

OUR PERFORMANCE IN 2009

Climate change management

At Lafarge we are acting to reduce the carbon intensity of our products and our processes. This does not come from any one single factor. It is the result of a number of different actions and requires us to measure, improve and set targets for a range of factors.

HOW WE ACHIEVED OUR 20% CUT IN NET EMISSIONS

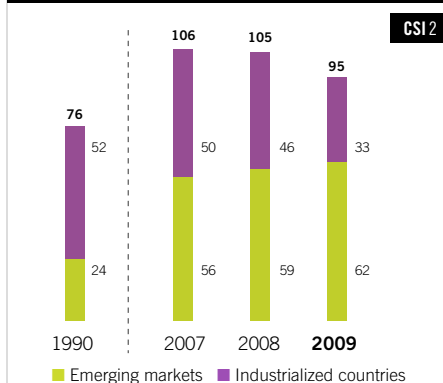
Lafarge has reduced net emissions per ton of cementitious product from 774 in 1990 to 614 in 2009. The single biggest contributor to this change has been the reduction in our clinker/cement factor. In 1990 clinker composed 84% of our cement; by 2009 we had reduced this to 75%. Just over half of the increase in net emissions per ton is due to this factor. The second biggest factor is the improved Specific heat consumption of our plants. This has come through investment : building and opening new plants, closing old and inefficient plants and improving some other plants. This accounts for 35% of the overall improvement made. The remainder of the improvement comes from increased use of alternative fuels.

REDUCING GROSS ABSOLUTE EMISSIONS IN INDUSTRIALIZED COUNTRIES

Over the period 1990 to 2007 our production of cement in industrialized countries increased by 7% but our commitment to increasing our efficiency led to a 5% drop in our gross absolute emissions. Since 2007 we have continued to increase our efficiency but the greater part of our 38% reduction over 1990 is due to decreased demand resulting from the economic crisis.

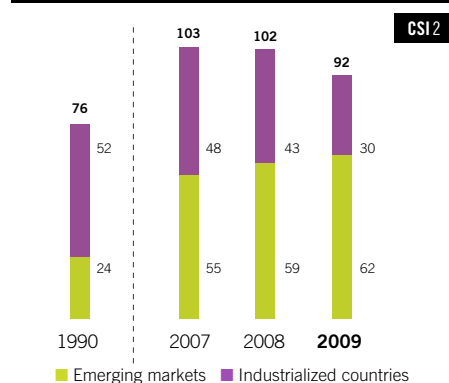
MANAGING OUR CARBON EMISSIONS (SCOPE 1)

Lafarge total gross CO₂ emissions (millions of tons/year) **EY** **SA 12** **EN16**



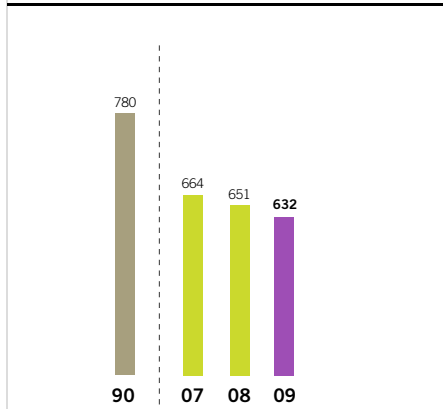
Our gross emissions declined in 2009, mainly due to the impact of the recession. Overall our gross emissions have grown by a quarter over 1990. Gross emissions in industrialized countries have seen a reduction of 38%, emerging markets have more than doubled.

Lafarge total net CO₂ emissions* (millions of tons/year) **EY** **SA 12** **EN16**



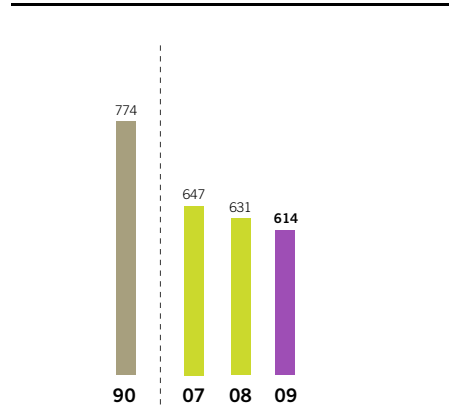
Net emissions decreased in 2009 mainly due to the recession. Over 1990 net emissions rose by 22%. Industrialized countries saw a 42% decline while emerging economies net emissions are just over two and a half times higher than in 1990.

Gross CO₂ emissions (per ton of cementitious product) **EY** **SA 12** **CSI 13**



Our gross emissions per ton were 19% down on 1990 levels.

Net CO₂ emissions* (per ton of cementitious product) **EY** **SA 12** **CSI 13** **B**



Our net emissions per ton were 20.7% down on 1990 levels, achieving our Sustainability Ambition for this measure one year ahead of target. For 2008 we were able to benchmark ourselves against seven other companies and Lafarge was first out of the group surveyed.

*Net CO₂ emissions are the gross emissions less the emissions that come from burning waste.