

Lafarge Sustainability Report 2008 - GRI content index

GRI G3 Guidelines	Level of reporting 2008	Reference/ comments
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COLOUR KEY

COMPANY PROFILE DISCLOSURES (Governance + Strategy items)
MANAGEMENT APPROACH DISCLOSURES (6 Performance Areas)
CORE PERFORMANCE INDICATORS
ADDITIONAL PERFORMANCE INDICATORS

FULLY REPORTED
PARTIALLY REPORTED
NOT REPORTED
NOT MATERIAL FACTOR FOR LAFARGE

1.1 Statement from the most senior decisionmaker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.		Page 2 CEO introduction
1.2 Description of key risks and opportunities		AR2008 Pages 12-19 Material risks faced by the Group
2.1 Name of the organisation		Lafarge S. A. and its associated subsidiaries
2.2 Primary brands products and/or services, The reporting organisation should indicate the nature of its role in providing these products and services, and the degree to which it utilises outsourcing		Page IFC Lafarge presence in the world; Page 6/7 Understanding the processes; AR2008 pages 26-36 Business description
2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.		Page 10 Section A three-level organisation, page 17 Section Our structure, AR2008 Page 39 Organizational structure
2.4 Location of organisation's headquarters		61 rue des Belles Feuilles 75782 Paris
2.5 Number of countries where the organisation operates, and the names of the countries with either major operations or that are specifically relevant to the sustainability issues covered in the report		Page IFC Lafarge presence in the world; AR2008 pages 2-5
2.6 Nature of ownership and legal form		A société anonyme organised under French law
2.7 Markets served (including geographical breakdown, sectors served, types of customers/beneficiaries)		Pages 8-9 Understanding the industry , pages 10-11 Understanding Lafarge, 50-53 Customers; AR2008 pages 19-31

<p>2.8 Scale of reporting organisation, including; number of employees, net sales (for private sector organisations) or net revenues (for public sector organisations; and total capitalisation broken down in terms of debt and equity (for private sector organisations) and quantity of products and services provided. Reporting organisations encouraged to provide additional information; total assets; beneficial ownership (including identity and percentage of ownership of largest shareholders); and breakdowns by country/region of the following: • Sales/revenues by countries/regions that make up 5 percent or more of total revenues; • Costs by countries/regions that make up 5 percent or more of total revenues; and • Employees.</p>		<p>Page IFC Lafarge presence in the world, 10-11 Understanding Lafarge; AR2008 especially pages 2-5</p>
<p>2.9 Significant changes during the reporting period regarding size, structure or ownership, including: the location of, or changes in operations including facility openings, closings and expansions and changes in the share capital structure and other capital formation, maintenance and alteration operations</p>		<p>AR2008 page 24</p>
<p>2.10 Awards received in the reporting period</p>		<p>1) The Lafarge website, www.lafarge.com, has been recognized for its accessibility, earning it a “Silver” rating under the French Accessiweb label and an A grade from the European label, Euracert. The Lafarge website is the first CAC 40 company website to receive these labels. 2) Lafarge received 4 National Stars of Excellence awards in 2008 from the NSSGA (National Stone, Sand and Gravel Association) , two 3 stars awards and two 2 stars awards. 3) ScotAsh, a joint venture between Lafarge Cement UK and the energy provider ScottishPower received the Queen's Award for Enterprise in the Sustainable Development category.</p>
<p>3.1 Reporting period (e.g., fiscal/calendar year) for information provided</p>		<p>1 January 2008 to 31 December 2008</p>
<p>3.2 Date of most recent report if any</p>		<p>2007</p>
<p>3.3 Reporting cycle (annual, biennial, etc.)</p>		<p>Annual</p>
<p>3.4 Contact point for questions regarding the report and its context</p>		<p>Back cover</p>
<p>3.5 Process for defining report content, including determining materiality, prioritising topics within the report and identifying the stakeholders that the organisation expects to use the report. Include an explanation of how the organisation has applied the <i>Guidance on Defining Report Content</i> and the associated principles</p>		<p>In producing this report, we considered learnings from producing the Sustainability Report 2007, peer practices, stakeholder panel comments and external standards, including GRI (please see how we've responded to the GRI principles under the following link (WEBLINK TO BE ENTERED))</p>
<p>3.6 Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers) See GRI Boundary Protocol for further guidance</p>		<p>Pages 62 Reporting methodology</p>
<p>3.7 State any specific limitations on the scope or boundary of the report. If boundary and scope do not address the full range of material economic, environmental, and social impacts of the organisation, state the strategy and the projected timeline for providing complete coverage</p>		<p>This is a full scope report.</p>
<p>3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations</p>		<p>Pages 62 Reporting methodology</p>

3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols		Pages 62 Reporting methodology
3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such restatement (e.g. mergers/acquisitions, change of base year/periods, nature of business, measurement methods)		Not applicable, see page 62 Reporting methodology
3.11 Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report		For full treatment of this matter, please refer to page 62 Reporting methodology and Page 69 Ernst & Young Assurance Statement
3.12 GRI Context Index Table identifying the location of the Standard Disclosures in the report. Identify the page number or weblinks where the following can be found: Strategy and analysis 1.1-1.2; Organisational profile 2.1-2.10; Report parameters 3.1-3.13; Governance, commitments and engagement 4.1-4.17; Disclosure of management approach per category, Core performance indicators, Any additional GRI indicators that were included, any GRI sector supplement indicators included in the report		This is the Content Index Table.
3.13 Policy and current practice with regard to seeking independent assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organisation and the assurance provider(s)		Page 69 Ernst & Young Assurance statement
4.1 Governance structure of the organisation including committees under the highest governance body responsible for specific tasks such as setting strategy or organisational oversight. Describe the mandate and composition (including the number of independent members and/or non-executive members) of such committees and indicate any direct responsibility for economic, social and environmental performance)		Page 13 Section Proper governance; AR2008 pages 89-122
4.2 Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).		The Chair is an executive officer. The separation of the roles of Chairman and Chief Executive Office, enabled a progressive transition in the Group's management/leadership; however when Bertrand Collomb's mandate came to an end, having reached the maximum age limit, the Board of Directors did not consider it appropriate to continue this separation of roles. After the transition phase, the Board considered that it would be better to reunite/reunify the two roles. Bruno Lafont advised the Board to name an independent director as Vice-Chairman of the Board, so as to ensure the best possible functioning of the Board under this new configuration. This is a new approach in France, showing proof of Lafarge's willingness to make further progress in governance within our Board.
4.3 For organisations that have a unitary board structure state the number of members of the highest governance body that are independent and/or non-executive directors. State how the organisation defines 'independent' and 'non-executive'. This element applies only for organisations that have unitary board structures. See the glossary for a definition of 'independent'.		Page 13 section Proper governance; AR2008 pages 89-122

<p>4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body. Include references to processes regarding: the use of shareholder resolutions or other mechanisms for enabling minority shareholders to express opinions to the highest governance body: and informing and consulting employees about working relationships with formal representation bodies such as organisation level works councils and representation of employees in the highest governance body. Identify topics related to economic, environmental and social performance raised through these mechanisms during the reporting period.</p>		<p>We note that 34.9% group equity is represented on the Board through individual board members. At our AGM a single shareholder holding 0.5% of the equity can put down a resolution. Lafarge has a Shareholders Consultative Committee that has two formal meetings per year with Chairman/CEO and site visits. The Secretary of the European Works Council is an ex-officio member of the Stakeholder Panel that meets twice a year, with one of the meetings being with the Chairman/CEO and Excom.</p>
<p>4.5 Linkage between compensation for members of the highest governance body, senior managers and executives (including departure arrangements) and the organisation's performance (including social and environmental performance)</p>		<p>A full description of the system for rewarding senior executives can be found in AR2008 pages 110-119.</p>
<p>4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided.</p>		<p>AR2008 page 101</p>
<p>4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental and social topics</p>		<p>The Corporate Governance and Nominations Committee of the Board of Directors has special responsibility for examining the succession plans for executive corporate officer and the selection of new Directors. The proposal made by this Committee to the Board Committee on the appointments of the candidates to the office of Director are guided by the interests of the Company and all its shareholders. They take into account the balance of the Board's composition. They ensure that each Director possesses the necessary qualities, experience and competence (including on strategy, economic, environmental and social topics) thereby enabling the Board to perform its duties effectively.</p>
<p>4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental and social performance and the status of their implementation Explain the degree to which these: are applied across the organisation in different regions and department/units; and, relate to internationally agreed standards</p>		<p>Page 12 Code of Business Conduct training enriched by third parties</p>
<p>4.9 Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct and principles Include the frequency with which the highest governance body assesses sustainability performance</p>		<p>Page 13-14 Proper governance</p>
<p>4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.</p>		<p>Page 13-14 Proper governance and AR2008 page 108 Section 53.3</p>
<p>4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organisation Article 15 of the Rio Principles introduced the precautionary approach. A response to 4.11 could address the organisation's approach to risk management in operational planning or the development and introduction of new products</p>		<p>Throughout but particularly in pages 4-5 Sustainability Ambitions, 26-27 Quarrying and biodiversity, 28-35 Climate change, 36-39 Environment</p>

<p>4.12 Externally developed, economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or endorses. Include the date of adoption, countries/operations where applied, and the range of stakeholders involved in the development and governance of these initiatives (e.g. multi-stakeholder, etc). Differentiate between non-binding, voluntary initiatives and those with which the organisation has an obligation to comply</p>		<p>March 20th 2003 : Membership of the United Nations Global Compact. Applied throughout the Lafarge Group October 22nd 2004 : Signature of the "Charte de la Diversité", in force throughout French operations January 10th 2005 : Global 5 year partnership between Lafarge and Habitat for Humanity International - Commitments for the Group and all its subsidiaries September 12th 2005 : agreement on Corporate Social Responsibility & International Industrial Relations between Lafarge/IFBWW, ICEM, & WFBW. Applied throughout the group. Commitment to comply with the ILO declaration on fundamental principles and rights at work, ILO tripartite declaration of principles concerning multinational enterprises & social policy, United Nations Global Compact and OECD guidelines for multinational enterprises. We have been members of the Global Business Coalition on HIV/AIDS since 2002 Our partnership with WWF International was renewed for another 3 years until 2012. Our partnership with CARE France has also been renewed until 2012.</p>
<p>4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: • Has positions in governance bodies; • Participates in projects or committees; • Provides substantive funding beyond routine membership dues; or • Views membership as strategic. This refers primarily to memberships maintained at the organizational level.</p>		<p>AFEP (Association Française des Entreprises Privées) CCA (Chinese cement association- Lafarge provides the Vice-President) Cembureau (EU cement association) CSI (Cement Sustainability Initiative - Lafarge is co-chair) ERT (European Round Table of Industrialists - founder) Global Business Coalition on HIV/AIDS (Bertrand Collomb is Vice-Chairman) Institut du Développement Durable and Relations Internationales (Board Member) PCA (US cement association) WBCSD (Founder, Bertrand Collomb was chairman of WBCSD in 2004-2005)</p>
<p>4.14 List of stakeholder groups engaged by organisations. Examples of stakeholder groups are communities, civil society, customers, shareholders and providers of capital, suppliers, and employees, other workers and their trade unions</p>		<p>Page 16 Identifying and working with stakeholders, page 17 Other influences and page 56 Meeting our Sustainability Ambitions on local stakeholders</p>
<p>4.15 Basis for identification and selection of stakeholders with whom to engage. This includes the organisation's process for defining its stakeholder groups, and for determining the groups with which to engage and not to engage</p>		<p>Page 16 Identifying and working with stakeholders, page 17 Other influences and page 56 Meeting our Sustainability Ambitions on local stakeholders</p>
<p>4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group. This could include surveys, focus groups, community panels, corporate advisory panels, written communication, management/union structures, and other vehicles. The organization should indicate whether any of the engagement was undertaken specifically as part of the report preparation process.</p>		<p>Page 16 Identifying and working with stakeholders, page 17 Other influences and page 56 Meeting our Sustainability Ambitions on local stakeholders</p>
<p>4.17 Key topics and concerns that have been raised through stakeholder engagement and how the organisation has responded to those key topics and concerns, including through its reporting</p>		<p>Both individual stakeholder comments and those of the common views of the Stakeholder panel outlined on page 23 of our <i>Sustainability Report 2007</i> have been noted, analysed and taken into account. The Lafarge response is set out on page 22 of the <i>Sustainability Report 2008</i>. Other stakeholder feedback received throughout the year has informed the content and structure of individual sections.</p>

Economic Performance (Management Approach)		In our report we have set out to include coverage of the economic implications of sustainability most fully. This is particularly the case in pages 1-11 Establishing understanding. These matters are also addressed very fully in AR2008 particularly in Group Profile, Risk Factors and Operating and Financial Review and Prospects. For fuller consideration of the sustainability elements of market presence see also Emerging economies pages 40-43. The responsible senior officer is the Senior Vice President Sustainable Development and Public Affairs.																																				
EC1 Direct Economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments (core)		Page 11 section Cash value added (2008)																																				
EC2 Financial implications and other risks and opportunities for the organisation's activities due to climate change (core)		Pages 28-31 Climate change																																				
EC3 Coverage of organisation's defined benefit plan obligations (core)		AR2008 page 48 and Consolidated Statements Note 23																																				
EC4 Significant financial assistance received from government (core)		Not a material issue, no significant financial assistance received from government																																				
EC5 Range of ratios of standard entry level wage compared to the local minimum wage at significant locations of operation (Additional)		<p>For workers it varies from 0 to 20% above local minimum. For managers it goes up to 100% above minimum. Below are some examples in different countries and business lines.</p> <table border="1" data-bbox="1178 667 2157 1019"> <thead> <tr> <th></th> <th>LAFARGE MINIMUM SALARY</th> <th>SECTOR MINIMUM SALARY</th> <th>STATUTORY MINIMUM SALARY (base 100)</th> </tr> </thead> <tbody> <tr> <td>Brazil - Gypsum</td> <td>123</td> <td>100</td> <td>100</td> </tr> <tr> <td>Greece - Cement</td> <td>122</td> <td>108</td> <td>100</td> </tr> <tr> <td>Morocco - Cement</td> <td>216</td> <td>100</td> <td>100</td> </tr> <tr> <td>Pakistan - Cement</td> <td>138</td> <td>100</td> <td>100</td> </tr> <tr> <td>Romania - Aggregates & Concrete</td> <td>143</td> <td>114</td> <td>100</td> </tr> <tr> <td>Turkey - Aggregates & Concrete</td> <td>116</td> <td>100</td> <td>100</td> </tr> <tr> <td>Ukraine - Gypsum</td> <td>157</td> <td>135</td> <td>100</td> </tr> <tr> <td>Vietnam - Cement</td> <td>395</td> <td>200</td> <td>100</td> </tr> </tbody> </table>		LAFARGE MINIMUM SALARY	SECTOR MINIMUM SALARY	STATUTORY MINIMUM SALARY (base 100)	Brazil - Gypsum	123	100	100	Greece - Cement	122	108	100	Morocco - Cement	216	100	100	Pakistan - Cement	138	100	100	Romania - Aggregates & Concrete	143	114	100	Turkey - Aggregates & Concrete	116	100	100	Ukraine - Gypsum	157	135	100	Vietnam - Cement	395	200	100
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EC6 Policy, practices and proportion of spending on locally based suppliers at significant locations of operation (core)		There are no current plans to measure this systematically across the Group, however from individual cases we know that impact is mainly local, e.g. see India case study page 25.																																				
EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation. (core)		Page 46 Section International diversity, page 41-42 Benefiting from local skilled employees (China)																																				
EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro-bono engagement (core)		As part of our global partnerships, we will start measuring our impacts in this area, please see Page 59 for next steps forseen.																																				

Environmental performance (Management Approach)		This is fully addressed in our <i>Sustainability Ambitions 2012</i> on page 5. For further explanation see also the sub-sections <i>Our structure</i> and <i>Real progress through our Sustainability Ambitions</i> page 13, <i>Public Affairs organisation</i> page 20, <i>Managing our impacts, delivering, best practice managing risk</i> page 36. In this, as in other areas, note the importance that Lafarge affords to full engagement with external organisations and experts notably <i>Stakeholder panel</i> principally pages 22-23, <i>Our International Biodiversity Advisory Panel</i> page 26, <i>Our history of global partnerships</i> page 54. The responsible senior officers are the three Vice Presidents Environment and the Vice President Climate Change Initiatives, see back cover for further details.
EN1 Materials used by weight or volume (core)		Page 34 197million tonnes of raw materials used, including limestone and clay
EN2 Percentage of materials used that are recycled input materials (core)		Page 27 Use of alternative materials as a percentage of material consumed
EN3 Direct energy consumption by primary energy source (core)		Page 66 Total energy consumption/ Page 33 Fuel mix in the cement business
EN4 Indirect energy consumption by primary source (core)		In 2008 Lafarge purchased 15877417 MWh of electricity, of which 3144392 MWh was from renewable sources.
EN5 Energy saved due to conservation and efficiency improvements (additional)		Page 32-35
EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reduction in energy requirements as a result of these initiatives (additional)		Pages 52-53
EN8 Total water withdrawn by source (core)		Page 39 Water Currently not reporting, but we have plans in place to collect data according to GRI guidelines for 2009
EN10 Percentage and total volume of water recycled and reused (additional)		Currently we report on the percentage of sites with a water recycling system, see page 66. However, we have also put plans in place to collect data according to GRI guidelines for 2009, see page 39 Water.
EN11 Location and size of land owned, leased or managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas (core)		We are in the process of assessing the value of biodiversity in or around our quarry sites through a process completed at 52%. See our current reporting on this topic on page 27 Making progress on biodiversity.
EN12 Description of significant impact of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas (core)		Page 26- 27 Quarrying and biodiversity
EN13 Habitats protected or restored (additional)		Page 26-27 Quarrying and biodiversity, especially see Case study ' <i>Biodiversity near Toledo, Spain</i> '
EN14 Strategies, current actions, and future plans for managing impacts on diversity (additional)		Page 26- 27 Quarrying and biodiversity
EN16 Total direct and indirect greenhouse gas emissions by weight (core)		Page 33-35 Please also see our answers to Question 2 (b) (i)(y) in our submission to the Carbon Disclosure Project at http://sustainabilityreport.lafarge.com
EN17 Other relevant indirect greenhouse gas emissions by weight (Core)		Page 35 Section Our indirect emissions: Scope 2 and 3 Please also see our answers to Question 2 (c) (i) in our submission to the Carbon Disclosure Project at http://sustainabilityreport.lafarge.com
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved (Additional)		Page 4 Redutions achieved; Page 32-35 Initiatives explained throughout Please also our answers to Question 3 (a) in our submission to the Carbon Disclosure Project at http://sustainabilityreport.lafarge.com
EN19 Emissions of ozone depleting substances by weight (core)		Not material as we are neither producers of Ozone depleting substances (CFCs) nor significant users of (CFCs) in our activities.

EN20 NOx SOx and other significant air emissions by type and weight (core)		Page 36-39 NOx, SOx, stack dust emissions, persistent pollutants
EN21 Total water discharge by quality and destination (core)		Currently not reporting, please see page 39 for our plans to collect data according to GRI guidelines in 2009.
EN22 Total weight of waste by type and disposal method (core)		Page 66 Indicator: Waste disposed of/ Page 39 Waste In all cases disposal is in line with local regulatory regimes for waste; some cement waste is disposed of on site.
EN23 Total number and volume of significant spills (core)		Two spills have been recorded during 2008. These were oil spills during delivery to the plant and were cleaned up immediately following certified procedures.
EN26 Initiatives to mitigate environmental impacts of products and services and extent of impact mitigation (core)		Pages 28-35 Climate change, 50-53 Customers
EN27 Percentage of products sold and their packaging materials that are reclaimed by category (core)		Not a material issue in the industry given the small percentage that packaging represents.
EN28 Monetary value of significant fines and total number of non-monetary sanctions for, non-compliance with environmental laws and regulations (core)		AR2008 Page F-79 Note 29
EN29 Significant environmental impacts of transporting goods and materials used for organisation's operations, and transporting members of the workforce (additional)		Our transport activities represent a relatively small part of our total carbon and environmental footprints. Nonetheless we are involved in a number of initiatives to mitigate the impact of transport, including biofuels, logistic optimisation and switching transport modes.
EN30 Total environmental protection expenditure and investments by type (additional)		Page 39 Environmental and safety investments
Product responsibility (Management Approach)		The management aspects of product responsibility are principally addressed in <i>Sustainability Ambitions 2012</i> page 4, <i>Customers and solutions</i> pages 50-53 most particularly in the sub-sections <i>Setting sustainability ambitions for customer relationships</i> and <i>Constantly innovating to deliver solutions</i> . Given the overall Lafarge business strategy these matters are fully addressed in the <i>2008 Annual Report</i> , see especially <i>Our strategy</i> page 22 and <i>Research and development</i> page 44. The responsible senior officer is the Senior Vice President Sustainable Development and Public Affairs.
PR1 Life cycle stages in which the health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures (core)		Please refer to pages 50-53 Customers, Lafarge does not currently collect this data in the format prescribed by GRI but will be collecting and publishing more detailed performance data next year
PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements (core)		Not a material issue as our products not component based, sourcing, safe usage and disposal not issues raised by our stakeholders
PR5 Practices related to customer satisfaction, including results of survey measuring customer satisfaction (additional)		Page 4 See Sustainability Ambition on customer satisfaction
PR6 Programmes for adherence to laws, standards and voluntary codes related to marketing communications including advertising, promotion and sponsorship (Core)		There are no current plans to develop measurement in this area. Lafarge has no specific programmes beyond general compliance with law and voluntary pursuit of best practice inherent in our overall position.
PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services (core)		AR2008 Page F79 note 29

Labour practices and decent work (Management Approach)		The management aspects of labour practices are principally addressed in <i>Sustainability Ambitions 2012</i> page 4, sub-section on <i>Human Rights</i> page 14, also see our section on integrating new acquisitions pages 18-19, coverage of sub-contractors pages 24-25, <i>Employees</i> pages 44-47, <i>Health and safety</i> page 48. The responsible senior officer is the Vice President, Social Policies.
LA1 Total workforce by employment type, employment contract and region (core)		Page 67 Percentage of full-time, part-time, permanent, fixed term and temporary employees / AR2008 Page 5 Group's employees by region
LA2 Total number and rate of employee turnover by age group, gender and region (core)		Page 67 Total number of resignations, retirements, redundancies Staff turnover is consolidated at global level.
LA4 Percentage of employees covered by collective bargaining agreements (core)		Page 47 A large majority of our employees are represented by unions or elected representatives; these negotiate collective agreements at site or business unit level. In some countries collective negotiation sometimes takes place at sectoral or national level.
LA5 Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements (core)		Notice periods are in place for all significant changes but the duration varies according to the number of employees concerned, the complexity of the changes and local law. As we manage long term activities, we can anticipate these changes. Our Employment Policy is based on 3 principles: efficiency, solidarity and anticipation. We prepare employees for any organisational changes through training and skills development. See also page 47 for data on information and consultation with employees on operational changes.
LA6 Percentage of workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes (additional)		Page 67 One of the Group's 11 Health & Safety Rules agreed in 2006 states: "Organization: All units must have a Health & Safety committee, composed of managers and relevant experts and partners." At the end of 2008, 92% of our total workforce was represented in Health & Safety committees.
LA7 Rates of injury, occupational diseases, lost days and absenteeism and total number of work related fatalities by region (core)		Page 48 Lost time injury frequency rate / Page 67 Lost time injury severity rate; Fatality rate We do not consolidate this information by region at present, as for management purposes it makes more sense for the business to track this information by business line. Currently we track lost days at it relates to work related accidents but not general absenteeism information, as this is not a priority for Lafarge. As for Occupational Diseases, we do not have consolidated data yet, but are in the process of pulling this data together in near future.
LA8 Education, training, counselling, prevention and risk-control programmes in place to assist workforce members, their families or community members regarding serious diseases (core)		Pages 46-47 HIV/Aids and Malaria programmes. There is also a health assistance programme with I SOS, aiming for an optimal positioning in order to be in best position to fight against major threats (i.e. Cholera in South Africa) or support any employee worldwide. We also have clinics in many African countries.

LA9 Health and safety topics covered in formal agreements with trade unions (additional)		Page 47 At global level, health, safety and working conditions are topics covered by the global agreement between international trade unions and the Lafarge Group. Safety is the number one priority at Group level. At local level, all employees and their representatives are accounted for by this priority. This is achieved through safety audits, safety meetings and Health & Safety committee meetings. Topics covered include implementation of health and safety standards, accident mitigation and sharing best practice.
LA10 Average hours of training per year per employee by employee category (core)		Page 45 - At Group level, the average number of hours of training received during 2008 increased to 44 for managers and 29 for non managers.
LA12 Percentage of employees receiving regular performance and career development reviews (additional)		Page 45 - 96% of managers and 55% of the non managerial staff had an annual performance review in 2008.
LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity (core)		<p>For gender, please see page 45 - We report on the percentage of women by employee category. We also collect data on the percentage of women by region, see below. This data covers all employee categories.</p> <p>% Women by region (to be updated with 2008 data)</p> <p>Western Europe - 15% North America - 14% Central/Eastern Europe - 24% Middle East - 6% Latin America - 11% Sub-Saharan Africa - 12% Asia - 21%</p> <p>For age group, please see page 66 - Percentage of employees by age group</p> <p>Minority group membership and disability are defined locally. As definitions may vary and the local legislation in some countries prohibits such data collection, we do not consolidate such diversity data.</p>
LA14 Ratio of basic salary of men to women by employee category (core)		<p>For non-manager staff we do not aggregate the ratio of basic salary of men to women at Group level, as we are present in 74 countries in 4 different activities but men and women are managed by identical systems of qualification and remuneration in each given country.</p> <p>All managerial jobs are weighted using the Hay methodology (based on the jobs description); salary ranges and bonus opportunities are determined according to Lafarge job grades; these differ from country to country and are determined by an active management decision, taking into account the business approach, the market median, the competitive situation and the economic environment in each country. Business Units are responsible for ensuring that there is no discrimination between men and women. What is true for non managers at country level, is also true for managers at global level. Average salaries for female and male senior managers and executives are reviewed and controlled at Division and Group level. Through our business conduct line no issues were raised on this topic in 2008.</p>

Human rights (Management Approach)		The management aspects of human rights are principally addressed in <i>Sustainability Ambitions 2012</i> page 4, sub-section on <i>Human Rights</i> page 14, also see our section on integrating new acquisitions pages 18-19, coverage of sub-contractors pages 24-25, <i>Employees</i> pages 44-47. The responsible senior officer is the Senior Vice President Sustainable Development and Public Affairs. As noted in the report this is an area where Lafarge is currently reviewing, strengthening and developing policy and practice with appropriate expert external input
HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening (core)		See page 14 Section: Human rights for our progress in this area. Data is not available yet, we are currently formulating a policy, which is also including provisions for measurement.
HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and action taken (core)		See page 14 Section: Human rights for our progress in this area. Data is not available yet, we are currently formulating a policy, which is also including provisions for measurement.
HR4 Total number of incidents of discrimination and actions taken (core)		In 2008 no incidents related to breach of our Code of Business Conduct principles concerning discrimination were reported through our business conduct line. Through our social reporting questionnaire we know that 7 Business Units have been involved in an administrative or court case in 2008 regarding alleged discrimination and 100% of them have taken corrective actions at local level.
HR5 Operations identified in which the right to exercise of freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights (core)		Please see pages pages 47 and 56. Social dialogue is included in our Principles of Action. At global level with International and European trade unions and representatives. At local level, 65% of Lafarge employees are represented by elected staff representatives and/or unions. As soon as a risk is locally identified, it is signaled to the international federations and a solution is identified at Group level.
HR6 Operations identified as having significant risk for incidents of child labour and measures taken to contribute to the elimination of child labour (core)		In the 80 countries where we operate, we have checked with our Business Units, as well as our subcontractors that they comply with local laws or international conventions on minimum age for our workers. In 2008 66% of our Business Units have a procedure in place to control and contribute to the elimination of this risk.
HR7 Operations identified as having significant risk for incidents of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour. (core)		In the 80 countries where we operate, we have checked with our Business Units, as well as our subcontractors that they comply with local laws or international conventions and do not use forced labour. In 2008 59% of our Business Units have a procedure in place to control and contribute to the elimination of this risk.
HR8 Percentage of security personnel trained in organisation's policies or procedures concerning aspects of human rights that are relevant to operations (additional)		In 2008, 55% of Business Units using security guards have provided them with training courses on the use of arms and particularly on the respect of human rights.

Society - Management Approach		<p>The management aspects of society are principally addressed in Sustainability Ambitions 2012 page 4, sub-section Code of Business Conduct training enriched by third parties page 12, Competition and Political contributions both page 14, Identifying and working with stakeholders page 16, Using our influence within the industry page 17, Lafarge's objectives and positions and Trade associations both page 20, Making progress on biodiversity page 27, Working with others on sustainable construction and climate change page 30, Lafarge and Clean Development Mechanisms page 35, Lafarge Shui on Association Registrations page 43, Working with unions page 47, the section Global partnerships, local stakeholders pages 54-59. The responsible senior officer is the Senior Vice President Sustainable Development and Public Affairs.</p>
SO1 Nature, scope and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting (core)		<p>Pages 40-43 Emerging economies, 54-57 Relations with our communities In the Cement division, all sites have integrated stakeholder relationship management into their business model and annual action plan (self-assessment mandatory). 82.9% of plant managers have launched an assessment of areas of vulnerability of their site. More than 70% of sites have mapped their stakeholders and analyzed their needs and expectations. The plant managers recognize that the neighbours are the most important local stakeholder and invest time and actions on maintaining a good relationship with them. 97.1% of plant managers have organized a local consultation meeting. Local initiatives are focused on three main areas: environment, education and health. The majority of sites develop a comprehensive set of annual activities with stakeholders, such as sponsorship, open-days, environmental activities or medical missions. (The above results are based on a stakeholder relationship questionnaire launched in January 2008 with a participation rate of 71%.)</p>
SO2 Percentage and total number of business units analysed for risks related to corruption (core)		<p>The business units that have been analysed are Lafarge's major Group business units, representing 82% of Group consolidated sales (or 96%, if excluding the former Orascom business units, which will be analysed as of 2009). For 2008, this means that a total of 66 major business units have been analysed.</p>
SO3 Percentage of employees trained in organisation's anti-corruption policies and procedures (core)		<p>Out of the 66 major Group business units that have been analysed in 2008, 57 (86%) have reported that the risk of corruption is well identified and managed through various employee awareness and training programmes on the Code of Business Conduct.</p>
SO4 Actions taken in response to incidents of corruption (core)		<p>No corruption case was reported in 2008. 20 business units reported breaches of the Code of Business Conduct in 2008, but none of these breaches related to corruption, as defined by international laws.</p>
SO5 Public policy positions and participation in public policy development and lobbying (core)		Pages 20-21 Public positions

SO6 Total value of financial and in-kind contributions to political parties, politicians and related institutions by country (additional)		Page 14 Section Political contributions
SO7 Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices and their outcomes (additional)		AR2008 Page F79 note 29
SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations (core)		Fined UK£200,000 in Edinburgh Sheriff Court for industrial accident