

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER COMPENSATION

**On February 18, 2010, based on the Remunerations Committee's recommendations, the Board of Directors reviewed and decided on the Chairman and Chief Executive Officer's compensation (fixed annual compensation and performance-related pay), Mr Bruno Lafont.**

### **2010 fixed annual compensation:**

- The fixed annual remuneration for 2010 was set by the Board of Directors at 950.000 €

### **2009 performance-related pay (to be paid in 2010):**

- The Board of Directors decided to set the percentage of the 2009 performance-related pay due to our Chairman and Chief Executive Officer at 70,5% of his maximum performance-related portion, which amounts to 1.016.100 € paid in 2010. This performance corresponds to an achievement at 62,4% of the financial objectives (the objective of generation of free cash flow being the only one fully achieved) and to 95% of the personal objectives.

The performance-related portion might be up to 160 % of his fixed remuneration. 75 % of performance-related pay is based on the financial results of the Group in comparison to objectives set at the beginning of the year and 25 % is based on his individual performance also determined by reference to personal objectives set at the beginning of the year.

For 2009, financial objectives used to determine performance-related pay were the change in earnings per share the generation of free cash flow the change in economic value-added, which reflects the return on capital employed , and the change in Lafarge's performance compared to its competitors. For their part, personal objectives related to the Group's strategy, the financial structure, the development of the health and safety program, human resources and people development and relations with investors and shareholders.

Full information on corporate governance and compensation and benefits granted to the executive director is detailed in the Group's annual reports.

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