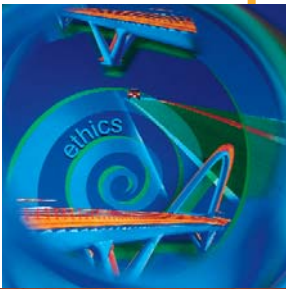




Italcementi Group

2003 Sustainable Development Report



Environment



Italcementi Group and Sustainable Development

As a worldwide business operating in 19 countries, Italcementi Group is conscious of the importance of its social role and is committed to ensuring responsible social conduct by all its affiliated companies and employees. The Group believes that Sustainable Development, as a combination of economic prosperity, environmental stewardship and social responsibility, is the basis of its own future.

In this context, Italcementi Group has initiated a wide range of actions to promote general guidelines for cement industry sustainability on an international level. As a member of the World Business Council for Sustainable Development, the Group has signed the Cement Sustainability Initiative's Agenda for Action, the first formal commitment that binds a number of world cement industry leaders to a five-year action plan that aims to satisfy present-day needs at the same time as safeguarding the requirements of future generations. As a result, the key aspects of the Group's strategy and program for Sustainable Development are: climate protection, the responsible use of fuels and raw materials, employee health and safety, emissions reduction, management of environmental and socio-economic impact at local levels, and the implementation of sustainable business processes.

The general rules of corporate governance included in Italcementi Group's Code of Conduct and Code of Ethics, as well as the Group Environmental Policy, Safety Policy and Zero Accidents Project, form the basis of the Group's policy framework for Sustainable Development.

With this Report, Italcementi Group has initiated an integrated reporting process highlighting the economic, environmental and social aspects of its operations from 2004 onward. This is an important step in putting the concept of Sustainable Development into practice in the company. This Report is based on an informal approach to the Global Reporting Initiative's 2002 Guidelines.

> A WORLD CLASS LOCAL BUSINESS

ITALCEMENTI GROUP A WORLD PRESENCE WITH

55 Cement factories
13 Grinding centers
4 Terminals**
547 Concrete plants
155 Quarries
17,102 Employees***

**including a grinding center
 ***n° employees in the consolidated area

NORTH AMERICA

USA and CANADA
Cement factories 9
Grinding centers 1
Concrete plants 5
Quarries 1
 Subsidiaries:
 ESSROC
 CEM. CORP (USA),
 RIVERTON INVESTMENT
 CORPORATION,
 SAN JUAN CEMENT
 (Puerto Rico),
 ESSROC
 (Canada),
 CIMENT QUEBEC*

AFRICA

MOROCCO
Cement factories 3
Grinding centers 1
Concrete plants 13
Quarries 3
 Subsidiaries:
 CIMENTS DU MAROC,
 PROCIMAR,
 BETOMAR

GAMBIA
Terminals 1

MAURITANIA
Terminals 1

EGYPT*
Cement factories 3
 Subsidiaries:
 SUEZ CEMENT,
 TOURAH



INFLUENCED CAPACITY IN DIFFERENT COUNTRIES⁽¹⁾



(1) 100% of installed capacity of all controlled subsidiaries and all associated companies where the Group owns a strategic shareholding



The CEO Office: (from the left) Rodolfo Danielli, Carlo Pesenti, Giampiero Pesenti, Yves René Nanot

Italcementi Group is a global cement producer now comprising a network of facilities in 19 countries thanks to a major program of international expansion in the last decade.

*** Countries where Italcementi Group does not have full control of subsidiaries:**

- **India: proportionate consolidation**
- **Egypt, Cyprus, Ciment Quebec: subsidiaries held at equity**
- **Kazakhstan: not consolidated**



EUROPE

ALBANIA
Terminals 1

BELGIUM
Cement factories 1
Concrete plants 10
Quarries 3
Subsidiary:
CCB

BULGARIA
Cement factories 2
Subsidiaries:
DEVNYA CEMENT,
VULKAN

CYPRUS*
Cement factories 1
Subsidiary:
VASSILIKO CEMENT

FRANCE
Cement factories 9
Grinding centers 1
Concrete plants 182
Quarries 80
Subsidiaries:
CIMENTS FRANÇAIS,
CIMENTS CALCIA,
GSM,
UNIBÉTON

GREECE
Cement factories 1
Concrete plants 11
Quarries 2
Subsidiaries:
HALYPS CEMENT,
ET BETON

ITALY
Cement factories 18
Grinding centers 8
Concrete plants 239
Quarries 56
Subsidiaries:
ITALCEMENTI,
CALCESTRUZZI,
SOCIETÀ DEL GRES,
CTG

SPAIN
Cement factories 3
Concrete plants 36
Quarries 9
Subsidiaries:
FINANCIERA Y MINERA,
HORNIGONES Y MINAS

ASIA

INDIA*
Cement factories 2
Subsidiaries:
ZUARI CEMENT Ltd,
SRI VISHNU

KAZAKHSTAN*
Cement factories 1
Subsidiary:
SHYMKENT CEMENT

SRI LANKA
Terminals 1

THAILAND
Cement factories 3
Concrete plants 30
Subsidiaries:
ASIA CEMENT,
JALAPRATHAN CEMENT

TURKEY
Cement factories 4
Grinding centers 2
Concrete plants 21
Quarries 1
Subsidiaries:
SET CIMENTO,
SET BETON