



2006
sustainability report
2007

IMPSA



a letter from our president



"In developing our projects, sustainable development is not only a corporate parameter; or a legal requirement. Sustainability is the Company's goal."

What makes IMPSA unique is that our commitment to sustainable development is not based on legal compliance but is rather at the core of our company's vision. When developing our projects, sustainable development is not only a corporate parameter or a legal requirement. Sustainability is the Company's goal.

It has been 100 years since IMPSA started providing integral solutions for electric power generation and for infrastructure works all over the world. By generating clean energy through the use of natural renewable resources, we contribute with a crucial element for economic growth, without neglecting our responsibilities with the environment and society at large.

IMPSA operates in different communities strengthening them and contributing to their progress, not only through the benefits derived from our projects but also by creating new highly qualified positions, providing ongoing staff training, and supporting public, private, and non-governmental organizations with which we have established a mutual interdependency.

We are fully aware that we cannot do business in a socially unstable environment and that our benefits cannot be detrimental to the well being of others. Thus, for decades, IMPSA has worked side by side with different institutions in order to secure the welfare of the communities where it operates.

Today IMPSA wishes to express its commitment to sustainable development with its first Sustainability Report. This commitment is endorsed by a century-old philosophy of corporate citizenship, an ethical premise in our company's mission, its vision, values, and aims. Just as every year we submit and account for our financial and economic results, now we eagerly expect to do the same with our human resources, our community and political relations, and our actions on behalf the environment.

IMPSA's commitment are consistent with the United Nations Global Compact's principles, an international and voluntary corporate citizenship network, created to sustain the participation of civil and private actors, the advancement of responsible corporate citizenship, and the universal social and environmental principles to face the challenges of globalization.

A handwritten signature in black ink, appearing to read 'Enrique M. Pescarmona', written over a horizontal line.

Enrique M. Pescarmona
IMPSA's President



introduction



An everlasting world vis-à-vis the ephemeral time of generations that come and go, should be passed on to its heirs with its beauty and grace intact. The secret of sustainability is not denying future generations the vivid scenery that has filled this era with wonders, illuminating the heart, and stirring our amazement. It means not depriving them of what has contributed to the creation of happiness.

Sustainability is a driving principle to achieve development without the side effects which may become the seed of a widespread and irreparable evil. It seeks to build a fair society, without impairing the possibilities of preserving it for future generations. This is the driving force that inspires continuous growth, equity in the distribution of welfare, and the belief that prosperity should not leave behind a scarred and desolate world .

IMPSA follows this vision, granting sustainability the relevance accorded by society at large to that global amalgam to which we belong and for whose behalf we work.

Thus, this report seeks to illustrate the concept of sustainability as applied in all Company dimensions to strengthen the bond between the company and the community.

Before focusing on the Report's main topic, a description of the corporate group will help our readers understand the workings of the Company and its business environment. ■





IMPSA provides integral solutions for electric power generation from renewable sources. It is a world leader in port logistics and cargo transportation. advanced

The company is part of IMPSA Corporation (CORIM), a multinational group with a service and industrial business portfolio employing over 5,500 people worldwide. Innovative action management, staff excellence and dedication, product quality, and a permanent search of new technological frontiers have made IMPSA a pioneering company that brings a major added value to its clients, constantly growing and renewing its presence throughout the world.

mission

To provide improved benefits to society through high value added products and services, based on continuous and sustainable business growth. This is achieved through innovation applied to the development of infrastructure projects to produce clean energy from renewable resources, and of equipment for logistic processes and services to handle goods and information.

IMPSA sustains its leadership in those areas in which the knowledge and expertise accumulated over 100 years of continuous innovation promote the growth of society as well as its own through the provision of quality goods and services.

IMPSA's leadership calling is evidenced in the areas where knowledge and creativity together with the company's experience after a century of continuous innovation inspire both business growth and the advancement of society.

vision

To be a driving force in regional development, with new high value added products and services and technology, creating wealth and contributing to community development.

To spearhead regional, national, and global development through our products and technological innovations.

Values are at the core of the company's spirit. They govern its development within the global community. Throughout its history, IMPSA has emphasized certain qualities that have become widely known as its identity stamp.

IMPSA is:



values

To attain profitable and sustainable growth in sectors with strong public impact, such as energy production from renewable sources, and to improve logistic infrastructure for handling goods and services.

To consolidate our global presence as developers of and investors in power infrastructure projects with long-term operation and maintenance concessions.

To consolidate our position as suppliers of high-technology equipment for energy generation while maintaining and increasing our competitive advantages.

To promote the use of renewable energy sources by raising public awareness of their positive impact on the environment.

To continue with our strategy of value generation by increasing sales and profits of present and future ventures.

To generate new business in areas where there is a synergy between the Company's positioning and its technological and financial resources and know-how.

goals



corporation

brief history. IMPSA was created in 1907 by Enrique Epaminondas Pescarmona when he founded Talleres Metalúrgicos in Mendoza, Argentina, and began manufacturing cast iron spare parts, equipment for the wine industry, and sluice gates for irrigation channels.

In 1946 the Pescarmona family established Construcciones Metálicas Pescarmona S.R.L. ("CMP") in order to design and build metallic structures, sluice gates for irrigation, and other electromechanical equipment.

The present company, Industrias Metalúrgicas Pescarmona S.A (IMPSA) was created in 1965, with the transfer of CMP assets and liabilities. Since then, the company has continuously expanded and diversified its products and activities. By the late 60's, IMPSA began manufacturing high-technology equipment for hydroelectric, nuclear, and industrial plants.

During the 1970's, IMPSA implemented a process of technological development that earned the company the current innovative profile as a supplier of high value added solutions.

In the 80's, IMPSA became a world leader in the construction of port cranes and hydropower stations on a turnkey basis.

In the 90's, the Company was awarded its first contract under the PPP format (Public-Private Partnership). The Complejo Hidroeléctrico Potrerillos (Potrerillos Hydropower Plant) became a world model and a leading case for this type of ventures. IMPSA also won its first international BROT (Build-Rehabilitate-Operate-Transfer) contract, the CBK Hydropower Plant in the Philippines, which included four power plants. The project was financed through 19 international banks, and the Company obtained a private political risk insurance that became a world record.



associate companies

Mercantil**andina**



It was established in 1923. With a growing presence in the Argentine insurance market, it is one of the 5 leading companies in the country providing: fire insurance, car coverage, goods in transit insurance, civil liability, theft, loans, and guarantees.



It specializes in tracking and monitoring fixed assets and personal property through the Internet and WAP. Sitrack.com provides integrated monitoring, optimization and positioning services using GPS technology to determine the exact location, status and condition of any type of assets. It develops integral customized solutions to meet the client's needs (logistic, shipping, oil, diagnosis, waste collection, machinery, and transportation).



It provides the most modern, efficient, and diversified transportation services: special heavy cargo, conventional cargo, consolidated containers, freight railroad, national and international land transportation, and containers storage.



It implements waste collection, treatment, and final disposal through its subsidiaries in Bogota and Cartagena, Colombia, and in Buenos Aires, Rosario, and Mendoza, Argentina.





Founded in 1897 for the production of premium wines, Lagarde holds a privileged position in the international market due its finest quality wines produced with traditional methods. Lagarde exports wines to more than 30 countries.

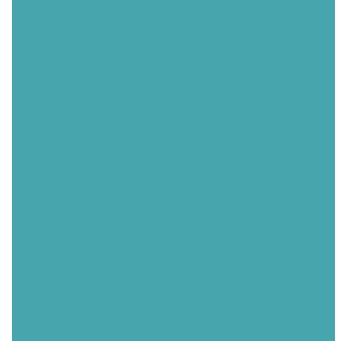


CORIM participates in the spare parts industry through TCA, a subsidiary that manufactures connection wires for the automobile industry. It is the second largest producer of connection wires in the MERCOSUR.



Integral engineering, supply, installation, supervision, and control systems to meet automation needs for electric plants. It provides turnkey solutions to operate maneuvering lots, and low/medium/high performance power feed systems for stations and substations.

It provides an integral crane control system for container, unloading, rotating, tower, bridge, port, RTG, and RMG cranes.





sustainable development



Although there are several definitions of “sustainable development,” we follow the one provided by the Interdepartmental Committee of the United Nations Conference on Environment and Development (UNCED), known as the Rio EARTH SUMMIT:

“Sustainable development [meets] the needs of the present generation in every country and population group without compromising the ability of future generations to meet their own needs contributing to the preservation of biodiversity (flora and fauna)”.

IMPSA endorses this definition and makes it the basis for the analysis of organizational sustainability

Below we review the different aspects of all Company actions and programs aimed at complying with sustainable development policies.





marketing



"For economic growth to be sustainable, we should maximize the participation of renewable sources in power production. This is the need that has driven IMPSA's creativity."

Ricardo Dell'Agnola
IMPSA's Commercial Director

IMPSA

products

marketing



units of business hydro



It provides integral solutions for power generation from renewable sources.

It has renowned experience in:

Design, manufacture, installation, and startup of hydropower stations' key equipment, i.e. power stations, automation, and hydro-mechanical components.

Modernization and rehabilitation of hydropower stations.

Supply of electromechanical equipment for turnkey hydropower stations.

Construction of hydropower projects under EPC conditions (Engineering, Procurement, & Construction).



units of business wind



It supplies wind generators featuring state-of-the-art technology.

Design, manufacture, installation and startup of wind generators and ancillary equipment for wind towers.

Wind power generators with an innovative design (UNIPOWER®).

Turnkey operations.

EPC contracts (Engineering, Procurement, & Construction) for wind projects.



units of business

energy



Its purpose is to develop power generation projects from renewable sources through modern contracts such as BOT (Build, Operate & Transfer), BROT (Build-Rehabilitate-Operate-Transfer), or PPP (Public-Private-Partnership). It has a proven track record of financing this kind of projects.



hydroelectric references



IMPSA energy



1998
POTRERILLOS, Argentina
192 MW



1999
CBK, Phillipines
800 MW



2003
BAKUN, Malaysia
1260 MW



2005
MACAGUA I, Venezuela
384 MW

IMPSA hydro



1994
MIRANDA, Brazil
437 MW



2002
MANSO, Brazil
215 MW

units of business

port systems



is a world leader in Container Handling Cranes, as well as port logistic, monitoring, operation, and maintenance solutions.

It has over 500 cranes all over the world, representing a 15% share of the global market.

It has entered a strategic alliance with one of the world leaders in port operations and logistics services to supply equipment for its terminal ports all over the world.



sustainable product

The world's energy balance relies heavily on fossil fuels, as shown on fig. 1

As the figure shows, 88% of the energy comes from these fuels. Since the use of oil and gas is still hard to replace in transportation, industry, and some domestic applications, the main opportunity to replace them lies in power production.

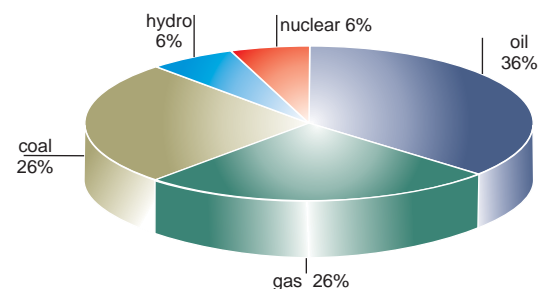
Figure 2 shows that approximately 67% of electric power production comes from fossil fuels and even today, despite the increasing development of environmental awareness in the international community over the last few years, the main source of energy is coal. The effects of this fuel on the environment are well known: increased global warming, pollution, and acid rain. Thus, it is necessary to use other renewable energies in order to change the generation matrix.

IMPSA's product mix is based on power generation from renewable sources. This kind of energy production is vital to achieve sustainable development.

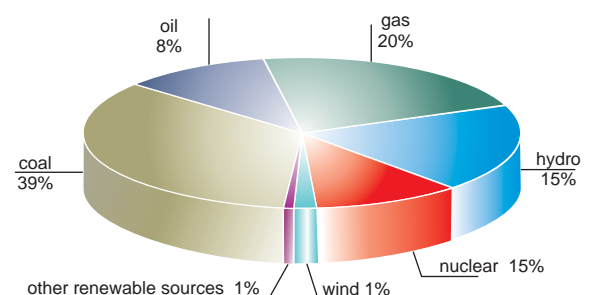
Regarding power generation, the sustainability of different alternatives currently available can be assessed through the recovery or profit factor of primary energy. This factor is calculated by dividing the energy produced by the power station through its service life by the total non-renewable power (direct or indirect) consumed during its life.

It is relatively easy to determine direct power consumption; it equals the non-renewable power consumed during its operation. On the other hand, calculating indirect power consumption is more complex, because all hidden power (past and present) supplied to the power station should be identified, especially for: its construction, maintenance, or rehabilitation; fuels extraction, production, and transportation; waste treatment and disposal; and demolition of facilities once their service life is over.

power - fig 1



electricity - fig 2





These power recovery factors have been estimated for several power stations in Switzerland. Their results are shown on Tables 1 and 2 (*).

The superiority of recovery or profit factors of hydropower is amazing: their values range from 170 to 280. The second position is held by wind energy, which also shows a factor which is much higher than the unit. However, power stations using non-renewable fuels never achieve 1.5.

TYPE OF INSTALLATION	TYPE OF RECOVERY /PROFIT	SERVICE LIFE (years)
Reservoir Hydroelectric Power Station - high head	280	80
Run-of-River Hydroelectric Power Station ("run-of-river 2) - high head	221	80
Run-of-River Hydroelectric Power Station ("run-of-river 2) - low head	170 - 180	80
Small Wind Power Station	30	15
Small Photovoltaic Facility	6	30
Photovoltaic Power Station	3	30

Table 1: Primary energy recovery/profit factors of power stations using renewable resources (water, sun, and wind).

TYPE OF INSTALLATION	TYPE OF RECOVERY /PROFIT	SERVICE LIFE (years)
Combined Heating Power Station	1.46	30
Combined-Cycle Power Station (steam natural gas)	1.23	20
Power Stations with Large Diesel Machines	0.92	30
Coal Power Station	0.97	37.5
Nuclear Power Station (pressurized water)	0.81	40

Table 2: Primary energy return/profit factors of power stations using non-renewable resources.

(*). Data: "HYDRAULIC SCHEMES - KEY FACTOR FOR THE ECONOMIC PROSPERITY AND SUSTAINABLE DEVELOPMENT IN THE NEXT MILLENNIUM"



We should note that hydropower stations are very efficient from a sustainable development perspective. Their global efficiency can be over 93%, a percentage not currently achieved by any other type of power generation. Recent analyses on service life cycle also confirm that hydroelectric and wind power can significantly reduce emissions responsible for the greenhouse effect. This is particularly true of wind power, which is totally emission-free.

Emission factors for a typical cold-climate hydropower station are 30-60 times lower than factors corresponding to fossil fuels power generation. This comparison includes emissions from biomass decomposition at reservoirs. Biomass per reservoir surface unit for tropical-climate reservoirs can be up to five times higher than the biomass in cold climates. Nevertheless, even under extreme assumptions, the emission factor of a large tropical reservoir (for example, Tucuruí in Brazil) would still be five times lower than the coal factor. Developing the remaining 50% of the economically feasible water potential could reduce GHG world emissions by 13% (based on 1990 emissions), if fossil fuels are replaced. The same scenario could reduce GHG emissions in India by approximately 50%.

As regards SO₂ emissions, which are the main cause of acid rain, the benefits of hydroelectric and wind power are more significant. Even if we consider the fuel required to build hydropower stations, a coal power station can emit 1000 times more SO₂ than a hydropower station during its entire service life.

Thus we conclude that hydropower stations are the most sustainable power generation alternative and that wind power is the least polluting. Economic growth requires power balance, with a sufficient supply of power quantity and quality. In order to achieve sustainable economic growth, we should maximize the participation of renewable sources in power generation. This is the need which has driven IMPSA's creativity, which today offers an integral solution to this problem.

customer focus



Customer focus (internal and external) serves to energize our organization. Thus, we can serve our clients' need, lacks, and requests.

Our customer loyalty policy is not only based on this principle, but also implies:

- Doing well what our customers value.

- Working in partnership with clients, providing the relationship and information they expect.

- Maintaining those attributes which customers expect to remain unaltered.

- Aiming our loyalty program at employees, suppliers, and shareholders.

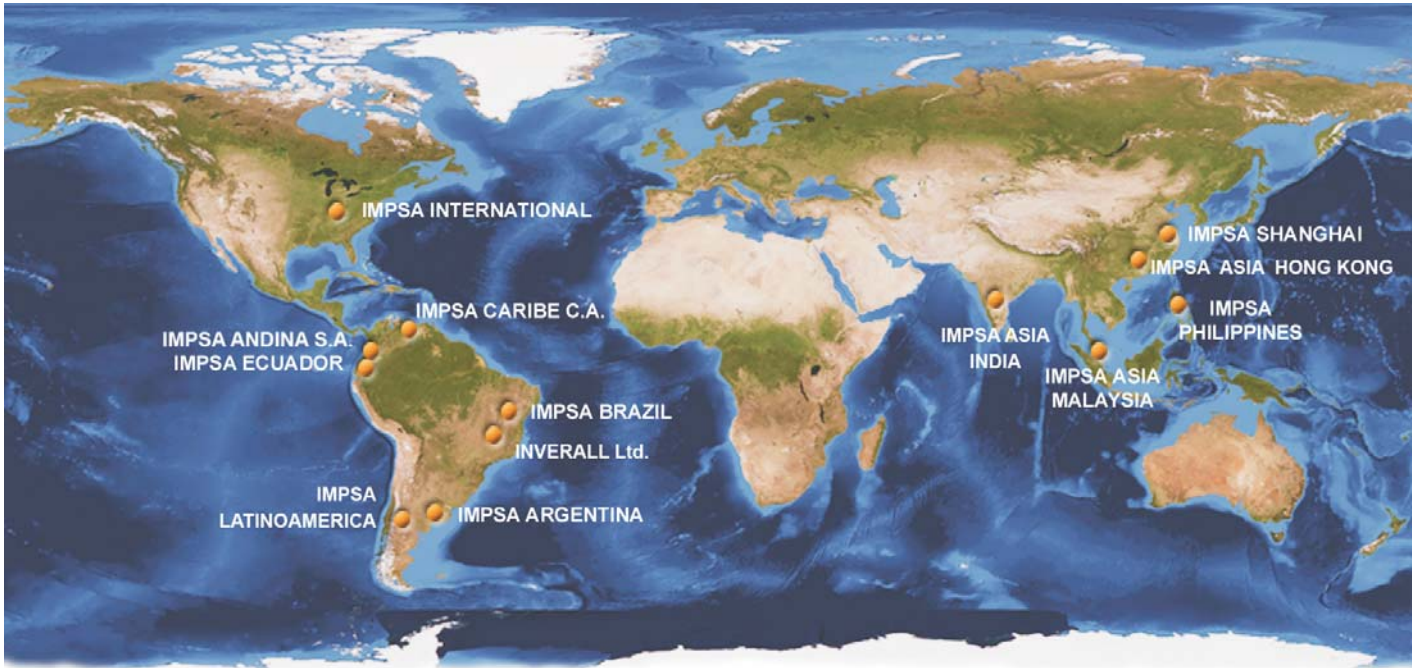
- Making customers see that dialogs result in actions.

- Providing integral solutions for the product's entire service life.

- Implementing sustainable marketing, based on the actual qualities of our products. This fulfills the brand's promise and there is no disappointment.

Brand loyalty seeks to reconcile allegedly conflicting factors between the company's shareholders, human resources, and suppliers. It is achieved through a critical management mass that aligns those constituent forces behind the Company's mission, vision, values, and goals. ■

business network



IMPSA has a solid international presence, with over 150 projects all over the world. Nowadays, the company markets and distributes its products and services through branches and representation offices in Argentina, Brazil, China, Colombia, Ecuador, USA, the Philippines, India, Malaysia, and Venezuela.

Thus, IMPSA has a share of the global market with a product portfolio based on integral solutions focused on sustainability. ■

comunications



IMPESA Communications Plan is based on Sustainable Development. Our slogan, "We Believe in the Power of Nature," attests to the fact that we believe that the world can get the energy it needs by taking advantage of what nature has to offer and can sustain in the long term.

This concept is not only present in advertising but also in the projects developed by IMPESA, which clearly prove the company's capabilities; in our technological development, recorded in technical journals systematically submitted in different knowledge forums; in IMPESA's participation in different fairs and conferences focused on improving the global power matrix.

IMPESA is an alternative to endorse progress without using non-replaceable resources. This is a value manifested in all our communications with the community at large.

The other mainstay of IMPESA communications is the concept of integral solutions, reflecting the philosophy of the company of truly solving customers' needs, allowing them to focus on their main goal without worrying about anything else. Besides the actual message, this is an integral part of the value added by IMPESA to every project.

We believe
in the Power of
Nature

innovation



"Innovation is deeply-rooted in IMPSA's culture."

Bernardo Beling
IMPSA's Technology Director

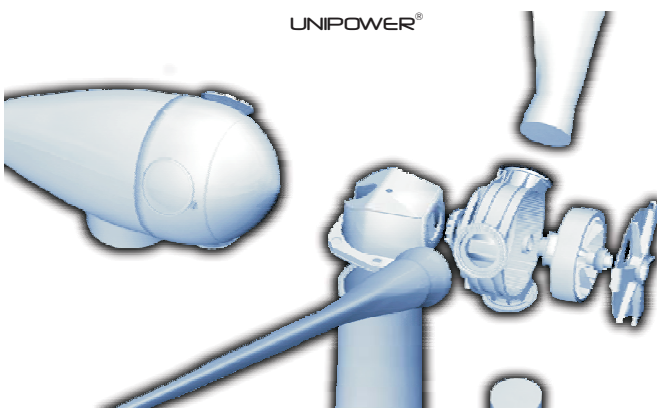
IMPSA is an engineering company and as such, technology is its main intangible asset.

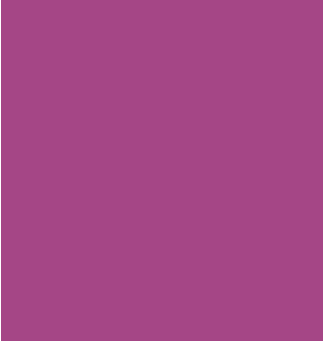
first factor of technological development is having highly qualified human resources. The kind of training required is not necessarily the one taught at universities, which means that the company must help its specialists attain the knowledge required by the market. Consequently, the organization should be designed to complete our staff's training by teaching the latest advances in each field. IMPSA is a Training Organization.

The company carries out "on the job training" for experts, technologists, and designers. A tutor or mentor is in charge of the candidate's learning process within a specified field. The gradual integration to an Ongoing Project makes learning easier because it is a powerful motivator.

second factor is creativity. It implies original thinking, which requires turning non-existent elements into ideas. The concept of idea is based on a pragmatic element that allows us to explore reality in search of specific solutions to actual needs.

In order to encourage creativity, the organization identifies potential ways to improve its products and later translates them into measurable goals with a time framework. The organization as a whole takes part in this creative process, regardless of job positions, since our goals are the result of a collaborative process.





third factor is innovation. New ideas are not enough; they must become a reality and that requires planning and multidisciplinary working teams.

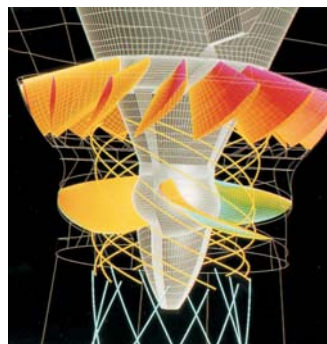
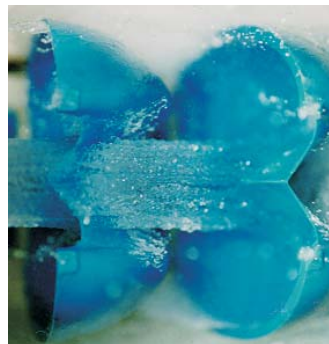
Innovation is deeply-rooted in IMPSA's culture. But meeting a need is not always the driving force of innovation. Many times it is about improving the value of a solution from the Customer's standpoint.

Value innovators create new markets and new consumers. They mobilize resources from a low productivity and low performance area to a high productivity and high performance area. Innovators optimize product dimensions to generate a positive value perception from the customer's approach. They are capable of taking calculated and planned risks, and they rely on a system to quantify them.

IMPSA has a strategic logic which states that the conditions of any industry are not rigid and can be modeled to achieve better results. The strategic focus is on creating a small value "quantum" in order to provide customers with better solutions. This challenges the traditional idea that companies must create competitive advantages in order to defeat their competitors. Here, the point is to replace ideas based on conflicts with the determination to understand customers' needs, providing them with better solutions. Thus, we identify the market niches where there are problems that lack appropriate solutions.

IMPSA is always wondering how things would be done if we had to start all over again. Thus, we accept that we live in a variable context which requires the ongoing improvement of business models. This is the reason why IMPSA focuses on integral solutions, providing customers with all they need to solve their problems.





fourth factor is choosing the appropriate development methodology. There are different work possibilities according to the nature of the problem to be solved:

Development at the Technological Innovation Center. The company has a research and technological development center where research programs are carried out within the fields of hydraulics, fluid mechanics, structural analysis, mechanics, electricity, insulating systems, and electromagnetic fields.

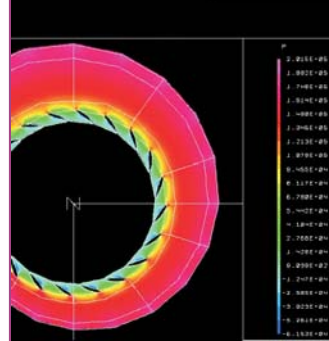
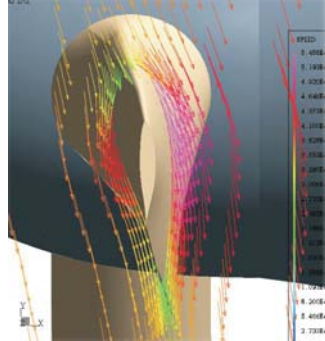
There is a laboratory of hydraulic tests, unique in Latin America and one of the most technologically advanced in the world. Tests with scale models of hydraulic turbines are carried out in its two universal test beds. Real operation conditions are simulated there in order to assess efficiency, power, and basic features related to machine performance.

IMPSA is a pioneer in structural and electromagnetic analysis, using the finite element method, and in fluid mechanics by means of CFD (Computer Fluid Dynamics). The company developed an integrated system to measure and simulate hydropower generators called ARGENT, which allows studying this equipment from every perspective.

In-Line Development. Innovation is performed by the same specialists who create and design the products. The experience of the people involved in these processes allows development to focus specifically on what is necessary, preventing the dispersion of efforts.

Entrusting Development to Institutes and Universities. It is focused on creating a learning organization. When the company lacks the critical knowledge mass needed to solve a problem, it seeks in the academic field to find someone who has that knowledge and can develop it for the specific application required by IMPSA. Later, the Company provides personnel training in order to proceed with the ongoing improvement of the tools generated.

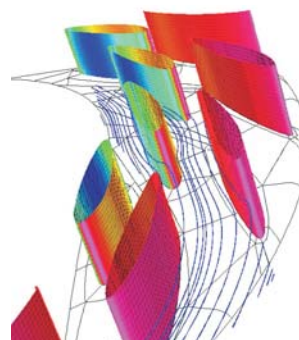
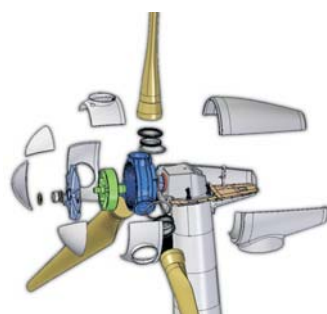




IMPSA owns the technology for its entire product line. This means that it has all the key competences characteristic of integral solutions suppliers applied to power generation from renewable sources, and to the transportation of port cargo.

The company is permanently focused on new product development. The guiding principle being the systematic observation of new needs and the synergy created between the company's different specialization sources.

Some of the products developed by IMPSA are hydraulic turbines, hydropower generators, hydro-mechanical equipment, plant automation, wind generators, port cranes, etc. This results in the development of new business models, such as public-private partnerships, allocation of public works, private ventures that opened new possibilities for the company.





processes



"At IMPSA Environmental Education is an ongoing process to create values, attitudes, actions, and behaviors aimed at preserving the Environment."

Horacio Ardiani
IMPSA Operations Director

Environmental Management Systems and Occupational Risk Management are incorporated to our Quality Management System in order to create an Integrated Management System that attests to over 30 years of experience, innovation, and development.

IMPSA

integrated management system

processes

QUALITY
Management System

ISO 9001 - 2000

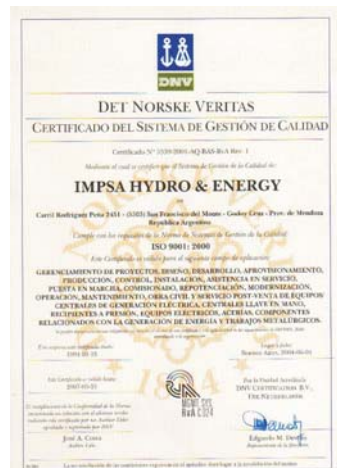
ENVIRONMENTAL
Management System

ISO 14001

OCCUPATIONAL HEALTH
and SAFETY
Management Systems
OSHA 18001

quality management system

The first Quality Assurance System was implemented in 1974. Then, when ISO 9000 Standards were widely enforced, the company adapted to international certification standards under ISO 9001. IMPSA was one of the first ten Argentine companies to certified ISO 9001.



The Company has been certified for 20 years to design, build, and assemble pressure containers with ASME Code "U" and "U2" stamps (American Society of Mechanical Engineers).



IMPSA quality policy Customer satisfaction, Sustainable Development, Quality, People's Health, and Social Responsibility are at the core of IMPSA's business. This is our commitment towards our customers, employers, shareholders, suppliers, partners, and society at large.

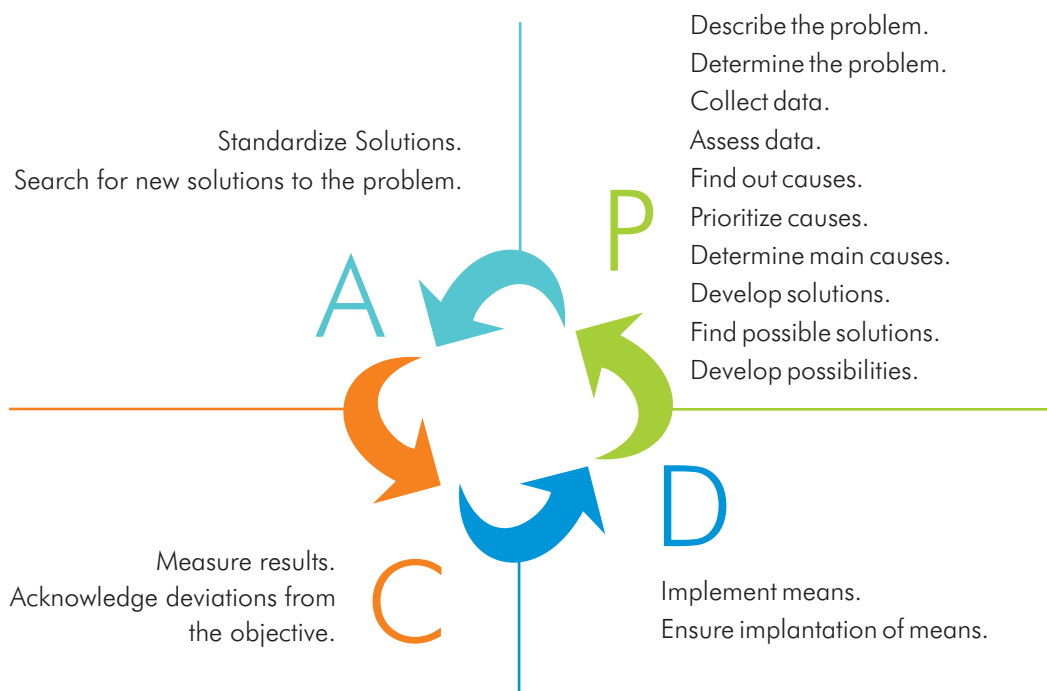
Compliance with legal and contractual requirements represents the company's spirit.

The essential tools to meet our Quality, Environment, Occupational Safety, and Social Responsibility goals are:



Aside from standard requirements, IMPSA believes that community development represents a relevant value in Internal and External Audits, Corrective, Preventive, and Improvement Actions, and in solving customers' complaints, all essential tools to assess process evolution.

IMPSA has aligned its Quality Management System to Customer satisfaction and continuous improvement, permanently applying the Deming cycle to every process.



Every project in which IMPSA is involved we develop a Quality Plan starting from the Supply and extending throughout Development and Design, Provisioning, Manufacturing, Transportation, Assembly, Startup, and Services stages.

Quality Plans are customized for each project, to meet product requirements and Quality Management needs, for activities in the Plant, Subcontractors, and Works.



product quality. IMPSA has highly-trained personnel to perform activities related to product inspection. It includes trackability, traceability, control, and verification of process requirements compliance, whether processes are performed inside the company, by subcontractors, or on-site.

laboratories. Laboratories are included in the Quality structure. They support not only inspection but also development and design actions.

1. Physical, Chemical, and Metallographic Lab. It verifies the quality of raw materials, qualifies welding and welders' procedures, and gives advice on materials selection and thermal or insulating treatments, etc.

2. Mechanical Metrology Lab. IMPSA calibrates all its instruments in this laboratory, including equipment to measure length, angle, force, mass, pressure, optics, etc. within the ranges and uncertainties currently required by the metal-mechanical industry.

Calibrations are performed with traceability to national or international patterns (known uncertainties).

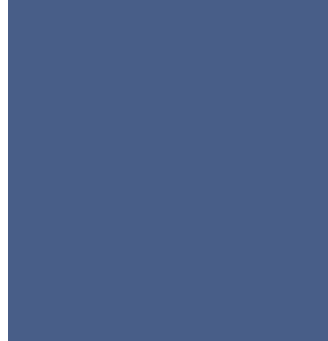
The metrology lab is also in charge of the dimensional control of critical parts during their design and manufacturing stage, such as Kaplan, Pelton, or Francis wheels, wind shovels, etc.

3. Electrical, Heat, and Temperature Lab. It calibrates IMPSA's electrical, electronic, magnetic, heating, and temperature instruments.

It also performs electrical controls required for the essential parts of generators, such as stators, rotors, etc.

six sigma. In its ongoing quest for excellence, IMPSA has begun to work with Six Sigma. This tool has proven its efficiency worldwide as regards Quality management, i.e., maximizing customer satisfaction, terms, and costs. ■

environmental management system



biosphere protection. IMPSA aims at preserving, maintaining, protecting, and improving the Environment, understanding that the latter is the context in which the company operates.

The Environment includes the air, water, soil, natural resources, flora and fauna, human beings, and their interrelations. Our aim is to protect the balance between ecosystems and sustainable development, according to the current environmental laws and international standards.

environmental education. At IMPSA, Environmental Education is a continuous process oriented towards the creation of values, attitudes, actions, and behaviors in order to protect the environment. Human beings are an integral component of the environment and as such we are aware of our power to change and transform it, feeling responsible for its conservation and regeneration.

sustainable use of natural resources. IMPSA is currently committed to achieving and showing a sound environmental performance based on its Integrated Management System. This will enable the company to develop its activities efficiently, thus complying with every requirement, even beyond legal requirements. The Environmental Management System that we are implementing includes Planning, Responsibilities, Procedures, Processes, and Resources which will enable IMPSA to develop, fulfill, review, and implement its Environmental Policy.



All IMPSA employees are totally committed to this goal. The Executive Committee is particularly interested in implementing the EMS the will consolidate Sustainable Development by systematically adopting and implementing Environmental Management techniques to achieve positive results with recurrent optimization processes.

In an ongoing improvement effort, advances have been made regarding the following aspects:

Focusing the organization on sustainable development, integrating respect for the environment and the promotion of progress and social welfare, with economic aspects.

Ensuring compliance with current environmental laws, regulations, and standards enforced by external bodies.

Guaranteeing that IMPSA's activities include environmental awareness, in order to anticipate and reduce their mitigation or attenuation effects.

Establishing environmental protection objectives and goals according to our commitment to continuous improvement.

Instituting ongoing actions to train, raise awareness, and motivate IMPSA's employees on environmental protection.

Developing communication channels and systems to inform stakeholders about the Company's environmental actions.

Achieving productivity by taking full advantage of resources with an efficient energy use, and minimizing waste and its hazards through its appropriate temporary disposal, transportation, and final disposal.

Recycling waste deriving from the company manufacturing activities, such as those generated by secondary activities..





The following actions are currently under process:

First Environmental Management Self-Assessment. Self-assessment of management capabilities, strengths, and opportunities in order to establish the Company's condition for the development an Environmental Management System (EMS).

First Environmental Review. This review is the main referent for EMS, since it provides information on emissions, waste, potential environmental problems, existing management systems, and relevant laws and regulations. Its results will be the basis for the development or assessment of IMPSA's Environmental Policy.

waste disposa. Waste Management determines the appropriate procedures for the handling and disposal of waste generated by IMPSA activities, products, or services, in order to control their associated significant environmental aspects.

The first stage was completed with the award of the ANNUAL ENVIRONMENTAL CERTIFICATE to INDUSTRIAS PESCARMONA SAIC y F., issued by the Ministry of Environment and Public Works of Mendoza, Argentina. This document authorizes the management of hazardous waste generation, handling, treatment, and/or final disposal according to the following categories:

Y8 Mineral oil wastes not fit for their original use.

Y9 Mixtures and emulsions of oil or hydrocarbon and water waste.

Y12 Wastes produced by the manufacturing, preparation, and usage of inks, artificial colors, pigments, lacquer paint, or varnish.

Y48 Waste produced by the disposal of industrial wastes.

IMPSA's waste management is based on documents such as 5961 Environment Preservation, Conservation, Protection, and Improvement Provincial Act; Decree 2109/94; 24051 Generation, Handling, Transportation, Treatment, and Final Disposal of Hazardous Waste National Act, supported by Provincial Act 5917; Decree 2625/99, and ISO 14.000 14.001 Standards, a certification we are striving for by complying with the required stages.

According to their macro classification, wastes produced inside the plant are: Solid, Semisolid, and Liquid, the latter assimilated to Urban Waste and Special Waste (Industrial Conditioned). These wastes are transported by companies authorized for their final disposal in treatment plants. ■

occupational risk management system



IMPESA's Safety and Health policies are created and applied in order to ensure responsible labor practices and protect our employees' and subcontractors' physical safety. Safety is a priority as regards operating standards and is an inherent element in every working station.

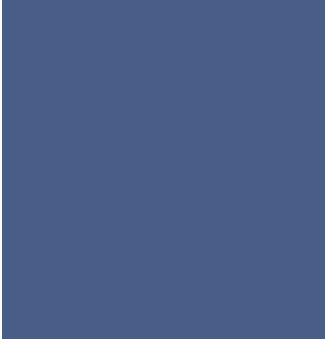
In 2004, the Company launched a new Occupational Risk Prevention program to significantly reduce the rate of accidents in our Mendoza plants. According to reports sent by ART (Occupational Risk Insurance Company), our accident rate is below accident indicators vis-à-vis other manufacturing companies with similar activities and populations.

The number of accidents has notably diminished. At the same time, the causes have been mitigated, reducing the possibility of new accidents. Obviously these results have increased productivity and productive efficiency.

IMPESA expects to be awarded the OSHAS 18001 certification on safety and health standards in 2007.

safety and health





At IMPSA, Occupational Health and Safety includes health standards, techniques, and precautionary or protective measures aimed at:

Protecting life and preserving and maintaining the psychophysical health of company employees and assets.

Preventing, reducing, eliminating, or isolating risks related to different plants or work stations.

Promoting and developing positive attitudes as regards the prevention of labor-related accidents or diseases.

Safety is part of every work station requirements.

Prevention of Work-Related Accidents and Diseases has social and economic consequences. Taking care of human health and life at work should be a prime goal, and thus every work performed must be carried out with safety in mind.

Safety as a measure to prevent work-related accidents and diseases is as important as production, quality, and costs.

All company members and those who are temporarily in it must commit to risk prevention, the latter being an employment condition.

All company levels must comply with SAFETY MEASURES, regardless of their position or responsibilities. Their mission is to achieve the individual and collective welfare of all company members.

Training should be a daily activity at the working station, controlling, reducing, and/or eliminating factors, processes, activities, or components which may be hazardous to workers' life or health.

risk reduction

fundamentals

accident assessment



Accident assessment provides important information to prevent unsafe actions or conditions, which in turns contributes to our continuous improvement policy.

frequency rate. It represents the number of accidents per million man-hour work.

severity rate. It represents the number of days lost due to accidents per every thousand man-hour work.

comparisons





safety standards application

The application of safety and prevention measures, and Occupational Health and Safety techniques will eliminate, mitigate, or reduce accident risks.

By applying these procedures and techniques we expect our employees' to optimize their work performance.

The need arises to maintain constant communication with Top, Middle, and Lower levels, so that every sector and person is aware of the need to follow and comply with Health and Safety Standards to achieve the expected benefits.

Through technical control inspections at work stations, we expect Company employees to comply with the use of protection gear, and to have a positive and collaborative attitude to improve work conditions.

improvement actions

To supervise studies which indicate hazardous levels of different fronts and activities.

To Keep an Accident Record and Statistic Control.

To Implement corrective measures on unsafe actions and conditions.

To Carry Out frequent technical inspections in different work fronts.

To Control the application of suggested Health and Safety standards.

To Do research on and analyze occupational accidents in order to prevent them.

To Qualify suppliers of personal protection gear.

To Manage the Risk Prevention Plan together with the other departments.

To Control the proper use and distribution of personal protection gear.

To Develop activity-specific training programs.

To Implement technical safety inspections in order to determine the status of work stations, surveying the condition of equipment, facilities, machines, tools, personal protection gear, etc..



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human resources



"Promoting sustainable relations with employees is not only a business standard but also an essential milestone for a successful management program."

Carlos Sarapura
IMPSA Human Resources Director

Human resources are the mainstays of IMPSA's social and corporate responsibility. Promoting sustainable relations with employees is not only a business standard but also an essential milestone for a successful management program.

Trust, safety, respect, and the search of shared interests is the starting point of a productive relationship, which can be strengthened through an ongoing involvement and training and career planning policies. These actions contribute to creating a friendly and productive work environment. ■



general summary

CORPORACION IMPSA currently employs over 5,500 employees all over the world, representing different nationalities: Argentine, Brazilian, Chinese, Colombian, American, Philippine, Indian, Malaysian, Mexican, Paraguayan, and Venezuelan. IMPSA's departments (Hydro, Energy, Wind, and Port Systems) have over 1,000 employees whose average age is 41.

In 2005, IMPSA hired fifty-five young engineers, lawyers, accountants, and business administration and political science professionals from Argentina, Brazil, Colombia, Malaysia, Mexico, and Paraguay. ■



programs



The Young Professionals Program is 12-months long. The first stage, a four-week introductory course, consists of a basic introduction to the company and its activities, including product design, manufacturing, and sales, and basic training on engineering, quality, purchases, works administration, legal matters, finance, business planning, port systems, globalization, and marketing.

After the introductory four weeks, the program proceeds in several areas where young professionals start their specific training under the guidance and supervision of a tutor. Trainees perform different scheduled activities to become familiar with the daily operation of their respective departments.



Young
Professionals

internships

Every year IMPSA welcomes high-school students through internship agreements signed with several educational institutions.

The internships enable students to gain experience on the processes, machines, technologies, and works carried out by IMPSA's employees in some of its offices and industrial plants and equipment.



skilled metallurgic workers training

program. Aware of its interdependence with the community, in 2004 IMPSA launched PFOM together with the Government of Mendoza, Argentina. This program seeks to meet the growing demand of high-skilled metallurgic workers, due to Argentina's remarkable economic recovery.

goals.

- To teach metallurgical skills to the community.
- To Provide Mendoza's industries with high-skilled workers.
- To become a model for similar future projects..

description. PFOM is a training course taught at IMPSA facilities that is free of charge for students.

The first 6 months are devoted to theoretical subjects and general knowledge (Health, Safety, Mathematics, Materials, etc.). Later, students spend 30 weeks practicing welding and lathing.

After over 400 training hours, more than 40 students have graduated from the PFOM program.





human resources training

IMPSA employees' training starts soon after they enter the Company. The training begins with a introductory business course to communicate the organization's Mission, Vision, Values, Goals, and management procedures. According to the 2005 Annual Training Program, we completed 67.930 training hours.

main courses.

ISO Quality Standards

Welding

Solid edge

Project Management: taught at IDEA (Instituto para el Desarrollo Empresarial de la Argentina)

Languages: English and Portuguese





management



“Continuing with the permanent innovation and process improvement policies, and following the changing needs of global businesses, IMPSA has substantially upgraded its technological infrastructure providing the organization with reliable and timely information to meet its goals.”

Luis Perez Cuñarro
IMPSA Administration and Finance Director

Management is conceived as the organization's node, where systematic actions arise to determine measurable goals that keep us constantly informed of results. Thus, we may introduce corrective measures that stimulate a continuous improvement process.

Information is essential at IMPSA and it must flow in real time through all company sectors in order to sustain and direct processes and decisions. ■



corporate governance policy



business
authority
and financial
compliance

In the 2004 Annual Meeting of the World Economic Forum, CORPORACION IMPSA, as a member of the Engineering & Construction Governors initiative, committed to launch a multinational venture of companies devoted to developing anticorruption principles that would guide organizations involved in engineering and construction projects all over the world.

As a result of this special mission, members adopted the E&C Business Principles for Countering Bribery, and their commitment was mainstreamed in two essential activities:

- Adoption of a zero-tolerance policy on corruption.

- Development of a practical and efficient in-company program to implement this policy.

This commitment means that anticorruption practices based on E&C Business Principles should be implemented, or used as a pattern to assess and compare existing programs.

The principles were developed under the assistance and intervention of Transparency International and the Basel Institute on Governance. ■

economy and financing

international
financing
recognition

CBK Hydropower Project, Malaysia The Philippines

IMPSA won 5 international awards for the CBK complex:

Best Project Finance Deal of the year in the Pacific Asia (PFI).

Best financial structuring ("The Asset").

Best Asian Project ("Finance Asia").

Transaction of the year in the Philippines ("Asia Money").

Loan of the year ("IFR").



computer systems



SAP global implementation project. IMPSA's business philosophy, based on process innovation and continuous improvement, encouraged the updating of its integral information system through the implementation of SAP worldwide. The GEBO project is now being implemented in Argentina, Brazil, and Asia simultaneously.

goals.

- To standardize business processes through the application of state-of-the-art software.

- To integrate the main process in a single platform.

- To generate information for the benefit of business management.

The project consists of two stages. Both imply the updating of the technological network, the implementation of the necessary software, and the training of the administrative staff.

stage I. It includes the Administration, Supplies, Planning, and Management Control areas. This stage was duly completed by February 1st, 2006.

stage II. It includes the Manufacturing, Engineering, Planning, and Works and Services areas. This stage will be fully operative by May 2nd, 2006.

Personnel from different company areas were assigned to both stages for their success. Up to now, over 150 people have taken part in the GEBO project. The amount of employees trained will exponentially increase over the next few months.



hardware update



Continuing with the permanent innovation and process improvement policies, and following the changing needs of global businesses, IMPSA has substantially upgraded its technological infrastructure providing the organization with reliable and timely information to meet its goals. Thus, a wide-range hardware update plan was carried out. The plan included workstations with large processing capacity for technical areas, portable equipment, communications, and the Data Center equipment, including servers, network electronics, mass storage equipment, and backup robots.

Additionally, this plan enabled the implementation of state-of-the-art technical and business software, a greater operational capacity for Company officials traveling around the world, the streamlining of working hours, a better availability and continuity of information systems throughout the whole year. ■



LAN



The local data network was updated increasing bandwidth between servers and network equipment located at the Data Center, the Engineering workstations, and the Technological Research Center to 1 GB speed. Additionally, we implemented a wireless network that streamlines the work for mobile users inside the plant. The project also included setting up the company's network perimeter security in the Internet with a sound and safe design and state-of-the-art equipment, in order to avoid unauthorized or malicious access according to the ISO 17.799 Standard on information security.

The new installation based on standards for copper and optic fiber wiring and for the wireless network, allowed the Company to implement computing security policies according to international standards. Additionally, these improvements provide centralized monitoring and administration of network services, thus reducing training, administration, and maintenance costs. ■



technical software renewal



Design, mechanical project, and model manufacturing processes were optimized at the Center of Technological Research in order to improve manufacturing times of hydraulic models.

Updating applied enables manufacturing meshes with an increasing amount of nodes, from at first 300,000 to 600,000. Nowadays the company keeps working to improve process times.

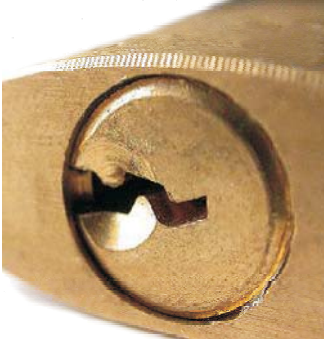
Basic engineering, calculation, and detail engineering processes were optimized in order to improve calculation and design times and to handle bigger and more complex structures.

Modifications introduced improved processing speed by 100 times. Times which used to amount to 4 hours have been reduced to minutes with the same model complexity. At the beginning of the year, the company worked with 120,000 freedom degrees meshes and now it is exceeding 4,000 freedom degrees.

Additionally, the ability to analyze more complex problems was improved and a higher level of detail in solutions was achieved.



data center

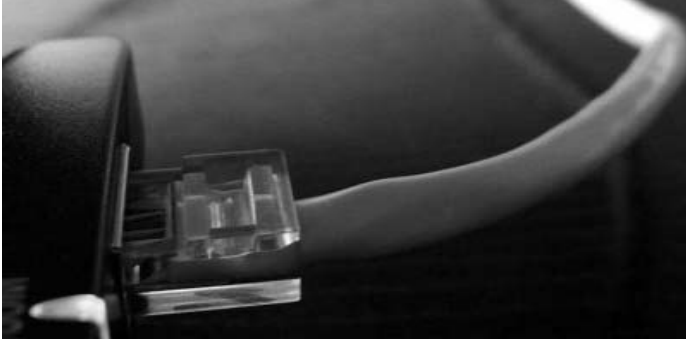


The Data Center was remodeled in order to offer continuous centralized services from Mendoza to the rest of the world, and to provide physical safety conditions according to the new company needs. The following aspects were included: complete renewal of power installations (switchboard, power wiring, and non-explosive galvanized tubing for the lighting system); improvement of the continuous power supply by uninterrupted powerful energy units with electrolytic batteries; upgrading of air conditioning equipment; walls renovation with fireproof materials; installation of an elevated technical floor through which electricity, voice, and data wires were channeled with underground trays and air conditioning ducts were directed to the equipment rack base.

The operators' room was also adapted with a modern design that allows the permanent (7x24, i.e., 365 days p/year) monitoring of information systems, communication links, the Internet, and telephone communication by using sophisticated tracking tools which show operators traffic signs of critical events in easy-to-view plasma monitors. ■



data/ voice /& video convergent network



A convergent service WAN (Wide Area Network) was designed as a response to the accelerated business growth during the last year, the need to provide collaborative spaces while optimizing time, costs, and productivity improving response time, and the need to take full advantage of the Mendoza facilities. The WAN enables connectivity between factories and offices internationally using innovative telecommunication technology such as IP MPLS for data, telephone, and videoconference transmission.

IMPSA's WAN enables the control and unification of computer services and processes, higher productivity and communication, direct telephone connection between international offices and headquarters, as well as office support and services.

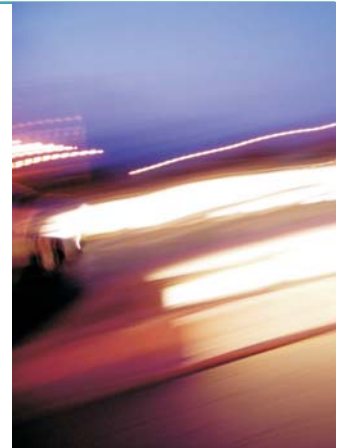
We are currently operating with videoconference rooms with modern plasma displays in Mendoza, Buenos Aires, Sao Paulo, and Kuala Lumpur. Videoconferencing is a widely accepted and used media due to its versatility and easy use, ensuring excellent conditions for future use in other company locations. ■



corporate affairs

community relations

IMPSA has consolidated a long-standing relationship with several commercial and industrial chambers, NGOs, universities, and technology and research institutes. These bonds stand for the implementation of a society-focused business plan which has quality of life and sustainable development at its core.



strategic forum for national development



The Strategic Forum for National Development was created to establish the principles of a Strategic Plan underlying a National Development Program in which economic growth is based on scientific knowledge and technological development, in order to transform our society in a knowledge society. IMPSA is one of the companies that actively participate in this Forum.

IMPSA's community relations



IMPSA is a member of or supports the following bodies:

[Asociación Argentina de Energía Eólica \(Argentine Wind Energy Association\)](#)

AAEE contributes to the creation of a technical solution for wind-hydrogen systems in isolated spots. Its aim is to harness the vast Patagonian wind resource, promote the Argentinean industry of turbines and wind facilities, spearhead a legal and tax promotional regime for alternative energy sources, focus on human resources education and training required for the growth of wind energy, and inform the general public of the benefits of alternative power sources.

[Asociación Cristiana de Dirigentes de Empresa \(Christian Association of Business Leaders\)](#)

ACDE is a business leaders association that seeks to become a space for business analysis and debate in light of Christian values. It is also a space for action, through its social commitment to a business policy governed by ethical principles and serving the common good.

[Asociación de Industriales Metalúrgicos de Mendoza \(Association of Metallurgic Industrialists of Mendoza\)](#)

ASINMET was created in 1954 in order to gather metallurgic businessmen in a body whose aim was to promote the development of the metal-mechanical sector and provide consulting services on the proper operation of member-companies.

[Asociación de Industriales Metalúrgicos de la República Argentina \(Association of Metallurgic Industrialists of Argentina\)](#)

It represents, promotes, and supports metallurgic industries throughout the country in order to promote their growth and development in a complex and changing context. ADMIRA facilitates contacts between these institutions and metallurgic businessmen by promoting the implementation of joint projects to help strengthen the value chain.

[Asociación Empresaria Argentina \(Argentine Business Association\)](#)

AEA was established with the aim of "promoting economic and social development in Argentina from the private business perspective, focusing on the strengthening of the institutions required to achieve that purpose" (AEA bylaws). AEA's main feature is the personal involvement of head executives from leading Argentine companies in public policy analysis. AEA's members preside companies with a joint turnover of 200,000 million pesos, exporting USD 10,000 million, and employing 300,000 people.



[Asociación Empresarios Zona Industrial Carril Rodríguez Peña \(Carril Rodríguez Peña's Industrial Area Businessmen Association\)](#)

This association includes over 200 companies based on the Province of Mendoza and whose joint share in the industrial gross product of Mendoza is 10%. Carril Rodríguez Peña is an important industrial pole featuring the highest concentration of turnover and labor in the Province of Mendoza.

[Cámara de Comercio Argentino Venezolana \(Argentine-Venezuelan Chamber of Commerce\)](#)

A non-profit civil association established in the city of Buenos Aires, Argentina, to promote and strengthen commerce, investments, culture, and tourism between the Argentina and the Bolivarian Republic of Venezuela. The CCAV is committed to the success of its member companies and works together with them as a Business and Information Center helping them access the great opportunities offered by the Venezuelan market.

[Cámara de Comercio Italiana en Argentina \(Italian Chamber of Commerce in Argentina\)](#)

The Italian Chamber of Commerce in Argentina is a non-profit organization established in Buenos Aires 120 years ago to promote commercial relations between Argentine and Italian companies. It maintains close ties with both Italian and Argentine local Sector Chambers and Associations. It organizes fairs, seminars, workshops, and business missions in both countries being a referent for Italian and Argentine operators who are interested in finding counter partners. Due to some specific agreements, it represents several Italian regions and Fairs Organizers in Argentina. In recent years it has begun working with Italian and local experts on the training of Italians residents in Argentina.

[Cámara de Comercio e Industria Franco Argentina \(French-Argentine Chamber of Commerce and Industry\)](#)

The Cooperation and Cultural Action Service of the French Embassy (SCAC) seeks to promote and develop French-Argentine relations in several fields of culture, education, research, and governance management. Thus, SCAC acts as a natural mediator for French institutions and agencies willing to carry out actions in those fields with Argentine partners, and it can play an important role as regards information, mediation, and coordination. It also has its own funds to finance cooperation programs in priority areas as defined by both countries.



Cámara de Industriales de Proyectos e Ingeniería de Bienes de capital de la República Argentina (Argentine Chamber of Project Industrialists and Capital Assets Engineering)

It represents manufactures of capital assets, mostly producers of non-serialized goods involving long-term manufacturing. The market is made up of the following industries: food and beverages, chemistry and petrochemical, oil, gas, agrochemical, iron and steel, mining, plastics, graphic, automobile, paper, naval, electrical, thermal, and hydraulic power stations, and other industrial activities which require heavy and semi-heavy equipment.

Cámara Exportadores de la República Argentina (Argentine Chamber of Exporters)

Since 1943, CERA's aim is to continuously improve the competitiveness of Argentine exports and international trade expansion.

Centro Argentino de Ingenieros (Argentine Center of Engineers)

The Argentine Center of Engineers is a non-profit civil association made up of professionals specialized in all branches of Engineering, Architecture, Surveying, Related Professions, and Institutions who wish to contribute to the prestige of Engineering on behalf of the Nation.

Comisión Internacional de Grandes Redes Eléctricas (International Committee of Large Power Networks)

CIGRE is a Paris-based permanent, governmental, and international association established with non-profit purposes. It is widely recognized as a leading organization in powered electric systems since it covers all technical, economic, environmental, organizational, and regulatory aspects. This association has National Committees representing it in 53 countries, including Argentina.

Consejo Empresario Mendocino CEM (Mendoza Business Council)

A body the nucleates businessmen who are interested in making proposals to improve the life of Mendoza's society as a whole.

Fundación Grameen

It is a social company which provides integrated micro-financial services to people from the most vulnerable sectors who lack any other financing opportunities. It trains and helps them during the development of their business.



Fundación Mediterránea

It is a non-profit civil association established in the city of Córdoba, Argentina, due to the initiative of 34 Córdoba companies with the following goals: promoting research on national economic problems, contributing to a better knowledge and solution of Latin American economic problems, and creating a non-partisan forum to discuss relevant national and Latin American issues where experts contribute with their intelligence to the design of economic solutions, with the only condition of respect to the dignity and freedom of all human beings. In order to fulfill these goals, the Fundación Mediterránea created the "Institute of Economic Studies on the Argentine and Latin American Reality," formed by a team of full-time economic researchers.

Fundación Premio Nacional a la Calidad (National Quality Award Foundation)

The National Quality Award was instituted by Act 24127 "to promote, develop, and communicate processes and systems devoted to continuous improvement of product and service quality produced by the business sector, in order to support its modernization and competitiveness." Section 3 of Act 24124 states that "the Argentine Nation shall award the prize on a yearly basis. It will be presented by the Nation's President in a ceremony or act arranged for that purpose." The Act also establishes that "the National Quality Award shall be managed by a Foundation created to that effect by the provisions of this law" and that the Ministry of Economy and Public Works and Services is the authority responsible for applying the award in the private sector.

Group of Fifty

It is a network of business leaders from the most important private companies of the hemisphere. It seeks to increase first-level communication between business leaders in order to provide its members with a better understanding of trends and conditions. It also promotes economic and social progress in the Americas. The Group of Fifty has a forum of leaders of the most important companies of the hemisphere to discuss the changes in the region's different sectors and markets, listen to their colleagues' opinions on alternative business strategies, and compare experiences and exchange ideas about the future of the hemisphere, its economy and politics.



[Instituto de Desarrollo Industrial, Tecnológico y de Servicios \(Institute of Industrial, Technological, and Service Development\)](#)

It is a non-profit civil association aiming at: a) gradually diversifying regional economy; b) encouraging the creation, promotion, and exploitation of advanced Human Resources; c) creating a center to develop pure and applied knowledge with regional, national, and global projections; d) implementing, promoting, and empower plans, programs, and projects that will enable a sustainable development of the industrial sector in the region; e) encouraging the creation, development, and consolidation of companies and industrial and technological services, so that small and medium businessmen can access strategic management and business tools and investment environments; f) fostering the integration of public and private sectors involved: national, provincial, and municipal bodies; universities; technological and research centers; companies, chambers, and business associations; g) facilitating communications between state and private sectors in order to optimize and promote policies to favor the development of industries and related services; h) promoting the creation and development of financial bodies and institutions that promote industrial and service activities, and facilitating the links with different organizations required to achieve their goals.

[Instituto de Ingenieros en Electricidad y Electrónica, EE.UU. \(American Institute of Electrical and Electronic Engineers, U.S.A.\)](#)

The IEEE is the largest professional technical association in the world. It has more than 382,000 members devoted to electro-technology and information in approximately 150 countries. Consistent with its slogan, "Networking the World," the IEEE promotes technological innovation, contributes to its members' professional development, and fosters the world professional community.

[Instituto para el Desarrollo Empresarial de la Argentina \(Institute for Business Development in Argentina\)](#)

IDEA enables companies to train and upgrade management, exchange experiences about best business practices, and participate in the daily economic, political, and social affairs, regardless of their size. In the business world, IDEA is the most prestigious Argentine-based organization with a Mercosur platform promoting growth and competitiveness. It nucleates 400 leading Argentine companies. Our President, Enrique M. Pescarmona, was IDEA's Chair and currently presides over the 42 Pre-colloquium.



Junior Achievement Mendoza

It is a non-profit international organization seeking to educate and inspire young people to value and protect free trade. It also helps them understand the economy and the business world and facilitates their entry to the world of work. It has a wide range of programs, from kindergarten to first-year University studies.

Liga Naval Argentina (Argentine Naval League)

It is a non-profit, social welfare, civil association with legal entity granted and agreed upon by the Argentine Executive Power. It is located in Buenos Aires, the federal capital of Argentina.

Red Tecnológica Argentina (Argentine Technological Network)

The RTA nucleates the most prestigious public and private institutions devoted to the promotion and implementation of science and technology. It seeks to help companies generate technological developments and innovations in order to improve their products and services competitiveness in the international markets, and to improve companies' competitiveness in global markets.

Universidad de Congreso (Congreso University)

The University carries out activities related to education, research, and continuing education, and provides top level scientific, professional, humanist, and technical education in order to contribute to the social, political, cultural, and spiritual development of the Argentine community.

Unión Industrial Argentina (Argentine Industrial Association)

It is a non-profit, federative, and sectorial business-labor association representative of the country's industrial activities.





indicators

operational indicators

INDICATORS	Unit	MINIMUM VALUE	MAXIMUM VALUE	IMPSA VALUE
Rate of time wasted by accidents	frequency/ 1,000,000 work hours	0.4	38	22.38
Training	Training days / employee	0.4	17.1	6.9
Material Efficiency	Ton of material produced / Ton of products supplied (%)	65.7%	100%	83%

environmental indicators

INDICATORS	Unit	2004	2005
Water Consumption	m ³ / Tn	18,56	16,48
Power Consumption	MWh / Tn	3,23	3,00

financial indicators

INDICATORS	Unit	2005	2006
Backlog	MU\$D	649	1.269



conclusion



This report provides a detailed account of the activities carried out by IMPSA from a sustainability perspective. Its purpose is to show the current state of this major issue taking it as a reference to plan the future and create measurable growth according to these dimensions.

This is IMPSA's commitment to the global society where it thrives and participates generating wealth without compromising the legacy of future generations. ■



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