

# Strategic Vision

To be a world-class international steel company



Shipping and receiving area

■ For the Gerdau Group, being a world-class international steel company is not just a matter of a wide geographical presence. It means thinking as a global player at all levels and offering outstanding performance that meets the most demanding quality standards.

■ This challenge is currently being transformed into a strategic map with targets and indicators that will gradually be incorporated as part of the daily work routine of each of Gerdau's 19,000 professionals. The project is currently at different stages of implementation in the Company's units and will allow the Board of Directors to keep a close eye on planning development while clearly communicating the Group's objectives to the entire organization, thereby encouraging the dedication of the employees.

■ A key feature in the achievement of world class standards is the philosophy of customer focus, which is fundamental to the perpetuation of the Company. This policy was reinforced in 2002 with the development of new tools for establishing partnerships that will contribute to the growth of business with customers.

■ The Gerdau Group also follows principles of sustainable economic development, reflected in the values that have been a part of its history. In all its activities, Gerdau is committed to balancing short and long term economic, social and environmental demands, working to guarantee continuous, above market average returns to its shareholders without compromising future performance. As the Company seeks new business opportunities, priority is given to determining the needs for improvements that will result in the achievement of greater efficiency in the shortest possible time, with the aim of consolidating the financial solidity of its operations.

■ As one of the world's largest recyclers, Gerdau produces steel within a vision of environmental efficiency, using steel scrap, derived from obsolete objects disposed of by society, and iron ore, one of the most abundant of nature's raw materials. It also seeks to optimize the use of natural resources while achieving ever-decreasing levels of waste emission, meeting and exceeding legal requirements.

■ In the social area, the Company encourages the exchange of know-how through activities in a range of areas, including education, health and culture, because it is convinced that there is no development without quality of life.

