

## *Terms of reference of Lafarge's stakeholder panel*

### **Mission**

The panel's mission is to serve as "critical friends" who challenge Lafarge's approach to CSR, suggest improvements and form each year an opinion on Lafarge's performance and accountability in this field.

### **Composition**

Panel members are selected for their high level of knowledge and skills regarding sustainability as it affects Lafarge's operating environment. They are meant to represent the Group's main categories of stakeholders. Panelists are appointed by Lafarge for a two-year term, which may be extended on an annual basis. Lafarge will decide on any alteration to the panel's composition after consultation with its members.

### **Proposed Process and Governance rules**

Panel members meet twice a year with Lafarge executives to discuss the Group's sustainability strategic issues and reporting.

### **Meetings**

→ **Meetings are chaired by an external chairperson.** The chairperson shall:

- Prepare the meetings and send briefing notes to participants 3 weeks in advance
- Actively facilitate discussion among all members, including both panellists and Lafarge executives, stimulate debate and challenge participants where needed
- Facilitate the achievement of consensus among panel members: for each decision, the chairperson shall moderate the procedure by which issues and motions are considered by panel members.

→ **The panel is a consensus group:** Its propositions are to be approved by all of its members. If no consensus can be reached, diverging opinions shall be clearly stated in the meeting minutes.

→ Lafarge commits to:

- Consulting the panel in areas of sustainability in which Lafarge would like to progress;
- Providing feedback on how comments and recommendations have been taken into account or, where appropriate, why they might not have been taken into account.

→ **Panel members are linked to Lafarge by a compact**, which implies discernment over issues of confidentiality.

### **Collective statement on Lafarge's Sustainability Report**

→ The panel should make this statement collectively, it is the expression of the panel's consensus

→ The chairperson's role is to guide the panel through the development of this statement so as to facilitate consensus

→ Lafarge commits to publishing this statement without censorship

### **Panel members commitments:**

The following points define the main expectations from Lafarge for a panel member:

- Regular attendance at panel meetings. If however attendance is not possible, absentees should ensure they prepare for the meeting and provide the chairperson with their opinions beforehand.
- Adequate meeting preparation: panelists should read briefing notes, prepare comments and participate in offering feedback.
- Active participation in discussions. Panelists' inputs should be:
  - Challenging to Lafarge, offering new perspective on issues at hand;
  - Legitimate, focussed and constructive, with a view to guide, inspire and inform senior management;
  - Panelists should respect deadlines for sending in comments and feedback;
  - Once a year, each panelist should provide an opinion on the performance of the panel.