



Sustainable Development and Public Affairs Department

Background on Lobbying Charter

General Principles:

Lafarge defines lobbying as its transparent contribution to the elaboration of public policies and to the legislative process regarding matters pertinent to its business. Lafarge aims to improve public understanding, visibility and the legitimacy of the Group's activities, in order to create the optimum conditions for its long-term development, while fully respecting the environment and the interests of the local communities in which it operates, including its employees, its customers and its suppliers.

In light of the growing scope and complexity of legislation/regulation affecting the Group's activities, Lafarge's objective is to provide policy-makers and stakeholders with technical expertise. This expertise aims to advise them of the consequences and the effective scope of legislative proposals and policies that are under discussion.

Lafarge acknowledges that other stakeholders (trade union organisations, representative NGOs, international organisations, etc.) can also present their positions to policy-makers on subjects that concern them.

Lobbying activities carried out by the Group are consistent with its Principles of Action, Sustainable Development and CSR policies. Lafarge aligns its public policy positions with the Group sustainability objectives that are published and periodically updated in its Sustainability Report.

This Charter applies to all Lafarge employees involved in lobbying activity on behalf of the Group and its subsidiaries, and governs the relationships between such employees and policy-makers and all other stakeholders - including elected representatives, government representatives, NGOs, trade union organisations, researchers, opinion leaders, think tanks, business and trade organisations, etc... This charter will be circulated among our three Divisions and will be applied by our regional Presidents, our General Managers, all members of staff engaged in lobbying activities on behalf of the Group or its subsidiaries, and lobbying consultants we may hire. It is also intended to be made available to all stakeholders and to be posted on our website.

Organisational structure:

All of Lafarge's lobbying activities fall under the responsibility of the Senior Vice President for Sustainable Development and Public Affairs. In Europe they are supported by a network of around twenty officers, who represent each of the Group's operational units and three

Divisions, together with technical experts. The network meets on a regular basis (via conference calls or physical meetings), is coordinated and overseen at Corporate level and, where necessary, may work in conjunction with lobbying consultancy firms. In North America, the Environment and Public Affairs Committee takes on similar responsibilities to those of the European network, and also relies on regional correspondents and on consultants. Certain other countries have a person who is specifically in charge of public affairs, as, for example, in China where the Director for Public Affairs is placed under the authority of the Business Unit manager. For both North America and China, main local public positions are coordinated at Group level.

Elaborating a public position:

Issues of interest for the Group are identified and selected according to their material impact on its activities. Positions are established at Group level in consultation with the relevant Divisions, and are then promoted within trade, employer and professional associations, as well as with policy-makers directly.

In its capacity as leader of the buildings materials sector, Lafarge works actively to engage the entire profession and industry to reach shared positions in defining and adopting best practices. Some of our lobbying is therefore conducted through and by the trade, employers or professional associations to which we belong. However, in instances where the Group finds itself unable to reach consensus with such partners, or is of the opinion that the general agreement reached fails to comply with its interests, principles or values, Lafarge may opt to conduct its own lobbying and promote a different position.

Lafarge Lobbying Charter

Transparency and compliance

Lafarge undertakes to:

- Carry out lobbying activities in compliance with its Code of Business Conduct, which excludes, in particular, resorting to corruption or bribery.
- Respect the codes of conduct and rules of the organisations (trade, employers, professional) in and through which it may carry out lobbying activities.
- Ensure that lobbying consulting firms with which it may work accept and fully comply with Lafarge's Lobbying charter.
- Be transparent on why and how a lobbying activity is undertaken - Lafarge experts and, where appropriate, external consultants should clearly state that they are acting on behalf of Lafarge when speaking to stakeholders.
- Appear on the lobbyists registers of the organisations in which it may carry out lobbying activities when they exist.

Information and communication

Lafarge undertakes to:

- Provide reliable information.
- Publish its main public positions on its website and update them regularly, particularly in accordance with the schedule of public debates. By 'main public positions', we mean all public positions on new legislation/regulations or policy decisions that can potentially have a material impact on the Lafarge Group, whether they be promoted directly by the Group or through trade, employer and professional associations.
- Publish in its Sustainability Report a summary of the main public positions on which a lobbying position is being taken.
- Publish a list of the key think tanks and trade, employer, professional associations to which Lafarge belongs and in which it is active. By 'key think tank and association', we mean the main organisations whose international positions could influence legislation/regulations or policy decisions.
- Inform the Group Stakeholder Panel yearly of political donations.
- Promote to rating agencies the need to take into account lobbying activities performed by the organisations that they evaluate so as to help motivate high standards across the industry as a whole

Internal network

Lafarge undertakes to:

- Be transparent on how the Group is organised to carry out lobbying activities and publish this in its Sustainability Report.
- Circulate its main public positions on new legislation /regulations or policy decisions to every business unit directly or indirectly concerned and make sure that they are enforced.
- Ensure that the persons permanently assigned to lobbying activities have the necessary skills to perform their functions and that they receive regular briefing or training in their field of activity.