

Mexico GHG Program



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CEMEX Today



- CEMEX is one of the three largest cement companies in the world, with close to 97 million metric tons of production capacity. We have operations in more than 50 countries and trade relations with over 60 nations worldwide.
- Through operating subsidiaries in four continents, we are engaged in the production, distribution, marketing and sale of cement, ready-mix concrete, aggregates and clinker.
- It's also the world's leading producer of white cement and the world's largest trader of cement and clinker.

CEMEX Mexico



- CEMEX's growth in Mexico is the result of strategic investment and internal expansion, the company owns the register trademarks for Mexico most popular cement brands such as *Tolteca*, *Monterrey*, *Anáhuac*, *Maya*, *Gallo*, *Centenario* and *Campana*.
- CEMEX has established national wide coverage with infrastructure strategically located:
 - 15 Cement Plants
 - More than 238 Ready-Mix Plants
 - 67 Land Distribution Centers
 - 8 Marine Terminals
- CEMEX has a wide coverage of construction materials distributors through the *Construrama program*, a registered brand name of construction stores.



Strategy for sustainable development

- Our commitment to social responsibility guides our strategy for sustainable development which is to run an efficient and profitable business while caring for the needs of our environment and our communities. As part of an industry that relies on natural resources and energy our sustainability principles are:
 - To employ cutting-end technology to ensure energy efficiency and the optimum use of raw materials.
 - Promote a culture of environmental awareness integral health and safety.
 - Use the most effective equipment and systems to protect our people, neighbors and environment.

Guidance for sustainable development

- Our commitment to sustainable development based on:
 - Co-processing wastes
 - Use of raw materials and alternative fuels
 - Climate change and GHG emission reduction
 - Ecoefficiency Programs
 - Environmental Protection and Environmental Culture
 - Environmental Management Systems (ISO)

GHG CEMEX's Milestones



- 1994, Corporate Sustainability Strategy: Technology, EHS Culture and EMS
- 1997, Corporate CO2 Strategy: Energy optimization, Clinker substitution and Alternative fuels.
- 2002, Cement Sustainability Initiative. Cement industry CO2 protocol
- 2003, WEF Global Greenhouse Register
- 2005, **Mexico GHG Program**
- 2005, CSI Agenda for Action Report



Climate Change mitigation strategy

- CEMEX, as a member of the World Business Council for Sustainable Development (WBCSD), has worked in collaboration with our industry peers to tackle head-on significant sustainability challenges faced by the cement sector
- CEMEX participate in the WBCSD Cement Sustainability Initiative, working on 6 key areas:
 - Climate Change, Fuels and raw materials, Health and security, Emission reductions, Local impacts, business internal process
- Member of the Mexico GHG Program to promote the measurement and reporting of GHG emission by Mexican businesses. The program is based on the GHG Protocol developed by WBCSD and WRI



Mexico GHG Program



- Voluntary and Proactive partnership
- Government, NGO's and Companies collaboration
- Basic first step → Measure
- Benefit from previous experiences with WBCSD and WRI
- Synergy with other companies on the search for project reductions
- Internal motivation and stakeholders involvement
- Opportunity for prepare effective action plans and target reduction commitments

GHG Mexican Pilot Program



- CEMEX already developed a Mexican GHG Inventory based on the principles of the *"GHG Protocol: A Corporate Accounting and Reporting Standard"* .
- *As part of the CSI, CEMEX used "The CO2 Cement Protocol tool" to estimate our GHG emissions.*
- *We are actively participating with the Mexican Cement Chamber to improve the capacity building regarding GHG inventories and GHG project reductions.*
- *CEMEX México Inventory has the following characteristics:*
 - Geographical boundaries (Mexico)
 - Including Scope 1 (Direct Emissions) and Scope 2 (Indirect Emissions)
 - Consolidation criteria: Operational Control

Next Steps



- Continue participating on phase two of the Mexico GHG Program
- Develop a portfolio of GHG reduction projects
- CEMEX will continue participating on the CSI Agenda for action, according to our climate change mitigation strategy
- Promote and improve the capacity building on climate change mitigation and GHG reduction projects inside of the company

At CEMEX . . .

we help

build a better future . . .

. . . in harmony with nature





Thank you!

Gloria Godínez

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Alternative Fuels



- In order to reduce our energy costs and environmental impacts including CO2 emissions and solid wastes, we seek alternatives to traditional fossil fuels as oil, coal and natural gas.
- CEMEX has found that substitutes such as used oil and solvents, biomass, used tires and solid waste can be burned in our kilns to produce high quality cement.
- Co-processing alternative fuels and raw materials in our kilns is a cutting-end technology, hermetic and secure process
- 500,000 used tires co-processed actually



Alternative Raw Materials



- CEMEX apply a efficient solution to industrial waste disposal by using them as a alternative raw materials
- We lower energy consumption and reduce our reliance on virgin raw materials by using alternative materials such as fly ash, pozzolana, slag and synthetic gypsum to produce cement.
- In Mexico we received a Best Practices award from the Mexican Center of the Philanthropy (CEMEFI)



Ecoefficiency and CO₂ reduction



Less

Limestone

Less

CO₂

Clinker



+



=



Less

Fuel

Less

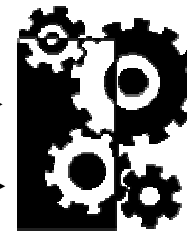
**Alternative
Fuels**



Additives

Slag

Fly Ash

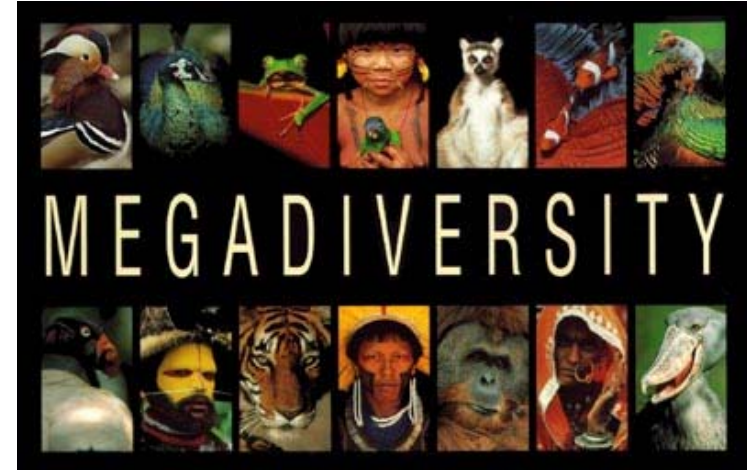


Cement



Environmental Culture and preservation

- Since 1993 we have promoted public understanding of and support for biodiversity preservation through the annual publication of conservation books.



- “El Carmen conservation initiative”, one of the most successful initiatives, located in northern Coahuila, Mexico. In partnership with NGOs we are working to preserve this unique ecosystem and the hundreds of plant, bird, mammal, reptile and amphibian species. El Carmen covers a total area of 75,000 hectares and is part of the largest most diverse frontier conservation areas in North America.



Environmental Management Systems



- All of our plants in Mexico are certified by *ISO 14001 standard*. The certification has been maintained since 1996 until today.
- Each of our locations has a Clean Industry Certificate since 2000; participating in a national environmental performance program managed by the Mexican government.

