

CODE OF CONDUCT IN THE BUZZI UNICEM GROUP

MISSION STATEMENT

“Sustainability, Integrity and Good Corporate Governance”

are key components of our ethical culture and guide our conduct towards customers, suppliers, employees, shareholders and the society.

Since the beginning of its long tradition in the cement industry – Fratelli Buzzi was established in 1907, Unicem in 1872 and Dyckerhoff in 1864 – Buzzi Unicem has been strongly committed to ethical values that through the years have guided the Company in its continuous growth to become the international group it is today. For over a century now we have been a trusted partner in the cement and building industry.

Ethical values are considered as a staple of business conduct and full compliance with local laws is an asset adding value to the Company. Both our strategic and our day-to-day business must always be based on high ethical values and legal standards.

To a substantial degree our Company’s public image is determined by our actions and by the way each and every one of us presents and conducts himself or herself. We all share the responsibility for having our Company meet its Corporate Social Responsibility in all countries where we have operating activities. This commitment to Corporate Social Responsibility, founded on sustainability, integrity and good corporate governance, is reflected in **Our Values** and our understanding of **General Business Principles** and **Global Business Policies**.

The **Code of Conduct Guidelines** apply to every employee across Buzzi Unicem. They shall help us meet the ethical and legal challenges in our day-to-day work. Any employee who has questions and comments may contact his or her supervisor or another office designated for that purpose.

Buzzi Unicem encourages its business partners to adopt the same General Business Principles and Global Business Policies in order to increase the level of Corporate Social Responsibility within the countries in which they operate.

Eng. Alessandro Buzzi

Chairman and Chief Executive Officer
Buzzi Unicem

Casale Monferrato, September 13th 2005



OUR VALUES

Our companies are leaders in the cement and concrete industries. As such, they will transact business in a responsible and sustainable manner in the cement and concrete businesses as well as in other selected businesses.

Our success is built on trust and partnership. Trust encompasses trust in our goods and services, in the integrity and honesty of our people and in the responsibility of our organization. Partnership means treating everyone with respect and dignity, striving for mutual benefits and contributing to human progress.

Our responsibilities to our stakeholders are:

1. Customers –

to provide them with products and services which deserve their trust by offering value in terms of quality, price, safety and environmental impact so they can achieve their objectives fast and effectively.

2. Suppliers –

to seek mutually beneficial relationships that are based on lawful, efficient and fair practices.

3. Employees –

to respect all our employees and to provide them with good and safe conditions of work. It is recognized that our success depends on the full commitment of each and every employees.

4. Shareholders –

to protect their investments as well as to provide an adequate return and generate profitable growth to ensure sustainable success. We leverage our balanced business portfolio, our business excellence and synergies across all segments and regions.

5. Society –

to conduct business as responsible corporate members of the society, to contribute to an environmentally sustainable development throughout our operations and to comply with the laws of the countries in which we operate.

GENERAL BUSINESS PRINCIPLES

Our Values are inseparable, interlocking and overlapping. It is the duty of management to continuously assess possible conflicts, prioritize them and discharge its responsibilities as best as it can on the basis of that assessment and prioritization.

Profitability and Business Integrity

Sustained profitability and economic success are essential to discharging the above responsibilities and staying in business. They must not be confused with short term profit maximization and are no excuse for unfair business practices. While striving for economic success Buzzi Unicem companies will insist on honesty, integrity and fairness in all aspects of their business and they expect the same in their relationships among others with whom they do business. The offer, payment, soliciting and acceptance of bribes in any form is unacceptable. Employees must avoid conflicts of interest between their personal financial activities and their part in the conduct of company business. All business transactions on behalf of a Buzzi Unicem company must be reflected accurately and fairly in the company accounts in accordance with established procedures and be subject to audit.

Sustainability

As a company that is dependent on natural resources as we are committed to sustainable development. Sustainable development starts with the health and safety of our people. All health and safety matters are managed with particular care. With our safety programs targets for improvement are set and performance is measured, appraised and reported. We also foster the understanding and encourage the implementation of sustainable development principles in corporate economic, social and environmental decisions. To this end we issue a yearly sustainability report in accordance with internationally accepted standards. Buzzi Unicem also maintains a rating as a company providing long term shareholder value through sustainable asset management.

The Community

The most important contribution that companies can make to the communities in which they operate is by performing their basic activities as effectively as possible. In addition Buzzi Unicem companies take a constructive interest in community matters. Any involvement will vary depending on the details of the respective opportunity.

BUZZI UNICEM

Competition

Buzzi Unicem companies support free enterprise. They seek to compete fairly and ethically within the framework of applicable competition laws; they will not prevent others from competing freely with them.

Political Activities

Buzzi Unicem companies are responsible participants in the markets in which they operate. In pursuit of their legitimate commercial objectives they will respect applicable laws and regulations. Buzzi Unicem companies do not make payments to political parties, organizations or their representatives. It is their right, however, and they have the responsibility to make their position known on any matter falling in their area of responsibility as described above.

Communication

Buzzi Unicem companies recognize the importance of open communication. They provide full relevant information to legitimately interested parties, subject to any overriding considerations of confidentiality and cost.

GLOBAL BUSINESS POLICIES

The General Principles above are supplemented and further explained by the Global Policies below.

Improper Payments

All countries prohibit the bribery of their own public officials, and many also prohibit the bribery of officials of other countries. Buzzi Unicem employees should not offer anything of value to obtain any improper advantage in selling goods or services, conducting financial transactions or representing the company's interest to governmental authorities. This policy does not prohibit lawful reimbursement for reasonable and bona fide expenditures, for example travel and living expenses incurred by customers.

Money Laundering

People involved in criminal activity such as drug trafficking, fraud or bribery may try to make the proceeds of their activity appear legitimate through "money laundering". Anti-money-laundering laws throughout the world prohibit the acceptance or the processing of "dirty money". Buzzi Unicem will conduct business only with reputable customers who are involved in legitimate business activities and whose funds are derived from legitimate sources. Each Buzzi Unicem company is required to take reasonable efforts to obtain enough information about prospective customers and other business partners to ensure their involvement in legitimate business activities. Buzzi Unicem employees shall comply with all applicable anti-money-laundering laws.

Privacy

In our information-based society sensitive personal information must be adequately protected. Buzzi Unicem is committed to protecting personal information that we collect from or maintain about individual employees, customers and suppliers. Each employee must take care to protect individually identifiable consumer information from inappropriate or unauthorized use or disclosure.

Supplier Relations

Buzzi Unicem bases its supplier relations on lawful, efficient and fair practices and Buzzi Unicem suppliers are expected to do the same in their business relationships. Buzzi Unicem employees shall help to ensure that the selection of suppliers is on no other basis than competitive bidding. Potential conflicts of interest in supplier selection, including the acceptance of gifts or other items of value must be in strict compliance with applicable company guidelines.

Environmental, Health and Safety (EHS)

Buzzi Unicem is committed to achieving EHS excellence. We are consistently trying to go beyond the mere compliance with all applicable EHS laws, which should be a responsibility as a matter of course for each Buzzi Unicem employees.

Fair Employment

Beyond complying with the applicable labour and employment laws, Buzzi Unicem is committed to a working environment that emphasizes the dignity and worth of every member of the organisation, wherever we operate. All employees of Buzzi Unicem are expected to avoid any improper employment discrimination including behaviour of a harassing nature. All employment-related decisions should be based on job-related criteria only (merit, qualification, etc.). All conditions of employment shall be provided without regard to a person's race, colour, religion, sex, age, disability, national origin, etc.



Government Business

Buzzi Unicem interacts with government officials and agencies as well as with state-owned enterprises. Business with all governmental bodies is conducted with the highest ethical standard and in compliance with all applicable laws and regulations, including the special requirements associated with government transactions. All Buzzi Unicem employees must strictly abide by those laws and regulations.

Competition Laws

The competition laws are a critical part of the global environment in which Buzzi Unicem operates. They govern a wide range of the Buzzi Unicem business activities, including price setting, purchasing, selling, and marketing of goods and services. Buzzi Unicem employees are responsible for complying with the applicable competition laws. They shall not propose or enter into any agreements or understandings with any competitor regarding any aspect of the competition between Buzzi Unicem and the competitor for sales to third parties, such as prices, market quotas or market territories.

Conflicts of Interest

Buzzi Unicem respects that employees may take part in legitimate financial, business and other activities outside their jobs. However, those activities must be lawful and free of conflicts with their responsibilities as Buzzi Unicem employees. Employees must not misuse Buzzi Unicem resources or influence, or discredit Buzzi Unicem's good name and reputation.

Insider Trading and Stock Tipping

Buzzi Unicem is committed to fair markets for publicly traded securities and respects the freedom of its employees to make appropriate personal investments. Buzzi Unicem employees are expected to comply with the applicable insider trading and stock tipping laws as well as with internal regulations such as the Code of Conduct on Internal Dealings, which requires the disclosure of certain transactions in securities of or related to Buzzi Unicem. Insider trading means buying or selling securities of any company while in possession of price-sensitive inside (non-public) information about the company. Stock tipping means disclosing inside information about a company for example to a colleague, relative or friend to enable the person to buy or sell stock on the basis of that information.

CORPORATE GOVERNANCE SYSTEM AND IMPLEMENTATION

This Code of Conduct is part of Buzzi Unicem's overall Corporate Governance System which integrates corporate bodies, systems and processes to ensure that the company is efficiently managed to the highest corporate standards.

It is the responsibility of each company or group of companies that the Code of Conduct Guidelines above, as revised and amended from time to time, are implemented and complied within their organizations. Additional rules may be adopted by each company or group of companies in order to address the specific needs of their organizations. In no case shall any additional rule contravene or lower the standards set by this Code. If any rules are conflicting, the provisions of this Code of Conduct shall prevail.

Each entity within Buzzi Unicem shall provide information and assistance to help all employees understand and live up to the spirit of the Code. Managers and supervisors are expected to provide advice and guidance to all employees on matters relating to the Code. They must take the lead by being open and honest about business conduct.

Violations of the Code, applicable laws or regulations can have severe consequences for Buzzi Unicem. Some violations may be criminal in nature and punishable by fine or imprisonment of individuals. Employees who violate the Code, applicable laws or regulations are subject to disciplinary action.

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