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August 13, 2008

M. Jean-Yves Trochon
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Sir,
Dear Jean-Yves,

I refer to our conversation some time ago during which you asked me to give you my opinion and comments concerning a document you forwarded to me under the title "*Lafarge Code of Business Conduct Workshop*".

1.- A Lafarge ethics training template.-

The document I received is a template prepared by the head office services of Lafarge for its Business Units worldwide and serves as a useful tool for conducting all round ethics training sessions within the Lafarge Group.

The scope of the document is remarkably large, as it encompasses all chapters of Lafarge's Code of Business Conduct. You explained to me, however, that the ethics training sessions, made on the basis of said template, would be organized in such a way as to provide ample time for both the trainers to bring over their message and the trainees to become familiar with these important subjects.

As promised, I give you hereunder my written comments for possible improvement of the document.

2.- General evaluation.-

a.- A high quality document.-

The substance of the document is of high quality and of a very good degree of precision. If I compare it to a number of similar documents I have been given the opportunity to see, this one can be rated very high.

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b.- A lengthy document.-

The dimension of the document is impressive, as it contains no less than 70 pages. For an ethics/compliance presentation conceived for non-specialist attendees (where one will find employees and officers alike), one may run the risk of having an “overdose”. You have, however, told me that it was your Company’s clear option to prepare and present a general non-specific training for all the Group employees and officers, covering all the (main) themes of the Code of Business Conduct.

It is therefore impossible to be much shorter and one has to accept the length of the text as it is.

I would nevertheless recommend not to expand further the document and to try to lighten it up, wherever this opportunity would be present. For purely psychological reasons (which are important in an ethics training context) it might be useful to try to skip a few pages, like for instance (i) the pages reproducing abstracts from the Lafarge Code of Business Conduct and (ii) the pages on the Training Sequence, which may be considered as repetitive. Before a presentation is made, the attendees would have received an extra copy of the Code and could, during the presentation, refer to the relevant passages by themselves.

c.- The individual employee dimension.-

A presentation of this type should serve a triple objective: (i) teach the attendees about the content of the Code of Business Conduct, (ii) educate them to make implementation of the corporate rules a base requirement for their day-to-day behavior, but also (iii) create motivation, if not enthusiasm, for fully adopting the Group rules by showing how much adherence to the Group values can enhance their careers and their self accomplishment.

I must say that I miss the last element. The text is quite didactical, which is normal for such type of document, but it does hardly call upon the attendees’ natural wish for self-promotion. As I see it, everybody now, and mainly the younger persons, comes to such kind of training sessions with the idea “What is in it for me?” If the only answer to such question is a list of dry commandments, ethics and compliance will be perceived as something imposed from above and with only negative consequences for the individual employee.

While ethics clearly remains something of an obligation or a commitment, one should not omit mentioning the positive reasons for an individual employee to go for a resolute engagement in corporate ethics: (i) reconciling personal life with corporate behavior, (ii) adopting a community - friendly attitude, (iii) promoting corporate social responsibility and

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finally (iv) succeeding in the double challenge of enhancing profitability for the Company, while contributing to the promotion of a better society at large.

The Company on its side should show appreciation for the ethical behavior of its officers and employees and indicate that the Group's HR policies are also designed in a way that "*adherence to the [Group] values is rewarded and breaches of the law [and Company values] are met with dissuasive consequences or penalties*¹".

In such a way, corporate ethics (or good corporate business conduct) leads to a mutually beneficial situation, where the Company thrives economically, its reputation is preserved, the employees can behave in a way that is compatible with their personal values and their attitude is duly recompensed.

3.- Specific comments.-

I have several specific comments but, for sake of easiness, I have incorporated them in the presentation. Please revert to that document which is in attachment.

4.- Conclusion.-

The presentation you have prepared is by all means outstanding. It will be interesting to perfect it on the basis of the comments which you will no doubt receive from the various attendees to the training sessions.

Yours sincerely,

François Vincke

¹ OECD Principles of Corporate Governance, 2004, Chapter VI Responsibilities of the Board, Section 7, p.63.