

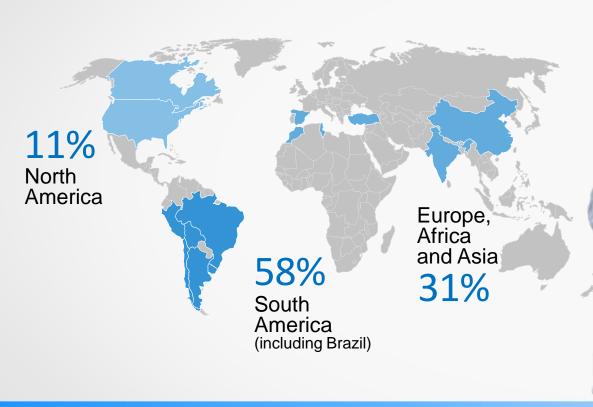
6 CBC | 2014, May 20

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





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



Votorant

Complete Product Portfolio in Worldwide Operations



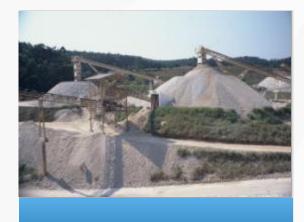
CEMENT

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

2.5Million t 13 mortar plants

One of the most vertically integrated players in the sector



WE'VE BEEN WORKING TO SUPPORT THE BRAZILIAN GROWTH













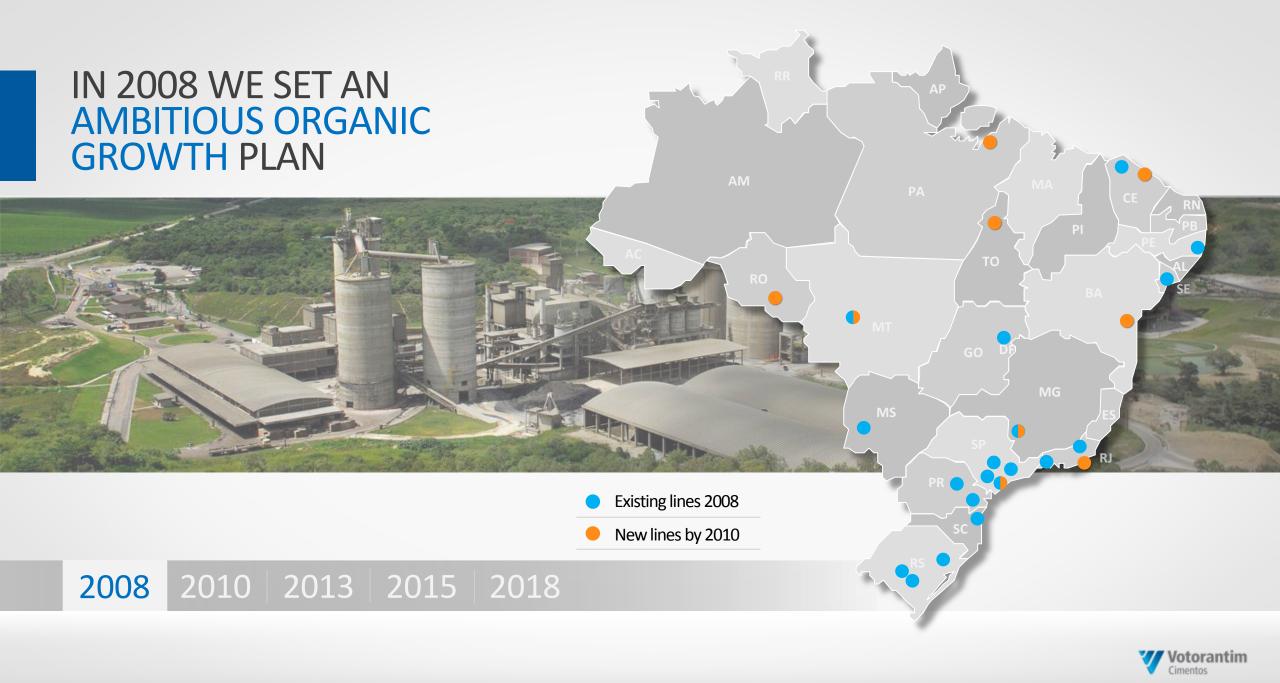












AND DESPITE THE GLOBAL CRISIS IN 2008, WE DELIVERED:

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



2007

2010

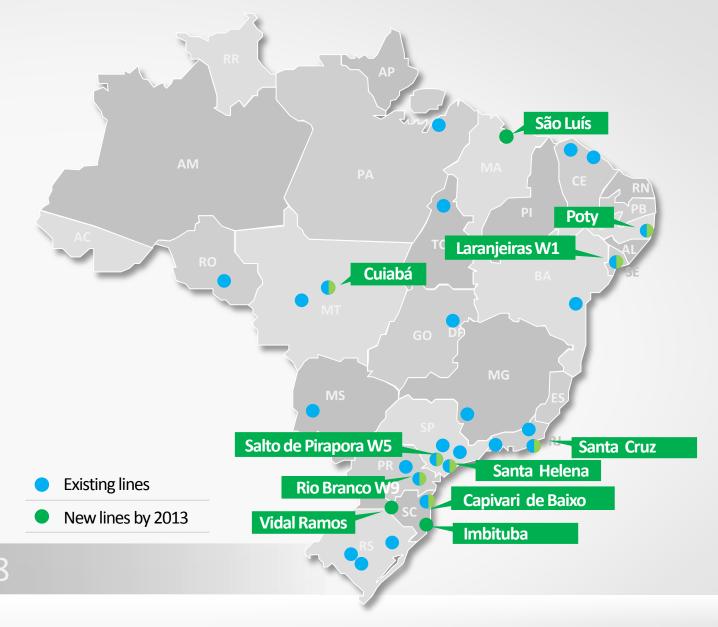
2013

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



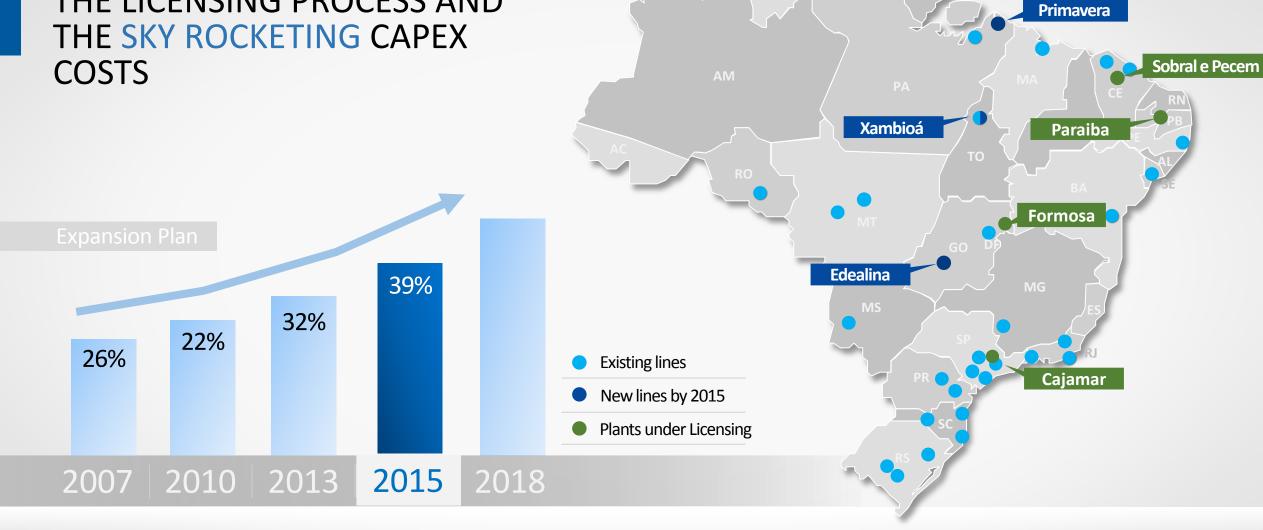
2007 | 2010

2013

2015 2018



DESPITE THE DIFFICULTIES IN THE LICENSING PROCESS AND





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



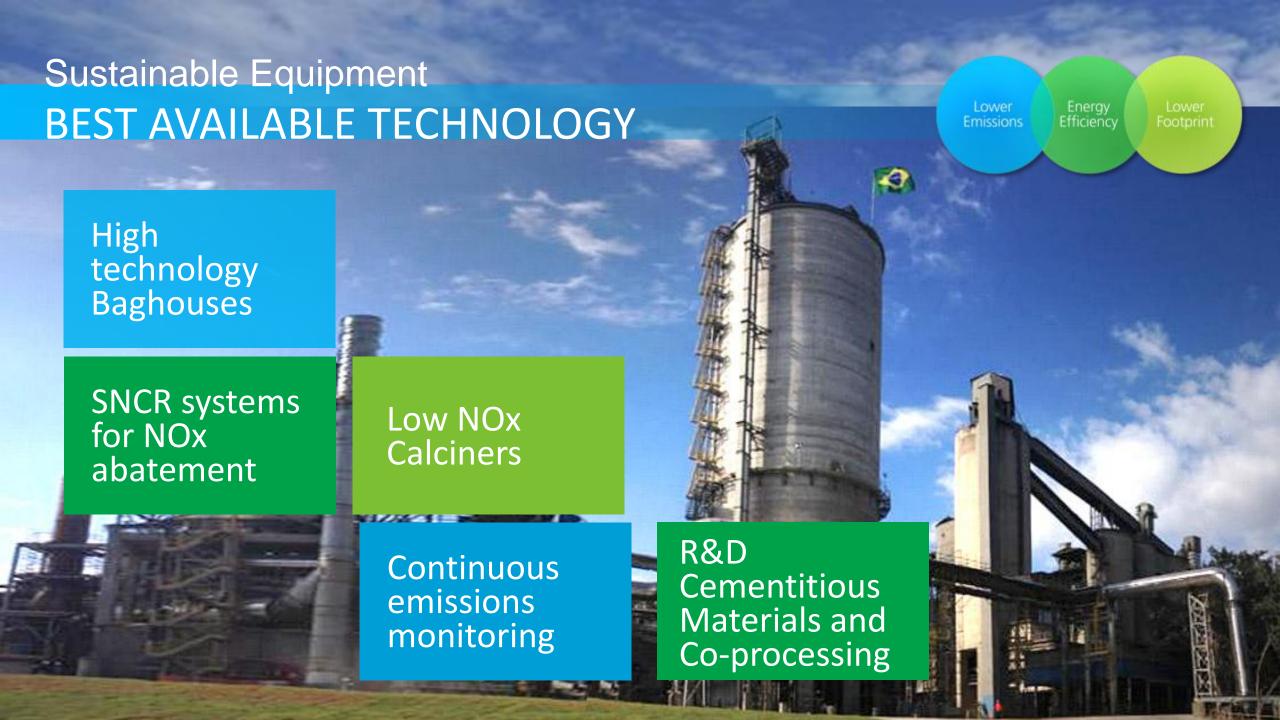












Sustainable Equipment

BEST AVAILABLE TECHNOLOGY





High technology Baghouses



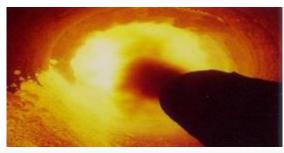
SNCR sytem for NOx abatement



Co-processing



Cementitious Materials Low NOx Calciner





Continuous emissions monitoring





VC Sustainability V STRATEGY

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

Safety

Communities Engagement

Ethics and Compliance

Eco-efficiency and Innovation

Always First

Close relationship & Local Development

Green Rules & external established commitments

Reducing Our Footprint and Serving Our Costumers 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





















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

COMMUNITY DEVELOPMENT

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

Job Creation

Public Management Support

- Modernization & public administration management
- 12 cities



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

Community Council



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



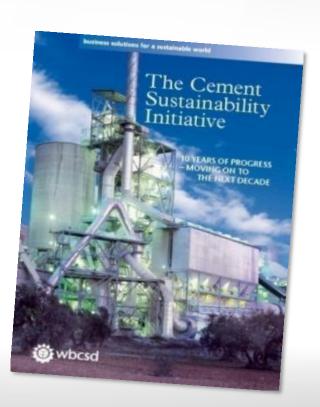
Global Report Iniciative



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

business solutions for a sustainable world



The Company Charter of the Cement Sustainability Initiative

The Cement Sustainability Initiative (CSI) is a voluntary CEO-led business initiative, which operates under the World

Each CSI member company must demonstrate leadership, commitment and achievement toward sustainable development and report publicly on its sustainable development performance, in accordance with established oeverupment and report publicly unlike electandure deverupment performance, in accordance with established international reporting practices (incl. independent third party assurance). It promotes CSI goals and activities inside

Member companies of the WBCSD Cement sustainability Initiative piedge to apply a set of actions outlined below as

It is our intension to complete these actions within 3 years of joining the initiative and to continue applying, and reporting on, these commitments.

A CSI-coordinated audit will take place every 4 years. For the mentioned guidelines, reference is made to the latest available versions. The commitments may be revised / updated as agreed by the core CSI members.

Status of commitments: October 2012

- CO₂ and Climate Proteotion
- Use the tools set out in the CSI CO₂ and Energy protocol
- to define and make public our baseline emissions Develop a climate change mitigation strategy, and publish
- Report annually on CO₂ emissions in line with the protocol Participate in and contribute agreed datasets to the Getting the Numbers Right global cement database system of COs

Responsible Use of Fuels and Raw Materials

Apply the guidelines developed for fuel and raw material

Employee Health and Safety

- * Apply the safety good practice guidelines compiled by the
- Report to the CSI annually on employee safety data in line with the guidelines developed for measuring and reporting fatality data to be reported to the CSI as of the year of

Emissions Reductions

- Apply the Guidelines for Emissions Monitoring and Reporting in the Cement Industry
- Make emissions data publicly available and accessible to
- Set emissions targets for main pollutants (NOx, SOx, dust)

Local Impacts on Land and Communities

- Apply the Environmental and Social Impact Assessment guidelines and develop tools to integrate them into
- Apply the Guidelines on Quarry Rehabilitation

Reporting and Communications

- Report publicly on all agreed CSI Key Performance Indicators on an annual basis
- Publish a statement of business ethics
- Establish a systematic dialogue process with stakeholders to understand and address their expectations
- Report progress on developing stakeholder engagement
- Develop documented and auditable environmental management systems at all plants

CO₂ emissions data

- Companies will carry out assurance at least once every two years using recognized, independent third party
- Assurance practitioners will decide on the number of sites
- Assurance statements will explicitly mention the number of sites visited and the corresponding % CO₃ emissions

 Companies will carry out assurance at least once every three years using recognized, independent third party

NOx, SOx, and dust emissions data

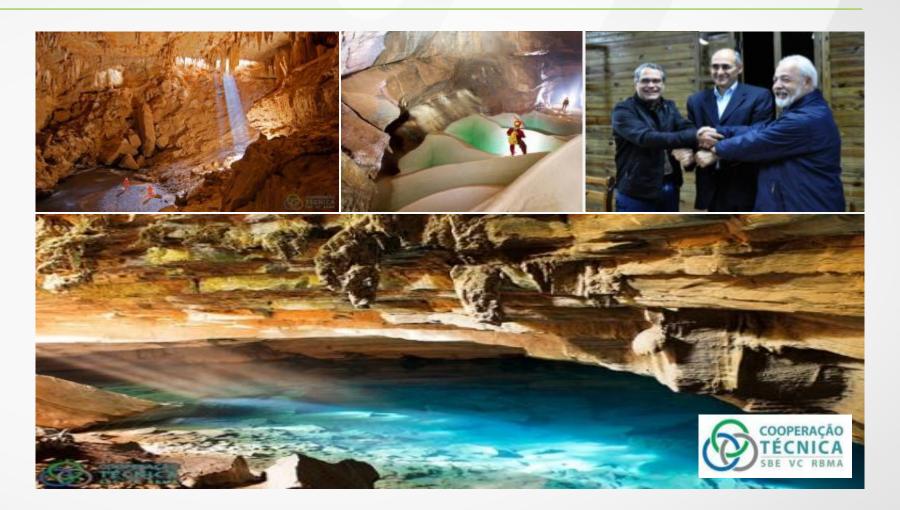
 Companies will carry out assurance at least once every three years using recognized, independent third party



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





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

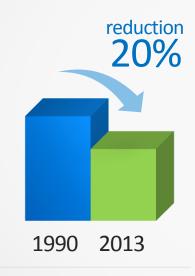




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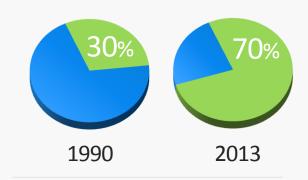


Our CO₂ Footprint Evolution*



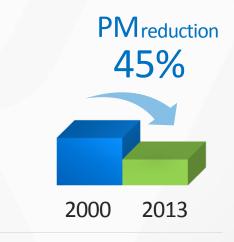
Global kg CO₂/ton cement *VCBR/VCNA

Sustainable Product Portfolio (low footprint)



% Sustainable Product in Portfolio (low carbon) in Brazil

Our Emissions Levels Evolution

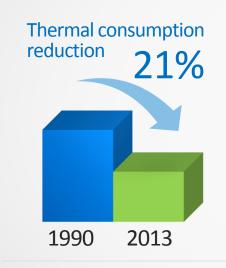


Global PM (g/ton clk)



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 Thermal Energy Matrix Evolution



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



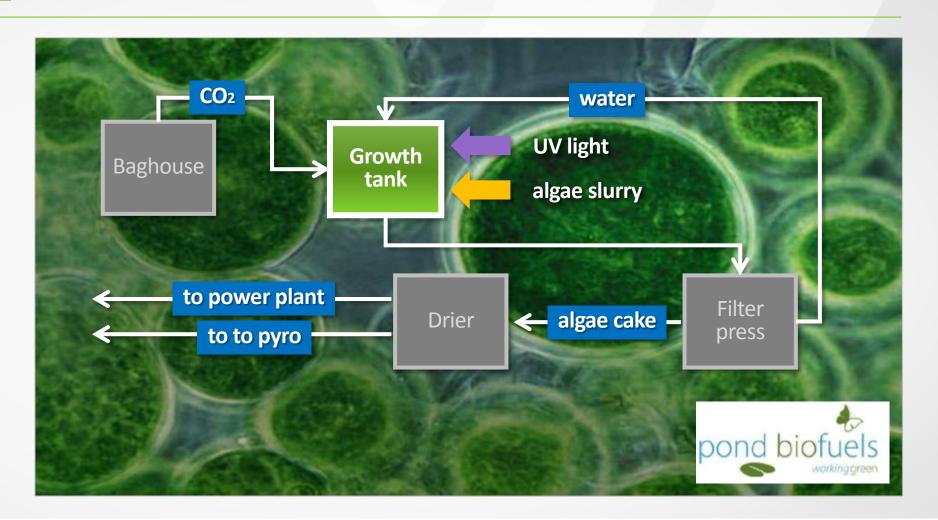


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R&D - Algae Farm in St. Mary's

Carbon dioxide emissions turned into energy

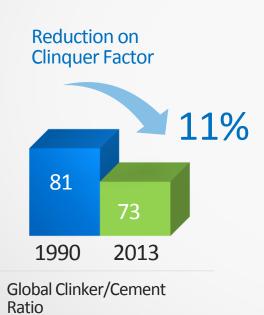
- Currently Re-tooling Pond Biofuels Algae Project with new lighting and instrumentation.
- Technology is working and scale-up engineering underway
- Increase Academic Collaboration

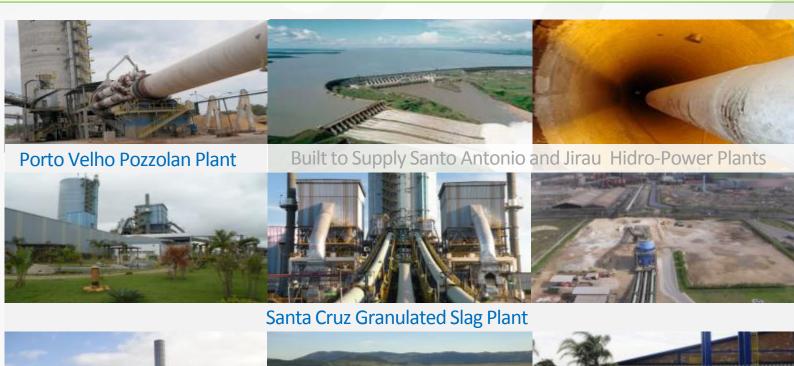




Innovate to increase product and service value while optimizing the use of resources and reducing environmental impact that can cause risks for the business

R&D - Use of Low Carbon Content Cementitious Materials







Capivari Fly Ash Plant



