

May 24, 2007

Euronext: LG, NYSE: LR

## SUSTAINABILITY AMBITIONS 2012: COMMITMENTS FOR SUSTAINABLE LEADERSHIP

For many years now, Lafarge has implemented an approach to sustainable development which aims to make the Group, the leader in its activity, a company with an exemplary record for environmental protection, social responsibility and corporate governance.

Lafarge is now renewing this commitment with the launch of its Sustainability Ambitions 2012. This roadmap is the result of a review and in-depth dialogue with stakeholders and Lafarge's management team, leading to the definition of the major issues for the Group: the areas where it has a real impact and those where Lafarge can positively influence the industry. This approach has given rise to clear, measurable and ambitious objectives that the Group is committed to achieving by 2012.

### Bruno Lafont, Chairman and CEO, stated on this occasion:

"In a changing world, the building materials sector is undergoing a substantial transformation. Global economic and population growth, coupled with the new environmental and social issues that are emerging, give us new responsibilities. We are stepping up the pace to anticipate these changes better and tackle the new challenges. As well as striving for greater exemplarity in the way we do business, rolling out our best practices across all our business units worldwide and working in partnership with experts in every area in which we want to take action, we place great emphasis on innovation and we are working closely with players from across the construction chain, in the firm belief that, in the future, sustainable construction will make a real difference."

### Three major priorities

- Lafarge got involved at a very early stage in the fight against global warming. Alongside WWF International, the company made a voluntary commitment to reduce its greenhouse gas emissions by 20% of CO<sub>2</sub> per tonne of cement worldwide, between 1990 and 2010. Lafarge is well on the way to achieving this target and today believes that the whole building life cycle should be taken into consideration, as 80% of the CO<sub>2</sub> a building produces is emitted while it is in use. This is the rationale behind the "Energy Efficiency in Buildings" (EEB) project launched by Lafarge and United Technologies Corp. under the aegis of the World Business Council for Sustainable Development. The aim is to identify innovative solutions for developing sustainable, carbon-neutral buildings which are respectful of the environment.
- With the nearly 1000 quarries Lafarge operates around the globe, the group's initiatives to promote biodiversity can play a useful role. Biodiversity has been on Lafarge's agenda for a long time. Today, Lafarge has made a commitment to screen all its quarries around the world according to criteria validated by WWF International and introduce a biodiversity development plan on all sites with potential in terms of rare animal and plant species, in partnership with local environmental associations.
- Lafarge's prime duty is to ensure the health and safety of its workforce. Although Lafarge is already the best in its sector in this area, safety has been made the Group's number one priority. A comprehensive health programme will be deployed for all Group employees, to ensure that every employee is able to receive, at the very least, regular medical check-ups, even in emerging countries where this is not usual practice. Because HIV and malaria have such a devastating impact, Lafarge has decided to extend the prevention, screening and antiretroviral treatment



programs for its staff and their families in Sub-Saharan Africa - established in partnership with the NGO "CARE" and qualified by the international community as exemplary - to the other major developing countries in which the Group does business.

### **Sustainability Ambitions 2012: Objectives in detail**

These objectives will make it possible to measure the Group's sustainability efforts with a high degree of accuracy. In this way, Lafarge is making a little more progress along the road to sustainable leadership, a priority established by the Group in 1977 with the publication of its Principles of Action, to satisfy its customers, employees, shareholders and other stakeholders by improving the way it takes into consideration the modern development issues of the building materials industry.

#### **Management**

- Safety: halve the lost time injury frequency rate, with the objective of zero fatalities
- Fair competition: test all main business units for compliance with the competition policy established by Lafarge several years ago
- Local communities: establish training on local stakeholder relationship management for all operational heads, to embed best practice across the Group
- Customer satisfaction: carry out an annual customer satisfaction survey and implement the OTIFIC programme (On Time, In Full, Invoiced Correctly) in all major business units. Develop new products, with a target of €1 billion in annual sales.

#### **Social**

- Women: double the proportion of women in senior management positions
- Employee skills: introduce reporting on training at business unit level
- Health: develop a comprehensive healthcare programme for all employees, to include as a minimum regular medical examinations
- HIV / AIDS and Malaria: extend the AIDS and malaria prevention programmes for workers and their families developed in Africa to the other developing countries where Lafarge operates

#### **Environmental**

- Environmental audits: carry out an environmental audit at least every four years on each of the Group's 2,000 sites
- Quarry rehabilitation: reach a rate of 85% of Lafarge's quarries with a rehabilitation plan in conformity with the methodology developed with WWF
- Biodiversity: screen all quarries using criteria validated by WWF International and develop a site biodiversity program for those with realisable potential
- CO<sub>2</sub> emissions: reduce net CO<sub>2</sub> emissions per tonne of cement by 20% between 1990 and 2010
- Other emissions: targets to reduce dust (-30%), NO<sub>x</sub> (-20%) and SO<sub>x</sub> (-20%) emissions.



## FURTHER INFORMATION

The 2006 edition of the Lafarge Sustainability Report is available on [www.lafarge.com](http://www.lafarge.com).

Lafarge has published a Sustainability Report since 2001, the aim being to constantly improve its sustainable development practices, reporting methods and performance. In 2003, the Group extended its approach by asking a panel of independent stakeholders to take a constructive, critical look at the report and give an opinion on the Group's progress and the ambitions it had set itself. The 2005 Sustainability Report was acknowledged as one of the best 50 in the world on the Global Reporters list established by SustainAbility.

**Lafarge** is the world leader in building materials, with top-ranking positions in all of its businesses: Cement, Aggregates & Concrete and Gypsum. With 71,000 employees in over 70 countries, Lafarge posted sales of Euros 17 billion in 2006.

Lafarge has been committed to sustainable development for many years, pursuing a strategy that combines industrial know-how with performance, value creation, respect for employees and local cultures, environmental protection and the conservation of natural resources and energy. Lafarge is the only company in the construction materials sector to be listed in the 2007 '100 Global Most Sustainable Corporations in the World'. To make advances in building materials, Lafarge places the customer at the heart of its concerns. It offers the construction industry and the general public innovative solutions bringing greater safety, comfort and quality to their everyday surroundings.

Additional information is available on the web site at [www.lafarge.com](http://www.lafarge.com).

## COMMUNICATIONS

Stéphanie Tessier: +33(1) 44 34 92 32  
Stephanie.tessier@lafarge.com

## PRESS RELATIONS

Lucy Wadge: +33(1) 44 34 19 47  
Lucy.wadge@lafarge.com

Claire Mathieu: +33(1) 44 34 18 18  
Claire.mathieu@lafarge.com