

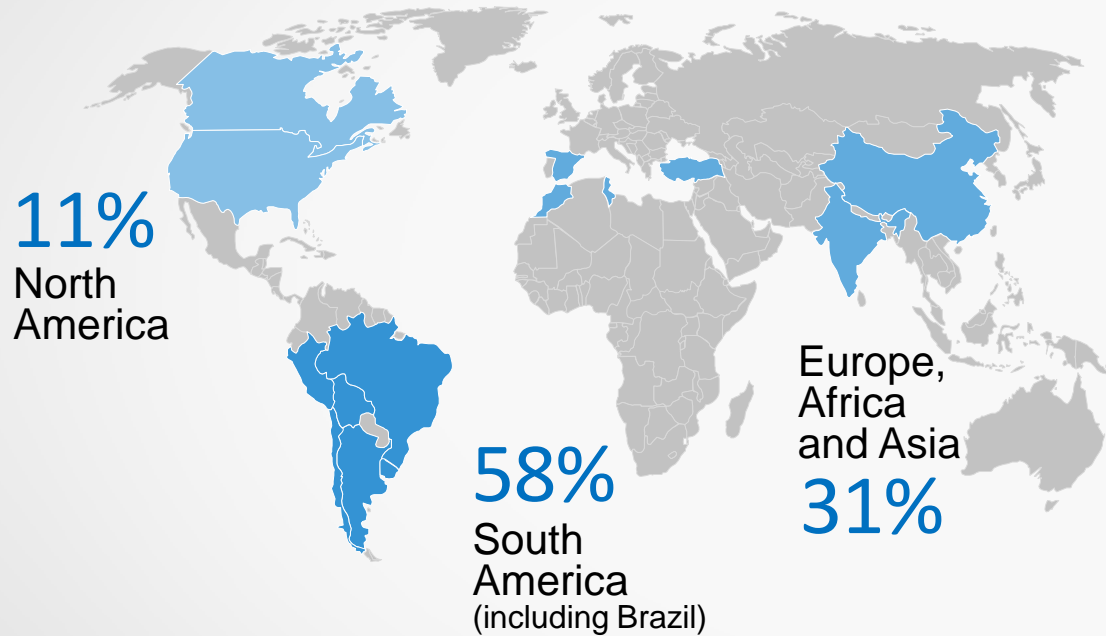


6 CBC | 2014, May 20

Growth and Sustainability at Votorantim Cimentos

Edvaldo Araújo Rabelo

A global, vertically-integrated building materials company



6th largest cement player in the world (ex-China) in terms of cement installed capacity.

54 Mtpy

 Presence in 14 countries

Leader in Brazil with more than 460 Sites

Company Overview

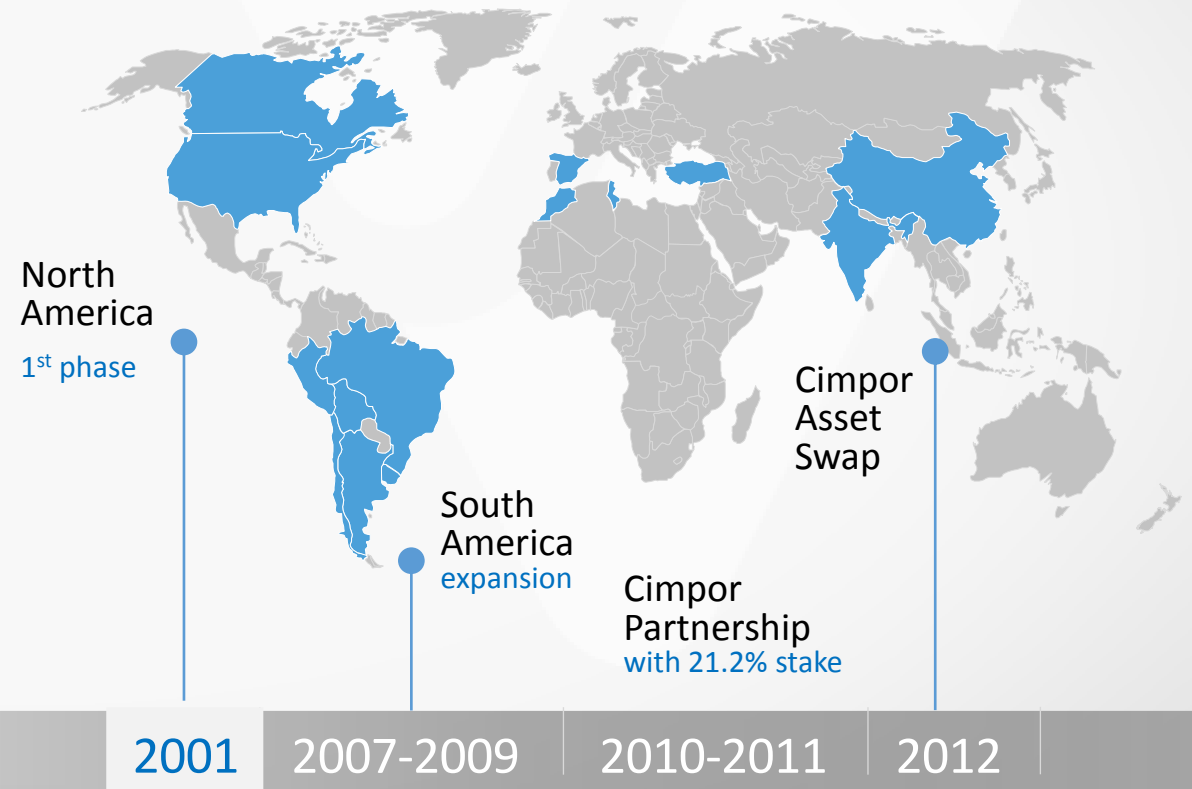
Products: cement, ready-mix concrete, aggregates, dry mortar, hydrated lime, gypsum and agricultural lime

More than **80 years of experience** in the sector

Pioneer in **co-processing and pozzolan technologies** in Brazil



Global Footprint



Complete Product Portfolio in Worldwide Operations



CEMENT

54 Million t
34 cement plants
22 grinding mills



READY-MIX CONCRETE

14 Million m3
328 ready-mix plants



AGGREGATES

40 Million t
84 aggregates facilities



MORTARS AND OTHERS

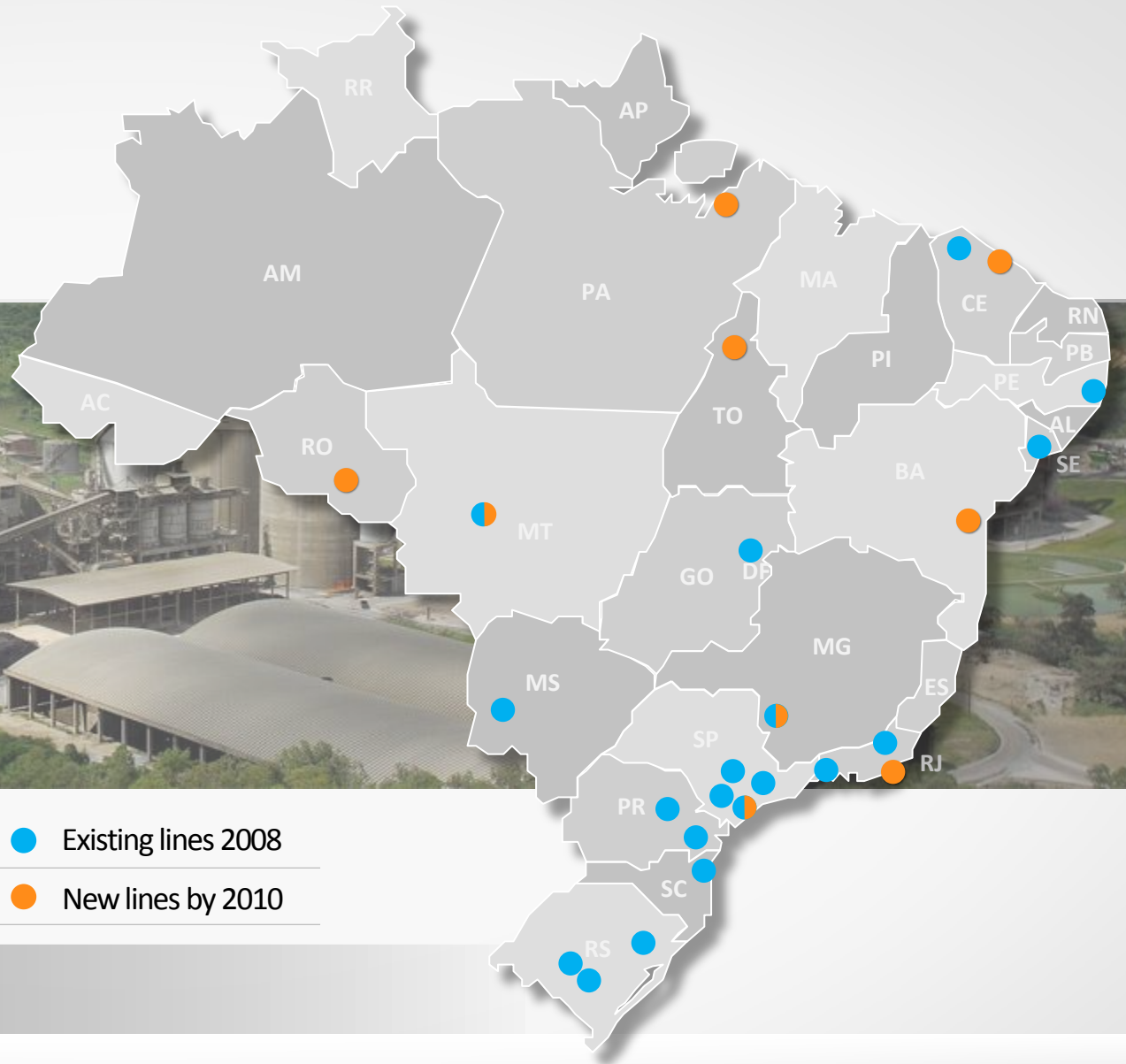
2.5 Million t
13 mortar plants

One of the most vertically **integrated** players in the sector

WE'VE BEEN WORKING TO SUPPORT THE BRAZILIAN GROWTH



IN 2008 WE SET AN AMBITIOUS ORGANIC GROWTH PLAN



2008

2010

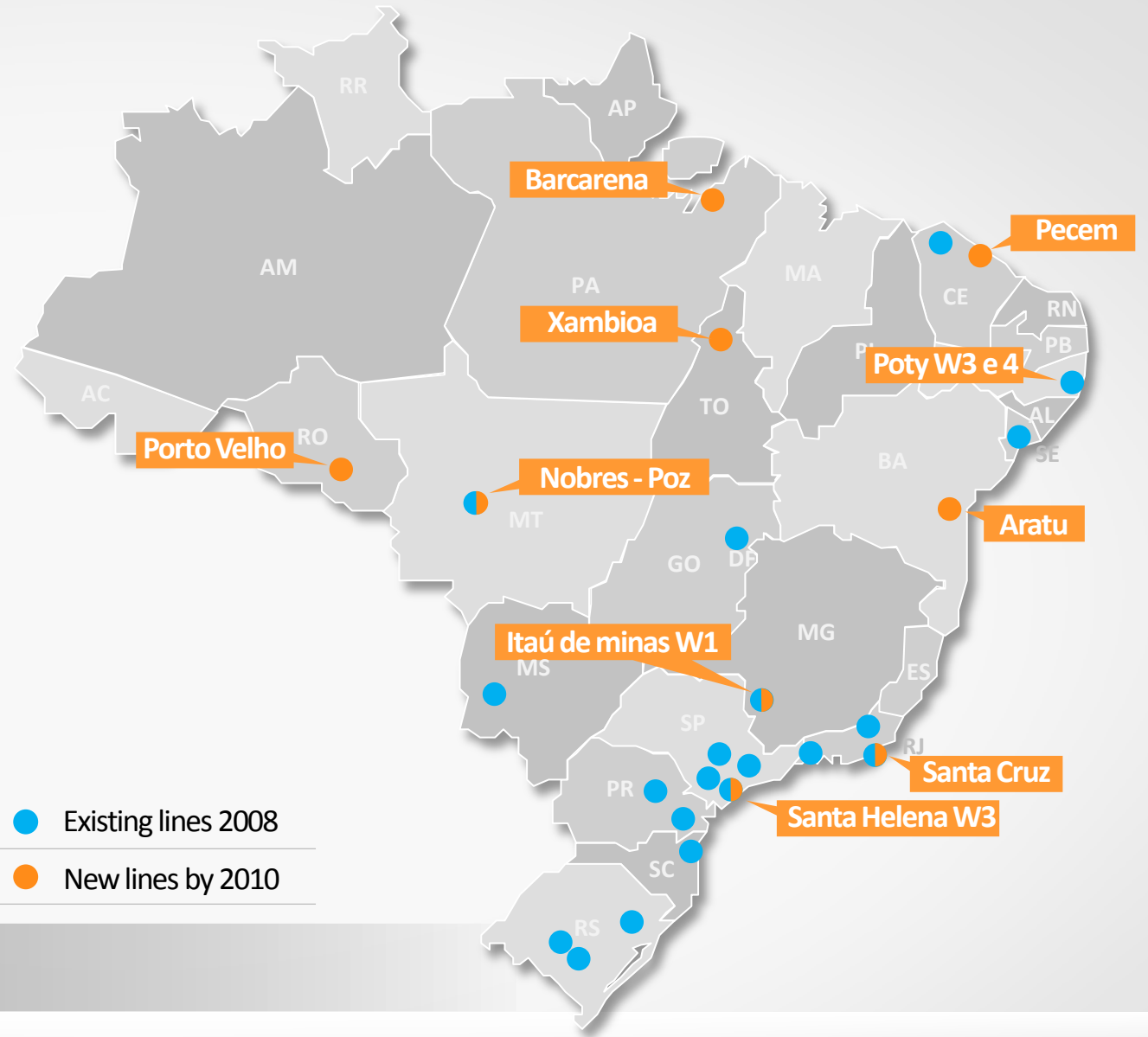
2013

2015

2018

AND DESPITE THE GLOBAL CRISIS IN 2008, WE DELIVERED:

- + 4,5Mt capacity
- + more than R\$ 1 bi invested
- + 10 New expansion projects

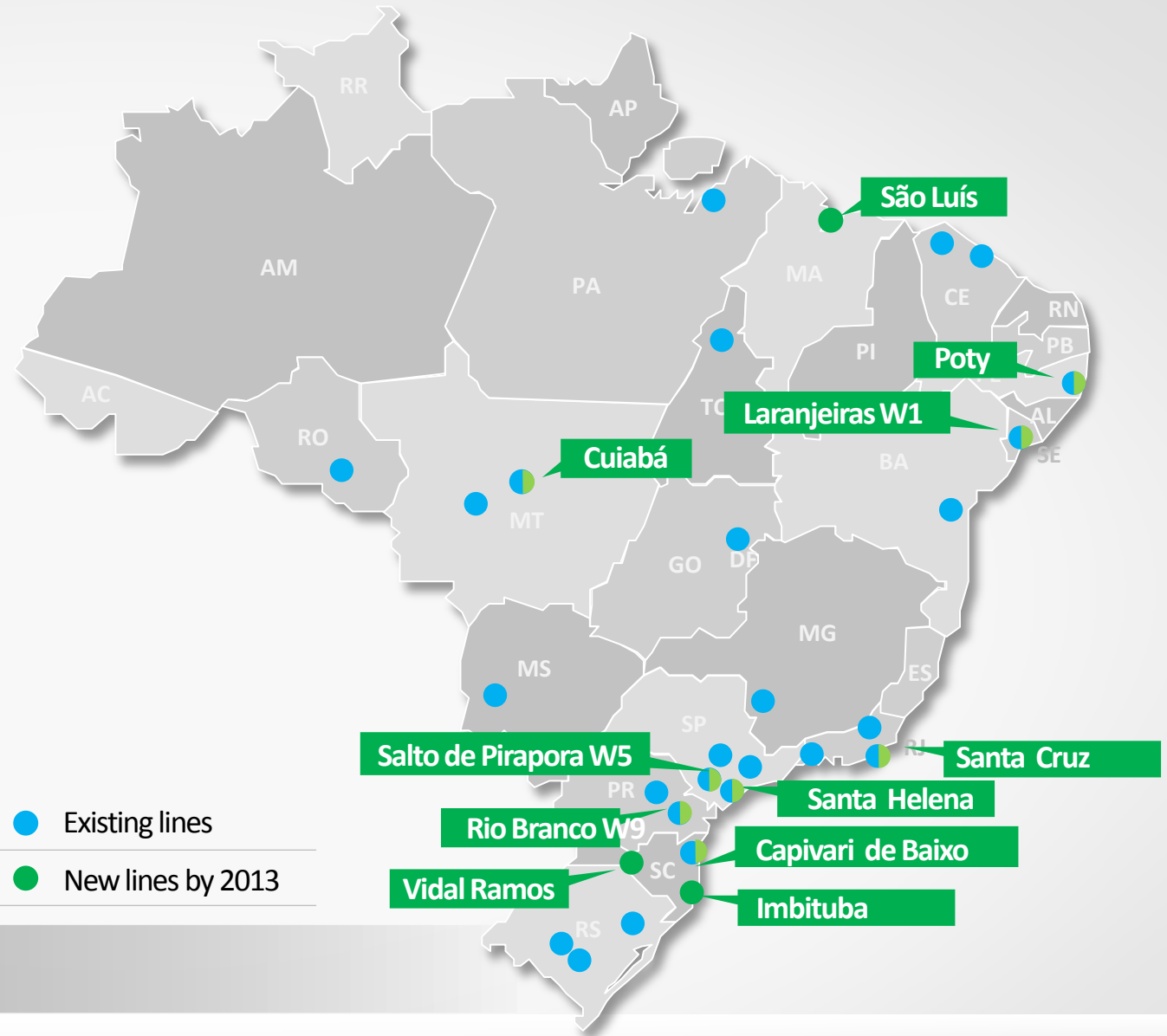


2007 | 2010 | 2013 | 2015 | 2018

TO SUPPLY OUR COSTUMER'S CONTINUOUS NEEDS AND COUNTRY GROWTH

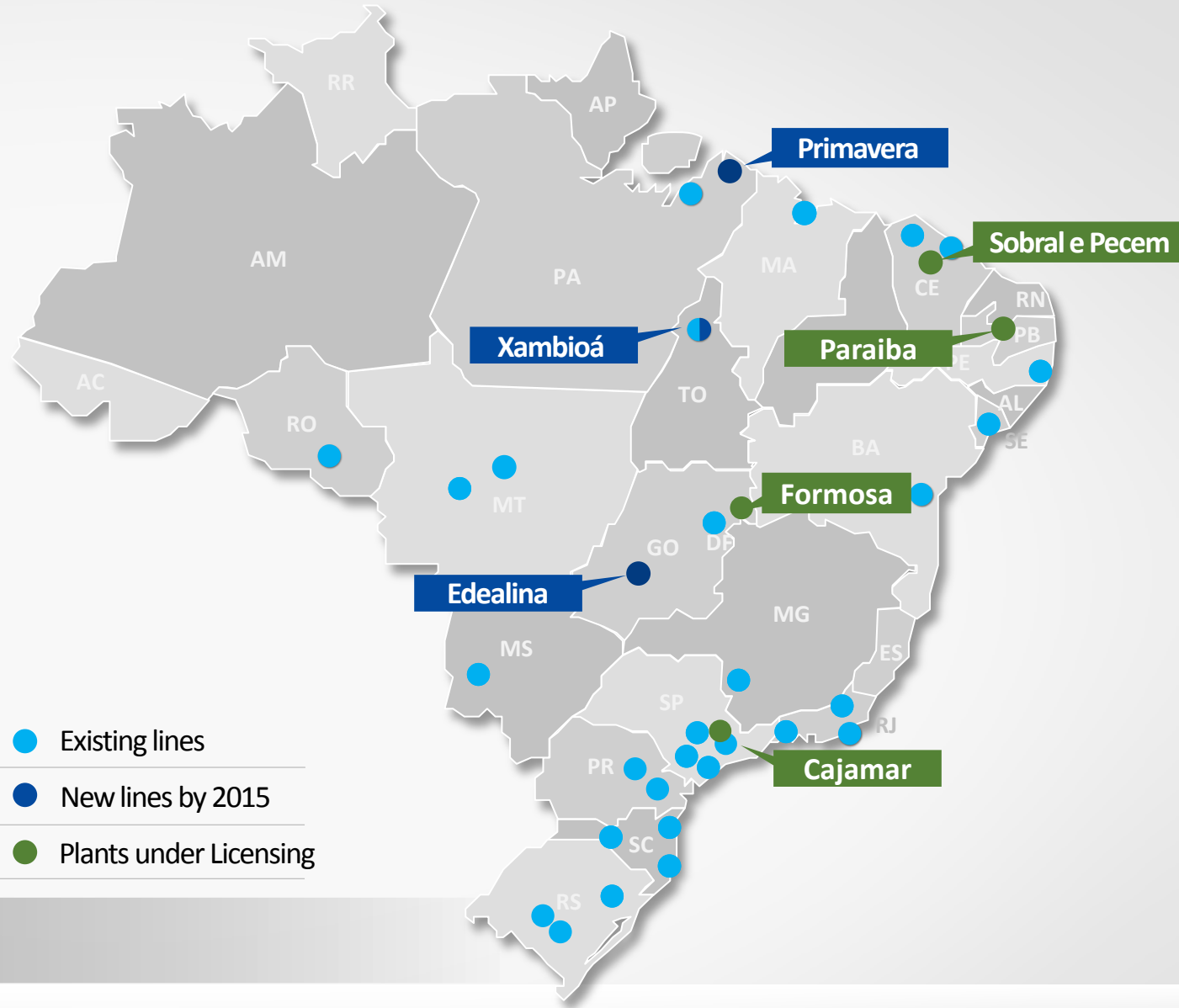
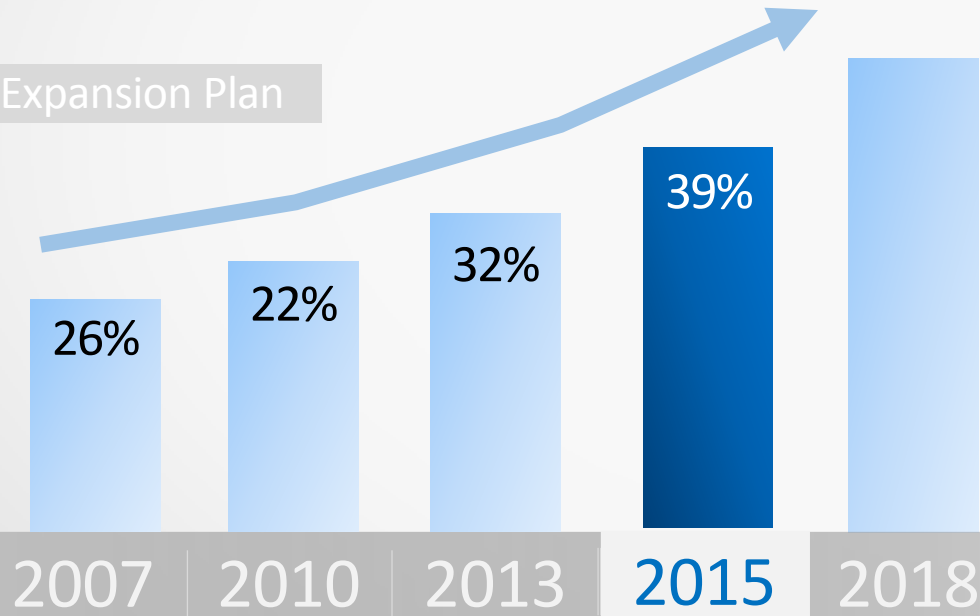
- + 10,5Mt capacity
- + more than R\$ 2.5 bi invested
- + 11 new expansion projects

2007 | 2010 | **2013** | 2015 | 2018



DESPITE THE DIFFICULTIES IN THE LICENSING PROCESS AND THE SKY ROCKETING CAPEX COSTS

Expansion Plan

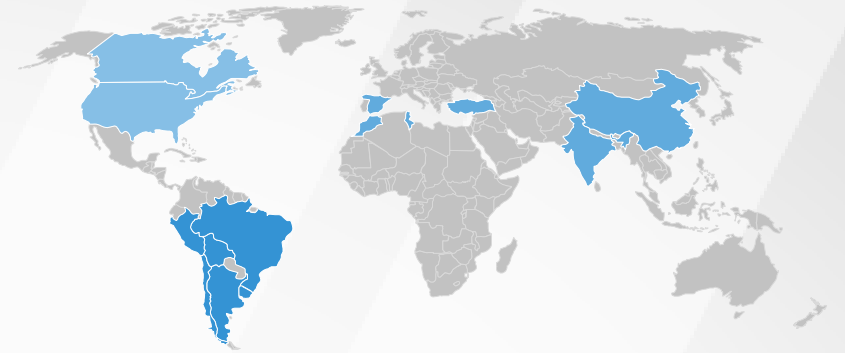


Expanding our footprint outside Brazil



Presence in 14 countries and **INCREASING CAPACITY**

Every new project uses best sustainable technologies and is aligned with the sustainability strategy of VC



VC Expansion
 STRATEGY

+



Sustainable Technology

To build all of this, we are using the best available technology (BAT) to guarantee a sustainable growth.

Lower
Emissions

Energy
Efficiency

Lower
Footprint



Sustainable Equipment

BEST AVAILABLE TECHNOLOGY



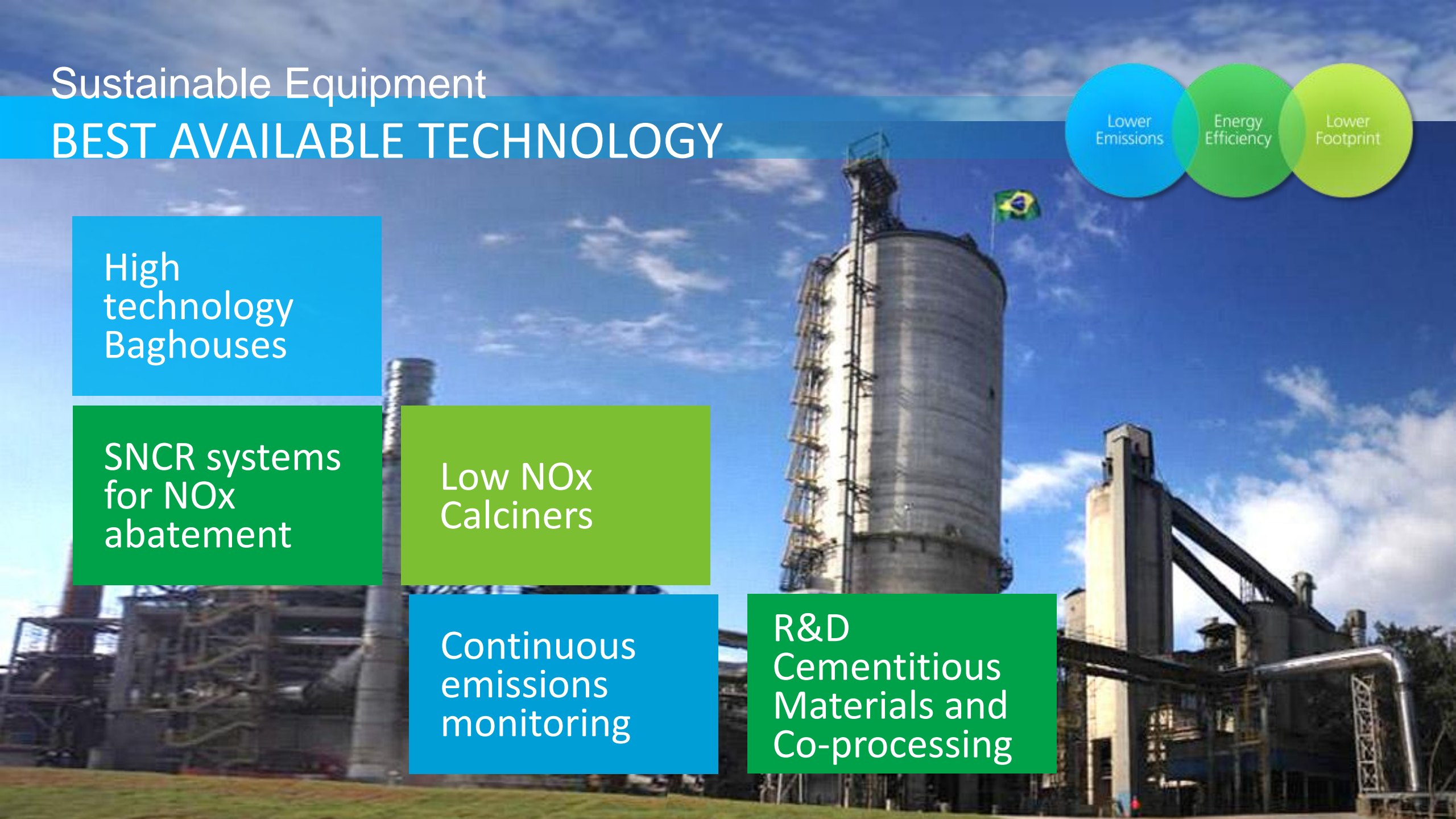
High technology
Baghouses

SNCR systems
for NOx
abatement

Low NOx
Calciners

Continuous
emissions
monitoring

R&D
Cementitious
Materials and
Co-processing



Sustainable Equipment

BEST AVAILABLE TECHNOLOGY



High technology Baghouses



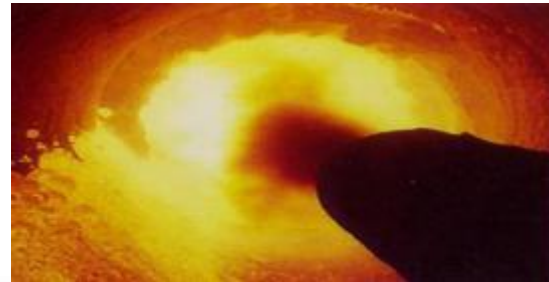
SNCR system for NOx abatement



Co-processing



Cementitious Materials



Low NOx Calciner



Continuous emissions monitoring



VC Sustainability

STRATEGY

Our Sustainability Strategic Plan is based on Four Components and Composed by Four Principles:

Safety

Always First

Communities Engagement

Close relationship & Local Development

Ethics and Compliance

Green Rules & external established commitments

Eco-efficiency and Innovation

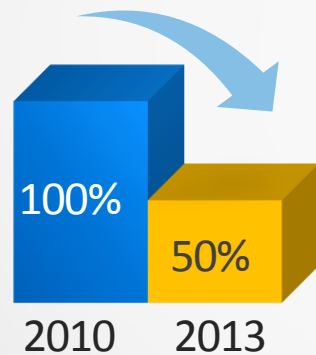
Reducing Our Footprint and Serving Our Customers with the lowest impacts



Safety

Always in First Place

Historical Global Frequency Rate



Historical Global Frequency Rate

VC Global Safety Policy and Life Saving Rules



Safety Alerts



Managing by Walking Around

- Visible Leaders
- Pragmatic Actions

Right of Refusal

- Human Rights

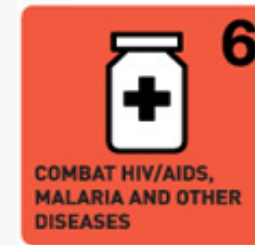
Communities Engagement

Create a close relationship with the communities nearby worldwide operations by investing in social projects

Our strategy is promoting local development

To work closely and in partnership with the localities where the company is placed:

Improving the communities life quality



Focus on United Nations Millennium development goals

Communities Engagement

Create a close relationship with the communities nearby worldwide operations by investing in social projects



Communities Engagement

Create a close relationship with the communities nearby worldwide operations by investing in social projects

Education & Development

- More than 2000 youth
- 65% of employment rate
- 8% dropout rate

Public Management Support

- Modernization & public administration management
- 12 cities



- R\$ 62 million invested
- 40 projects
- 25 cities
- More than 1000 families impacted

Job Creation

- Focusing on the local development
- 13 locations
- More than 200 community leaders trained

Community Council

Eco-efficiency and Innovation

Innovate to increase product and service value while optimizing the use of resources and reducing environmental impact that can cause risks for the business

Important Partnerships & Established Commitments



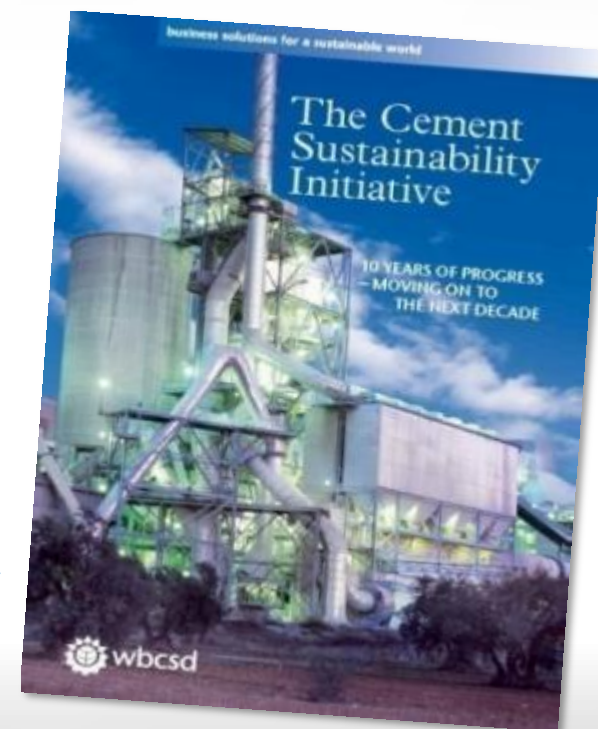
Global Report
Iniciative



Global Compact



Cement Sustainability
Initiative





The Company Charter of the Cement Sustainability Initiative

CO2 and Climate Protection

Responsible Use of Fuels and Raw Materials

Employee Health and Safety

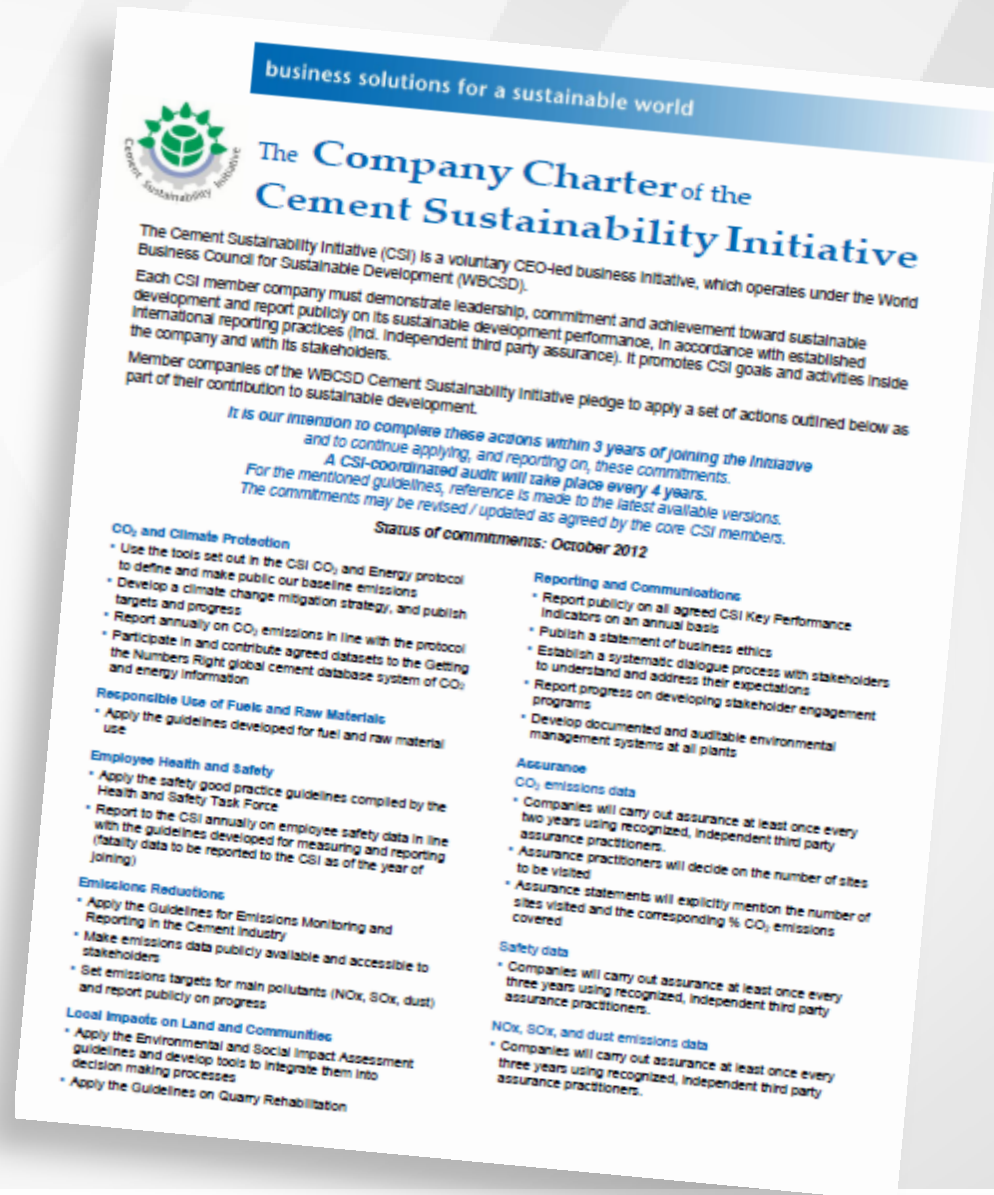
Emissions Reductions

Local Impacts on Land and Communities

Reporting and Communications

Assurance

- CO2 emissions data
- Safety data
- Nox, Sox and dust emissions data



Eco-efficiency and Innovation

Innovate to increase product and service value while optimizing the use of resources and reducing environmental impact that can cause risks for the business

Our Actions Towards Biodiversity

- Develop, implement and disseminate **best practices**
- **Karst mining areas and Atlantic Rainforest**
- Contribute to **biodiversity conservation and protected speleological**



Eco-efficiency and Innovation

Innovate to increase product and service value while optimizing the use of resources and reducing environmental impact that can cause risks for the business

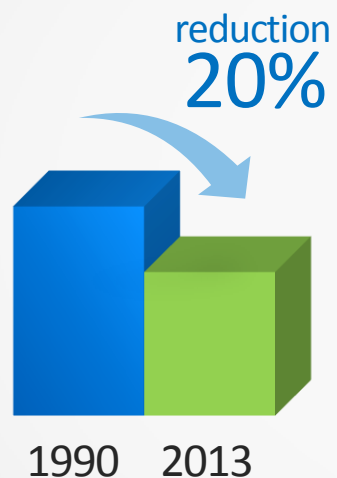


Eco-efficiency and Innovation

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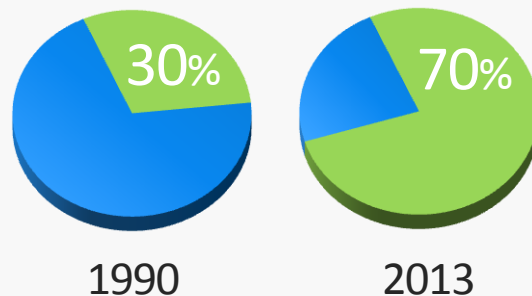


Our CO₂ Footprint Evolution*



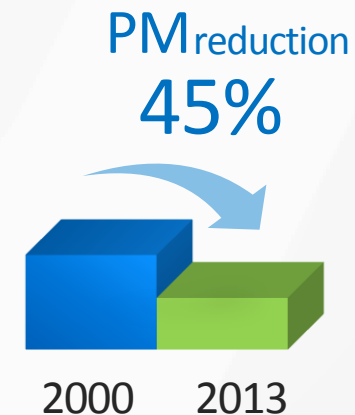
Global kg CO₂/ton cement
*VCBR/VCNA

Sustainable Product Portfolio (low footprint)



% Sustainable Product in Portfolio (low carbon) in Brazil

Our Emissions Levels Evolution



Global PM (g/ton clk)

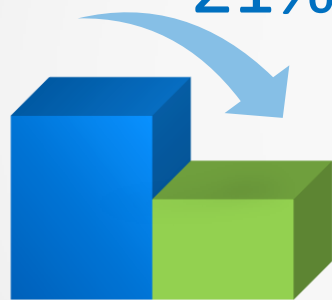
Eco-efficiency and Innovation

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Our Thermal Energy Matrix Evolution

Thermal consumption reduction

21%



1990 2013

Global Thermal Energy Matrix

Alternative Fuels

- 16 Plants with alternative fuels
- + 800 k tons (waste, tires and biomass)
- More than R\$300M capex in the next 5 years



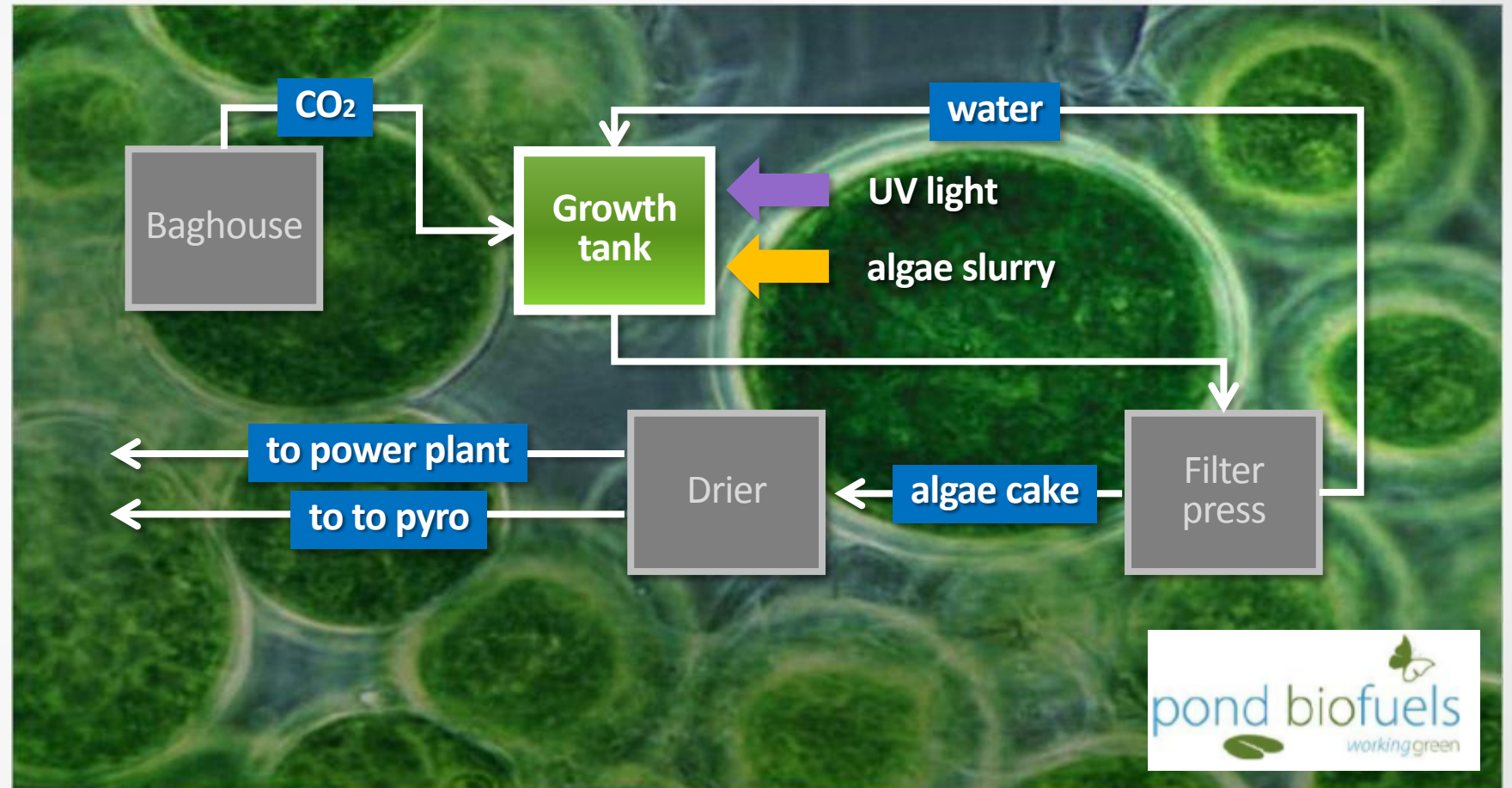
Eco-efficiency and Innovation

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R&D - Algae Farm in St. Mary's

Carbon dioxide emissions turned into energy

- Currently Re-tooling Pond Biofuels Algae Project with new lighting and instrumentation.
- Technology is working and scale-up engineering underway
- Increase Academic Collaboration

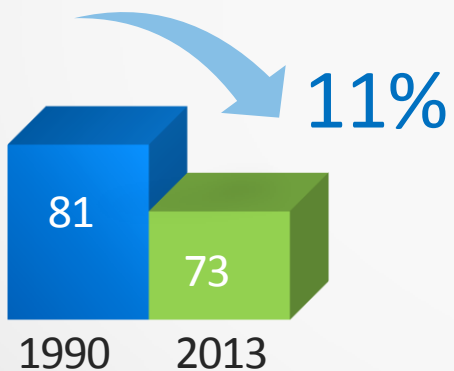


Eco-efficiency and Innovation

Innovate to increase product and service value while optimizing the use of resources and reducing environmental impact that can cause risks for the business

R&D - Use of Low Carbon Content Cementitious Materials

Reduction on Clinker Factor



Global Clinker/Cement Ratio



Porto Velho Pozzolan Plant



Built to supply Santo Antonio and Jirau Hydro-Power Plants



Santa Cruz Granulated Slag Plant



Cativari Fly Ash Plant



Thank you!

