

# Tax principles



Lafarge believes that a coherent and responsible position on tax is an essential element of its sustainability strategy. In that context, we have adopted the following tax principles:

## **Compliance**

Taxes are paid in accordance with all relevant rules and regulations in the countries in which we operate. We aim to comply with both the spirit and the letter of the law.

## **Business rationale**

Tax follows business, and profit is allocated to countries in which value is created, in accordance with domestic and international rules and standards (such as the OECD Guidelines) and applying the arm's length principle.

We do not seek to avoid taxes through 'artificial' structures in tax haven jurisdictions.

## **Relationship with tax authorities**

We seek an open and constructive dialog with tax authorities on the basis of disclosure of all relevant facts and circumstances.

## **Transparency**

We are transparent about our approach to tax and our tax position. Disclosures are made in accordance with the relevant domestic regulations, as well as applicable reporting requirements and standards such as IFRS<sup>1</sup>.

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<sup>1</sup> IFRS : International Financial Reporting Standards