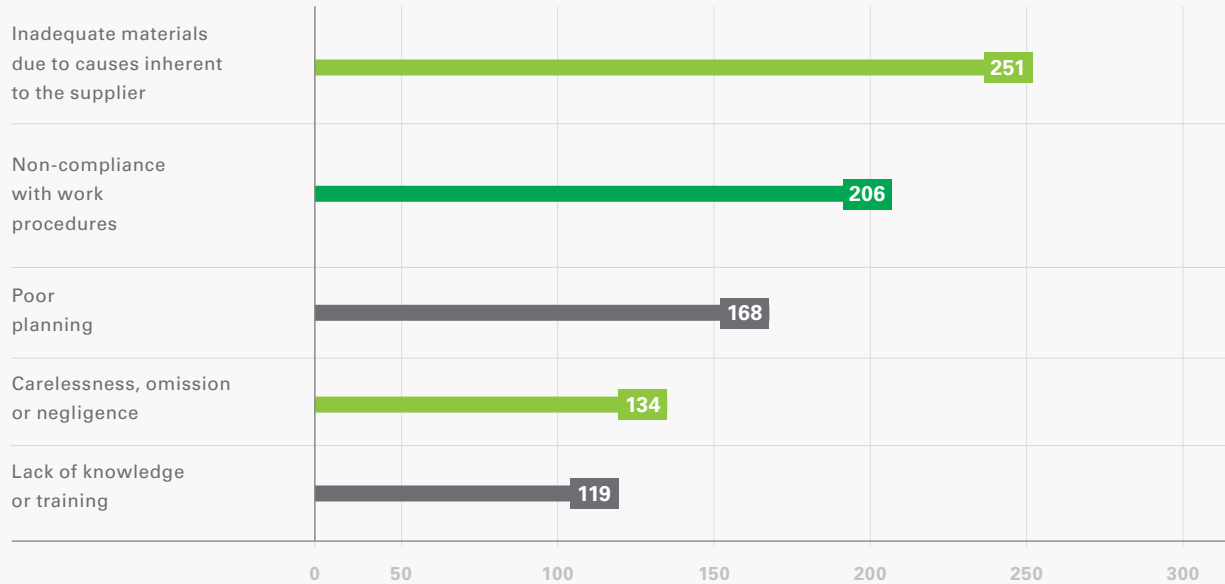
A tool used to check compliance with applicable prevention standards and norms.

**Job Safety Analysis (JSA):**

A founding pillar of the OPTs, the JSA identifies the risks associated with each task and informs those employees in charge of undertaking it. This enables workers to strengthen safe practices and implement any changes which may have been adopted during the course of the project.

At the same time, the JSAs are a way of sustainably managing change in the areas of Quality, Health, Occupational Health and Energy Performance.

## Main causes of quality deviations



The main causes of the deviations recorded during the year, as detailed in the graph above, were identified following rigorous investigation. As can be seen, the most significant deviations were related to defective materials due to causes inherent to the suppliers. The other deviations can be associated with the high turnover of operators on the work teams, which poses the challenge of how to optimize their training to ensure that they internalize safe work practices and the commitment to a preventive culture.

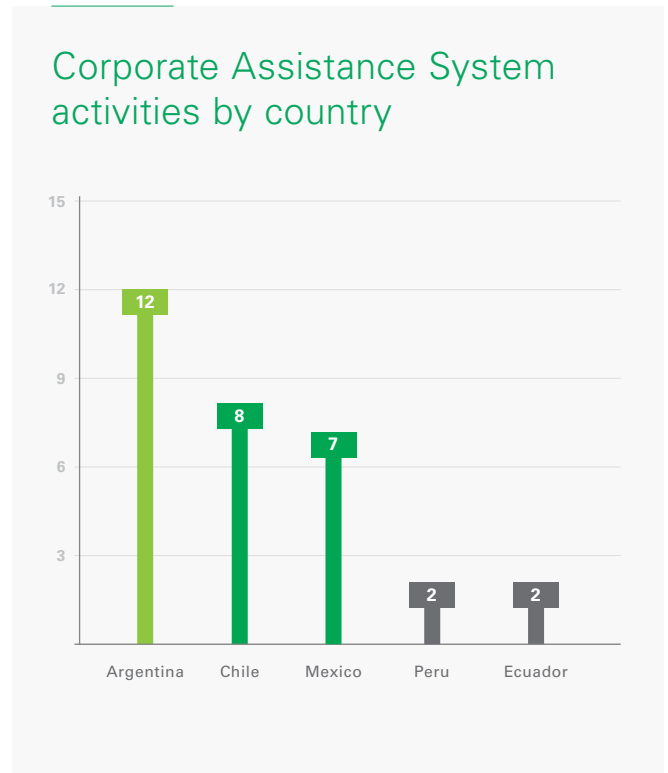
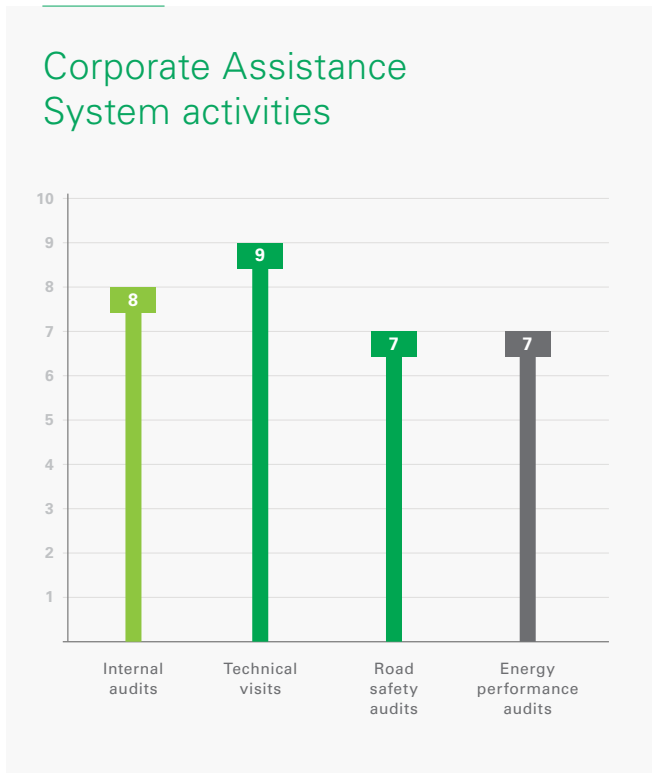
### Quality control

The Quality Plan and the Inspection and Testing Plans are implemented at this stage. During quality inspections, inspectors check the results of each process, ensuring that the conditions of conformity required by customers are met as required. These quality oversight checks function as input for product indicators.

In turn, product KPIs are benchmarked using the oversight compliance rate, which in 2022 reached 91.6%.

The following results were obtained in the output indicators for EPC/EPCM contracts during 2022.

KPIs for EPC/EPCM contracts	Result
Paint quality - Roughness, thicknesses and adhesion	98%
Acceptance of hardened concrete	97%
Acceptance of fresh concrete	98%
Acceptance of welding	94%
Acceptance of soil filling	96%
- Densities	
Acceptance of soil filling	98%
- Granulometry	
Acceptance of conductor cable laying	100%



The targets set for each indicator differ for each project according to its specific characteristics. The table on the preceding page shows the degree of compliance with these targets as a percentage.

Techint E&C is fully committed to reaching the target level set for all the indicators established, showing its focus on continuous improvement.

The Corporate Assistance System was devised as a way of checking the extent to which the IMS is being applied. The process includes internal audits, technical visits, road safety audits and energy performance audits, designed to detect any deviations in procedures as well as make the most of opportunities for improvement. The results are used as input to compile quality management indicators.

In 2022, 31 activities were held in total as part of the Corporate Assistance System, and the results showed a clear improvement. The effectiveness of this evolving process is a testament to the success of the continuous improvement cycle.

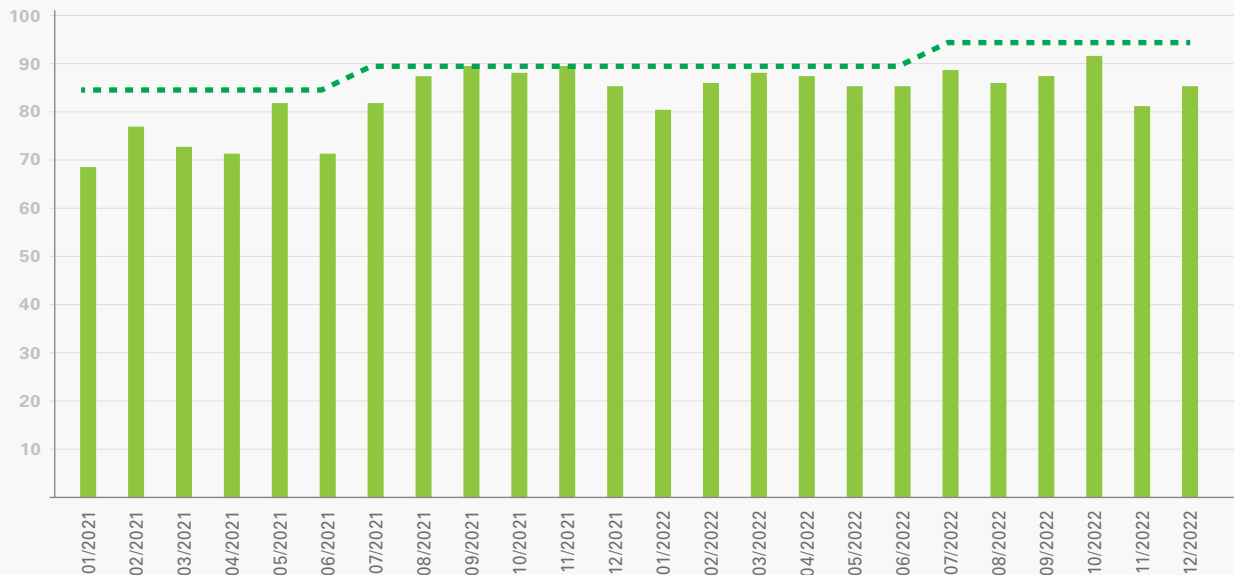
Inspectors and internal auditors use the Deviation Management App to record the results of their field tasks. This is a mobile solution that works both online and offline where they can report any deviations that pose a risk to the quality of the Company’s processes. After an event is reported, an initial report may additionally be created to communicate the deviation to the person responsible for the process. This report is also communicated throughout the company as part of an email sent automatically at the end of each day, a daily round-up of events reported.

The App can also be used as a platform for deviation management, where each team investigating a deviation can run a root cause analysis, take preventive and/or corrective actions, and measure the impact of the deviation.

A Traceability Register is kept to track processes, using the Welding Book and the digital tools HMS-WEB and Pipetrack IT. Tests, inspections, and their results, are documented in the Register, to record of the processes involved.

## Evolution of project performance

During 2022



# 49,929

traceability records were made during 2022, on the HMS-WEB.

These records serve as objective evidence of the quality of each process and provide baseline input for quality management indicators.

Product and quality management indicators are used alongside other process indicators from Engineering, Supplies and Operations processes to feed into the Project Performance Index (PPI). The PPI offers a global overview of performance at each work, so those responsible can closely monitor the processes involved in services and project execution, enabling them to early identify any deviations and take corrective action.

The evolution of performance quality at the projects in 2022 can be appreciated in the bar chart above.

Customer satisfaction is also key input for quality, and surveys are held for each project as a way of systematically and objectively establishing the degree of customer satisfaction.

This enables the team to early identify deviations and opportunities for improvement, key input as a preventive tool in terms of quality.

In 2022, Techint E&C held satisfaction surveys with 12 of its customers, who earmarked as strengths the company's efficiency in executing highly complex projects, the quality of the capabilities and skills of its human resources, and the preventive management approach taken by personnel, showing a deep-seated commitment to Quality, Health, Safety and Environment.



←  
 QUALITY CONTROL AT THE PRESIDENT NÉSTOR KIRCHNER GAS PIPELINE  
 CHACHARRAMENDI, LA PAMPA, ARGENTINA

**Evolving performance**

Techint E&C is committed to its search for operational excellence in the belief that the best way of achieving this is through continuous improvement. Accordingly, the company benchmarks process efficiency, recording and managing deviations and taking corrective and preventive measures to avoid their recurrence. It is constantly evaluating the effectiveness of these measures and sharing lessons learned from the analysis of deviations. Good practices are continually being created as a result of the virtuous process of continuous improvement, and disseminated throughout the organization.

The company quantifies the economic impact of each of the deviations observed in its activities and records this as a Quality Cost, which helps to support the message that it is important to get things right the first time around.

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**1,974**  
 quality deviations were recorded and managed in 2022.

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**2,356**  
 preventive/corrective actions were taken.

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# Ethics and transparency





Transparency and integrity are core values for Techint E&C. For this reason, it has introduced a number of instruments framed within its ethical principles that regulate relations between employees, contractors, suppliers, customers, and its other stakeholders.

SUSTAINABLE  
DEVELOPMENT  
GOALS



GRI  
STANDARDS 102-11, 102-12,  
102-16

Techint E&C acts within the framework of current legislation in accordance with the Universal Declaration of Human Rights and the principles enshrined in the Declaration of Fundamental Principles and Rights at Work of the International Labour Organization (ILO). These include the prohibition of child labor, forced labor and arbitrary discrimination, as well as the recognition of the rights to freedom of association and collective bargaining.

In July 2019, the Company was accepted as a Signatory of the UN Global Compact, adhering to the Ten Principles of the Global Compact which cover human and labor rights, the environment, and the fight against corruption within its area of influence. With this commitment, it joins the global struggle for a fairer, more sustainable world, in the interests of responsible economic development and respect for human rights.

### Ethics and integrity

In force since 2005, the [Techint E&C Code of Conduct](#), establishes the ethical principles underpinning relations between the company, its employees, customers, partners and suppliers. Updated in 2016, it provides the means and instruments required to guarantee transparency and integrity in its management.

The Company's [Code of Conduct for Suppliers](#), spells out the standards applicable to all subcontractors and suppliers, who are required to sign their acceptance of it when registering to work with the company. The Code establishes guidelines to avoid conflicts of interest, and regulations concerning gifts, hospitality meals and trips as well as the prohibition of bribery and kickbacks, and establishes the duty incumbent upon all employees to report improper behavior, and comply with the law and commercial rules.

The company's Code of Conduct and the Code of Conduct for Suppliers are publicly available on the [Techint E&C website](#).

Techint E&C also has a [Business Conduct Policy](#), place that details the rules for compliance with the requirements of its Code of Conduct, as well as local and international laws prohibiting corruption and bribery, including the United States Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act. They cover the following actions and behaviors, for instance:

- (i) prohibited payments,
- (ii) due diligence when hiring employees, representatives, agents and contractors,
- (iii) compliance and training for employees,
- (iv) reporting and internal investigation of alleged breaches.

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All Techint E&C salaried employees are required to declare in writing that they know and undertake to comply with the Code of Conduct and the Business Conduct Policy, as a condition of employment. Additionally, the Company holds periodic information campaigns requiring all employees exposed to compliance risks to certify that they comply with the Code of Conduct and Business Conduct Policy and commit to continue complying with these and all related procedures.

Finally, the Company's Policy on Conflicts of Interest and Non-Competition defines the basic guidelines governing the behavior that employees should adopt among themselves as well as in their relationships with third parties. These standards spring from the Company's commitment to transparency in management, which dovetails with national and international laws as well as its own internal regulations, all essential to securing the trust of the Company's different stakeholders.

### **Business Conduct Compliance Officer**

The Company has a Business Conduct Compliance Officer (BCCO) who is responsible for setting, designing, disseminating and overseeing the implementation of the Business Conduct Compliance Program.

### **Business Conduct Compliance Program**

This is a global Program applicable to all Company employees, based on the Code of Conduct and Business Conduct Policy. It defines risks and details prevention, detection mitigation and remediation actions in areas such as: Risk Evaluation and Planning, Regulatory Frameworks, Advice and Guidance, Communications, Training, Certifications, Third-Party Evaluation, Monitoring and Audit, Discipline and Remediation and Benchmarking.

The Business Compliance Program regulates the way in which employees are required to interact with public officials, government entities, other organizations and private persons.

It also provides specific rules to train and evaluate third parties in order to ensure they adhere to the company's ethical standards, enlisting their commitment to comply with applicable laws and regulations.

In addition, the Program details the procedures establishing the processes and levels of authorization required to make donations and charitable contributions, as well as those related to accepting and gifting presents, business trips, accommodation and hospitality expenses, including meals, involving third parties.

### **Transparency Line**

The [Transparency Line](#) is a confidential channel through which employees, suppliers, customers, and the community in general, can report situations or behaviors contrary to the principles enshrined in the Techint E&C Code of Conduct.

The success of this channel depends on protecting the identity of whoever uses it, aimed at encouraging the use of a tool that seeks to ensure the adoption of transparent habits.

The Corporate Audit Department receives the reports made and analyzes them, regardless of the origin of the complaint, also taking all the precautions necessary to ensure that total confidentiality is strictly respected throughout the process.

## Transparency Line

The three channels that can be employed to make a report are:



### Phone

Call a toll-free number in each country where the company operates.

→ **Telephone number**



### Website

Fill in an online form on the website.

→ **Fill in an online form**



### E-mail

Send a message to the Audit Department.

→ **Send an e-mail**



Transparency means doing the right thing.



OFFICES AT THE  
BUENOS AIRES  
HEADQUARTERS

**ARGENTINA**

[www.techint.com](http://www.techint.com)