

Lafarge Sustainability Report 2009 - GRI content index

| GRI G3 Guidelines | Level of reporting | Reference/ comments for 2009 |
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| 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. | | SR 2009 page 2, CEO Introduction |
| 1.2 Description of key risks and opportunities | | AR 2009 page 11 to 16, <i>Risk Factors</i> |
| 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 | | AR 2009 page 26 to 35, <i>Business Description</i> |
| 2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures. | | AR 2009 page 38, <i>Organisational Structure</i> |
| 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 | | AR 2009 page 26 to 35, <i>Business Description</i> |
| 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) | | AR 2009 page 26 to 37, <i>Business Description</i> |
| 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. | | AR 2009 page 26 to 37, <i>Business Description</i> ; AR 2009 Page 2 <i>Key Figures</i> |
| 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 | | AR 2009 page 24, <i>Significant recent acquisitions</i> AR 2009 pages 24, <i>Significant recent divestitures</i> |
| 2.10 Awards received in the reporting period | | SR 2009, Back cover |
| 3.1 Reporting period (e.g., fiscal/calendar year) for information provided | | 1 January 2009 to 31 December 2009 |
| 3.2 Date of most recent report if any | | 2008 |
| 3.3 Reporting cycle (annual, biennial, etc.) | | Annual |

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| 3.4 Contact point for questions regarding the report and its context | | SR 2009 Back cover |
| 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 | | SR 2009 page 49, <i>What we considered in writing this report</i> |
| 3.6 Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers) See GRI Boundary Protocol for further guidance | | SR 2009 page 51, <i>Reporting methodology, Perimeter for consideration</i> |
| 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 | | This is a full scope report. |
| 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 | | SR 2009 page 51, <i>Reporting methodology, Perimeter for consideration</i> |
| 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 | | SR 2009 page 51, <i>Reporting methodology, Perimeter for consideration</i> |
| 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) | | SR 2009 page 51, <i>Reporting methodology</i> and page 53 <i>Ernst & Young assurance</i> |
| 3.11 Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report | | SR 2009 page 51, <i>Reporting Methodology</i> and page 53 <i>Ernst & Young assurance</i> |
| 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) | | SR 2009 page 53 <i>Ernst & Young assurance</i> |

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| <p>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)</p> | | <p>AR 2009, sub-sections on page 90 <i>Form of organization of the management – Board of Directors and Chief Executive Officer</i>; page 100 <i>Information on Directors</i>; page 104 <i>The Committees</i> SR 2009, pages 6 - 7 <i>Our values and governance</i></p> |
| <p>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).</p> | | <p>SR 2009 page 7 <i>Board Structure and Operations</i> AR 2009, page 90 <i>Form of organization of the management – Board of Directors and Chief Executive Officer</i></p> |
| <p>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'.</p> | | <p>AR 2009, page 90 <i>Form of organization of the management – Board of Directors and Chief Executive Officer</i> AR 2009, page 100, <i>Independent Directors</i> SR 2009 page 7 <i>Board Structure and Operations for definition of 'independent'</i>.</p> |
| <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 35% 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>AR 2009 page 110 - 112, <i>Compensation and benefits paid to the Chairman and Chief Executive Officer</i> AR 2009 page 113, <i>Total compensation of the Executive Officers in 2009 and pension and other retirement benefits</i></p> |
| <p>4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided.</p> | | <p>AR 2009 Page 101, <i>Conflicts of interest</i></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> |

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| <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>SR 2009 page 6, <i>Bringing values to life everywhere</i></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>SR 2009 page 8 <i>Scope of Sustainability and Our Sustainability Management Systems</i> AR 2009 page 16 <i>Risk Management, Risk Identification and Management</i></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>SR 2009 page 7, <i>Board Structure and Operations</i></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>SR 2009 pages 31 - 36, <i>Climate Change</i></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</p> |

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| <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>SR 2009 page 10, <i>Our Stakeholder Panel</i></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>Our global stakeholder panel has been selected in order to reflect the full range of Lafarge's impact on social, environmental and economic matters. SR 2009 page 18, <i>Strengthening our long term relationships with our communities</i></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>SR 2009 page 10 <i>Our Stakeholder Panel</i></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>SR 2009 page 11, <i>Stakeholder Comment</i>. Other stakeholder feedback received throughout the year has informed the content and structure of individual sections.</p> |
| <p>Economic Performance (Management Approach)</p> | | <p>The Economic Performance of our business is covered very fully in the AR 2009, particularly in <i>Information on Lafarge</i>, <i>Risk Factors</i> and the <i>Operating and Financial Review and Prospects</i>.</p> <p>For fuller consideration of the sustainability elements of our market presence, see also SR 2009 page 30, <i>Emerging Markets</i>. The responsible senior officer is the Senior Vice President Sustainable Development and Public Affairs.</p> <p>For additional performance data, see SR 2009 page 37 - 39, <i>Context and business management</i></p> |

| 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) | | SR 2009 Page 38, <i>Who benefits from our operations</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|------------------------|--|-------------------------------------|------------------------|-----------------------|-------------------------------------|-------------------------------|-----|-----|-----|---------------------------------|-----|-----|-----|------------------|-----|-----|-----|-------------------|-----|-----|-----|-----------------|-----|-----|-----|----------------------|-----|-----|-----|-----------------------|-----|-----|-----|-------------|-----|-----|-----|
| EC2 Financial implications and other risks and opportunities for the organisation's activities due to climate change (core) | | SR 2009 page 32 - 33, <i>Climate Change</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EC3 Coverage of organisation's defined benefit plan obligations (core) | | AR2009 page 52, <i>Consolidated Statements Note 23</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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="1043 520 1722 831"> <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>China - Aggregates & Concrete</td> <td>134</td> <td>143</td> <td>100</td> </tr> <tr> <td>Romania - Aggregates & Concrete</td> <td>167</td> <td>108</td> <td>100</td> </tr> <tr> <td>Algeria - Cement</td> <td>144</td> <td>100</td> <td>100</td> </tr> <tr> <td>Honduras - Cement</td> <td>164</td> <td>100</td> <td>100</td> </tr> <tr> <td>Jordan - Cement</td> <td>380</td> <td>100</td> <td>100</td> </tr> <tr> <td>South Korea - Cement</td> <td>159</td> <td>100</td> <td>100</td> </tr> <tr> <td>South Africa - Gypsum</td> <td>100</td> <td>100</td> <td>100</td> </tr> <tr> <td>UK - Gypsum</td> <td>111</td> <td>100</td> <td>100</td> </tr> </tbody> </table> | | Lafarge minimum salary | Sector minimum salary | Statutory minimum salary (base 100) | China - Aggregates & Concrete | 134 | 143 | 100 | Romania - Aggregates & Concrete | 167 | 108 | 100 | Algeria - Cement | 144 | 100 | 100 | Honduras - Cement | 164 | 100 | 100 | Jordan - Cement | 380 | 100 | 100 | South Korea - Cement | 159 | 100 | 100 | South Africa - Gypsum | 100 | 100 | 100 | UK - Gypsum | 111 | 100 | 100 |
| | Lafarge minimum salary | Sector minimum salary | Statutory minimum salary (base 100) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| China - Aggregates & Concrete | 134 | 143 | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Romania - Aggregates & Concrete | 167 | 108 | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Algeria - Cement | 144 | 100 | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Honduras - Cement | 164 | 100 | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jordan - Cement | 380 | 100 | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| South Korea - Cement | 159 | 100 | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| South Africa - Gypsum | 100 | 100 | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| UK - Gypsum | 111 | 100 | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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 SR 2009 page 15, <i>Supporting Local Economies in India and China</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation. (core) | | Recruitment processes are standardized throughout the Group. In any case, most of our plants' workforce come from their local environment. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro-bono engagement (core) | | SR 2009 Page 4 <i>Sustainability Ambitions</i> SR 2009 Page 18 <i>Strengthening our long term relationships with our communities</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| Environmental performance (Management Approach) | | <p>This is fully addressed in our <i>Sustainability Ambitions 2012</i> , SR 2009 page 5. For more details see also: <i>Sustainability management</i> page 8 <i>Managing our emissions</i> page 22 <i>Industrial ecology</i> page 24 <i>Water footprint</i> page 29 <i>Recycling more products</i> page 25 <i>Quarries and biodiversity</i> page 26</p> <p>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> , page 10. The responsible senior officers are the three Vice Presidents Environment and the Vice President Climate Change Initiatives.</p> <p>For performance data, see page 42-43 <i>Climate change management</i>, <i>Making progress on persistent pollutants</i> page 44, <i>Measuring our local impacts</i> (quarry data) page 45 and <i>Further ambitions</i> page 48 (water data).</p> |
| EN1 Materials used by weight or volume (core) | | See page 26, <i>Biodiversity in Quarries</i> |
| EN2 Percentage of materials used that are recycled input materials (core) | | SR2009 page 43. 23,726 MT of alternative raw materials are used in the final products |
| EN3 Direct energy consumption by primary energy source (core) | | SR2009 page 43, <i>Total energy consumption</i> and <i>Fuel Mix Evolution in the Cement Business</i> . |
| EN4 Indirect energy consumption by primary source (core) | | In 2009, Lafarge purchased 16,594,361 MWh of electricity, of which 3,073,393 MWh was from renewable sources. |
| EN5 Energy saved due to conservation and efficiency improvements (additional) | | SR 2009 Page 31 to 35, particularly <i>Reducing emissions from cement manufacturing</i> (page 33) and <i>Saving energy in Lafarge's own buildings</i> (page 34). See also page 43, <i>Cutting our specific heat consumption</i> . |
| 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) | | SR2009 page 32 - 33 <i>Promoting Sustainable Construction</i> |

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| EN8 Total water withdrawn by source (core) | | SR2009 page 48, <i>Total Water Withdrawn by Source</i> . We are now collecting data in our 4 activities. |
| 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 SR2009 page 48. We have decided to move towards the use of water footprint, which is the best indicator to understand about the impact of our activities on the availability of freshwater reserves. The % of water recycled and reused is not very meaningful, as it could be high despite a poor performance in terms of water footprint. Therefore we don't report on this indicator. |
| 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 have assessed the sensitivity of our environment on 64 % of our active quarries using a KPI refined with CSI and approved for EN11 by GRI. See our current reporting on this topic on page 45, <i>Managing and Improving the Impact of our Quarries</i> . |
| 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) | | SR 2009 page 26- 28 <i>Quarrying and biodiversity</i> |
| EN13 Habitats protected or restored (additional) | | SR 2009 page 26-28 <i>Quarrying and biodiversity</i> , especially Case study on ecosystem services review and Baobab farm in Kenya SR 2009 page 45, <i>Quarries with a rehabilitation plan</i> |
| EN14 Strategies, current actions, and future plans for managing impacts on diversity (additional) | | SR 2009 Page 26 <i>Quarrying and biodiversity</i> |
| EN16 Total direct and indirect greenhouse gas emissions by weight (core) | | SR2009 page 42, <i>Lafarge total gross and net CO2 emissions</i> |
| EN17 Other relevant indirect greenhouse gas emissions by weight (Core) | | Our scope 2 emissions are 8.4 million t CO2 Our scope 3 emissions (all outbound transport only) are 1.8 million t CO2. Employee travel is 90,000 t CO2. |
| EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved (Additional) | | SR2009 page 4 for information on reductions; pages 31 -to 33 for information on initiatives |
| 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. |

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| EN20 NOx SOx and other significant air emissions by type and weight (core) | | SR2009 page 44, <i>Making progress on persistent pollutants</i> NOx: 218,233 T SO2: 57,309 T Stack dust emissions: 17,996 T |
| EN21 Total water discharge by quality and destination (core) | | SR2009 Page 48, <i>Total process water discharged</i> . Total water discharge in 2009 was 112,219,184m3. We are now collecting data. Our target is to recycle any polluted process water, as its release increases our water footprint. This is why we track the % of sites with recycling systems. Over the course of future years we will be able to report more fully and in more detail. |
| EN22 Total weight of waste by type and disposal method (core) | | SR2009 Page 48, <i>Managing our waste impacts</i> . Detailed breakdown for Cement Division: Hazardous waste sent for external incineration 955,34 T Hazardous waste sent for external recycling 5322,62 T Non Hazardous waste sent for external recycling 87579,10 T Non Hazardous waste disposed in landfill 38091,88 T |
| EN23 Total number and volume of significant spills (core) | | 1 spill over generating damages over 100 000 Euros |
| EN26 Initiatives to mitigate environmental impacts of products and services and extent of impact mitigation (core) | | SR2009 page 32 - 33 <i>Promoting sustainable construction</i> |
| 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) | | AR 2009, page F71 and F72, <i>Note 29 Legal and arbitration proceedings</i> |
| 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) | | SR 2009 page 39, <i>Environmental and safety investments and R&D budget</i> . |
| Product responsibility (Management Approach) | | The management aspects of product responsibility are principally addressed in Sustainability Ambitions 2012, page 4. See also Promoting sustainable consumption and page 32 and 33 for product innovation. Given the overall Lafarge business strategy these matters are fully addressed in the <i>2009 Annual Report</i> , particularly <i>Our strategy</i> page 22 and <i>Innovation, Research and Development (R&D)</i> page 46. The <i>Annual Report</i> also provides an overview of our products and customers, see page 26 to 35 <i>Business Description</i> |

| 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) | | The health and safety aspects of all of our products are considered during the development of product concept, R & D, certification, manufacturing and production, marketing and promotion and use and service of our products. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 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) | | SR 2009 page 4 See <i>Sustainability ambition on customer satisfaction</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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) | | AR 2009, page F71 and F72, Note 29 Legal and arbitration proceedings | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Labour practices and decent work (Management Approach) | | <p>The management aspects of labour practices are principally addressed in SR2009 page 4, <i>Sustainability Ambitions 2012</i>. See also coverage of sub-contractors page 15, <i>Social situation in 2009</i> pages 20-21, <i>Health and safety</i> pages 12 to 14. The senior officer in charge is the Vice President, Social Policies.</p> <p>For performance data, see <i>Social progress in our workforce</i> page 46 and 47, and <i>Health and safety</i> page 41.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| LA1 Total workforce by employment type, employment contract and region (core) | | <table border="1" data-bbox="1093 831 1644 1078"> <thead> <tr> <th>Percentages</th> <th>2005</th> <th>2006</th> <th>2007</th> <th>2008</th> <th>2009</th> </tr> </thead> <tbody> <tr> <td>Full-time</td> <td>NA</td> <td>NA</td> <td>98</td> <td>98,5</td> <td>98,7</td> </tr> <tr> <td>Part time</td> <td>NA</td> <td>NA</td> <td>2</td> <td>1,6</td> <td>1,3</td> </tr> <tr> <td>Permanent employees</td> <td>92</td> <td>91</td> <td>91</td> <td>91</td> <td>91</td> </tr> <tr> <td>Fixed-term employees</td> <td>4,5</td> <td>5</td> <td>3</td> <td>2</td> <td>4</td> </tr> <tr> <td>Temporary employees</td> <td>3,5</td> <td>4</td> <td>6</td> <td>7</td> <td>5</td> </tr> </tbody> </table> <table border="1" data-bbox="1041 1090 1697 1342"> <thead> <tr> <th colspan="2">By region</th> <th>2009</th> </tr> </thead> <tbody> <tr> <td colspan="2">Mature markets</td> <td>35</td> </tr> <tr> <td colspan="2">Western Europe</td> <td>21</td> </tr> <tr> <td colspan="2">North America</td> <td>14</td> </tr> <tr> <td colspan="2">Emerging markets</td> <td>65</td> </tr> <tr> <td colspan="2">Central & Eastern Europe</td> <td>9.9</td> </tr> <tr> <td colspan="2">Middle East & Africa</td> <td>25.3</td> </tr> <tr> <td colspan="2">Latin America</td> <td>3.3</td> </tr> <tr> <td colspan="2">Asia</td> <td>26.5</td> </tr> </tbody> </table> | Percentages | 2005 | 2006 | 2007 | 2008 | 2009 | Full-time | NA | NA | 98 | 98,5 | 98,7 | Part time | NA | NA | 2 | 1,6 | 1,3 | Permanent employees | 92 | 91 | 91 | 91 | 91 | Fixed-term employees | 4,5 | 5 | 3 | 2 | 4 | Temporary employees | 3,5 | 4 | 6 | 7 | 5 | By region | | 2009 | Mature markets | | 35 | Western Europe | | 21 | North America | | 14 | Emerging markets | | 65 | Central & Eastern Europe | | 9.9 | Middle East & Africa | | 25.3 | Latin America | | 3.3 | Asia | | 26.5 |
| Percentages | 2005 | 2006 | 2007 | 2008 | 2009 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Full-time | NA | NA | 98 | 98,5 | 98,7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Part time | NA | NA | 2 | 1,6 | 1,3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Permanent employees | 92 | 91 | 91 | 91 | 91 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Fixed-term employees | 4,5 | 5 | 3 | 2 | 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Temporary employees | 3,5 | 4 | 6 | 7 | 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| By region | | 2009 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mature markets | | 35 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Western Europe | | 21 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| North America | | 14 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Emerging markets | | 65 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Central & Eastern Europe | | 9.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Middle East & Africa | | 25.3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Latin America | | 3.3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Asia | | 26.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| LA2 Total number and rate of employee turnover by age group, gender and region (core) | | SR 2009 Page 47: <i>Total number of resignations, retirements redundancies.</i> Staff turnover is consolidated at Group level but not analysed at group level by age group, gender or region. It is in the nature of our business that we operate in local labour markets and detailed analysis and reporting are meaningful only at that level. |
| LA4 Percentage of employees covered by collective bargaining agreements (core) | | SR 2009 Page 47 <i>Lafarge employees represented by staff representatives and/or trade union representatives</i> 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 SR2009 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) | | 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 2009, 96% 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) | | SR2009 page 41 <i>Health and Safety, Lost time njury frequency rate, lost time injury severity rate and fatality rate</i> . 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) | | SR 2009 page 48 <i>Further Ambitions, Delivering on our HIV/AIDS and Malaria Ambitions</i> |

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| <p>LA9 Health and safety topics covered in formal agreements with trade unions (additional)</p> | | <p>SR 2009 page 47 <i>Employees covered by collective agreements on specific areas</i> Health, safety and working conditions are topics covered in the global agreement signed 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.</p> |
| <p>LA10 Average hours of training per year per employee by employee category (core)</p> | | <p>SR2009 page 46 <i>Investing in a skilled workforce.</i> At Group level, the average number of hours of training received during 2009 was 51 for managers and 25 for non managers.</p> |
| <p>LA11: Programms for skills management & lifelong learning that support the continued employability of employees and assist them in managing career endings.</p> | | <p>In 2009, 36% of our Business Units set up programmes for skills management and lifelong-learning, for non-managers.</p> |
| <p>LA12 Percentage of employees receiving regular performance and career development reviews (additional)</p> | | <p>Page 46 - 93% of managers and 70% of the non managerial staff had an annual performance review in 2008.</p> |
| <p>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> | | <p>For gender, please see page 46 - 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. % Women by region (2009 data) Western Europe - 17% North America - 14% Central/Eastern Europe - 24% Middle East - 7% North Africa - 6% Latin America - 15% Sub-Saharan Africa - 13% Asia - 20%</p> <p>For age group, please see page 46 - <i>Percentage of employees by age group</i> 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> |

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| 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 78 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 2009.</p> |
| Human rights (Management Approach) | | <p>The management aspects of human rights are principally addressed in SR2009 page 7, <i>Our values and governance</i>, <i>Challenges on Human Rights</i>. See also <i>Health and safety</i>, page 12. The responsible senior officer is the Senior Vice President Sustainable Development and Public Affairs.</p> |
| HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening (core) | | <p>71% of our Business Units have a contract with a subcontractor including clauses that provide for mandatory respect of fundamental Human Rights.</p> |
| HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and action taken (core) | | <p>72,5% of our Business Units checked that their local subcontractors respect and implement fundamental Human Rights. And 92% of our Business Units checked that their local subcontractors respect and implement Health & Safety Procedures.</p> |
| HR3: Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to the operations. | | <p>In 2009, 5 924 hours of training on Human Rights were given to both Managers & non-managers</p> |
| HR4 Total number of incidents of discrimination and actions taken (core) | | <p>In 2009 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 1 Business Unit was sentenced, and 1 paid a fine, as a consequence of an administrative or court case in 2009 regarding alleged discrimination. Both Business Units took corrective actions at local level.</p> |
| 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) | | <p>SR2009 page 39, <i>Breakdown of activities in countries of concern regarding human rights</i>.</p> <p>Social dialogue is included in our Principles of Action. At global level with International and European trade unions and representatives. At local level, 67% of Lafarge employees are represented by elected staff representatives and/or unions. As soon as a risk is locally identified, it is raised with the international federations and a solution is identified at Group level.</p> |

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| 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 78 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 2009 52% 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 78 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 2009 50% 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 2009, 52% 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 SR 2009 page 4 <i>Sustainability Ambitions 2012</i> . See also:</p> <p>Page 6 Bringing values to life everywhere for information on Code of Business conduct training,</p> <p>Page 7 Policital contributions and Competition compliance</p> <p>Page 9 Working with trade unions and Main public policy positions</p> <p>Page 10 Stakeholder panel</p> <p>Page 16 Making partnerships workPage 18 Strengthening our local communities</p> <p>Page 18 Social situaion in 2009</p> <p>For performance data, see <i>Measuring our local impacts</i> , page 45.</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) | | SR2009 page 18 and 19, <i>Strengthening long-term relationships with our communities</i> ; page 20 <i>Social situation in 2009</i> ; Page 30 <i>Emerging markets</i> |
| SO2 Percentage and total number of business units analysed for risks related to corruption (core) | | The business units that have been analysed in 2009 are the Lafarge Group's major business units, representing 90% of Group consolidated sales or 91% of Group consolidated COI. |
| SO3 Percentage of employees trained in organisation's anti-corruption policies and procedures (core) | | Out of the total major Group business units that have been analysed in 2009, 97% 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. |
| SO4 Actions taken in response to incidents of corruption (core) | | No corruption case was reported in 2009. Some business units reported breaches of the Code of Business Conduct in 2009 (mainly fraud cases), but none of these breaches were related to corruption, as defined by international laws. |
| SO5 Public policy positions and participation in public policy development and lobbying (core) | | SR2009 page 9, <i>Public Policies</i> |

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| SO6 Total value of financial and in-kind contributions to political parties, politicians and related institutions by country (additional) | | SR2009 Page 7, <i>Political Contributions</i> |
| SO7 Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices and their outcomes (additional) | | AR2009, Page F71, <i>Note 29, Legal and arbitration proceedings</i> |
| SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations (core) | | AR 2009, Page F71 and F72, <i>Note 29 Legal and arbitration proceedings</i> |