SUSTAINABILITY REPORT 2017

LafargeHolcim

OUR SUSTAINABLE DEVELOPMENT STRATEGY, **THE 2030 PLAN**, GOES BEYOND SIMPLY MITIGATING OUR IMPACTS – IT ALSO ADDRESSES THE POSITIVE IMPACTS OUR OPERATIONS CAN HAVE BEYOND THE BOUNDARIES OF OUR PLANTS.

CONTENTS

SUMMARY OF 2030 TARGETS AND 2017 PERFORMANCE

Below is a summary of our progress against our main sustainable development performance targets.

AREA	2017	TARGETS 2020	2025	2030
THE 2030 PLAN				
INNOVATION				
% net sales from 2030 Solutions – solutions with enhanced sustainability performance	**8% of net sales Calculation based upon the new LafargeHolcim 2030 Solutions reporting methodology**	10%	20%	33%
CLIMATE				
Reduction of CO_2 emissions per tonne of cement vs 1990 *Note 1*	**24% reduction**	33% reduction	37% reduction	40% reduction
Avoided CO_2 emissions from buildings and infrastructure	**Reporting methodology has been developed and is currently being deployed**			10 million tonnes
CIRCULAR ECONOMY				
Use of waste-derived resources	**53 million tonnes**	>60 million tonnes	>65 million tonnes	80 million tonnes
Supply of recycled aggregates from construction and demolition waste, and reclaimed asphalt pavement	**5.2 million tonnes**	>12 million tonnes	>18 million tonnes	26 million tonnes
WATER AND NATURE				
Reduction of specific freshwater withdrawal in the cement line vs 2015 *Note 1*	**317 l/tonne cement (12.2% reduction)**	20% reduction	25% reduction	30% reduction
WASH Pledge implementation	**Assessments being carried out**	Implemented at all sites		
Impact on water resources in water-scarce areas	**Reporting methodology has been developed and piloted**			Demonstrate a positive impact
Impact on biodiversity	**Biodiversity indicators reporting methodology being deployed globally**			Demonstrate a positive change
PEOPLE AND COMMUNITIES				
Fatalities	**17 onsite**	Zero onsite	Zero onsite	Zero onsite
	14 offsite *Note 2*		50% reduction offsite	Zero fatalities
	31 fatalities			Zero fatalities
Lost Time Injury Frequency Rate (employees and contractors on site)	**0.91 per million hours worked**	<0.5	<0.25	<0.2
Total Injury Frequency Rate – reduction vs 2015 (employees and contractors on site)	**3.21 per million hours worked (1.3 % increase)**	30% reduction	40% reduction	50% reduction
Occupational Illness Frequency Rate (employees and contractors on site)	**0.04 per million hours worked**		<0.25 *Note 3*	<0.05 *Note 3*
Gender diversity (minimum of each gender)	**Top management: 8% Senior management: 19% Middle management: 20%**	20% at each management level		30% at each management level
Beneficiaries from our affordable housing solutions, our inclusive business initiatives, and our social investments	**12.6 million (cumulative)**	25 million (cumulative)	50 million (cumulative)	75 million (cumulative)
Participation in collective action to combat bribery and corruption in high-risk countries	**Target countries have been identified. Work is in progress to implement.**	3 high-risk countries	10 high-risk countries	All high-risk countries
OTHER SUSTAINABILITY TARGETS				
AIR EMISSIONS				
Reduction of average specific emissions of dust, NOx and SO_2 (g/tonne cement) vs 2015	**Dust: 60 g/tonne (+28%) NOx: 1,001 g/tonne (-3.6%) SO_2: 176 g/tonne (-1.7%)**	15% reduction	20% reduction	30% reduction
STAKEHOLDER ENGAGEMENT				
Stakeholder engagement plans in place at site level	**Cement plants: 78% Aggregates and concrete: 32%**	Cement plants: 80% Aggregates and concrete: 40% at cluster level	Cement plants: 100% Aggregates and concrete: 60% at cluster level	Cement plants: 100% Aggregates and concrete: 80% at cluster level

Note 1: This refers to cementitious materials as per WBCSD-CSI Cement CO_2 and Energy Protocol.

Note 2: This includes own employees and contractors. In addition, 34 third parties died offsite.

Note 3: Target has been restated to reflect the OIFR per one million hours worked to be consistent with LTIFR and TIFR. The original 2030 Plan OIFR target was set per two million hours worked.

OUR APPROACH

The LafargeHolcim 2030 Plan provides a clear roadmap for us to address our main impacts, set new standards, and lead our industry in helping to address our planet's most pressing issues.

38

THE LAFARGEHOLCIM CODE OF BUSINESS CONDUCT IS AVAILABLE IN 38 LANGUAGES

CHF 4.8 billion

ESTIMATED TRIPLE-BOTTOM-LINE VALUE

A comprehensive sustainability report that embraces all relevant ESG criteria. It provides a state-of-the-art focus on KPIs and sustainability targets with accompanying case studies. The link to the overarching United Nations Sustainable Development Goals illustrates LafargeHolcim's sustainability approach and responsibility working towards the goals.

Andreas Wiencke
Head of Business Management and Sustainability
Credit Suisse

CEO STATEMENT

Underpinning our commitments to stakeholders is a culture of trust and integrity, a commitment to health and safety, and a desire to have a positive impact on society and the environment.

HIGHLIGHTS

81,000+
EMPLOYEES

26.1 billion
IN NET SALES

2,300
OPERATING SITES

Top 3
POSITION IN 80% OF OUR MARKETS

Dear Stakeholders

The building material sector is expanding rapidly driven by an increasing global population. This is resulting in the continuing shift toward city and urban living and the infrastructure that growing populations require. Sustainable building and living will inevitably be more of a feature as society tackles the growing challenges posed by climate change and resource scarcity.

Since joining the company in September 2017, I have visited our operations, key markets, talked with numerous employees, and met with many customers and stakeholders. I am convinced that LafargeHolcim has the best people, assets, and product portfolio to be the clear global leader in the sector. As the leader we can and should play an important role in addressing these challenges.

I have recently announced our revised strategy and five-year roadmap for the Group. The foundations of Strategy 2022 are growth, simplification and performance, financial strength, and vision and people.

To maximize our potential, the culture and values of the organization are key. Underpinning our commitments to stakeholders is a culture of trust and integrity, a commitment to health and safety, and a desire to have a positive impact on society and the environment. You can expect us to accelerate initiatives in sustainability and health and safety, and to regain industry leadership in carbon intensity and achieve our long-term targets. To facilitate this, I have simplified the reporting lines of the Health and Safety function to ensure clearer responsibilities and accountability.

Additionally, I have appointed an experienced senior manager with proven strategy and profit and loss experience to lead the sustainable development function, reporting directly to myself.

We have strengthened our environmental and social governance with the establishment of a Health, Safety and Sustainability Committee of the Board (HSSC). In keeping with our commitment to good corporate citizenship, the Board has also endorsed a new strategy for dealing with our carbon emissions.

As in previous reports, we have asked for the inputs of an External Report Review Panel incorporating the views of a broad range of experts from a number of stakeholder groups. The Panel has provided a statement with recommendations and observations which can be found on page 58. We are extremely grateful to the Panel for its constructive comments and suggestions.

In conclusion, our vision is to be a global blue chip company that is recognized by customers as their preferred supplier, by employees for our safe, diverse, and inclusive workforce, by the industry as being at the forefront of sustainable construction solutions and innovation, and by our stakeholders as a responsible and ethical company.

Jan Jenisch
Chief Executive Officer

STRATEGY, GOVERNANCE, AND INTEGRITY

We are committed to acting with transparency, integrity, and the highest ethical standards throughout all our operations. We will not tolerate anything that compromises this.

LafargeHolcim takes a long-term perspective to managing its material issues, and the 2030 Plan demonstrates this through stretching future-led targets.

Seema Arora
Deputy Director General
Confederation of Indian Industry
CII ITC Centre of Excellence for Sustainable Development

The LafargeHolcim Sustainability Strategy: The 2030 Plan

LafargeHolcim has a successful track record in sustainability, which has become a key driver for differentiation, net sales generation, and value creation for all stakeholders. Our sustainable development strategy, the 2030 Plan, was launched in 2016. The Plan was developed in conjunction with internal and external stakeholders and is designed to address a range of business, social, and environmental challenges.

The overarching objective of the Plan is to generate one third of net sales from more sustainable products and solutions, supported by four fields of action – climate, circular economy, water, and nature – and improving the quality of life of communities and employees.

The 2030 Plan goes beyond simply mitigating our impacts – it also addresses the positive impacts our operations can have beyond the boundaries of our plants.

In the course of 2017, interim 2020 targets that were set in conjunction with relevant Executive Committee members in 2016, were cascaded to all Group companies. Our progress against our 2030 Plan targets can be seen in the table on page 1.

Following the announcement in March 2018 of the revised Group "Strategy 2022," the 2030 Plan will be reviewed to ensure alignment.

Our 2030 Plan goes beyond simply mitigating our impacts – it also addresses the positive impacts we can have beyond our boundaries.

STRATEGY, GOVERNANCE, AND INTEGRITY CONTINUED

THE 2030 PLAN – BUILDING FOR TOMORROW

We will generate one third of net sales from solutions with enhanced sustainability performance. The diagram below outlines the Lafargeholcim 2030 Plan. For more details, visit our website at www.lafargeholcim.com/sustainable-development.

	IN-HOUSE	BEYOND OUR FENCE	2030 SOLUTIONS
CLIMATE	We will reduce net specific CO_2 emissions by 40 percent per tonne of cement[1] (vs 1990)	We will help our customers avoid 10 million tonnes of CO_2 being released from buildings each year through our innovative solutions	– Low-carbon cement and concrete – Insulating concrete – Thermal-mass solutions
CIRCULAR ECONOMY	We will use 80 million tonnes of waste-derived resources per year	We will provide end-of-life solutions for our products and will supply four times more recycled aggregates from CDW/RAP	– Recycled aggregates – Urban mining solutions – Waste management services
WATER AND NATURE	We will reduce specific freshwater withdrawal in cement operations by 30 percent We will implement The WASH Pledge on all sites	We will make a positive impact on water in water-scarce areas We will show a positive change for biodiversity	– Rainwater harvesting – Pervious concrete – Stormwater protection – Vertical green solutions
PEOPLE AND COMMUNITIES	We want zero fatalities We will reduce LTIFR to <0.20 We will reduce TIFR by 50 percent We will reduce our OIFR to <0.05[2] We will have 30 percent minimum gender diversity at all management levels	We will develop initiatives to benefit 75 million people We will engage in collective action to combat bribery and corruption in high-risk countries	– Affordable housing materials and solutions – Affordable sanitation solutions

Note: All targets are for 2030. Baseline year is 2015 unless stated otherwise.

CDW: Construction and Demolition Waste, RAP: Reclaimed Asphalt Pavement, WASH: Water, Sanitation and Hygiene Implementation at the Workplace, LTIFR: Lost Time Injury Frequency Rate, TIFR: Total Injury Frequency Rate, OIFR: Occupational Illness Frequency Rate.

[1] This refers to cementitious materials as per WBCSD-CSI Cement CO_2 and Energy Protocol v3.

[2] Target has been restated to reflect the illness rate per one million hours worked to be consistent with LTIFR and TIFR. The original 2030 Plan OIFR target was set per two million hours worked.

STRATEGY, GOVERNANCE, AND INTEGRITY
CONTINUED

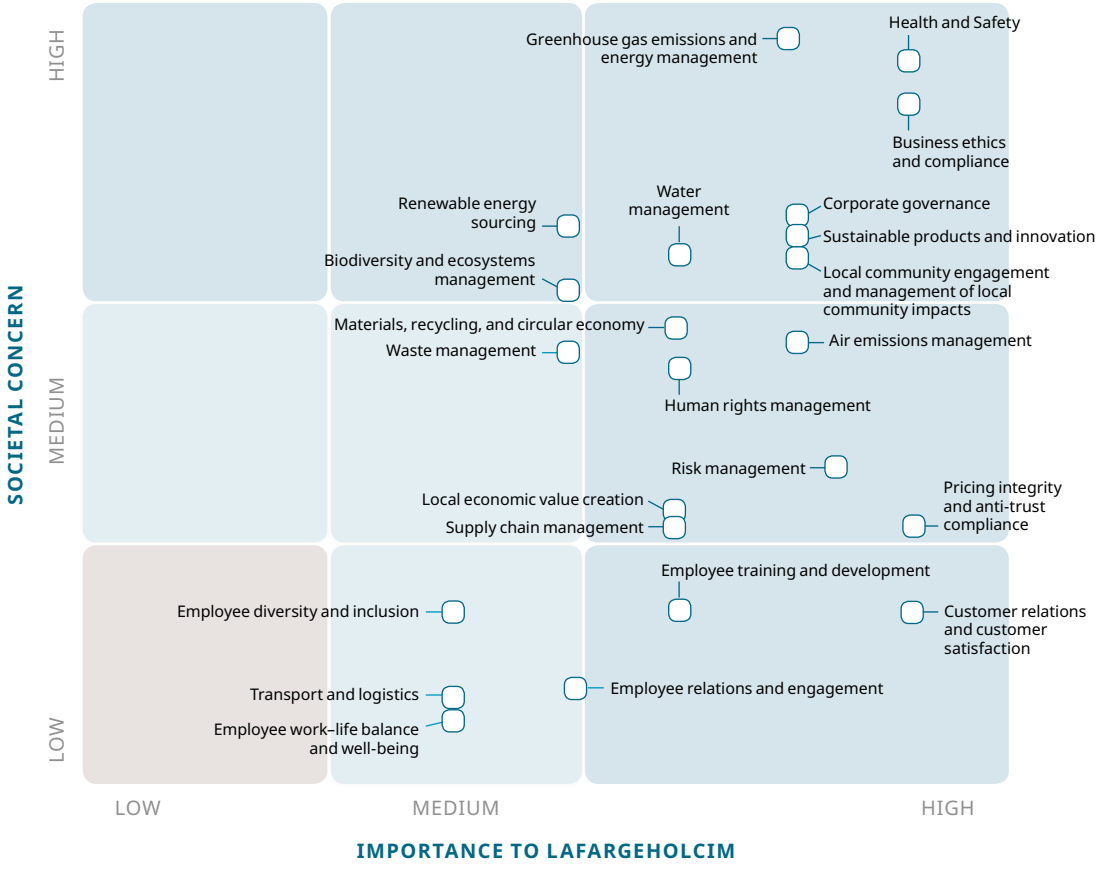
The diagram below shows the key issues from the materiality review. For more information on the review, go to www.lafargeholcim.com

Materiality

Alongside our corporate and local risk management process, we also conduct material issue reviews to ensure that sustainability risks and opportunities are correctly prioritized.

The last review took place in 2015 and was conducted by DNV GL, who worked according to the Global Reporting Initiative (GRI) G4 Reporting Guidelines. The review included external and internal stakeholder engagement, industry peer research, sector initiatives, and wider sustainability trends. The review scheduled for 2017 was postponed until mid 2018 to ensure alignment with the updated overall strategy for the Group, announced by our CEO Jan Jenisch in March 2018.

Stakeholders' material issues are spread across environment, social, and governance issues, as well as across the company's value chain – from supplier management to our portfolio of sustainable products at the product use stage.



STRATEGY, GOVERNANCE, AND INTEGRITY CONTINUED

34,000+

EMPLOYEES UNDERWENT COMPLIANCE TRAINING IN 2017

Governance

Our commitment to corporate governance and sustainable development is driven by the LafargeHolcim Executive Committee (ExCo), with the Sustainable Development Department reporting directly to the CEO.

In 2017, the Board established a Health, Safety and Sustainability Committee, chaired by Board member Adrian Loader. The committee's mandate is to support and advise the Board of Directors on the development and promotion of a healthy and safe environment for employees and contractors, as well as on sustainable development and social responsibility. An important aspect is supporting the development of a health and safety culture in the company. The Committee's Charter can be found here.

Ultimately, day-to-day responsibility for sustainable development delivery rests with every employee. The commitment of line managers and their teams to delivering the 2030 Plan is critical to achieving our sustainability ambitions.

Compliance and integrity

Our Code of Business Conduct (CoBC) ensures that directors, officers, and employees share the company's commitment to conducting business with transparency and integrity. It provides guidance on how to put this commitment into practice, and helps to ensure that we adhere to the laws and regulations in our operating countries. The CoBC is available in 38 languages and has been issued in all Group companies. In associated companies or joint ventures where we do not exercise equity or management control, all available means have been used to seek the adoption of the CoBC or at least equivalent standards.

The CoBC is supported by a variety of speak-up channels, including the global "Integrity Line," which enables employees to report any integrity-related concerns. Also available in 38 languages, it is a safe and confidential way to report possible CoBC violations or raise compliance-related questions.

In 2017, 341 reports related to the CoBC were received by Group Investigations through the Integrity Line and other channels. By the end of 2017, 274 cases had been closed, with 37 employees leaving the Group as part of compliance remediation measures. The remaining 67 cases were still under investigation as at 31 December 2017.

Beyond the CoBC, we have specific directives and programs to deal with anti-bribery, corruption, sanctions, and trade restrictions, as well as fair competition, in each case supported by compliance tools and targeted training. In 2017, a total of 18,581 employees completed the anti-bribery and corruption training module and 16,406 employees underwent the fair competition training.

Our Code of Business Conduct is available in 38 languages and has been issued in all Group companies.

STRATEGY, GOVERNANCE, AND INTEGRITY CONTINUED

LafargeHolcim are ahead of the curve in describing their responsible tax policies and how they are complying with new mandatory and stakeholder demands for greater transparency concerning their tax payments to governments wherever they operate.

Jermyn Brooks
Chair
Transparency International's Business Advisory Board

Responsible tax

LafargeHolcim recognizes demands from civil society for increased transparency on taxes paid. As a general principle, we pay tax in the jurisdictions where business activities generate profits.

In the interests of transparency, we report on taxes paid per region on an annual basis. This can be found on page 53 of this report. Furthermore, we comply fully with the Organisation for Economic Co-operation and Development (OECD) initiative on country-by-country reporting, making detailed information available to tax authorities worldwide as the OECD initiative becomes implemented. The first report was made available to the Swiss tax authorities in late 2017.

A statement on our tax principles is available on our website at www.lafargeholcim.com/Sustainability-reports.

Transparent engagement

Engagement is conducted with integrity and in accordance with the highest ethical standards. Our credibility in the communities in which we operate depends upon working together fairly and honestly, and is ensured through internal practices, guidelines, and rules, as well as our adherence to external schemes. As an example, LafargeHolcim fully adheres and complies with the Code of Conduct associated to the EU Transparency Register, to which we are registered. Our stakeholders have emphasized the important leadership role that we can play in terms of advocacy and engagement. Our advocacy positions on the focus areas of the 2030 Plan are available here.

Syria remediation update

In 2016, a number of publications reported allegations involving legacy Lafarge operations at its plant in Syria between 2013 and 2014.

After an independently conducted investigation, the Board took a number of decisions, beginning with the creation of a new Ethics, Integrity and Risk Committee, chaired by a member of the Group Executive Committee. Decisions also included continuing efforts that were already underway, such as adopting a more rigorous risk assessment process. Implementation of the LafargeHolcim Third Party Due Diligence tool continues, with the tool having been rolled out in more than 70 countries or clusters. Throughout 2017, great emphasis was placed on sanctions risk assessment and training. By the end of 2017, all 12 exposed country operations, as well as LafargeHolcim Trading and our oil well cement business, had been assessed and all exposed employees had received dedicated face-to-face training on sanctions compliance.

Our position is clear – there can be no compromise with adherence to the standards reflected in the company's Code of Business Conduct and the laws applicable to our business.

Our values

Our values are the foundation for our company culture and provide a framework for the way we expect our employees to behave. Our core value is our absolute commitment to health and safety. We are committed to ensuring both employees and contractors can work safely on our sites and in the community. This commitment is embedded in the personal objectives of every employee in the company. Our values additionally include a commitment to our customers and our people, and creating a passion for results, integrity, and sustainability.

MEASURING OUR VALUE: INTEGRATED PROFIT & LOSS STATEMENT

For the third consecutive year, the IPL statement tool complements our traditional financial and sustainability metrics to give us an indication of the scale of our extended impacts. It provides a compass, pointing us in the direction of increasing sustainable value creation for shareholders, society, and the environment.

CHF 2.7 billion
RETAINED VALUE

CHF 2.1 billion
NET POSITIVE SOCIO-ECONOMIC AND ENVIRONMENTAL IMPACTS

CHF 4.8 billion
TRIPLE BOTTOM LINE

The LafargeHolcim Integrated Profit & Loss Statement

This is the third consecutive year that LafargeHolcim has endeavored to establish the order of magnitude of its financial impacts across the triple bottom line. The LafargeHolcim Integrated Profit & Loss Statement (IP&L) represents our approach to the growing discipline of impact valuation. It is also a key element of our sustainability reporting tools and plays a vital role in helping us achieve our sustainability ambitions. The LafargeHolcim IP&L 2017 results are displayed in the graph on page 10.

Why impact valuation?

The IP&L is not intended to be a definitive statement of our financial accounts. Rather, it is a tool to allow us to understand and share with stakeholders the extent of our impacts and to track progress against the LafargeHolcim 2030 Plan. The tool enhances decision-making processes and sustains value creation in the long term, by raising awareness of risks and opportunities posed by externalities (through quantification), and enabling analysis on what the impact could be on the bottom line.

The discipline of impact valuation

We published our first IP&L together with our subsidiary Ambuja Cement in 2014. Since then, the discipline of impact valuation[1] has been further developed and adopted by different companies. Currently we are working with a number of leading companies, which are in various stages of piloting, implementing, and communicating their efforts on impact valuation, as part of a roundtable to develop this discipline and share best practices with other interested companies. A white paper describing how impact valuation can be practically implemented has recently been finalized by this group and shared with the World Business Council for Sustainable Development (WBCSD) and other parties.

[1] Impact valuation refers to the application of welfare economics to determine the positive and negative value contribution of business activities to society in monetary terms.

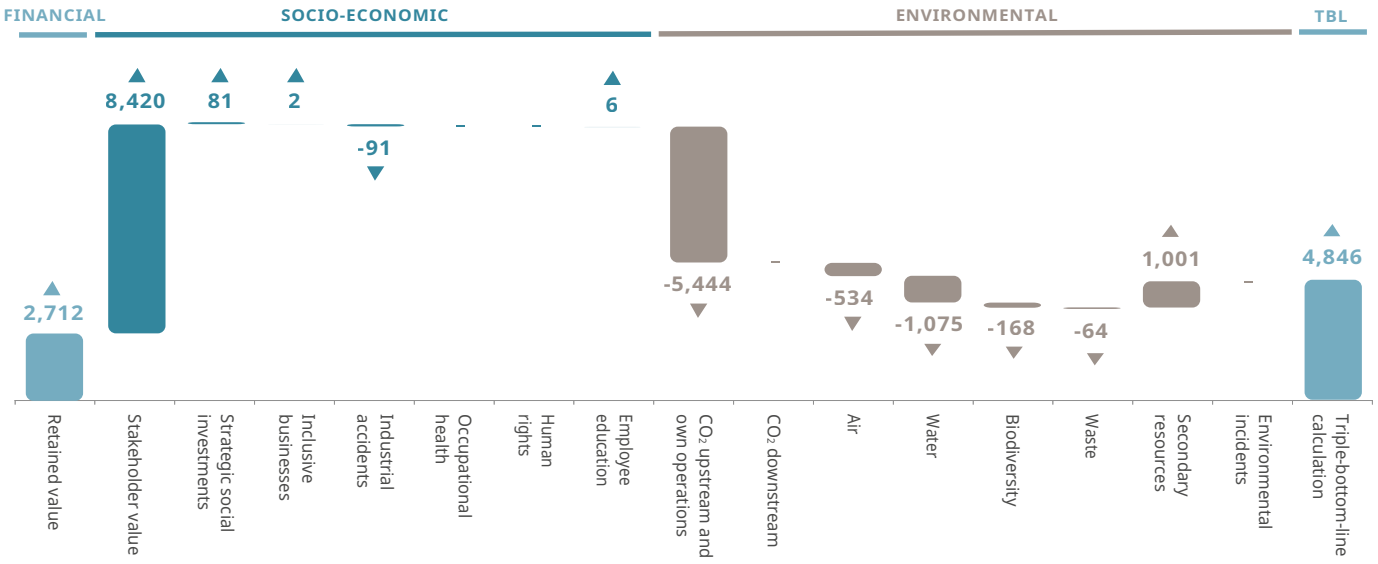
UNDERSTAND THE EXTENT OF IMPACTS
Assess and quantify the risks of externalities on the LafargeHolcim bottom line, and translate environmental and social KPIs into a common language, understandable throughout the organization.

SHAPE THE MINDSET
Have a comprehensive view of company performance/ impact, track progress over time and engage, mobilize, and inform beyond sustainable development experts.

ENHANCE DECISION-MAKING PROCESS
Investments lock LafargeHolcim into assets for a long period of time. The IP&L enables us to start assessing decisions from the bottom up, working with interested companies.

MEASURING OUR VALUE: INTEGRATED PROFIT & LOSS STATEMENT CONTINUED

Year: 2017 Results in: million CHF



The IP&L statement is not part of LafargeHolcim's financial reporting or projections. The IP&L is intended to raise awareness of externalities that may or may not affect LafargeHolcim's business, and to assess their relative importance. It contains preliminary considerations which may be subject to change. Furthermore, the IP&L may also change, for example as valuation techniques and methodologies evolve. It should be considered as indicative and it neither represents any final factual conclusions nor is intended to assert any factual admission by any person regarding the impact of LafargeHolcim or any of its related parties on environment or society.

What the IP&L tells us

The IP&L indicates that our triple-bottom-line calculation – taking into account the monetized social and environmental impacts – is 1.8 times higher than the company's retained financial earnings.

The value created in the **Socio-Economic dimension** is mainly driven by the "stakeholder value" externality, which measures our contribution to local economies through the multiplied effect of salaries, taxes, and social investment.

Sadly, and despite all our efforts, we regret that 31 employees and contractors lost their lives in 2017, down from 47 in 2016. The human cost of an occupational accident cannot be monetized, but even if only the lost capacity of a person to generate income is considered, the cost is considerable.

The impact on lives and families is immeasurable. Health and safety is a core value of the LafargeHolcim Group and we will continue to act to improve the safety and the health of employees, contractors, third parties, and communities.[2]

In the **Environmental dimension**, the most significant externality is our CO_2 emissions. These account for 74 percent of our total cost to society, and represent the largest negative impact of our operations.

The development of products and services that help end users to reduce emissions in the "use phase" will be an important lever to mitigate this impact, and a key activity in achieving our 2030 Plan ambition of generating one third of net sales from sustainability-enhanced products and services. We are continuing our work on developing and implementing methodologies to measure CO_2 savings downstream. We are confident that in future years we will be able to demonstrate the positive contribution from innovative products, services, and applications.

Water usage continues to have a negative impact. However, we are confident that the plans we have in place, including the implementation of the Water Positive Impact Methodology described in the "Water and nature" section, will mitigate this impact.

The IP&L challenges also highlight opportunities that can help us to maximize our sustainable value creation for shareholders, society and the environment. We are confident that as we implement the 2030 Plan, the IP&L will assist us to measure the effectiveness of our programs.

Where can I find more details?

A document containing all the assumptions and the calculation values used, together with a short animation explaining the IP&L statement, can be found here.

[2] See "Health and safety" section on page 16.

CUSTOMER FOCUS

Using our exceptional research capacities and development resources, we are continually innovating to develop new and better products and systems that provide our customers with the world-class service and solutions they expect.

12,000

CUSTOMERS INCLUDED IN OUR NET PROMOTER SCORE SURVEY

CHF 20 million

EBITDA FROM AFFORDABLE HOUSING SOLUTIONS

The building materials sector is highly attractive with growth driven by the rapid rise in the global population, the continuing shift toward urban living and the increasing need for infrastructure development. Demand for better living standards and more efficient infrastructure, digitalization of the construction value chain and the requirement to develop sustainable construction solutions are also fueling innovation and spending.

Jan Jenisch
CEO, LafargeHolcim

CUSTOMER FOCUS
CONTINUED

Case study: Innovating in partnership

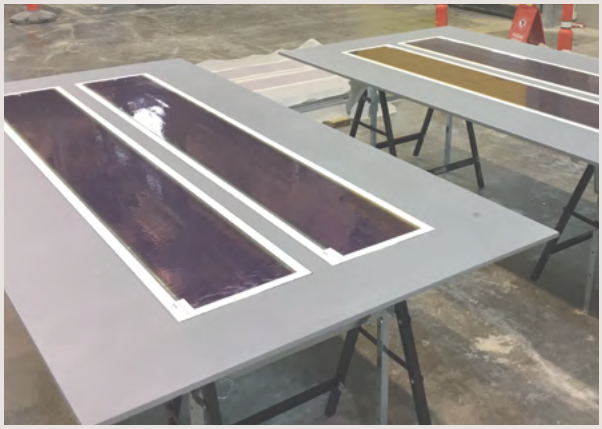
Together with our partner Heliatek, a technology leader in organic electronics, we have collaborated closely for two years to develop a unique photovoltaic, energy-generating concrete facade. The facade has the capability to double the energy generation traditionally achieved by roof-based solar systems.

The facade is a cladding solution that combines LafargeHolcim's Ductal® with Heliatek's HeliaFilm®. Ductal is a high-tech construction material (Ultra-High Performance Concrete) with superior ductility, longevity, eco-efficiency, insulation, and aesthetics. In addition, it offers greater resistance to compression. It is used in a wide range of applications – from the most demanding structures, including bridges and roads, to the most creative architectural projects and cost-effective public and private buildings.

HeliaFilm is an ultra-light (1 kg/sq. m), highly aesthetic, thin, solar film, with a CO_2 life cycle impact close to five times less than that of traditional crystalline photovoltaics. It provides the greenest photovoltaic solution worldwide.

With this new solution, prefabricated Ductal panels are delivered on site with an integrated solar energy-generation system. The cladding boosts the building's ability to generate energy independently, and offers a reliable, decentralized, and decarbonized energy supply. A ten-story commercial building with 60 percent of its facade covered with the Ductal/HeliaFilm cladding system could generate approximately 30 percent of its annual energy requirement.

A prototype of this new photovoltaic facade system was presented at Batimat, the French construction fair, in November 2017, and a pilot project is planned in 2018.



Heliatek-Ductal PV facade panels being manufactured.

Differentiating through innovation

LafargeHolcim differentiates itself as a supplier of choice for its customers by commercial excellence and well-adapted, innovative solutions. Our outstanding expertise and exceptional research and development resources prove our motivation to be one of the top innovation drivers in the construction industry. We have an ambitious innovation pipeline and we are working on a number of significant product developments focusing on sustainable construction.

Our research and development understands the diversity of construction practices around the world linked to climate, cultural, social, and economic factors. We cater for those differences and develop innovative solutions with our customers to meet the needs for the way those projects are run. So we are a player capable of looking at the global perspective, putting together knowledge from all over the world and adapting it locally. One recent example of addressing today's major construction challenges is our focus on reducing construction's life cycle energy consumption and increasing renewable energy production. Between 30 and 40 percent of global energy consumption is used for heating and cooling buildings, and insulation regulations are being strengthened all over the world. Decentralized low-carbon energy generation in buildings is among the critical levers to mitigate the impact of buildings on climate change, as well as to reduce the operating expenses for owners and optimize the use of national power grids.

At LafargeHolcim, we are also on the pulse of the future and share our vision of upcoming tendencies in the construction industry: besides sustainability, new techniques based on digital innovation and progress in robotics with 3D printing on the top are an important aspect. The latter has the potential to revolutionize the construction industry and our markets in the years to come. To make sure we remain ahead of the curve, we have the network, resources, and capabilities dedicated to tracking the latest innovations.

CUSTOMER FOCUS
CONTINUED

1 million

PEOPLE BENEFITED FROM OUR AFFORDABLE HOUSING PROGRAMS

20

AFFORDABLE HOUSING PROJECTS ARE IN PLACE OR BEING ASSESSED IN 20 LAFARGEHOLCIM OPERATING COUNTRIES

Promoting responsible sourcing

Our customers and other key stakeholders are increasingly inquiring about transparent and reliable information on the responsible sourcing of construction materials. The timber industry has long shown how a well-established certificate, like that of the Forest Stewardship Council (FSC), can generate a significant momentum in the green building market.

The Cement Sustainability Initiative (CSI) and numerous global concrete associations have come together to form a unique concrete industry alliance to develop and operate a certification scheme for the concrete and cement sector. As a result, the Concrete Sustainability Council (CSC) was officially launched in November 2016 in Geneva. LafargeHolcim is proud to be a founding member of the CSC.

Our operations in Canada were awarded CSC certificates for Responsibly Sourced Concrete for ready-mix concrete plants in Burlington (Ontario), and Edmonton (Alberta). Both plants received CSC Bronze-level certification for operating in an environmentally, socially, and economically responsible way.

In particular, the plants were recognized for having a clear chain of custody for materials, demonstrating a commitment to responsible sourcing. Other highlights included achieving zero wastewater discharge, due to high recycled water use, and having a strong Health and Safety program. This is the first time that plants of any building materials company in North America have been recognized with this type of certificate.

Affordable housing

We are developing residential construction solutions to address the significant need for affordable housing in Asia Pacific, Middle East Africa, and Latin America in particular. Drawing on the expertise of our global research and development center in Lyon, France, our affordable housing solutions help address the enormous and growing challenge of providing decent and sustainable affordable housing, while contributing to the bottom line.

In 2017, affordable housing projects were in place or being assessed in 20 LafargeHolcim operating countries, benefiting an estimated one million people and contributing CHF 20 million EBITDA.

A house in Africa built with Durabric – a low-carbon, non-fired earth and cement brick.

CUSTOMER FOCUS
CONTINUED

Case study: Eco-friendly concrete for the world's most sustainable airport

LafargeHolcim will supply environmentally friendly, high-performance concretes for the construction of Mexico City's new international airport. Designed by architects Lord Foster and Fernando Romero, the project will be the world's most sustainable airport and will eventually serve 68 million passengers a year.

The concrete solutions used for the airport were developed by our Mexican technology center in collaboration with our global research and development center in Lyon, France. They are designed to withstand aggressive sulfate conditions and chloride attacks for 75 years. These special qualities were necessary because the airport is built on the former Texcoco Lake, which has a high concentration of salts. The concretes developed for this project are unique to the Mexican market. Thanks to their sulfate-resistant cement and low alkali aggregate reactivity, they help prevent cracks and other damage to the structural integrity of different airport applications.

In July 2017, we started delivering material for the passenger terminal construction from an on-site concrete plant that was specifically set up to secure on-time supply. The plant is producing concretes for the first construction phase of the new airport, expected to be completed in 2020.

The LafargeHolcim concretes have an Environmental Product Declaration (EPD). They will also contribute to achieving LEED (Leadership in Energy and Environmental Design) Platinum certification, the highest sustainability grade awarded by the U.S. Green Building Council.

Labeling Sustainability, Inc. and the Institute for Environmental Research and Education awarded the EPD to LafargeHolcim after reviewing the environmental impact of the concretes that will be used in the construction of Mexico's most important infrastructure project. EPD results confirm that the concrete produced at the plant is of the highest quality and exceeds the standards used by the concrete industry in the United States. The analysis assesses environmental impact over the product's lifespan, using the UNE-EN ISO 14025 international norm.

Customer experience management and Net Promoter Score

We continuously improve our major customer touch points by applying the Net Promoter Score (NPS) methodology and customer experience management processes in more than 50 countries. We believe this approach is more robust than just managing complaints and measuring customer satisfaction. A good customer experience brings major benefits, such as creating value for the customer, competitive advantage, growth, loyalty, and, last but not least, a catalyst for becoming more customer focused.

The known NPS reflects the percentage of customers who would actively recommend or "promote" LafargeHolcim, minus the percentage of customers who would "detract."

In 2017, we recorded a global NPS of 47.4, reflecting the perception and experience of over 12,000 customers.

Opening in 2020, Mexico City's new airport will use unique, long-term concrete solutions to set new standards for airport sustainability.

PEOPLE AND COMMUNITIES

We are committed to protecting and improving the lives of people in the areas in which we work, by championing health and safety, diversity, anti-corruption, and human rights.

68

HEALTH AND SAFETY AUDITS CONDUCTED ACROSS 34 COUNTRIES IN 2017

CHF 43.1 million

IN SOCIAL INVESTMENTS AND INCLUSIVE BUSINESS PROJECTS

The case studies used in the report are very good and a useful showcase of the work which has happened during 2017. I would urge LafargeHolcim in the future to include impact data to demonstrate differences made on the ground.

Seema Arora
Deputy Director General
Confederation of Indian Industry
CII ITC Centre of Excellence for Sustainable Development

PEOPLE AND COMMUNITIES

THE 2030 PLAN: FOR PEOPLE AND COMMUNITIES

Health and safety is our core value. By 2030, we aim to achieve a zero-fatality target, a Lost Time Injury Frequency Rate of 0.2, a 50 percent reduction in Total Injury Frequency Rate (vs 2015), and an occupational illness frequency rate of 0.05.

We will champion diversity in our sector and we aim to promote equality and diversity at LafargeHolcim. We want to achieve a minimum of 30 percent gender diversity at all management levels across our business by 2030.

We will act with respect for universal human rights and will roll out our human rights program to all countries.

By 2030, we aim to help 75 million people live better lives through our affordable housing solutions, our inclusive business initiatives, and our social investments.

We will work with others to fight bribery and corruption in all the high-risk countries where we operate.

We will deploy our Sustainable Procurement Initiative in all countries where we operate.

60

COUNTRY CEOS COLLABORATED TO REVISE THE HEALTH AND SAFETY STRATEGY

500

EMPLOYEES PARTICIPATED IN GROUP HEALTH AND SAFETY AUDITS IN 2017

Health and safety

Health and safety is a core value of the LafargeHolcim Group, which has established targets of a zero-harm culture and zero fatalities by 2030. In 2017, the health and safety strategy (Ambition "0") was revised in collaboration with over 60 country CEOs and more than 200 executives throughout the Group. Ambition "0" focuses on six areas: On-site Fatality Elimination; Zero-Harm Culture; Systems and Processes; Road Safety; Control of Health Risks; and Contractor Partnerships.

With the strategy in place, we are developing standardized global programs to drive a consistent approach and zero-harm culture in every country in which we operate. Health and safety activities have been supported by engagement and communication at different levels. Our global Health and Safety Days, introduced in 2016, were continued in 2017, using the theme "Stop Unsafe Work." In addition, we introduced a new Key Lessons format, sharing all incidents in a simple and effective way to reach all members of the workforce.

Despite these efforts, and most regrettably, 31 employees and contractors lost their lives, down from 47 in 2016. While the number of contractors who died dropped significantly, the number of employees who lost their lives increased from 3 to 10, due to the nature of the on-site incidents that occurred in 2017. In addition, 34 third parties died, compared with 39 in 2016.

PEOPLE AND COMMUNITIES
CONTINUED

	REGION	LTIFR[1]	TIFR[2]
INJURY RATES – LOST TIME INJURY FREQUENCY RATE AND TOTAL INJURY FREQUENCY RATE FOR EMPLOYEES AND CONTRACTORS ON SITE			
	Asia Pacific	0.68	2.61
	Latin America	0.58	2.21
	Europe	2.11	4.88
	North America	1.04	7.71
	Middle East Africa	0.61	2.1
	Corporate	0.35	2.13
GROUP TOTAL		**0.91**	**3.21**

1 Number of lost time injuries per million hours.
2 Number of injuries including fatal injuries, except first aid, per million hours.

	REGION	EMPLOYEES	CONTRACTORS
FATALITIES (NUMBER)			
	Asia Pacific	5	12
	Latin America	0	1
	Europe	2	3
	North America	2	1
	Middle East Africa	1	4
	Corporate	0	0
GROUP TOTAL		**10**	**21**

90

GROUP HEALTH AND SAFETY AUDITS ARE SCHEDULED TO BE CONDUCTED IN 2018

These deaths are unacceptable. The Board and management are committed to ensuring that the strategy and underpinning programs are fully embedded in the organization.

In 2017, the Board established a Health, Safety and Sustainability Committee, chaired by Board member Adrian Loader. The committee's mandate is to support and advise the Board of Directors on the development and promotion of a healthy and safe environment for employees and contractors. In addition, the Committee is mandated to support the development of a health and safety culture in the Company in which the objectives are to avoid harm to people and to avoid accidents. The committee regularly reviews health and safety performance and has embarked on a program of site visits to view practices in the workplace.

Auditing our health and safety performance

2017 marked the first full year of the Group health and safety audit program. The program's goal is to measure the capacity and capability for implementing the Group Health and Safety Standards and to ensure effective Health and Safety Management Systems (HSMS) at Unit level across the Group. The audit program provides an independent governance process within the health and safety function, aligned with the Group Internal Audit program.

To facilitate continuous improvement in health and safety performance, 68 Group health and safety audits were conducted in 2017 across 34 countries. More than 500 employees participated in an audit, further contributing to our knowledge-sharing across different facilities, product lines, and borders. A further 90 audits are scheduled to be conducted in 2018.

PEOPLE AND COMMUNITIES
CONTINUED

Case study: Working toward zero fatal road accidents

Road safety is the greatest safety challenge faced by LafargeHolcim globally, particularly in developing countries.

Algeria is a country using significant road transport, with approximately 30 million kilometers per year traveled on its roads. Our Group company in Algeria has taken up the challenge and for the first time managed to record zero road fatalities in 2017.

First, it worked to consolidate the number of cement transporters contracted by the company, reducing the total to a manageable number of 20. One-on-one meetings were held with these partners, together with transporter forums, to highlight the importance of safe driving practices.

This was complemented by a comprehensive driver training program. Seven driving instructors successfully completed an approved "train the trainer" driving instructor training course. They have since trained and approved over 94 percent of the regular contracted drivers using in-vehicle training and assessments, ensuring the drivers have the appropriate skills. The assessments are extremely robust. Some 9 percent of the trainees failed to pass the assessment and have to be retrained and reassessed.

In addition, in-Vehicle Monitoring Systems (iVMS) are being incrementally installed. Currently, more than 60 percent of kilometers driven for the company are driven with iVMS.

A comprehensive training program is at the heart of our efforts to improve road safety for our drivers.

Road safety program

Based on the fact that less than 5 percent of driving incidents are due to the condition of the vehicle, in 2017 the main focus was placed on improving drivers' skills and behavior. Our road safety training program has been fully revisited so that, going forward, training has to be conducted in-cab and must include a robust pass/fail assessment. Recognized experts in driver training have been identified at Group level to ensure high-quality training is implemented in all countries with qualified trainers. We have started to use in-vehicle monitoring systems (iVMS) to evaluate both driver behavior (speed and hours of work) and skills (harsh braking and harsh acceleration). Training, rewards and/or consequence management are applied accordingly. In India we have launched a Central Transport Control Tower pilot project as part of our efforts to improve road safety.

PEOPLE AND COMMUNITIES
CONTINUED

Case study: "I Live Healthy" employee health program in El Salvador

Our team in El Salvador is now in the third year of an employee well-being program. The program tackles general health topics in a comprehensive and engaging way through a wide range of targeted activities, including:

- Cardiovascular health
- Mental health and work–life balance
- Prevention of chronic diseases
- Nutritional health
- Fitness programs

The physical health program includes cardiovascular risk assessment, risk factor screening to prevent other chronic diseases, nutritional advice, and exercise programs to promote fitness. Stress management workshops are held twice a year and a number of employee clubs have been formed offering social activities such as sports, board games, or even simply going to the cinema together.

Impact evaluation one year after the launch of the program showed high levels of participation, resulting in a more engaged and healthier team. Health metrics were tracked with positive trends – the combined weight loss of the workforce at the end of year one was 1,215 kg.

By engaging in a range of group activities, employees are improving their physical health and well-being.

Supporting the health of our workforce

We began implementation of our renewed health program in January 2017. A global reporting module for occupational illness cases was included in our health and safety incident reporting system. Guidelines and training were provided to improve skills for the identification, investigation, and diagnosis of occupational illness conditions.

Countries began reporting occupational illness cases for the first time during 2017. Only 15 cases were reported and we expect the number to be higher during 2018, as our reporting on this topic becomes more embedded throughout the Group. We do not consider that the 2017 Occupational Illness Frequency Rate (OIFR) of 0.04 per million hours worked is our true baseline for the purposes of the 2030 target, but have reported it for transparency and comparison with future years. We will continue to promote and encourage awareness of this indicator and strengthen our reporting.

All 560 global unit management teams completed a baseline health program maturity assessment to rate the level of maturity of 17 key health program elements.

Based on these findings, each country selected actions to address the highest priority health risk-reduction issues for their 2017 Health and Safety Improvement Plan. The country data was also analyzed to identify the ten lowest-maturity countries, which then received additional support from Group occupational medicine and hygiene specialists to implement improvement actions.

The top two global priorities identified were medical emergency-response planning and workplace occupational hygiene program performance. A three-year global occupational hygiene improvement plan was agreed, and immediate actions are being taken to ensure personal protective equipment program quality and compliance. In addition, regional training workshops will be scheduled during 2018.

PEOPLE AND COMMUNITIES
CONTINUED

30%

GENDER DIVERSITY AT ALL MANAGEMENT LEVELS ACROSS OUR BUSINESS BY 2030

2017 baseline global data was collated for the 2030 Plan health goals, and actions included in the new health and safety strategy to achieve the interim milestones in 2020 and 2025. The priority actions in 2018 will be controlling exposure to cement dust and noise, and fully implementing annual unit occupational hygiene assessment and control planning processes.

OUR PEOPLE

Our people strategy focuses on developing a stronger performance culture and investing in developing current and future leaders.

Diversity and inclusion

LafargeHolcim values diversity and promotes a workplace that is inclusive, fair, and which fosters respect for all employees. Our people reflect the diversity of our customers and we have goals to improve the gender diversity with targets set at different levels. During 2017, we have:

- set 2020 targets and action plans at country and regional levels covering gender balance and inclusion
- developed an Inclusion Index to measure the extent to which our employees feel they are valued by the company and are committed
- created a global and multi-functional Task Force to contribute to our diversity and inclusion programs
- started to roll out inclusiveness programs to raise awareness of unconscious bias, starting at the top of the company

Leadership development

In 2017, LafargeHolcim invested in developing new programs and approaches to leadership development, building on previous best practices. We also have a broad range of programs for developing all levels of leadership, including newly appointed managers and supervisors. We also offer a wide range of training programs to our employees to build skills in many areas including business, financial, health and safety, operations, and compliance topics.

As an example of these training programs, the “Be Ready” and the “Maintenance Manager Program” are aimed at developing our people working in industrial operations. In 2017, Group companies reported that they had conducted 2.7 million hours of training with a total investment of CHF 36 million in training programs.

Performance and talent management

We have a well-established global performance management system, where employees agree objectives at the beginning of the year and line managers are encouraged to regularly review performance and set development objectives with individuals and teams. Strengthening our feedback is an important part of improving our performance culture and a priority for 2018.

We launched a new global Talent Review and Succession Planning process in 2017, to enable better succession planning and career and development decisions, and to identify where we need to improve our talent pipeline to ensure we have the right people for our current and future business.

MANAGEMENT LEVEL	% WOMEN 2017	% WOMEN 2016
Top management level	**8**	10
Senior management level	**19**	16
Other management levels	**20**	19

PEOPLE AND COMMUNITIES CONTINUED

At LafargeHolcim, we maintain constructive social dialogue with a variety of stakeholders, which is improving business performance and contributing to employee engagement.

By 2020, we aim to have carried out Human Rights Impact Assessments in 100 percent of countries where we operate.

Engagement and rewards

In 2017, we received our employee survey results and followed up with focus groups in countries to address areas for improvement as well as sharing best practices across the Group.

In the field of employee rewards, we simplified our global bonus scheme and focused the objectives on the results which participants can most directly influence. Our long-term incentive scheme is aiming at executives, plus selected individuals below senior management level. Its performance metrics have also been redesigned to better reflect the desired sustained performance of our business.

Social dialogue, a key part of our transformation

At LafargeHolcim, we maintain constructive social dialogue with a variety of stakeholders, which is improving business performance and contributing to employee engagement. One important forum is the European Works Council, which enables social dialogue exchange with our company representatives. In 2017, we continued dialogue with industrial global unions, demonstrating continued commitment to global social dialogue and exchange in line with International Labour Organization (ILO) conventions.

LafargeHolcim works in good faith with stakeholders to resolve human rights and labor rights issues brought to its attention. In 2017, working with the Swiss National Contact Point of the Organisation for Economic Co-operation and Development (OECD), we continued discussions on a land dispute in Indonesia. Statements on these cases from the National Contact Point can be found at www.seco.admin.ch.

Protecting human and labor rights

Our approach to managing human rights is risk based and fully aligned with the UN Guiding Principles on Business and Human Rights. Our Human Rights Directive outlines our commitment to respecting relevant international human rights standards, including the principles contained within the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the International Labour Organization Core Conventions on Labour Standards. Additionally, we participate in the United Nations Global Compact.

We have developed and are deploying a Human Rights Management System, categorizing countries into low, medium, or high business risk, using the UN Human Development Index and the Freedom House Freedom in the World Index. All Group countries identified as high risk, and countries where an incident has occurred, are required to conduct a Human Rights Impact Assessment (HRIA), with all other countries required to conduct a Human Rights Self-Assessment. By 2020, we aim to conduct human rights assessments (based on the risk profile of each country) in 100 percent of our countries, with action plans in place. All human rights assessments cover the following 14 indicators:

Employment practices

1. Child labor
2. Forced labor
3. Freedom of association
4. Non-discrimination
5. Working conditions
6. Minimum wage
7. Health and safety
8. Contract workers

Community impact

9. Community impact
10. Land management
11. Security guards
12. Bribery and corruption
13. Support of armed actors
14. Grievance mechanisms

PEOPLE AND COMMUNITIES
CONTINUED

LafargeHolcim should strive for 100% coverage of human rights impact assessments. If they are to meet their 2020 target of 100% coverage, concerted efforts and energy should be put into this area by the company.

Silvia Lara

Vice President of the Board of Directors Alianza Empresarial para el Desarrollo – AED (Business Alliance for Development)

Our social investments and support for local communities benefited seven million people in 2017.

Following an HRIA, prioritized recommendations are presented to the country CEO and a detailed local action plan is developed. The most commonly raised issues relate to working conditions, community impacts, and contractor management. Where an issue has been identified as a medium or high risk according to our methodology, a remediation plan is mandatory. Progress against the plan is monitored through the annual LafargeHolcim Stakeholder Questionnaire.

By the end of 2017, HRIAs had been conducted in 45 out of 67 countries where we have operational sites, 21 of which were impact assessments in the 32 identified high business-risk countries. Action plans to address potential issues were developed in 21 countries where medium or high risks were identified.

2015 Modern Slavery Act

The UK Government published the Modern Slavery Act in 2015, requiring companies with operations in the UK to publish an anti-slavery statement. Our company in the UK, Aggregate Industries, issued a statement in June 2017, published on its website.

Investing in communities

At LafargeHolcim, we believe that our social impact can be positive. We also think our solutions can provide answers to challenges affecting the communities where we operate, such as urbanization, housing needs, health and safety, and human rights. This is why we set ambitious sustainability targets. By 2030, we want to help 75 million people live better lives through our inclusive business models, affordable housing and social investment programs.

Our social investments are based on long-term strategies, implemented in collaboration with specialized local or international partners, and address clear needs in the communities where we operate. Areas of focus include health, education, shelter and infrastructure, environment, and local employment creation. Read about examples of our community initiatives on pages 24–27.

In 2017, LafargeHolcim countries reported a spend of CHF 43.1 million on social investments, inclusive business projects and donations, benefiting 7 million people directly and a further 17.5 million people indirectly. Detailed information on social investments can be found on page 53.

PEOPLE AND COMMUNITIES
CONTINUED

80%

OF HIGH-RISK SUPPLIERS TO BE ASSESSED BY 2020

Stakeholder and community engagement

We recognize the value of engaging with the communities in which we operate. By 2025, we aim to have formal Stakeholder Engagement Plans (SEP) in place covering all of our cement sites and 60 percent of our aggregate and concrete sites. See our performance progress on page 53.

Typically, an SEP is developed in collaboration with local stakeholders, including representatives from local government, associations, schools, and local NGOs. These stakeholders normally also participate in our Community Advisory Panels, local platforms for dialogue provided by LafargeHolcim where community representatives discuss project ideas, address conflicts, or voice concerns. Concerns can include waste co-processing activities, dust, emissions, transport, and employment, and are usually resolved at local community meetings.

Sustainable procurement

As a large global player, we have a broad and complex supplier base, with more than 133,000 global, regional or local suppliers. We recognize the importance of responsibility along our value chain and have developed a Supplier Code of Conduct. Informed by the UNGC principles, the Code is communicated to all suppliers.

Countries identify and prioritize suppliers that pose a higher sustainability risk. Those suppliers, and all new suppliers, are evaluated by an independent third party, using a risk-based methodology, ranging from self-assessment questionnaires to full audits. Remediation plans are agreed with suppliers to address shortfalls.

Countries report annually on their supplier assessments in the annual procurement scorecard. By 2020, we aim to have 80 percent of high-risk suppliers assessed, and 100 percent by 2030. We will also ensure that these have consequence management in place. Furthermore, we will identify and assess larger higher risk sub-suppliers.

In 2017, as a supplier of building materials we completed the EcoVadis supplier sustainability ratings assessment, following the same approach we expect from our own suppliers. The Group was awarded a gold recognition level. This excellent result places us among the top 5 percent of performers evaluated by EcoVadis.

We are a founder member of the Responsible Sourcing Council of The Conference Board, and actively participate to share and learn sustainable procurement practices from other industries.

High-risk suppliers are assessed independently to ensure they meet our demanding sustainability standards.

PEOPLE AND COMMUNITIES
CONTINUED

Mother and son enjoying the benefits of rooftop rainwater stored in their house's underground tank.

Case study: Improving access to drinking water through rooftop rainwater harvesting in India

Starting in 2000, with the installation of 26 RRWHS, by June 2017 the Ambuja Cement Foundation (ACF) had facilitated the construction of 6,413 rainwater harvesting systems.

The Ambuja Cement Foundation (ACF) was set up by our subsidiary in India. It has implemented social programs and helped to improve the quality of life in communities around Ambuja Cement's operations since 1993. When water scarcity was identified as a pressing problem in the states of Gujarat and Rajasthan, ACF launched an initiative to implement Roof Rainwater Harvesting Systems (RRWHS) and enable access to clean drinking water in affected communities.

Villagers in Kodinar (Gujarat), and the desert areas of Mundwa and Rabriyawas (Rajasthan) suffered from a lack of access to quality drinking water. The groundwater was contaminated with a high content of total dissolved solids, salinity, and fluoride, and local ponds showed high bacteria concentration, due to their use for cattle as well as households. The scarcity of clean drinking water had a negative impact on the local community. In particular, people had to rely on the irregular supply of tanker water, which was often delivered in insufficient quantities. Additionally, water collection from distant sources was considered the primary duty of women, who typically lost three to five hours each day carrying heavy buckets of water. This also resulted in girls dropping out of school to help their mothers fetch water.

To improve people's access to clean drinking water and enable storage within homes, ACF promoted and built low-cost RRWHS in the affected locations. In addition to raising awareness about the benefits of RRWHS, ACF provided financial and technical support to enable families to adopt the system. To create ownership of the installations, 70–80 percent of the cost is usually borne by the house owners, while ACF subsidizes the rest. Where governmental programs for more vulnerable sections of society exist, eligible families only have to contribute between 10 and 20 percent of the total cost.

Starting in 2000, with the installation of 26 RRWHS, by June 2017 ACF had facilitated the construction of 6,413 systems. Overall, these installations have benefited about 50,000 people. In addition to improving the health and well-being of families, the availability of drinking water in the household allows women to spend more time on income-generating activities that can help boost the family income. Moreover, girls' attendance in schools has increased, as they no longer need to help fetch water.

PEOPLE AND COMMUNITIES
CONTINUED

Esther Gwekwerere from Lafarge Cement Zimbabwe with her mentee.

Shine: Simuka Upenye's 12-month program builds character and life skills, as well as providing capacity-building activities.

Case study: Empowering 100 young women from vulnerability to self-sufficiency in Zimbabwe

The Shine: Simuka Upenye (Rise and Shine) initiative seeks to empower 100 young women, each with a challenging social background, from the Mabvuku and Tafara communities in Harare, Zimbabwe. Through vocational training and one-to-one mentorship, the program aims to help the women become self-sufficient and able to make wise choices about their future.

The project arose out of the increase in unsafe abortions and baby-dumping cases in the targeted communities. The girls selected for the program face diverse challenges, with all of them having dropped out of school or failed to complete their secondary education due to factors beyond their control.

Shine: Simuka Upenye was officially launched in March 2017, with the signing of a Memorandum of Understanding between Lafarge Cement Zimbabwe and the Women's University in Africa (WUA). In an intensive 12-month pilot program, the participants have access to vocational training. Courses are customized to suit their different levels of education and focus on dressmaking, professional cookery and baking, as well as brick and block laying. Moreover, in an entrepreneurship course, each young woman will develop a business proposal to be implemented through the future Lafarge business incubation center. To build character and life skills, the capacity-building activities are complemented by a mentorship program.

The beneficiaries of Shine: Simuka Upenye are orphans who are heads of families. The program seeks to empower these young women to earn a living for themselves and their families, thereby becoming self-sufficient.

The local social services, Mavambo Orphan Care, assisted in selecting the participants and ensuring that sustainable intervention strategies are developed. Lafarge's key partner in delivering vocational training, the WUA, is an institution that fosters gender equality through education. Lafarge Cement Zimbabwe also partnered with the United Nations Population Fund (UNFPA) for life skills training.

PEOPLE AND COMMUNITIES
CONTINUED

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GRADUATES TRAINED BY SUPÉRATE SINCE ITS LAUNCH IN 2014

Case study: Supérate masons training in Ecuador

In response to Ecuador's growing demand for youth employment and need for qualified labor in the construction sector, Holcim Ecuador implemented Supérate, a vocational training program for masons aged between 17 and 27. The program aims to enhance participants' employability by improving both their technical and business skills.

There are more than 262,000 masons in Ecuador, most of whom started working at an early age, abandoning their studies to earn money. This has resulted in significant knowledge gaps. The Ministry of Labor estimates that nearly 15,000 children work in Ecuador's construction sector.

Supérate was developed by Disensa (the Holcim Ecuador Retail franchise chain) and the Holcim Ecuador Foundation. Over a period of seven months, the program encompasses 28 training sessions structured into eight modules. It follows a learning-by-doing approach, and improves not only technical skills, including the building of structural elements and masonry, but also social and transferable skills, administrative skills, and awareness of issues such as workplace safety. To ensure participants' continuous attendance in the program, additional social support is provided and the training schedule is adapted to each location's context.

Since its launch in 2014, Supérate has seen 237 graduates in five locations. The participants improved their technical skills in construction, teamwork, safety practices, and use of materials, increasing their employment possibilities in any location. The program enjoys high recognition in the communities where it has been implemented, and half of the graduates now successfully work in construction.

The program has created alliances between various public and private bodies, including the Holcim Ecuador Foundation, Disensa, the Ministry of Labor, and the Ecuadorian Service for Professional Training (SECAP). Together, the partners developed the curriculum and training materials, and ensure that the necessary financial resources, training staff, facilities, and equipment are available.

Graduates from the masons' training program.

PEOPLE AND COMMUNITIES
CONTINUED

LafargeHolcim volunteers helping to build precast homes in Canada.

Case study: LafargeHolcim and Habitat for Humanity

Habitat for Humanity aims to build 70 units of earth cement in 2018 in seven regions of Ivory Coast.

Entering the housing market at any stage can be challenging, and for many Canadian families, these challenges are compounded by competing financial factors such as providing the basics for one's family, and high rents. The stability of an affordable home can help them break the cycle of poverty and plan for a better future.

In celebration of Canada's 150th anniversary, Lafarge Canada was a Gold sponsor of Habitat for Humanity, Canada's biggest housing project. To support the Carter Place development in Edmonton and Winnipeg, 150 Lafarge and customer company volunteers rolled up their sleeves and actively took part in the construction of the houses. We also donated ready-mix concrete and concrete paving to add to the sustainability of the housing complex in Edmonton. In addition to supporting Habitat's Carter Place Work Project in 2017, we have supported Habitat for Humanity throughout Canada with donated materials and volunteer time for some 20 years. Of note are the first net zero-energy precast concrete homes in North America, which Lafarge built to benefit Habitat for Humanity Edmonton.

In Edmonton, affordable homes for 75 families will be completed, and 25 houses are being built in Winnipeg, Manitoba.

In Ivory Coast, in order to enable rural populations to find decent housing, LafargeHolcim Côte d'Ivoire (LHCI) signed a partnership agreement with Habitat for Humanity in December 2017. As part of this agreement, LHCI undertakes to assist Habitat for Humanity with the construction of social projects such as schools and dispensaries with earth cement. We will provide support to Habitat for Humanity's earth-cement builders and manufacturers with the Durabric method developed by our Lyon R&D Center. In return, Habitat for Humanity will welcome rural volunteers in an LHCI-run school-site program to help these populations develop an income-generating activity. Habitat for Humanity aims to build 70 units of cement earth in 2018 in seven regions of Ivory Coast.

PEOPLE AND COMMUNITIES
CONTINUED

SUSTAINABLE DEVELOPMENT GOALS

Our 2030 Plan for People and Communities contributes to the following Sustainable Development Goals:

No poverty – our social investment and inclusive business programs throughout the world contribute to this goal.

Clean water and sanitation – our inclusive business projects on sanitation and community water projects contribute to this goal.

Good health and well-being – our social investment programs in community health care and our health and safety initiatives contribute to this goal.

Decent work and economic growth – our social investment programs on education and micro-enterprise development contribute to this goal.

Quality education – our social investment education programs contribute to this goal.

Peace, justice and strong institutions – our 2030 Plan, which aims to work with others to fight bribery and corruption in high-risk countries, contributes to this goal.

Gender equality – our diversity and inclusion programs and targets on gender diversity contribute to this goal.

Partnerships for the goals – we have partnerships with many organizations at a local level that contribute to this goal.

ACTING ON CLIMATE

Evidence of climate change is all around us. Our long-term plans position us to play our part in reducing climate change and protecting the environment, while mitigating the risks and effects of further change.

24%

REDUCTION IN NET CO_2 EMISSIONS PER TONNE OF CEMENT SINCE 1990

23%

REDUCTION IN THERMAL ENERGY CONSUMPTION PER TONNE OF CLINKER SINCE 1990

Climate protection is a commercial imperative but also a challenge for leading companies like LafargeHolcim. However, those companies that embrace this challenge by turning into an opportunity will earn the trust of their stakeholders and in this sense LafargeHolcim is on the right path.

Sheila Kharma

Lead Mining Specialist

ACTING ON CLIMATE

THE 2030 PLAN: FOR CLIMATE

By 2030, we aim to emit 40 percent less net CO_2 per tonne of cementitious material than we did in 1990, which will equate to a 21 percent reduction against 2016.

By 2030, we want our innovative solutions to help our customers avoid 10 million tonnes of CO_2 released every year from their buildings and infrastructure.

40%

TARGET TO REDUCE NET CO_2 EMISSIONS PER TONNE OF CEMENT VS 1990

Maintaining leadership

Since 1990, we have reduced our net carbon emissions per tonne of cement by 24 percent. The LafargeHolcim 2030 Plan outlines our ambition to emit 40 percent less CO_2 per tonne of cement than we did in 1990. As a result of significant past efforts, we are one of the most carbon-efficient cement companies globally, and this target means we are committed to maintaining a similar rate of reduction in the future. The target was set based on what we believe we can achieve by improving our performance in all the known improvement levers and adding a "stretch" for potential new technology improvements.

TOTAL SCOPE 1 CO_2 EMISSIONS – NET
(MILLION TONNES)

SPECIFIC CO_2 EMISSIONS – NET
(KG/TONNE CEMENTITIOUS MATERIAL)

ACTING ON CLIMATE
CONTINUED

We are continually exploring new strategies and technologies, such as carbon capture and usage. There's no question that innovation has played, and will continue to play, an important role in reducing emissions from the cement and construction sectors.

The levers we are currently employing to reduce carbon intensity per tonne of cement are outlined below:

- **Clinker substitution**: Clinker is the main component of cement and we aim to substitute it with mineral components such as limestone, pozzolan, slag or fly ash. Currently, the products we market use on average 27 percent of constituents to replace clinker. A significant portion of these constituents come from waste or byproducts recovered from other industries.
- **Waste-derived fuels and biomass**: These serve as a replacement for fossil fuels that provide the energy needed to operate a cement kiln. Also known as alternative fuels or low-carbon fuels, these energy sources divert waste from incineration or landfill, helping to keep fossil fuels in the ground. We are currently able to source 16.5 percent of our energy needs from low-carbon fuels and biomass.
- **Increased energy efficiency**: Cement production is an energy-intensive manufacturing process, with energy efficiency and security of supply being key business drivers. We have increased our cement production by around 181 percent since 1990. In the same period our annual energy consumption increased by just 22 percent, while consumption per tonne of clinker reduced from 4,515 megajoules in 1990 to 3,498 megajoules in 2017. We are optimizing our low-carbon power-producing assets (such as waste heat-recovery units) across our production plant portfolio. We are also investing in or purchasing renewable power when it is economically advantageous. In addition, we are investigating opportunities to generate renewable energy by using our land for windmills or solar panel farms, or using quarries as water reservoirs for hydropower.
- **Innovation**: We are continually exploring new strategies and technologies, such as carbon capture and usage. There's no question that innovation has played, and will continue to play, an important role in reducing emissions from the cement and construction sectors. We have significantly invested in the development of low-carbon solutions, led by our R&D center in Lyon, France. Thanks to this commitment, today we have a broad portfolio of low-carbon projects – including low-carbon clinker, cement, concrete, and binders – and we are seeking opportunities in carbon sequestration. For instance, together with Solidia Technologies®, we are working on a new technology that allows concrete to harden while sequestering CO_2, replacing water in the mix, and thus reducing emissions by up to 70 percent for specific applications. This innovation goes beyond our cement operations, and includes new products to build or operate buildings more efficiently, taking into account the entire life cycle of the building. Products such as Ductal®, an ultra-high-performance concrete, and Airium™, a mineral foam-insulating technology, will have positive impacts on sustainable buildings.

Climate protection along the value chain

Beyond reducing carbon emissions and mitigating climate-related risks in house we are taking our responsibility as a key player in the construction value chain. Our target is that our products and services significantly contribute to the life cycle carbon reduction of construction, as well as help to reduce climate-related risks. Our carbon-reduction target includes the perspective on helping our customers to reduce carbon emissions. Our overarching 2030 Plan target of generating one third of net sales from sustainable construction solutions includes the supply of low-carbon materials and solutions.

ACTING ON CLIMATE
CONTINUED

Building Better Recognition winner for Latin America: the transformation of a decommissioned reservoir into a multi-use community park in Medellín, Colombia.

Case study: Promoting sustainable construction

The LafargeHolcim Foundation for Sustainable Construction is a key initiative in our efforts to promote sustainable construction in both design and practice around the world. Through the Foundation, we interact with construction industry opinion leaders to support the implementation of greater sustainability of the built environment.

The Foundation has built an extensive network of experts and affiliated universities to encourage sustainable construction at national, regional, and global levels. It connects our Group to stakeholders along the value chain of the construction industry, including architects, engineers, urban planners, contractors, NGOs, authorities, and students of the respective disciplines.

Since its creation in 2003, the Foundation has established itself as a globally significant information hub for sustainable construction. The Foundation is unique within the building materials industry, and organizes academic symposia for expert discussions, helping to disseminate new approaches and best practices. In addition, it conducts the LafargeHolcim Awards – the world's most significant competition for sustainable design.

Encouraging sustainable construction around the globe

The Foundation carries out activities in three-year cycles. The winners of the fifth International LafargeHolcim Awards for projects and ideas in sustainable construction were presented across five regions in late 2017. From more than 3,600 valid entries throughout 121 countries, 55 submissions received prizes. The winners included projects in urban transformation, prefabricated housing construction, and upgrading infrastructure in Europe and North America. There were also projects addressing water and sewage, affordable housing, education, and the rural economy in Latin America, Middle East Africa, and Asia Pacific.

For the first time in the competition's history, the LafargeHolcim Building Better Recognition was presented to former Awards laureates whose projects have been built and become exemplary landmarks of sustainable construction in practice. Projects receiving this recognition included a low-cost university building in France; net zero-energy schools in the USA; a community-built school in Burkina Faso; the transformation of a reservoir in Colombia; and a community library of recycled materials in Sri Lanka. The fifth cycle of the LafargeHolcim Awards will conclude with the global phase of the competition in 2018.

More about the LafargeHolcim Foundation and its activities at www.lafargeholcim-foundation.org

268
PRIZES FOR SUSTAINABLE CONSTRUCTION SINCE 2003

121
COUNTRIES SUBMITTED PROJECTS TO THE AWARDS IN 2017

ACTING ON CLIMATE
CONTINUED

We engage proactively and transparently with governments and other external stakeholders on climate policies and carbon pricing mechanisms.

Acting on climate

LafargeHolcim is part of an initiative with the International Energy Agency (IEA) through the Cement Sustainability Initiative to develop a CSI–IEA roadmap for the cement sector. It will help define the maximum total emissions of the cement sector (the carbon budget of the global cement sector) by 2050 in line with the Paris Agreement goal of restricting global temperature rise to two degrees Celsius.

Taking into account the expected growth of cement volumes, a specific target figure will be calculated for emissions per tonne of cement by 2050. This is the value toward which all cement companies should theoretically converge. The conclusions of the CSI–IEA roadmap will be available in mid 2018.

Climate change risks and opportunities

Climate change risks are increasingly a topic for investors, regulators, developers, and society at large. Climate risk, along with the impact of carbon pricing, carries direct and indirect exposure for a company. The main risks identified for LafargeHolcim are carbon pricing and physical, litigation and reputational risks.

- **Carbon pricing**: Increases in carbon pricing can have a significant impact on the company as a large carbon emitter. In the short term, the evolving legislative environment on greenhouse gas emissions could impact around one third of our existing clinker production. We engage proactively and transparently with governments and other external stakeholders on climate policies and carbon pricing mechanisms. We support the use of carbon pricing as a means to incentivize the uptake of innovative low-carbon solutions and ensuring a level playing field across geographies and among industries. We advocate for stable, fair, and consistent policy frameworks. Our advocacy positions can be found on our website.
- **Physical risks**: These include operations being affected by extreme weather conditions such as flooding or water shortages. We have a comprehensive business risk management program in place to manage all identified risks, including business continuity plans in the event of natural disasters.
- **Litigation risk**: This is an emerging phenomenon, with cases being brought before the courts in a limited number of jurisdictions. Corporations are increasingly targeted, potentially causing reputational damage and increased public scrutiny. This calls for management attention to mitigate possible risks. We are monitoring these cases and are committed to transparency on our carbon performance and the actions we are taking to reduce our carbon intensity.
- **Reputational risk**: Being perceived as a high CO_2 emissions company could reduce our attractiveness to stakeholders such as customers, investors, and potential employees.

To address the risks and identify opportunities, we have established a multidisciplinary Climate Task Force to review the company's carbon strategy and performance. The task force has developed distinct and plausible carbon scenarios and the findings are used to increase the robustness of our strategy.

The Group supports transparency and improved disclosure in carbon-related performance and risks. In addition to our active participation in international initiatives such as the Carbon Pricing Leadership Coalition and the Carbon Disclosure Project, we are assessing the possible integration of the Task Force on Climate-Related Financial Disclosures (TCFD) "Recommendations" in our disclosure and reporting practices.

ACTING ON CLIMATE
CONTINUED

Case study: LafargeHolcim and the CDP

The CDP (formerly the Carbon Disclosure Project) is a non-profit organization running a global disclosure system that enables companies, cities, states, and regions to measure and manage their environmental impacts. The CDP has built the most comprehensive collection of self-reported environmental data in the world. This is used by investors and purchasers, representing over USD 100 trillion, along with policymakers around the globe, to make better-informed decisions.

In the results of the 2017 CDP assessment, we received a score of A minus, placing us in the CDP's Leadership band.

The CDP states: "This excellent result indicates LafargeHolcim Ltd has implemented a range of actions to manage climate change, both in its own operations and beyond."

The score also places us in the top 15 percent of the companies within the Materials sector and in the top 18 percent of more than 2,400 companies responding to the CDP Questionnaire.

SUSTAINABLE DEVELOPMENT GOALS

Our 2030 Plan for Climate contributes to the following Sustainable Development Goals:

Affordable and clean energy – our use of waste as an energy source and our research into renewable energy sources contribute to this goal.

Climate action – our targets to reduce carbon intensity, promotion of sustainable construction, and innovative solutions contribute to this goal.

Industry, innovation and infrastructure – our solutions for sustainable and efficient infrastructure and the most advanced R&D capability in the sector contribute to this goal.

Partnerships for the goals – our partnerships with initiatives such as the Energy Efficiency in Buildings Coalition and membership of organizations such as the World Business Council for Sustainable Development and Cement Sustainability Initiative contribute to this goal.

PROMOTING A CIRCULAR ECONOMY

By repurposing waste through energy recovery and material recycling, we're striving for a cleaner world and improved livelihoods, and offering solutions to the global waste challenge. In 2017, LafargeHolcim's operations managed and recycled 59 million tonnes of waste globally.

16.5%
ENERGY FROM ALTERNATIVE FUELS AND BIOMASS

73%
AVERAGE CLINKER CONTENT IN OUR CEMENT

We continue to innovate with energy recovery and materials recycling throughout the cement and concrete manufacturing process.

PROMOTING A CIRCULAR ECONOMY

THE 2030 PLAN: FOR A CIRCULAR ECONOMY

By 2030, we aim to use 80 million tonnes of resources derived from waste in our operations each year, including biomass waste.

We will supply four times our 2015 volume of recycled aggregates from reclaimed asphalt pavement and construction and demolition waste by 2030.

53 million

TONNES OF WASTE-DERIVED PRODUCTION RESOURCES USED IN 2017

6.3 million

TONNES OF RECYCLED ASPHALT PAVING AND RECYCLED AND SECONDARY AGGREGATES SUPPLIED IN 2017

Waste as a resource

Co-processing is a secure and recognized form of waste management. It fully recovers the energy and recycles mineral content from waste for beneficial reuse, either as fuel or as product additives for cement manufacturing. Items such as wood waste from construction sites, old mattresses, carpets, plastics, tires, and even municipal solid waste are prepared to precise specifications, generating a consistent fuel source that can be used in place of fossil fuels. Even liquids like paint sludge, pharmaceuticals, off-specification shampoo, and detergent can be incorporated into the process.

Through our wholly owned waste management services company, Geocycle, we continue to innovate with energy recovery and materials recycling throughout the cement and concrete manufacturing process. At Geocycle, we offer safe and ecological waste solutions, applying the highest international standards – including the German development agency, GIZ guidelines on co-processing waste and the Basel Convention – for superior governance and performance.

Geocycle additionally offers strategic waste assessment and expertise regarding local regulations. It also provides logistics to transport waste to its state-of-the-art pre-processing facilities, where it is transformed into fuel and raw materials.

In 2017, 16.5 percent of our thermal energy demand for clinker production was covered by alternative fuels, reducing CO_2 emissions by 8 million tonnes.

PROMOTING A CIRCULAR ECONOMY
CONTINUED

Geocycle employees in Egypt separating waste.

Case study: Building momentum in Egypt

The world is generating more waste than ever, and as developing countries continue to industrialize and urbanize, they are joining the developed world as major producers of waste.

However, developing countries often lack the crucial infrastructure to sort, recycle, and manage household and industrial waste. This means most of it ends up rotting in a landfill (and these landfills emit greenhouse gases, such as methane). To Geocycle, this is – quite literally – wasted waste. So, around the world, Geocycle employees are on a mission to change the way the world views and reuses what it throws away.

In Egypt, Geocycle has been active since 2011. When it launched, it only had four employees, who together created around 30,000 tonnes of alternative fuel each year for co-processing. By 2017, Geocycle Egypt had grown into a thriving company which pre-processes and transports waste, creating more than 300,000 tonnes of reusable fuels and more than 20,000 tonnes of alternative raw materials for industry, while drastically reducing the amount of waste being sent to open dump sites or randomly burned.

The growth came about due to the work done to educate stakeholders – Geocycle's corporate and industrial partners who produce the waste, as well as local municipalities and even the Egyptian Government, which is aiming to reduce waste. The key message is that this is a "win–win" situation and that Geocycle's solution achieves less waste to landfill, helps our partners manage their waste, and produces an alternative fuel that cuts fossil energy usage.

In December 2017, Geocycle Egypt was recognized for its social role and received the Social Impact Award at the Swiss Egyptian Business Association. The award, presented by Her Excellency Dr Sahar Nasr, Minister of Investment and International Cooperation, recognized Geocycle's efforts to improve waste management in Egyptian society and to develop the informal sector's capabilities. The Egyptian Environment Minister also recently mandated that all cement producers will need to use an energy mix that includes alternative sources, like those created by Geocycle.

Geocycle Egypt provides its waste management services to a number of the largest multinationals in the country, and has helped some of them to achieve their own ambitions to reach zero waste to landfill in Egypt.

Geocycle is also having a positive social impact on the people in the communities where it operates. Egypt still has a large informal trash-sorting sector – people who collect and sort waste for any items they can sell. Geocycle has brought these workers into the value chain, training them in health and safety, and offering them vaccinations, equipment, and a stable wage.

Looking to the future, Geocycle Egypt has just commissioned a new waste platform that, when up and running, will be able to process another 350,000 tonnes – making it the largest alternative fuel processing site in the Group.

300,000

TONNES OF REUSABLE FUELS CREATED IN 2017

20,000

TONNES OF ALTERNATIVE RAW MATERIALS PROVIDED FOR INDUSTRY

PROMOTING A CIRCULAR ECONOMY
CONTINUED

Case study: aggneo™ – Providing solutions for a circular economy

The EU's Waste Framework Directive sets a target that, by 2020, 70 percent of non-hazardous construction and demolition waste (by weight) will be prepared for reuse or recycling, or undergo other material recovery. There are also increasing demands for the preservation of natural resources and for the use of sustainable solutions in construction projects and urban development. LafargeHolcim is committed to these aims, and to supporting its clients in their circular economy projects.

With our partner Bouygues Construction, we participated in an innovative urban circular economy pilot at a French building site. Located in the heart of the historic Le Marais district of Paris, two heritage buildings benefited from a complete renovation to high environmental building standards (the HQE™ certification).

Through our aggneo® offering, we provided Bouygues with a full circular economy and innovative solution. We took back, sorted, and recycled 4,000 tonnes of demolition waste through an integrated process that included the use of demolition waste from other construction sites.

We also produced recycled aggregates from demolition waste in a dedicated local platform, including producing new concrete for the renovation project. As the quality of demolition waste from a construction site is hard to predict, we proposed complementing the demolition waste from the project with similar waste from other construction sites in order to provide superior-quality recycled concrete to our partner.

Thanks to a very sharp separation process and optimal logistics, 720 tonnes of recycled aggregates have been used to produce new concrete for the project, and 3,280 tonnes of recycled gravels have been produced for road applications.

The project facilitated an optimal use of waste, as all inert materials were recycled into new aggregates (18 percent of them to produce new concrete products and 82 percent to produce road gravels). The integrated service between several construction sites provided construction and demolition waste volumes that delivered additional material for reuse solutions (as opposed to recovery solutions). Excess materials were used to rehabilitate a LafargeHolcim quarry into a nature reserve.

The project prevented the use of 4,000 tonnes of natural resources from quarries being used, and contributed to an estimated 8 percent reduction in CO_2 per tonne of aggregates used.

Reducing virgin material use

Alternative raw material use helps minimize LafargeHolcim's environmental footprint by reducing the use of virgin natural resources. We also improve the building material life cycle by recycling construction and demolition waste. These approaches divert materials away from landfill and avoid using natural aggregate reserves.

Waste from construction sites can be utilized as a partial substitute for limestone in the kiln or as an alternative aggregate. The materials come mainly from construction and demolition waste, or from reclaimed asphalt pavement, as demonstrated by our case study on aggneo™ (left). In 2017, we supplied around 6.3 million tonnes of recycled asphalt paving and recycled and secondary aggregates.

Other examples of reused waste include fly ash, spent pot liners (from the aluminum industry), and contaminated soils to provide iron, silica, and alumina correctives for clinker production raw mix. Byproducts of other industrial processes, including blast furnace slag, can be used to replace clinker in the final cement product. In 2017, our cement contained an average of 73 percent clinker, and our aim is to reduce that to around 65 percent by 2030.

80 million

TONNES OF WASTE-DERIVED RESOURCES TO BE USED EVERY YEAR BY 2030

PROMOTING A CIRCULAR ECONOMY
CONTINUED

SUSTAINABLE DEVELOPMENT GOALS

Our 2030 Plan for a Circular Economy contributes to the following Sustainable Development Goals:

Affordable and clean energy – the use of waste-derived non-fossil fuels contributes to this goal.

Climate action – the use of waste-derived non-fossil fuels contributes to this goal.

Responsible consumption and production – the use of waste-derived resources as alternative fuel and raw material sources contributes to this goal.

Partnerships for the goals – our partnerships with organizations such as the World Business Council for Sustainable Development contribute to this goal.

SAFEGUARDING WATER AND NATURE

LafargeHolcim is committed to demonstrating a global positive change for biodiversity. Having one third of our cement production located in water-scarce areas, we are committed to reducing freshwater withdrawal and showing a positive impact in areas of water scarcity.

30%

REDUCTION OF SPECIFIC FRESHWATER WITHDRAWAL IN OUR CEMENT SEGMENT BY 2030

Positive

IMPACT ON WATER RESOURCES IN WATER-SCARCE AREAS BY 2030

LafargeHolcim has been working hard on the topic of water for a long time and is still clearly a front runner in that field. Saving water in water-scarce areas is a great objective. I would encourage LafargeHolcim to focus on the management of water in all areas, and water resilience in future years.

Guillaume Habert
Professor of Sustainable Construction at the Department of Civil, Environmental & Geomatic Engineering, Swiss Federal Institute of Technology

SAFEGUARDING WATER AND NATURE

THE 2030 PLAN: FOR WATER AND NATURE

By 2030, we aim to reduce the amount of freshwater we withdraw to produce our cement by 30 percent (vs 2015).

We aim to demonstrate a global positive change for biodiversity by 2030.

We aim to make sure that all employees and contractors can access safe drinking water, sanitation, and hygiene at each of our sites.

250

QUARRIES WITH HIGH BIODIVERSITY VALUE WITH BIODIVERSITY MANAGEMENT PLANS IN PLACE

12.2%

REDUCTION IN SPECIFIC FRESHWATER WITHDRAWAL VS 2015

Water stewardship

In our 2030 Plan, we committed to reducing specific freshwater withdrawal in our cement segment by 30 percent by 2030. We will do this by harvesting rainwater, reusing water, and using freshwater resources efficiently. In 2017, we withdrew 321 liters of freshwater per tonne of cement.

Our concern for water goes beyond operational boundaries. We are committed to showing a positive impact on water resources in water-scarce areas. To demonstrate this, we have developed a methodology to determine a water-positive index using a water-credit/water-debit approach. This Water Positive Impact Methodology has been reviewed by the Swiss Agency for Development and Cooperation. A water-scarce area is defined as any area with an annual total renewable water supply of less than 1,000 cubic meters per person.

Our water management activities are formalized in a mandatory Water Directive, which sets the rules and regulations for managing water in a responsible manner. It also sets the framework for appropriate actions to manage risks and make positive contributions to water resources and ecosystems. In 2017, there was a focus on improving the quality of our water data and developing action plans to ensure all our operations achieve the 2020 targets, which were set in 2016.

SPECIFIC FRESHWATER WITHDRAWAL – CEMENT (L/TONNE CEMENTITIOUS)

SAFEGUARDING WATER AND NATURE CONTINUED

Tota Lake, an important wetland in Boyacá, Colombia, is part of the river basin that supplies water to Sugamuxi Province. The MingAgua Water Collective Project manages this water resource using an ecosystem approach.

With water management enshrined in our 2030 Plan, we will continue to develop, improve, and extend effective water management throughout both our direct operations and our value chain.

Case study: Improving water management throughout the value chain in Colombia

Water is an increasingly scarce resource in the world generally, and in Colombia in particular. Throughout our operations, we have invested in ways to optimize the use of water through recycling and reuse. For example, we recycle the industrial wastewater of our ready-mix concrete plants instead of discharging it. The implementation of cutting-edge technologies has already reduced our water consumption by up to 11 percent. And, through in-house campaigns and communications aimed at our partners, we raise awareness of the issue and help internalize best practices on optimizing water usage in our operations.

We continually strive to introduce to the construction sector new products and innovative concrete with strong environmental qualities and optimized water use. These include our Premium Concrete Line, and our Agilia and Chronolia concretes, which require substantially less water in their production than conventional concretes.

Three of our ready-mix plants have been awarded the Environmental Product Declaration (EPD) for their concrete. The results of the life cycle assessment presented in the EPD (which is externally verified by Bureau Veritas) show the use of our products contributes to a better environmental performance, including less water impact, for construction projects that apply for LEED certification (up to 25 of 55 credits available).

Since 2011, we have been working on the SuizAgua Colombia project, a public–private alliance led by the Swiss Embassy in Colombia and the Swiss Agency for Development and Cooperation. This project contributes to measuring and reducing water footprint, implements social and environmental responsibility actions around water management, and raises awareness of the issues. It currently involves 31 national and foreign companies, together with important partners such as the National Association of Entrepreneurs of Colombia, and the National Center for Cleaner Production and Environmental Technologies.

We have developed three training courses around the theme of community participation in the integrated management of water. Aimed at community leaders, local authorities, NGOs, environmentalists, and journalists, these courses work toward development of water protection actions to unique local situations. As a result, the Network Corporation of Integrated Water Managers was created in the Boyacá department of Colombia.

We have also developed MingAgua, a project that enables us to undertake new collective water actions. The project uses the Minga model, which is a community participation strategy for water conservation. Through MingAgua, we support community leaders to become water protectors. So far, three municipalities in Boyacá have benefited from this system.

SAFEGUARDING WATER AND NATURE CONTINUED

Of the Group's 330 quarries with high biodiversity value, 76% have biodiversity management plans in place.

A positive change for biodiversity

Our 2030 Plan commits us to demonstrating a global positive change for biodiversity. Our unique Biodiversity Indicator and Reporting System (BIRS) was designed by independent experts in collaboration with the International Union for Conservation of Nature.

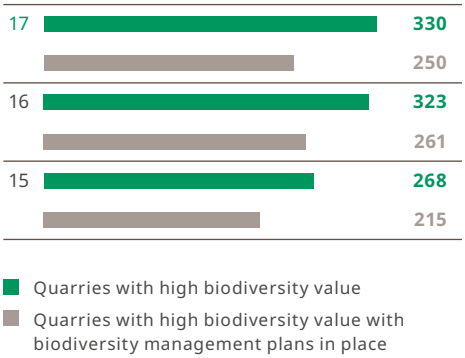
The BIRS methodology enables us to aggregate the biodiversity scores across sites in a selected region or country into a national, regional, or global biodiversity index. Through BIRS, we will be able to monitor the relative changes in biodiversity and understand the changes to habitats and ecosystems over time.

In 2017, all regions with the exception of Middle East Africa successfully deployed the BIRS methodology, with training courses being held in Canada, Costa Rica, Switzerland, Philippines, Australia, and the UK. The BIRS methodology will be deployed in Middle East Africa in 2018.

To facilitate achieving the Group's biodiversity commitment, a mandatory Quarry Rehabilitation and Biodiversity Directive was approved and published by the Group in 2016. The Directive sets the framework for appropriate actions to manage risks, as well as measures to protect and enhance biodiversity. All quarries are expected to comply with the rules and requirements of the Directive by 2020. Our progress on the challenging implementation of the Directive is reflected in the performance data table on page 49.

Today, 76 percent of the Group's 330 quarries with high biodiversity value have biodiversity management plans (BMPs) in place.

QUARRIES WITH HIGH BIODIVERSITY VALUE
(NUMBER)



Our Biodiversity Indicator and Reporting System helps us monitor and understand changes to habitats and ecosystems.

SAFEGUARDING WATER AND NATURE CONTINUED

Case study: Raising biodiversity awareness

Biodiversity loss is an ongoing challenge. Our own operations have a significant geographic footprint. Consequently, we have a responsibility toward nature. In our 2030 Plan, we have defined a target to drive global positive change for biodiversity by 2030.

The commitment of all employees to protecting nature is key to achieving our ambitious targets. In 2017, the Group introduced a global campaign to raise awareness and educate employees on the importance of protecting nature.

The "You. Us. Nature." campaign focuses on the need for every employee to play their part in both their working and home environments. The campaign highlights that nature is fundamental to our existence, as it provides air, water, food, and well-being. As part of the campaign, guidance is provided on how simple everyday choices can make a difference.

Examples of good practice from around the globe are highlighted and disseminated through the Group's internal communication channels. These include beekeeping projects on several sites (such as on the rooftop of our Paris office), as well as initiatives to restore quarries or protect endangered species.

As part of the 2017 campaign, an employee photography competition was held in the Central and South America region, where the competition aligned with the UN World Environment Day theme #WithNature.

The campaign will continue throughout 2018.

All our employees have a part to play in helping to protect nature and promote biodiversity.

To accelerate our efforts on biodiversity conservation, we have signed an agreement with Fauna & Flora International (FFI), a leading non-governmental organization (NGO) focused on biodiversity conservation. Under the agreement, FFI will:

- perform an independent external review of the Group's existing BMPs at sites in Malaysia, Indonesia, and the Philippines
- contribute to the development of a Group-wide strategy on karst* management, as karst areas are important habitats for unique and specialized fauna and flora
- identify opportunities for enhancing biodiversity in quarry rehabilitation
- organize a stakeholder dialogue, bringing together an external expert group, local government, local NGOs, and LafargeHolcim staff to consult on BMP recommendations

* Karst is a special type of landscape that is formed by the dissolution of soluble rocks, including limestone, gypsum, and dolomite. Karst regions contain aquifers that are capable of providing large supplies of water. Natural features of the landscape such as caves and springs are typical of karst regions.

SAFEGUARDING WATER AND NATURE CONTINUED

SUSTAINABLE DEVELOPMENT GOALS

Our 2030 Plan for Water and Nature contributes to the following Sustainable Development Goals:

Clean water and sanitation – our water management programs and targets contribute to this goal.

Life on land – our commitment to demonstrating a positive global change for biodiversity contributes to this goal.

Partnerships for the goals – we have been working closely with nature conservation NGOs at local and global levels to design and implement sustainable biodiversity management practices. This collaboration contributes to this goal.

PERFORMANCE AND ASSURANCE

We track and publish our performance across a wide range of measures, including economic and governance, environmental, health and safety, social performance, and stakeholder engagement.

PERFORMANCE DATA TABLES

ECONOMIC AND GOVERNANCE

SALES *Note EG1*	GRI	2017	2016	2015
Net sales (CHF billion)	201-1	**26.1**	26.9	29.4
Sales of cement (million tonnes)		**209.5**	233.2	255.7
Sales of aggregates (million tonnes)		**278.7**	282.7	292.2
Sales of ready-mix concrete (million m^3)		**50.6**	55.0	56.8
SUPPLIERS AND CONTRACTORS *Note EG2*				
Screening				
% of suppliers identified as "High Risk" (for sustainability criteria aligned with the LafargeHolcim Supplier Code of Conduct)	308-2 414-2	**31**	27	7.5
High-risk suppliers of goods screened	414-1			
Health and safety criteria (%)		**22**	39	45
Environmental criteria (%)		**22**	31	34
Human rights and labor criteria (%)		**29**	25	33
Bribery and corruption criteria (%)		**28**	23	34
High risk suppliers of services (contractors) screened	308-1			
Health and safety criteria (%)		**29**	37	84
Environmental criteria (%)		**19**	25	63
Human rights and labor criteria (%)		**26**	26	62
Bribery and corruption criteria (%)		**25**	21	56
National market suppliers	204-1			
% of Group companies with a policy to favor National Market Suppliers		**17**	10	20
% of suppliers from National Markets		**88**	79	74
GOVERNMENT RELATIONS				
Political donations (CHF)	415-1	**65,462**	63,611	294,344
Countries making political donations		**3**	2	5
Average subsidies from national governments (grants, tax relief and other financial benefits) (million CHF)	201-4	**8.9**	6.0	15.1
Entities receiving subsidies		**11**	16	12

Notes to the performance data table

Note EG1: 2017 and 2016 taken from LafargeHolcim Annual Report 2017. 2015 figure taken from AR 2015, key figures page 150 in the Management Discussion and Analysis section.

Note EG2: Figures for 2015 include:
Suppliers of goods and services representing 80% of business volume (a proxy between spend and transaction). All legacy Holcim and three legacy Lafarge companies reported.

Figures for 2016 include:
– suppliers of goods (80% of business volume – a proxy between spend and transaction)
– suppliers of services (contractors) without filter on business volume.

The scope was increased to ensure coverage of health and safety risks and human rights/working conditions risks related to contractors in our supply chain. All LafargeHolcim companies reported. Data accuracy for new reporters was varied, in line with the learning curve of the new process and the integration of reporting systems post-merger.

Figures for 2017 include:
– suppliers of goods (80% of business volume – a proxy between spend and transaction)
– suppliers of services (contractors) without filter on business volume.

All LafargeHolcim companies reported.

The scope is currently being reviewed to allow highly regulated countries (with Human Development Index > 0.790 AND Freedom House Index = Free) to reduce the number of contractors in scope to focus effort on the most material issues, which are primarily related to high risk health and safety activities (hazardous work/hazardous locations). Thus variations on figures for next reporting cycle are expected.

PERFORMANCE DATA TABLES
CONTINUED

ENVIRONMENTAL

NUMBER OF PLANTS INCLUDED IN EVALUATION	GRI	2017	2016	2015
Cement and grinding plants		**218**	257	283
Kilns		**196**	233	–
AFR pre-processing facilities		**51**	53	–
Aggregates		**492**	561	544
Ready-mix plants (including concrete product plants)		**1,309**	1,422	1,424
MATERIALS				
Alternative raw materials substitution rate – cement production (%)		**10.4**	10.5	7.8
Total raw material consumption – all segments (million tonnes)	301-2	**587.0**	583.6	630.1
Waste-derived resources – all segments (million tonnes) *Note EN1*		**52.7**	54.2	53.5
WASTE AND RECYCLING				
Non-hazardous waste recovered (million tonnes)		**0.78**	0.46	0.34
Non-hazardous waste disposed (million tonnes)	306-2	**1.55**	1.85	0.56
Hazardous waste recovered (million tonnes)		**0.04**	0.02	0.01
Hazardous waste disposed (million tonnes)		**0.02**	0.05	0.02
CO_2 EMISSIONS *Note EN2*				
Total CO_2 emissions – gross (million tonnes)	305-1	**133**	131	135
Total CO_2 emissions – net (million tonnes)		**128**	126	130
Specific CO_2 emissions – gross (kg/tonne cementitious material)	305-4	**602**	607	604
Specific CO_2 emissions – net (kg/tonne cementitious material)		**581**	585	582
Total Scope 1 emissions (cement, aggregates, ready-mix and own power generation) (million tonnes)	305-1	**141**	139	138
Total Scope 2 emissions (million tonnes)	305-2	**10**	11	11
OTHER ATMOSPHERIC EMISSIONS				
Dust				
Number of kilns reporting		**182**	207	237
Specific emissions (g/tonne of cementitious materials)		**60**	55	47
Total dust emissions (tonne/year)		**13,217**	13,199	12,698
NO_x				
Number of kilns reporting		**187**	205	226
Specific emissions (g/tonne of cementitious material)		**1,001**	982	1,038
Total emissions (tonne/year)		**221,306**	234,644	278,061
SO_2				
Number of kilns reporting		**187**	204	236
Specific emissions (g/tonne of cementitious materials)		**176**	196	179
Total emissions (tonne/year)	305-7	**38,855**	46,915	47,799
VOC				
Number of kilns reporting		**153**	151	165
Specific emissions (g/tonne of cementitious materials)		**40**	32	29
Total emissions (tonne/year)		**8,776**	7,569	7,838
Mercury				
Number of kilns reporting		**153**	143	170
Specific emissions (mg/tonne of cementitious materials)		**8**	8	9
Total emissions (t/year)		**1.8**	1.9	2.4
Dioxins/furans				
Number of kilns reporting		**153**	153	158
Specific emissions (ng TEQ/tonne of cementitious material)		**16.0**	18.7	24
Total emissions (g TEQ/year)		**3.5**	4.5	6.4

Notes to the performance data table

Note EN1: Includes alternative raw material, industrial mineral components (consumed and sold externally), alternative fuels, volume of return concrete recycled, secondary/recycled aggregates and recycled asphalt.

Note EN2: Cementitious material is defined following the CSI definition: Total clinker produced plus mineral components consumed for blending and production of cement substitutes, including clinker sold, excluding clinker bought. Compared with gross CO_2 emissions, net CO_2 emissions do not include CO_2 from alternative fossil fuels.

PERFORMANCE DATA TABLES
CONTINUED

ENVIRONMENTAL (CONTINUED)

OTHER ATMOSPHERIC EMISSIONS	GRI	2017	2016	2015
Clinker produced with continuous monitoring of dust, NO_x and SO_2 emissions (%)	305-7	**83**	80	85
Clinker produced with monitoring of dust, NO_x and SO_2 emissions (%)		**95**	97	91
ENERGY				
Total energy consumption *Note EN3*				
Electrical and thermal – all segments (million GJ)	302-1	**750**	805	842
Total power consumption – all segments (GWh)		**23,028**	24,658	27,133
Total fuel consumption – all segments (million GJ)		**668**	716	744
Specific thermal energy consumption				
Specific thermal energy consumption of clinker production (MJ/tonne clinker)	302-3	**3,498**	**3,540**	**3,533**
Specific thermal energy consumption of cement production (MJ/tonne cementitious material)		**2,530**	**2,548**	**2,529**
Specific power consumption cement (kWh/tonne cements) *Note EN4*		99	99	95
Thermal energy mix of clinker production (%)				
Coal	302-1	**27.5**	28.0	39.1
Coke		**39.5**	34.8	28
Oil		**2.9**	3.5	4.4
Gas		**11.9**	11.6	12
Other traditional fossil fuels		**1.7**	6.9	1.3
Alternative fossil fuels (excluding biomass)		**10.2**	10.0	9.8
Biomass		**6.3**	5.2	5.3
Clinker factor (average % of clinker in cements)		**73**	72	71
BIODIVERSITY				
Total number of quarries	304-1 304-3	**771**	805	855
Quarries with a rehabilitation plan in place (%) *Note EN5*		**83**	85	88
Quarries with a rehabilitation plan in place compliant with the LafargeHolcim Directive (%) *Note EN6*		**73**	–	–
Total of rehabilitated area (ha)		**15,805**	15,962	21,867
Quarries with high biodiversity value (number)		**330**	323	268
Quarries with high biodiversity value with biodiversity management plans in place (number)		**250**	261	215
Quarries with high biodiversity value with biodiversity management plans in place (%)		**76**	81	80

Notes to the performance data table

Note EN3: 2016 and 2015 figures restated to include captive power plants.

Note EN4: "Cements" is defined following the CSI definition: Total cements produced, excluding clinker sold, including clinker bought. It includes Portland, Blended, Slag cements and direct fly ash sales.

Note EN5: A new directive and related standards regarding rehabilitation plans are currently being implemented. Their implementation is not yet complete, and, in the meantime, the requirements defined in legacy reference documents and directives still apply. This figure refers to the number of quarries that have any rehabilitation plan in place compliant with either legacy requirements or the LafargeHolcim directive.

Note EN6: The LafargeHolcim Quarry and Rehabilitation Directive was issued in late 2016, and is being rolled out across the Group. This figure refers to the number of quarries compliant with the new directive.

PERFORMANCE DATA TABLES
CONTINUED

ENVIRONMENTAL (CONTINUED)

WATER	GRI	2017	2016	2015
Water withdrawal				
Total – cement (million m³)		**90**	101	111
Total – aggregates (million m³)		**79**	79	84
Total – RMX (million m³)		**15**	18	15
From groundwater – all segments (million m³)		**42**	52	54
From surface water – all segments (million m³)	303-1	**90**	88	101
From municipal water supplies or other water utilities (million m³)		**16**	21	18
Rainwater harvested (million m³)		**17**	13	21
From other water sources (million m³)		**19**	25	11
Total water consumption (million m³) – all segments		**113**	109	123
Freshwater withdrawal per tonne of cementitious material (litres/tonne)		**317**	356	361
Water discharge				
Total – all segments (million m³)		**71**	89	82
To surface water (million m³)	306-1	**57**	74	67
For off-site treatment (million m³)		**1**	1	1
To others (million m³)		**13**	15	14
Sites equipped with a water recycling system (% of total sites)	303-3	**71**	72	76

MANAGEMENT SYSTEMS				
Cement				
Sites with an EMS equivalent to ISO 14001 (%)		**89**	87	72
Sites with an EMS certified according to ISO 14001 (%)		**80**	77	71
Aggregates				
Sites with an EMS equivalent to ISO 14001 (%)		**68**	54	81
Sites with an EMS certified according to ISO 14001 (%)		**19**	28	26
RMX				
Sites with an EMS equivalent to ISO 14001 (%)		**43**	41	34
Sites with an EMS certified according to ISO 14001 (%)		**17**	19	20
AFR				
Sites with an EMS equivalent to ISO 14001 (%)		**86**	83	-
Sites with an EMS certified according to ISO 14001 (%)		**80**	81	-

ENVIRONMENTAL COMPLIANCE				
Provisions for site restoration and other environmental liabilities (million CHF) *Note EN7*		**916**	912	996
Number of countries reporting severe* non-compliance cases *Note EN8*	307-1	**19**	24	10
Associated fines and penalties (million CHF)		**0.5**	0.4	2.3

Notes to the performance data table

Note EN7: As per LafargeHolcim Annual Report 2017 page 193 (Note 32. Provisions)

Note EN8: A "severe" non-compliance case is any regulatory non-conformity which 1) seriously threatens the quality of environmental compartments (air, water, soil), 2) directly or indirectly endangers human, animal and plant health/life, 3) if made public, would stir public concern and emotion, i.e. would negatively affect the company's image, or 4) results in a significant fine or penalty (monetary or non-monetary sanctions).

PERFORMANCE DATA TABLES
CONTINUED

HEALTH AND SAFETY

FATALITIES	GRI	2017	2016	2015
By personnel category				
Employees (number)	403-2	**10**	3	5
Contractors (number)		**21**	44	28
By location				
On site (number)		**17**	18	15
Off site (number)		**14**	29	18
LOST TIME INJURIES				
Lost Time Injuries by personnel category				
LTIs Employees (number)	403-2	**173**	231	239
LTIs Contractors on site (number)		**169**	233	261
INJURY RATES				
Lost Time Injury Frequency Rate				
LTIFR Employees (number of LTIs per million hours)	403-2	**0.93**	1.08	1.01
LTIFR Contractors on site (number of LTIs per million hours)		**0.89**	0.99	1.03
LTIFR Employees and contractors on site (number of LTIs per million hours)		**0.91**	1.03	1.02
Total Injury Frequency Rate				
TIFR Employees (number of injuries per million hours)	403-2	**3.82**	4.28	3.52
TIFR Contractors on site (number of injuries per million hours)		**2.60**	2.96	2.84
TIFR Employees and contractors on site (number of injuries per million hours)		**3.21**	3.59	3.17
Occupational Illness Frequency Rate				
OIFR Employees (number of occupational illness per million hours)	403-2	**0.05**	-	-
OIFR Contractors on site (number of occupational illness per million hours)		**0.03**	-	-
OIFR Employees and contractors on site (number of occupational illness per million hours)		**0.04**	-	-

SOCIAL

WORKFORCE	GRI	2017	2016	2015
Group employees by region *Note SO1*				
Asia Pacific	102-8	**24,153**	31,274	36,199
Latin America		**9,305**	10,536	11,707
Europe		**21,317**	21,829	23,950
North America		**12,697**	12,257	11,265
Middle East Africa		**12,901**	13,191	16,123
Service and trading companies		**1,588**	1,816	1,712
Total Group		**81,960**	90,903	100,956
Group employees by employment contract and age interval				
Full-time employees (%)	102-8 405-1	**99**	99	98
Part-time employees (%)		**1**	1	2
Permanent employees (%)		**95**	94	92
Fixed-term contract employees (%)		**5**	6	8
Employees under the age of 30 (%)		**14**	14	16
Employees between 30 and 50 (%)		**60**	60	61
Employees above 50 (%)		**26**	26	24

Notes to the performance data table

Note SO1: Figures taken from LafargeHolcim Annual Report 2017, page 45.

PERFORMANCE DATA TABLES
CONTINUED

SOCIAL (CONTINUED)

TURNOVER AND RETENTION	GRI	2017	2016	2015
Turnover by type				
Overall employee turnover rate (%)	401-1	**15**	16	18
Voluntary employee turnover rate (%)		**7**	7	6
Hirings (%)		**12**	8	11
Dismissals (%)		**2.0**	2	2.5
Retirements (%)		**1.4**	1.4	1.4
Redundancies (%)		**2.4**	3.2	3.1
Deaths (%)		**0.2**	0.1	0.2
Turnover by region				
Asia Pacific (%)	401-1	**12**	11	19
Latin America (%)		**16**	22	18
Europe (%)		**15**	16	14
North America (%)		**20**	22	31
Middle East Africa (%)		**11**	13	11
Service and trading companies (%)		**31**	23	13
DIVERSITY				
Female workforce *Note SO2*				
Top management level (%)	405-1	**8**	10	13
Senior management level (%)		**19**	16	16
Other management level (%)		**20**	19	19
Non-management level (%)		**12**	12	14
Women in total workforce (%)		**14**	14	13
Specific requirements				
Entities with a recruitment and/or career development plan aimed at a specific population (%)	405-1	**65**	71	72
of which, entities with a specific program for women (%)		**71**	48	57
of which, entities with a specific program for disabled workers (%)		**34**	31	40
SOCIAL RELATIONS				
Employee satisfaction				
Entities conducting employees satisfaction survey *Note SO3*		**3**	100	53
Social dialogue				
Entities having strike actions	MM4	**2**	6	1
Entities where employees are covered by collective agreements (%)	102-41	**67**	66	74
Workforce represented in health and safety Committees (%)	403-1	**99**	97	94
INDIVIDUAL DEVELOPMENT				
Hours of training				
Hours of training per employee (non-management level)	404-1	**31**	27	n/r
Hours of training per employee (management level)		**36**	36	n/r
Performance Review				
Managers who had an annual performance review (%)		**91**	90	92
Non-managers who had an annual performance review (%)		**50**	48	50

Notes to the performance data table

Note SO2: Calculated using the same consolidation scope as the Annual Report 2017.

Note SO3: The global Pulse survey was not conducted in 2017.

PERFORMANCE DATA TABLES
CONTINUED

COMMUNITY SPENDING AND STAKEHOLDER ENGAGEMENT

CSR SPEND	GRI	2017	2016	2015
Total (CHF million)	201-1	**43.1**	48.0	59.7
Overhead (%)		**18**	19	12
Social investment projects (%)		**70**	68	70
Donations (cash and in kind) (%)		**10**	10	13
Inclusive business projects (%)		**2**	3	5
INCOME TAXES PAID PER REGION (CHF MILLION)				
Total Group	201-1	**871**	860	940
Asia Pacific		**179**	277	247
Europe		**297**	131	338
Latin America		**237**	196	200
Middle East Africa		**124**	146	96
North America		**34**	110	58
BENEFICIARIES				
Total number (million people)	201-1	**7.0**	5.7	6.6
Social investment projects (% of total beneficiaries)		**68**	76	68
Education projects (%)		**10**	6	8
Employment projects (%)		**4**	3	3
Infrastructure (%)		**15**	13	16
Health (%)		**12**	13	10
Environment – including water (%)		**16**	28	22
Other (%)		**11**	14	9
Inclusive business (% of total beneficiaries)		**19**	8	13
Low-income housing (%)		**17**	7	8
Sanitation (%)		**1**	0	5
Other (%)		**1**	1	0
Donations (% of total beneficiaries)		**13**	16	19
Cash (%)		**6**	8	10
In kind (%)		**7**	8	9
New beneficiaries in reporting year (million people)		**3.0**	3.0	Base year
Cumulative total of individuals benefiting (million people)		**12.6**	9.6	6.6
STAKEHOLDER ENGAGEMENT PLAN *Note ST1*				
Total sites with a stakeholder engagement plan in place (%)	412-1	**38**	34	35
Cement, grinding and AFR sites (%)		**78**	66	62
Aggregates, concrete (including RMX) and asphalt sites (%)		**32**	28	31
HUMAN RIGHTS				
Total countries with a human rights assessment (%)		**67**	50	44
Impact assessment in high-risk countries (%)		**66**	50	38
Self-assessment or impact assessment in medium- or low-risk countries (%)		**69**	50	50

Notes to the performance data table

Note ST1: A stakeholder engagement plan is a formalized document outlining the process used by operations to engage relevant stakeholders for the purpose of achieving agreed outcomes.

METHODOLOGY AND CONSOLIDATION

Scope of consolidation

LafargeHolcim strives to be a leader in transparency and to have a positive impact in the communities where it operates. Achieving this goal requires us to maximize the reach that our sustainability practices have, starting from our assets and including not only those where we have financial control, but also those where we have operational control.

Therefore, LafargeHolcim reporting aims to cover all business units and their industrial production sites under the Group's operational control approach based on the following criteria:

- All companies where LafargeHolcim owns more than 50 percent of equities, or has operational control are consolidated at 100 percent
- Companies where LafargeHolcim does not own more than 50 percent of equities but has control over operations are consolidated at 100 percent.
  - This includes LafargeHolcim companies in Morocco, Ivory Coast, and Guinea, as well as Lafarge Bangladesh, Holcim Bangladesh, Lafarge Cameroon, Lafarge China, and Gulf Cooperation Council states. 14Trees has been consolidated at 100 percent for health and safety.
- Companies where LafargeHolcim has a Joint Venture at 50 percent have been weighted at 50 percent for environmental indicators, at 100 percent for health and safety indicators. For social and stakeholder engagement data are excluded.
  - This includes Cement Australia.

For business divested during the year, environmental, social and stakeholders engagement data are excluded for the entire year; for health and safety, data are included up to the time of divestment, when respective operations ceased to be under LafargeHolcim management control (i.e. Holcim Vietnam, Group Polpaico).

Methods of data collection and reporting methodologies

Economic and governance performance

Financial performance indicators follow IFRS principles. Data on sales included represent consolidated data from LafargeHolcim Group plants and entities covering all of the Group's operations, and are consistent with those reported in the LafargeHolcim Annual Report 2017. Data on supplier assessments were collected through the Procurement Scorecard.

Environmental performance

Environmental performance indicators follow the reporting guidelines of the World Business Council for Sustainable Development – Cement Sustainability Initiative (WBCSD-CSI).

In 2017, environmental data were collected through LafargeHolcim's reporting system and respective reporting guidelines – iCare@LH | Environmental questionnaire.

For environmental data we assess that the reported data this year cover the full scope of Cement activities and at least 98 percent for all other product lines.

All sites that were active during the reporting year have been considered eligible to be included under the environmental reporting. For sites that were active for less than six months, their impact has been estimated based on their production and the Group averages.

For environmental data, asphalt operations, cement terminals and RMX mobile plants are not considered material, and are therefore excluded from the consolidation.

- **CO_2 and power:** We use the *WBCSD-CSI Cement CO_2 and Energy Protocol version 3.1* to calculate CO_2 emissions between the 1990 baseline and the reporting year. For CO_2, all historical data have been recalculated according to the mentioned Protocol, to enable comparison of data over time. Historical data are also restated to reflect changes in consolidation of companies and acquisitions/divestments. The reporting coverage of the CO_2 data is 100 percent. For data not reported in 2017, the last available measurement or the Group average has been used to estimate the 2017 performance. The coverage of energy data per segment is at least at 92 percent. Data not reported in 2017 are excluded from the consolidation.
- **Emissions:** We use the *WBCSD-CSI Guidelines for Emissions Monitoring and Reporting in the Cement Industry Protocol (2012)*. 70 percent of the clinker produced in 2017 is covered by a monitoring system (continuous or discontinuous measurements) meaning dust, NOx, SO_2, VOC/THC, heavy metals (Hg, Cd, Tl, Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V), PCDD/F. The full production from a kiln is included in this coverage only when emissions of all pollutants (all 17 listed pollutants) are monitored, otherwise the production contribution from the kiln is considered zero. If the emission was not measured in 2017, the last available measurement or the Group average has been used to estimate the 2017 performance at kiln level. Measurements older than three years represent 11 percent of the clinker produced in 2017. Based on the measured value, the absolute emissions are extrapolated to the total quantity of clinker produced by the Group. Emissions per tonne of clinker will be published on our website in a CSI indicators table.

METHODOLOGY AND CONSOLIDATION CONTINUED

- **Water:** The *CSI Protocol for Water Reporting* has been used as a reference to measure the water performance of the Group. The coverage of the water data per product line is between 91 percent and 99 percent. For data not reported in 2017, the Group average has been used to estimate the 2017 performance.
- **Waste and recycling:** Waste comprises all forms of solid or liquid waste (excluding wastewater) and is defined as hazardous or non-hazardous based on the legislation of the country in which the site operates. Recovery takes into account recycling, downcycling, and energy recovery. Overburden has been excluded from non-hazardous wastes disposed on site.
- **Biodiversity and quarries:** A new directive and related standards regarding rehabilitation plans are currently being implemented. Their implementation is not yet complete, and, in the meantime, the requirements defined in legacy reference documents and directives still apply. For transparency we have reported the number of quarries that have any rehabilitation plan in place as well as the number of quarries that have rehabilitation plans in place that are aligned with the new directive.

Health and safety
Health and safety performance indicators follow the WBCSD-CSI Guidelines for measuring and reporting.

Health and safety data are gathered at site level and further consolidated at Country/Group Reporting Unit level, and cover all business segments and their industrial production sites, including Corporate and above country regional and service entities.

In 2017, health and safety data were collected through LafargeHolcim's reporting system – iCare@LH | Health and Safety Incident management module.

Data are segregated according to on-site and off-site incidents, and cover employees, contractors, and third parties. The hours worked used to calculate incident rates for employees and contractors are calculated and/or estimated locally by business units.

Social performance
In 2017, Social data were collected through LafargeHolcim's reporting system and respective protocol – iCare@LH | Social questionnaire.

Data are gathered at Country/Group Reporting Unit level and cover all business segments and their industrial production sites, including Corporate and above country regional and service entities.

The 2017 Social data are derived from a survey covering 89 out of 92 entities representing more than 95 percent of the total Group workforce, and include majority-owned entities and managed assets. Diversity data are consolidated with the same scope as used in the Annual Report and all other data according to the scope outlined in the "scope of consolidation" on page 54.

Among other aspects, the social survey collects data on employees, headcounts, and labor relations, and includes questions to verify that child labor is not used.

Stakeholder engagement
In 2017, Stakeholder data were collected through LafargeHolcim's reporting system and respective protocol – iCare@LH | Stakeholder questionnaire.

Data are gathered at Country/Group Reporting Unit level and cover all business segments and their industrial production sites.

The 2017 Stakeholder data are derived from a survey covering 70 out of 72 entities representing more than 95 percent of the total Group workforce, and include majority-owned entities and managed assets. Among other aspects, the stakeholder survey collects data on CSR spending and beneficiaries, volunteering activities, political donations and subsidies, human rights management (other than labor-related human rights), stakeholder engagement activities, and community engagement structures.

2030 Solutions
In 2017, 2030 Solutions data were collected through the LafargeHolcim's reporting system and respective protocol – iCare@LH | Sustainable Construction questionnaire.

Data are gathered at Country/Group Reporting Unit level and cover all business segments and their industrial production sites.

The Sustainable Construction questionnaire was conducted for the first time on a full scale, covering 71 entities representing more than 99 percent of our products and services sales. The methodology was developed over the last two years in close collaboration with internal and external experts of the construction industry and will be subject to continuous refinement.

The Sustainable Construction survey collects data on products and services contributing to GHG reduction along the construction life cycle, resource efficiency and a circular economy, higher energy efficiency in buildings, affordable housing, a richer biodiversity, as well as increased transparency in products.

Reporting cycle
The LafargeHolcim Group will continue to report annually.

ASSURANCE STATEMENT

Independent assurance report on a selection of sustainability information

To the Executive Committee,

Further to the request made by LafargeHolcim, we present our report on a selection of sustainability information established for the year ended on 31 December 2017, presented in the Sustainability Report, consisting in selected environmental and health & safety indicators[1] ("the Environmental and Health & Safety Indicators") and social and stakeholder engagement data collection processes[2] ("the Social and Stakeholder Engagement Data Collection Processes").

Responsibility of the company

It is the responsibility of the Group Sustainable Development Department to establish the Environmental and Health & Safety Indicators and to implement the Social and Stakeholder Engagement Data Collection Processes in accordance with the protocols used by the Group.

Independence and quality control

Our independence is defined by regulatory requirements and the Code of Ethics of our profession. In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

Our Responsibility

It is our role, based on our work:

- To attest that the Social and Stakeholder Engagement Data Collection Processes were implemented as described in the "Methodology and Consolidation" section on page 54 under the sub-headings "Social performance" and "Stakeholder engagement" and in accordance with the 2017 Group social and stakeholder engagement questionnaires and definitions.
- To express a limited assurance conclusion, that the Environmental and Health & Safety Indicators, have been established, in all material aspects, in accordance with the reporting criteria applicable in 2017 (the "Reporting Criteria"), consisting in external standards elaborated by the World Business Council for Sustainable Development – Cement Sustainability Initiative (WBCSD-CSI) available on the WBCSD website completed with Group specific procedures, a summary of which is provided in the "Methodology and Consolidation" section on page 54 under the sub-headings "Environmental performance" and "Health and Safety".

1. Review of the Social and Stakeholder Engagement Data Collection Processes

We undertook interviews with the people responsible for the collection and preparation of the information at the headquarters of the Group in Holderbank, Switzerland and in Paris, France and at the country level for a selection of entities, in order to:

- Assess the suitability of the questionnaires and definitions used in the surveys, in relation to their relevance, completeness, reliability, neutrality, and understandability;
- Verify the implementation of the process for the collection and compilation of the Information.

Based on this work, we confirm that we have no comment on the fact that the Social and Stakeholder Engagement Data Collection Processes were implemented as described in the "Methodology and Consolidation" section on page 54 under the sub-headings "Social performance" and "Stakeholder engagement" and in accordance with the 2017 Group social and stakeholder engagement questionnaires and definitions.

1 Environmental and Health & Safety Indicators (presented in data tables on pages 48 to 51):
- **Materials:** Alternative raw materials substitution rate – cement production, total raw material consumption – all segments
- **Waste and recycling:** Non-hazardous waste (recovered, disposed) and Hazardous waste (recovered, disposed)
- **CO_2 emissions:** total CO_2 emissions (gross, net), Specific CO_2 emissions (gross, net), Total Scope 1 emissions, Total Scope 2 emissions
- **Other atmospheric emissions (total and specific):** Dust, NOx, SO_2, VOC, Mercury, Dioxins/Furans; clinker produced with continuous monitoring of dust, NOx and SO_2 emissions, clinker produced with monitoring of dust, NOx and SO_2 emissions
- **Energy:** Electrical and thermal – all segments, total power consumption – all segments, total fuel consumption – all segments, specific thermal energy consumption (clinker production, cement production), specific power consumption cement, Thermal energy mix of clinker production
- **Clinker factor**
- **Biodiversity:** Quarries, quarries with a rehabilitation plan in place
- **Water:** water withdrawal by segments (Cement, Aggregates, RMX)
- **Management Systems:** Cement, Aggregates, RMX
- **Fatalities:** by personnel category
- **Lost Time Injuries:** by personnel category
- **Lost Time Injury Frequency Rate:** employees, contractors
- **Total Injury Frequency Rate:** employees, contractors
- **Occupational Illness Frequency rate:** employees.

2 Social and Stakeholder Engagement Data Collection Processes covering:
- Group employees by region and per employment contract and age, Employee turnover, Diversity, Employee satisfaction, Social dialogue, and Individual development
- CSR Spend, Beneficiaries, Stakeholder engagement plan.

ASSURANCE STATEMENT
CONTINUED

2. Limited assurance on a selection of Environmental and Health & Safety Indicators
We conducted the work described below in accordance with the international standard ISAE 3000[3] (International Standard on Assurance Engagements).

Nature and scope of the work
We undertook interviews with people responsible for the preparation of the Environment and Health & Safety Indicators in the Sustainable Development, Health & Safety, and HR Departments, in charge of the data collection process and, if applicable, the people responsible for internal control processes and risk management, in order to:

- Assess the suitability of the Reporting Criteria for reporting, in relation to their relevance, completeness, reliability, neutrality, and understandability, taking into consideration, if relevant, industry standards;
- Verify the implementation of the process for the collection, compilation, processing and control for completeness and consistency of the Environment and Health & Safety Indicators and identify the procedures for internal control and risk management related to the preparation of the Environment and Health & Safety Indicators.

We determined the nature and extent of our tests and inspections based on the nature and importance of the Environment and Health & Safety Indicators, in relation to the characteristics of the Group, its social and environmental issues, its strategy in relation to sustainable development and industry best practices:

- At the Group level, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organization, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency with the other information presented in the sustainability report;
- At the level of the representative selection of sites and entities that we selected[4], based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we undertook interviews to verify the correct application of the procedures and undertook detailed tests on the basis of samples, consisting in verifying the calculations made and linking them with supporting documentation. The sample selected therefore represented on average 14% of the hours worked used for the calculation of safety indicators and between 11% and 28% of the environmental information[5].

We consider that the sample methods and sizes of the samples that we considered by exercising our professional judgment allow us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the Environment and Health & Safety Indicators cannot be entirely eliminated.

Conclusion
Based on our work, we have not identified any significant misstatement that causes us to believe that the Environment and Health & Safety Indicators, taken together, have not been fairly presented, in compliance with the Reporting Criteria.

Paris-La Défense, the 3rd of April 2018

Independent Verifier
ERNST & YOUNG et Associés

Partner, Sustainable Development
Christophe Schmeitzky

Partner
Bruno Perrin

3 ISAE 3000: "Assurance Engagements other than audits or reviews of historical information", International Federation of Accountants.

4 Four cement plants: Kanthan (Malaysia), Malogoszcz – Cementownia (Poland), Portland (USA) and Chilanga (Zambia); one aggregate quarry: Morrison (USA); and five Group Reporting Units (GRU): Malaysia, Poland, US-Cem, US-ACM and Zambia.

5 On average 19% of production (cement, aggregates, RMX), 11% of waste, 13% of net CO_2 emissions, 12% of other atmospheric emissions, 17% of energy consumption, 15% of quarries, and 28% of water withdrawal.

EXTERNAL REPORT REVIEW PANEL STATEMENT OF LAFARGEHOLCIM'S SUSTAINABILITY REPORT 2017

Introduction

For the second year running, LafargeHolcim has invited an External Report Review Panel comprised of six independent experts to review its Sustainability Report.

The Panel's objectives were to:

- challenge the company's approach to sustainable development and
- assess and provide commentary on the content of the Sustainability Report.

Please see www.lafargeholcim.com/sustainable-development for details of the Panel members.

This statement provides an assessment of LafargeHolcim's Sustainability Report 2017. The review did not include verification of performance data underlying the report or the information on which the case studies in the report were based. The members of the External Report Review Panel express their views as individuals, not on behalf of their organizations.

The engagement ran from February to March 2018, and Panel members were provided with an early draft of the report and asked to provide feedback in respect of their own specialist areas. Based on this feedback, the Panel statement was drafted and circulated to the Panel members for approval. To ensure independence, the external Panel consultation process was facilitated by an Account Director from the sustainability communications consultancy, Flag.

The External Report Review Panel (ERRP) is pleased to share with this statement its independent opinion on LafargeHolcim's Sustainability Report (SR) 2017.

Feedback to LafargeHolcim's Sustainability Report 2017

Approach to sustainability

The Panel acknowledges that LafargeHolcim has a responsibility to play a leading role in addressing the sustainability issues facing the building materials industry. The long-term vision of LafargeHolcim's 2030 Plan "Building for tomorrow" was widely commended, as were the detailed targets and data points which support the plan, demonstrating a robustness to the sustainability aims and vision of the company. The Panel recognized the work undertaken to map the Sustainable Development Goals (SDGs) to the pillars of the 2030 Plan, particularly linking these to specific programs within the pillars. The Panel encourages LafargeHolcim to consider the SDGs in relation to its 2030 Plan aims and targets in order to demonstrate how the overall business performance targets are linked to the SDGs. The Panel recognizes that LafargeHolcim has been involved in waste recycling and energy efficiency measures for quite some time, which allows the company to be positioned firmly in the growing circular economy sector. It acknowledges the update on the Syria remediation, stating that LafargeHolcim demonstrated transparency in this area by including this in the Strategy, Governance, and Integrity chapter of the report. Outcomes of the new Ethics, Integrity and Risk Committee formed as part of this process are awaited with interest.

Report structure and content

The Panel provided positive feedback on the structure and design of the report, remarking that it read well, was clear, comprehensive, and covered all relevant Environmental, Social, and Governance (ESG) criteria. The chapter on Customer Focus, included in the report for a second year, was well received. The case studies were said to be a useful showcase of the programs which LafargeHolcim is implementing on the ground, lending a human aspect to the report. The Panel recommended that LafargeHolcim should supplement these case studies with data to demonstrate the impact that the company is having through different programs. The Panel appreciated LafargeHolcim's reporting on its responsible tax policy, which demonstrates a clear commitment to this area. The performance data is clearly laid out at the back of the report, with the accompanying GRI standards. The Panel encouraged LafargeHolcim to provide commentary on annual data trends which show material positive and negative changes, where appropriate.

EXTERNAL REVIEW PANEL STATEMENT OF LAFARGEHOLCIM'S SUSTAINABILITY REPORT 2017
CONTINUED

Opportunities for improvements

The Panel recognized that LafargeHolcim is strongly involved in raising transparency and integrity along the cement value chain and that it can be seen to be paving the way towards a better and more sustainable practice in the construction sector. It recommends that details of the work carried out locally in high-risk countries to adhere to LafargeHolcim's Code of Business Conduct and local laws is reported in greater detail. With regards to human rights, the Panel recognizes the actions LafargeHolcim has undertaken to mitigate issues in this field, specifically through the Human Rights Impact Assessments (HRIA) in local countries. The Panel would like to see more detailed reporting on how LafargeHolcim will meet its 2020 aim of covering 100 percent of high-risk country operations with HRIAs, and details on the Human Rights Management System which was implemented in recent years. The Panel would like to see greater transparency on the gender diversity of the company, in particular on how LafargeHolcim expects to meet its gender diversity in management position targets. There is the opportunity in future reporting for LafargeHolcim to comment on how the company will mitigate the impact of technological innovations on employment. The Panel notes LafargeHolcim's performance against its zero-harm target and recommends that it continues to strengthen its approach to safety, and to report on this issue in as much detail as possible.

Conclusions

The Panel welcomes the continuing progress LafargeHolcim has made in mapping the SDGs to its 2030 Plan and looks forward to seeing how further alignment between the strategy and the SDGs develops in future years. It encourages LafargeHolcim to continue to focus on business ethics, integrity, and health and safety, particularly driver safety on the road. The Panel looks forward to future engagements and to seeing how LafargeHolcim takes the Panel's feedback onboard.

OUR GLOBAL CITIZENSHIP

Global Reporting Initiative

This report, with additional information on our website, is prepared in accordance with the Global Reporting Initiative (GRI) Standard at comprehensive level.

To locate the elements and information contained within the Standard, including disclosures on management approach to economic, environmental and social aspects, use the GRI index at www.lafargeholcim.com/Sustainability-reports.

For a detailed explanation of the GRI indicators and for more information on the GRI Gold Community go to www.globalreporting.org.

UN Global Compact (UNGC)

With our integrated approach to sustainable development, LafargeHolcim aims to embrace the UNGC principles. We strive to implement the ten principles of the Compact and to use it as a basis for advancing responsible corporate citizenship. At the same time, the Compact provides LafargeHolcim with the opportunity to further push our own ongoing programs and processes in the areas of human rights, labor standards, the environment, and anti-corruption.

Our sustainability report and our annual communication on progress (COP) to the UNGC outlines LafargeHolcim's continued commitment to the Compact's philosophy, intent, and principles.

This latest report highlights key actions implemented in 2017 against the Compact's principles as well as confirming our sustainability priorities and performance targets. Our Annual Communication on Progress to the UNGC can be found on our website at www.lafargeholcim.com/Sustainability-reports.

Recognition and memberships

FTSE4Good

LafargeHolcim was again included in the FTSE4Good index in 2017.

The FTSE4Good Series is designed to help investors integrate environmental, social, and governance (ESG) factors into their investment decisions. The indexes identify companies that better manage ESG risks and are used as a basis for tracker funds, structured products and as a performance benchmark.

MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

LafargeHolcim was included in the 2017 DJSI European Index, one of only two Europe-based companies in the construction materials sector to be included in the European index.

DJSI are the longest-running global sustainability benchmarks worldwide and are considered by many to be the reference point in sustainability.

CDP SUPPORTER 2017

In the results of the 2017 CDP (formerly the Carbon Disclosure Project) assessment LafargeHolcim received a score of A minus, placing the company in the CDP's Leadership band.

GRI GOLD Community LafargeHolcim 2018

LafargeHolcim is a member of the GOLD Community and supports the mission of GRI to empower decision makers everywhere, through GRI Sustainability Reporting Standards and its multi-stakeholder network, to take action toward a more sustainable economy and world.

Cement Sustainability Initiative

LafargeHolcim is a founder member of the Cement Sustainability Initiative (CSI) and was the Chair in 2017.

Global Alliance for Buildings and Construction

LafargeHolcim is a founder member of the Global Alliance for Buildings and Construction. The Alliance is an initiative launched at COP21, as part of the Lima Paris Action Agenda. It aims to mobilize all stakeholders, including member states and non-state actors from the Buildings and Construction sector to scale up climate actions in the sector.

GCCA

LafargeHolcim, together with eight other leading companies in the cement and concrete sector, launched the Global Cement & Concrete Association in early 2018. The GCCA is a progressive new association, dedicated to developing and strengthening the sector's contribution to construction.

The association will focus on driving advancements in sustainable construction, working to enhance the cement and concrete industry's contribution to a variety of global social and developmental challenges.

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