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**AGREEMENT ON CORPORATE SOCIAL RESPONSIBILITY  
AND INTERNATIONAL INDUSTRIAL RELATIONS  
BETWEEN LAFARGE, IFBWW, ICEM & WFBW.**

## **Agreement on corporate social responsibility and international industrial relations**

**signed between the Lafarge Group and the International trade union federations IFBWW, ICEM and WFBW to promote and protect worker's rights**

The IFBWW, International Federation of Building and Wood Workers, is a Global Union Federation organising more than 10.5 million members in 281 trade unions in 125 countries around the world in the building, building materials, wood, forestry and allied industries.

The ICEM, International Federation of Chemical, Energy, Mine and General Workers' Unions, is a Global Union Federation organising workers in the Chemical, Energy, Mine and related Process Industries including Cement, Glass and Ceramics. ICEM unites 425 member trade unions from 121 countries representing in total around 20 million workers in these industries.

The WFBW, World Federation of Building and Woodworkers Unions, represents 1.5 million workers in the building and wood industry and who are organised in 55 unions in 41 countries all over the world.

Lafarge is the world leader in building materials, holds top-ranking positions in all four of its Divisions : Cement, Aggregates & Concrete, Roofing and Gypsum. Lafarge employs 77,000 people in 75 countries.

### **PREAMBLE**

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Lafarge believes that there's a link between social and economic progress. The interests and success of Lafarge and its employees are interdependent. Lafarge commits itself to involve its employees directly in the Group future through an open dialog; Lafarge recognizes that employees may choose to be represented by elected employees and / or trade union organizations.

The Lafarge philosophy is to develop and maintain positive relationships with its employees in accordance with the Lafarge Principles of Action<sup>1</sup>: "Lafarge responsibility is as much about complying with local and international laws and standards as it is about aligning our actions with our values. Respect for the common interest, openness and dialog, integrity and commitment are the main ethical principles of the Group and of the employees".

Trade unions believe that decent wages and working conditions, a meaningful job with prospects, a safe and healthy working environment, the right to join free trade unions and the right to collective bargaining are preconditions for good industrial relations.

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<sup>1</sup> Principles of Action on our website : [www.lafarge.com](http://www.lafarge.com)

The signatories consider that this agreement is based on the joint commitment to respect human and social rights and to achieve continuous improvement within the areas of working conditions, industrial relations, health and safety standards in the workplace and environmental performance.

The signatories recognize that the subsidiarity principle is a key performance management process within the Group; therefore the signatories respect the principle that industrial relations issues are best resolved as close as possible to the workplaces.

Lafarge considers respect for worker's rights to be a crucial element in sustainable development. Lafarge will seek to use the services of those trading partners, subcontractors and suppliers, which recognise and implement the principles listed below.

## **FUNDAMENTAL PRINCIPLES**

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Lafarge commits itself to comply with the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the United Nations Global Compact and also the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises.

### **No forced labour**

It is prohibited to make direct or indirect use of forced labour, including bonded labour and involuntary prison labour (ILO Conventions 29 and 105).

### **No discrimination in employment**

All workers, whatever their workplace, shall have equality of opportunity and treatment regardless of their ethnic origin, colour, gender, religion, political opinion, nationality, social origin or other distinguishing characteristics. Workers shall receive equal pay for work of equal value (ILO Conventions 100 and 111). Migrant and posted employees must be ensured at least the same rights and conditions as the national workforce working in the company.

### **No use of Child labour**

It is prohibited to use child labour in any form whatsoever: only workers above the age of 15 years, or over the compulsory school-leaving age if higher, shall be employed (ILO Convention 138). In view of their age, children under the age of 18 shall not perform work, which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children (ILO Convention 182).

### **Freedom of association and right to collective bargaining**

Lafarge should uphold the freedom of association and the effective recognition of the right to collective bargaining (ILO conventions 87 and 98).

The Lafarge Group guarantees that workers representatives shall not be discriminated against (ILO Convention 135).

**Living wages**

Workers shall be paid wages and benefits for a standard working week that should be at least at the level of current national legislation or collective agreements, as applied in the industry/sector concerned. All workers must be provided with clear verbal and written information about wage conditions in their native language.

Deductions from wages, unless permitted under national law, shall not be made under any circumstances without the express permission of the worker concerned.

**Working hours**

Working hours shall comply with appropriate national legislation, national agreements and industry/sector standards. Overtime shall not be excessive and shall always be remunerated at a premium rate. All workers shall be given a minimum of a one day weekly rest period.

**Health, safety and working conditions**

A safe and healthy working environment shall be provided (ILO Convention 155). Best occupational health and safety practices shall be followed and shall be in compliance with the ILO Guidelines for Occupational Health Management Systems. All workers shall be given training on occupational hazards and shall have the means of preventing them.

The signatories undertake to raise awareness of the HIV/AIDS problem and of the prevention programme in compliance with the ILO HIV/AIDS code of practice.

**Skills training**

All workers shall have the opportunity to participate in education and training programmes including training to improve workers' level of skills so that they can use new technology and equipment. Whenever possible, the Lafarge Group in cooperation with trade unions shall develop workers' training with a view to improving their level of skills and ensuring that they participate in their career development and increase their employability.



## IMPLEMENTATION AND FOLLOW UP

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The Lafarge Group will provide information concerning this agreement in written or verbal form in all countries where this agreement is applicable.

All signatories are strongly committed to the most widespread dissemination possible of the content of this agreement throughout the Lafarge operations.

A reference group consisting of representatives of the Lafarge management and the signatory international federations shall meet at least once a year, or whenever necessary, to follow up and review the implementation of this agreement.

The Lafarge Group shall make available to the reference group the resources needed for its mission.

The annual review of the present agreement should be incorporated into the Lafarge Group's reporting with the consent of all signatories.

All signatories agree that any difference arising from the interpretation or implementation of this agreement will be examined jointly, for the purpose of making recommendations to the signatories concerned.

## DURATION

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This agreement shall remain in force unless otherwise agreed by any party giving three calendar month's notice, in writing, to the other.

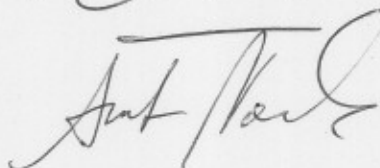
The present agreement may be revised at the request of one of the signatories no later than four years after it has been signed.

Paris, September 12<sup>th</sup>, 2005

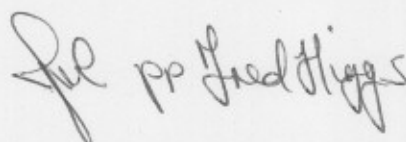
The Lafarge Group, Christian Herrault



The IFBWW, Anita Normark



The ICEM, Fred Higgs



The WFBW, Stefaan van Tourenhout

