Public **policies**

Lafarge actively lobbies governments for high quality environmental, social and technology standards and for strict enforcement of regulations. Launched in early 2010, the Lafarge Lobbying Charter sets down guidelines for doing so in an open and transparent way.

Organized to influence policy

Responsibility for public policy and lobbying lies with the Senior Vice President, Sustainable Development and Public Affairs. In Europe, the Group's lobbying efforts are coordinated through a network of 20 correspondents. In the United States, this role is taken on by the Environment and Public Affairs Committee, which meets regularly. Other regions have specific individual roles with the responsibility for public policy engagement. In China, the dedicated public affairs officer reports directly to the CEO of Chinese operations. Both the US and Chinese lobbying activities are coordinated at Group level.

For more information: http://sustainabilityreport.lafarge.com

LOBBYING PRINCIPLES

In early 2010 we published our Lafarge Lobbying Charter. It marks our commitment to transparency and openness when it comes to our activities in the public sphere. The Charter defines how we consider our lobbying activities and aligns our public positions with our sustainability objectives. It has been enriched through comments from our Stakeholder Panel and Transparency International. You can read the Charter online .

WORKING WITH OUR TRADE ORGANIZATIONS

Lafarge is a member of trade associations at international, national and local levels and seeks to encourage the engagement of our industry as a whole with external stakeholders. We seek to act together wherever possible, producing coordinated action on sustainability and other issues. We are an active member and support Cembureau, the EU cement association, which voted 95% in favor of a clinker benchmark for Phase 3 of the EU-ETS (2013-2020).

MAIN PUBLIC POLICY POSITIONS

Since 2005 Lafarge has published its main public policy positions through a number of channels, including this report. Our main public policy positions for 2009 are as follows:

Revision of the Industrial Emissions Directive (IED, formerly IPPC)

The IED directive providing for an integrated approach to prevention and control of emissions into air, water and soil, is being discussed by the European institutions (second reading) and cement plants are governed by this directive. We support the Common Position of the member states and promote a flexible approach in order to have a proportionate, balanced and integrated implementation of the directive and also allowing derogations from the emissions limits, only when this is justified, considering specific location and needs.

■ The revised EU Emissions Trading Scheme (ETS) directive, adopted in 2008

Lafarge welcomes the adoption of the climate and energy package in December 2008; the $\rm CO_2$ emissions reduction target set for 2020 (-21% since 2005) is very challenging since Lafarge, as a leader in its sector, has already significantly reduced its emissions. We also welcome the recognition that our sector is at risk of "carbon leakage" as long as no worldwide agreement is in place. As the competitiveness of European industry is at stake, we consider that no further unilateral commitments should be made until other major economies make substantial and binding commitments. We strongly support the use of clinker as the benchmark baseline for our industry.

Climate change post Copenhagen

We intend to continue our sector-based approach to reducing CO₂ emissions, within the framework of the CSI (Cement Sustainable Initiative) of the WBCSD (World Business Council for Sustainable Development). The CSI has designed and promoted a new CDM (Clean Development Mechanism) methodology, better adapted to our sector. It is currently under study by the UN Executive Board in charge of these projects.

Joint commitment on sustainable development in China

We co-organized the China Top Cement Enterprise CEO Roundtable with the China Cement Association, bringing together CEOs from 12 of China's top cement manufacturers. The leaders all signed the China Top Cement Enterprise Declaration on Sustainable Development, the first joint commitment on sustainable development made by the Chinese cement industry. Following this meeting, five major Chinese cement producers joined the WBCSD CSI.