



- BWI • Building and Wood Workers International
- BHI • Bau- und Holzarbeiter Internationale
- BTI • Byggnads- och Träarbeter-Internationalen
- IBB • Internationale des Travailleurs du Bâiment et du Bois
- ICM • Internacional de Trabajadores de la Construcción y la Madera



**GLOBAL FRAMEWORK AGREEMENT ON CORPORATE
SOCIAL RESPONSIBILITY
AND INTERNATIONAL INDUSTRIAL RELATIONS**

Global framework agreement on corporate social responsibility and international industrial relations

signed between the Lafarge Group and the Global Union Federations BWI and IndustriALL Global Union to promote and protect worker's rights.

The BWI, Building and Wood Workers' International is a Global Union Federation organising more than 12 million members in 320 trade unions in 125 countries around the world in the building, building materials, wood, forestry and allied industries.

The IndustriALL Global Union is a Global Union Federation organising workers in the mining, energy and manufacturing sectors. IndustriALL Global Union unites trade unions from 140 countries representing in total around 50 million workers in these industries.

Lafarge is the world leader in building materials, holds top-ranking positions in all three of its activities: Cement, Aggregates & Concrete. Lafarge employs 65,000 people in 64 countries.

PREAMBLE

Lafarge believes that there's a link between social and economic progress, this vision is notably translated into the 2020 Sustainability Ambitions issued by the Group.

The interests and success of Lafarge and its employees are interdependent. Lafarge commits itself to involve its employees directly in the Group future through an open dialog; Lafarge recognizes that employees may choose to be represented by elected employees and / or trade union organizations.

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

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

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

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

Lafarge considers respect for worker's rights to be a crucial element in sustainable development.

This agreement applies to all the activities of Lafarge and of its subsidiaries. Lafarge will ensure that the principles contained in this agreement are communicated and promoted towards its contractors, sub-contractors and the entire chain of subcontractors, suppliers and joint ventures.

No provision of this agreement reduces or weakens in any way the existing labour relations practices or agreements concerning trade union rights or the trade union structures already established by an affiliate or group of affiliates of the BWI or IndustriALL Global Union whatever they may be, or any other union within Lafarge.



FUNDAMENTAL PRINCIPLES

Lafarge commits itself to comply with the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the Global Compact and also the Organisation for Economic Cooperation and Development Guidelines for Multinational Enterprises, and recognizes the UN guiding principles on business and human rights related to fundamental social and labour rights and principles.

No forced labour

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

No discrimination in employment

All workers, whatever their workplace, shall have equality of opportunity and treatment regardless of their ethnic origin, colour, gender, religion, political opinion, nationality, social origin or other distinguishing characteristics. Workers shall receive equal pay for work of equal value (ILO Conventions 100 and 111).

Diversity Promotion

In countries where a commitment text¹, condemning discriminations in employment and promoting diversity, is proposed to companies' approval, the Lafarge Group encourages local entities to sign it.

Protection of migrant workers

If it applies, Lafarge prohibits practices that consist in requiring from workers deposits or other expenses related to immigration procedures and recruitment.

Workers are not asked to surrender their passports or any other travel or identity documents.

Migrant workers are entitled to form unions of their choice as well as to join them.

No use of child labour

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

Freedom of association and right to collective bargaining

Lafarge recognizes the freedom of association and the effective recognition of the right to collective bargaining (ILO Conventions 87 and 98) and will engage in good faith bargaining, aim to achieve a collective agreement in a timely manner, and strive to produce a positive and constructive relationship with trade unions.

Lafarge respects the right of its employees to form or to join any trade union of their choice. Lafarge will remain strictly neutral concerning employee preference to join, remain with, transfer, or abandon their relationship with a trade union of their choice.

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

Lafarge will refrain from any unfair communication with its employees to influence their decision on trade union representation and will ensure all communications with its employees are factual and non hostile toward the trade union seeking organization.

Living wages

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

¹ Examples : Charte de la Diversité in France, Charter de la Diversidad in Spain, Charta der Vielfalt in Germany

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

Working hours

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

Health, safety and working conditions

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

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

Lafarge commits itself to promote health and safety culture towards its suppliers and subcontractors.

Employment relationship and subcontractors

Lafarge complies with the obligations towards all its employees under labour legislation, social security and regulations deriving from a regular employment relationship (Convention 102 concerning Minimum Standards of Social Security).

The company and all its subcontractors directly employ labour and pay social security and pension contributions for their respective workers.

Lafarge requires from its suppliers and subcontractors to respect the law and statutory regulations, as well as the fundamental human rights mentioned in the present agreement.

Lafarge also requires from its suppliers and subcontractors to give their workers oral and written information regarding their working conditions.

Any serious breach of the legislation concerning the health and safety of direct or indirect employees, the protection of the environment or basic human rights, which is not corrected after a warning, will result in the termination of relations with the concerned enterprise, subject to contractual obligations.

Skills training

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

IMPLEMENTATION AND FOLLOW UP

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

Lafarge undertakes to ensure that copies of the agreement in various languages are available in workplaces. The agreement will also be published on the Lafarge website and intranet. All signatories are strongly committed to the most widespread dissemination possible of the content of this agreement throughout the Lafarge operations.

The signatories will inform and, if necessary, train workers' representatives and Lafarge management regarding the clauses of the present agreement.

A reference group consisting of representatives of the Lafarge management and of the signatory international federations will meet at least once a year, or whenever necessary, to follow up and review the implementation of this agreement. An observer seat will be allocated to the European Works Council's Secretary during the annual meeting of the reference group.

The Lafarge Group will make available to the reference group the resources needed for its missions.

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

SETTLEMENT OF DISPUTES

In the event of a complaint or breach of a provision of this agreement, the procedure below will normally be followed:

- a) In the first instance, the complaint should be referred to local management.
- b) If the problem is not resolved by local management, it will have to be referred to the appropriate national union, which will raise the issue with the local company.
- c) If the dispute is not resolved, the reference group will address the issue and propose appropriate action in connection with regional coordinators of BWI and IndustriALL Global Union.
- d) If a dispute is not resolved and that the provisions of this agreement continue to be breached, the termination of the GFA will occur only as a last resort.

The signatories agree that any difference arising from the interpretation or application of this agreement will be jointly discussed with a view to its clarification.

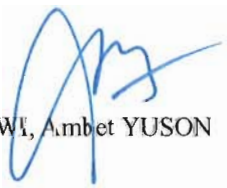
DURATION

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

Place and Date, Geneva, May 21, 2013



The Lafarge Group, Bruno LAFONT



The BWI, Ambet YUSON



The IndustriALL Global Union, Jyrki RAINA