



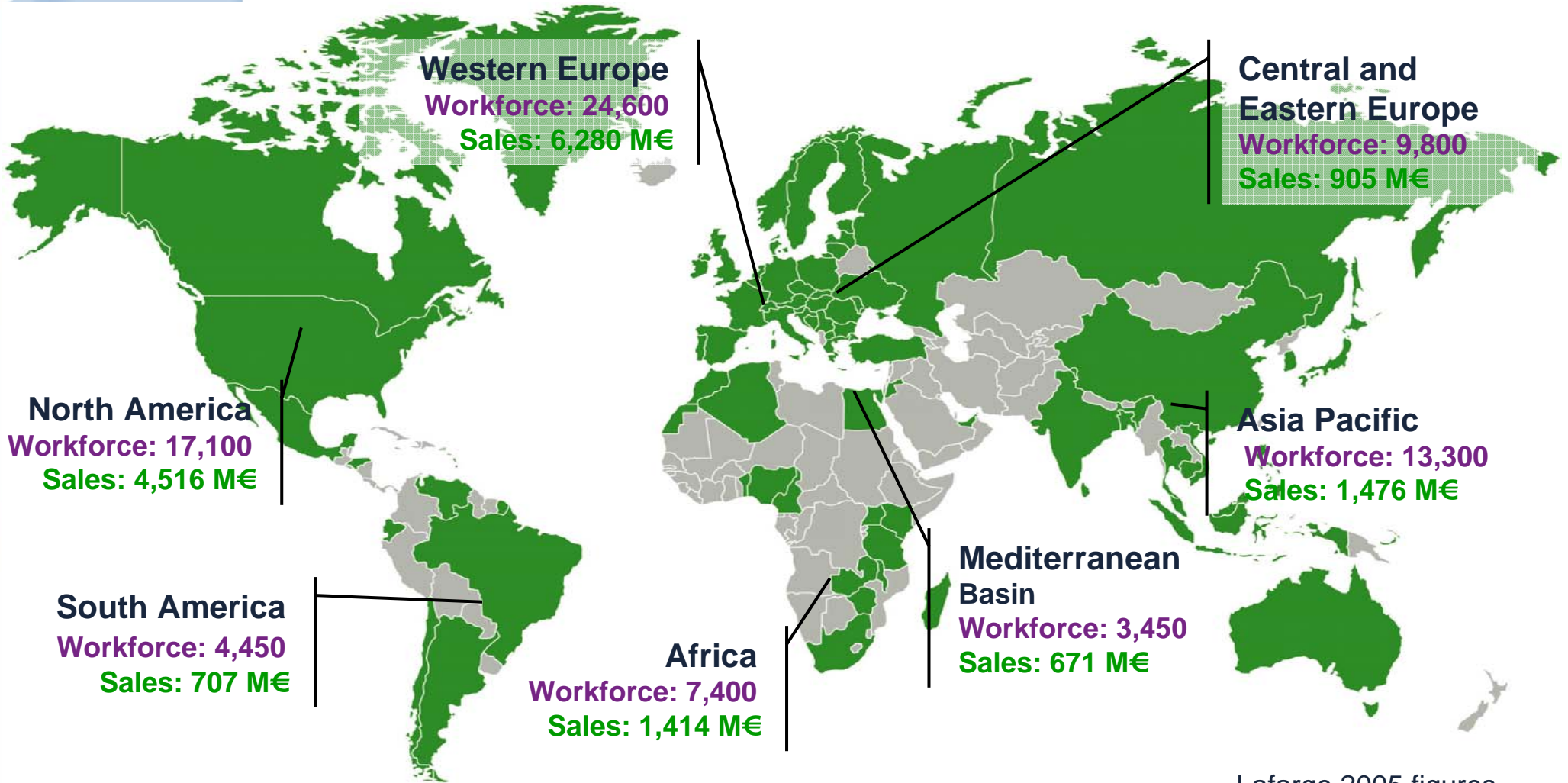
The HS Role & Activities of Executive Leadership within Lafarge
Tim Walter, VP OHS
Atlantic Alliance Meeting – Germany
April 20th, 2007



The world leader in building materials

- ✓ Leadership positions in all our Businesses
 - The world leader in Cement
 - The world leader in Aggregates & N° 2 worldwide in Concrete
 - The world leader in Roofing
 - N° 3 worldwide in Gypsum
- ✓ Operates in **76** countries
- ✓ Employs **80,000** people
- ✓ **3,000** industrial sites worldwide
- ✓ **€16 billion** in sales, €1.1 billion in net income (2005)





Lafarge 2005 figures



Lafarge Health & Safety Challenges

- ✓ Our size and geographical diversification
 - Number of sites (27 languages)
 - Local H&S culture
 - Major growth in emerging markets

- ✓ The nature of our business
 - Many activities take place outside our sites
 - Contractor management
 - Logistics & Transport



The Health & Safety roadmap engages actions in five dimensions



**Blueprint for
Safety
Transformation™**



Leadership



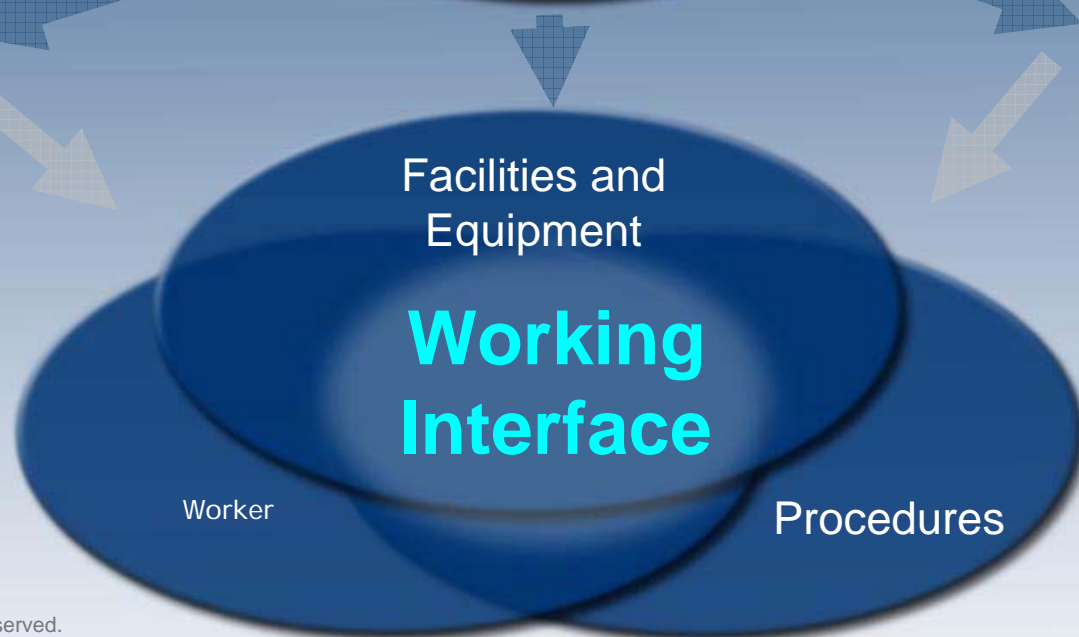
**Organizational
Culture**

**Safety
Enabling
Elements**

- Hazard recognition & Mitigation
- Skills, Knowledge, & Training
- Policies & Standards
- Exposure reduction mechanisms

**Organizational
Sustaining
Systems**

- Selection & Development
- Structure
- Performance management
- Rewards & Recognition



**Facilities and
Equipment**

**Working
Interface**

Worker

Procedures

Executive and Sr. Leadership Involvement

- ✓ Launched Global Safety Assessment
- ✓ CEO Sponsorship for HS
- ✓ Issued Group HS Policy and Rules
- ✓ Approval of Group HS Roadmap and Priority Projects
 - HS Standards—Contractor Safety—Leadership Training
- ✓ Monthly Management Meetings
 - Serious Event Review—KPIs—Roadmap Update,
- ✓ Created HS Competency Centre
 - Appointed of Group SVP HS
- ✓ Established HS Advisory Board
- ✓ Annual Performance Management Objectives
 - Safety SMART Objectives
- ✓ Leadership Safety Workshops (BST)
 - 360—Workshop—Coaching—PSP



VFL Examples

Accessible – During site visit, I will engage hourly employees and encourage candid discussions about safety. I will ask specific questions to site managers regarding WAH and LOTOTO.

Connect – During a site visit, I will ask an hourly employee if I may do a “ride along” in his haul truck or RMX truck. I will express an interest in vehicle inspections, training, and driving rules.

Inspire – During a site visit, I will meet privately with a small group of front line supervisors. I will share with them my passion and ask them to work as a team to support each other with safety.

Approaching Others – I will conduct one safety engagement per week that involves the observation and feedback of an employee regarding their personal behaviors.

Test – I will conduct a fire drill or sponsor an office safety meeting (i.e. tool box style). I will measure responsiveness and provide immediate feedback in terms of response time or attendance.

Contract – I will establish a safety performance contract with a poor performing BU Manager.

Mentor – I will identify one Ex-high or Jr-high potential to personally mentor and coach in safety leadership.

Basics – I will personally demonstrate safe work practices such as: no cell phone use while driving, wearing my seat belt when driving or as a passenger, and using hand rails when I ascend or descend stairways.

Notes



**Personal
Action Plan
(2007)**

**Visible Felt
Safety
Leadership**

Bruno Lafont



*No one here can be proud if our safety results do not improve along with our ambitions.
And as it applies to me, there will be no room for compromise on safety.*

Bruno Lafont (Jan 2006)

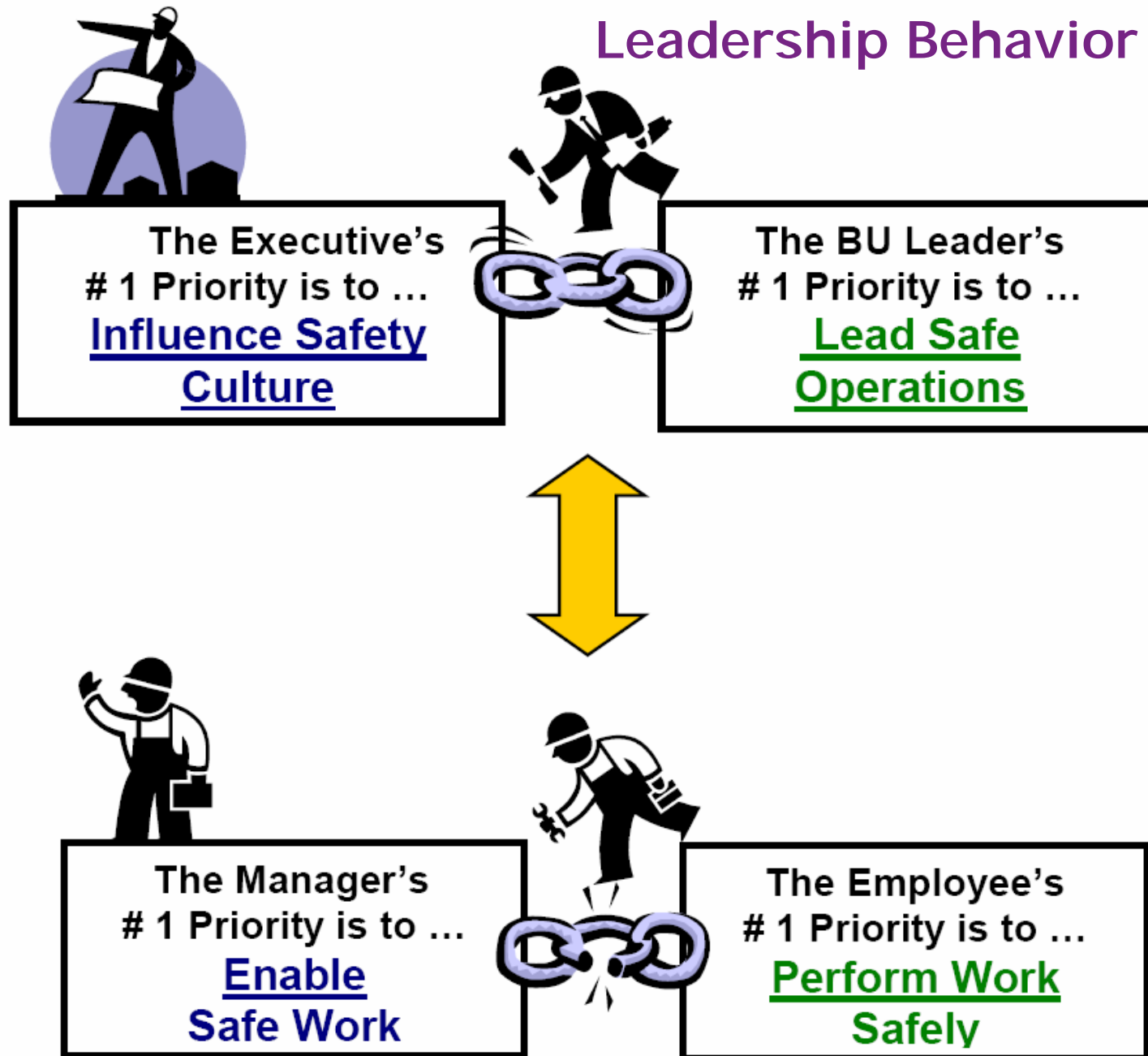
HS Objective	What others will observe, perceive and learn from me	Examples of Animation
<p>Commitment</p>	<p>Bruno is personally committed to shaping and driving the evolution of the Lafarge HS Culture.</p> <p>We can learn from his example.</p>	<ul style="list-style-type: none"> • Be Prepared: I will commit to memory in spirit and word the new HS policy I personally endorsed as well as the five (5) elements of the Group HS Roadmap. • VFL 1: I will contact (targeted) individual BU Managers, Industrial Managers or Plant Managers to engage them in a candid and focused conversation about their personal role in leading the safety culture within their operations. I will request their personal commitment to me regarding safety performance improvement within their operations. • VFL 2: I will ensure a venue-specific safety plan is prepared and implemented for major meetings that I sponsor or attend (e.g. Evian, etc). • VFL 3: Refer to cover for additional VFL suggestions. • Personal Reflection: Safety is a way of life. I will evaluate my personal situation and discuss safety with my family (fire safety, holiday safety, driving safety, etc.).
<p>Focus</p>	<p>Bruno has a robust and ambitious plan to achieve safe operations and it is clear to us that safety is a component of Excellence 2008.</p>	<ul style="list-style-type: none"> • HS Roadmap: I will keep the Executive Committee focused on the Group Roadmap: <ul style="list-style-type: none"> - HS Sponsorship Chain (CEO to BU Manager) - HS Policy / Rules (Group-wide rollout) - Four Priority Tasks (Standards, Leadership Training, Gap Analysis, Reporting) - Two HS Initiatives (Contractor, Logistics) - HS Competency Centre (Structure / Function and HS Advisory Committee)
<p>Alignment</p>	<p>Bruno expects consistency and streamlining of HS processes across Divisions.</p>	<ul style="list-style-type: none"> • Convergence: I will reinforce the importance to converge on common HS processes: <ul style="list-style-type: none"> - One Lafarge HS Policy - One Lafarge HS Management System (HSMS) - One Lafarge HS Reporting System - One Lafarge HS Standard (i.e. WAH, LOTOTO, PPE) • Integrate: I will integrate safety into our daily business practices by expecting functional leaders (e.g. Purchasing, HR, Communications, etc.) to define methods for incorporate safety into their business processes.
<p>Accountability For Results</p>	<p>Bruno creates a sense of urgency to maintain safety as a business priority, he has low tolerance for mediocre performance, and he has created a link between my behavior and my rewards.</p>	<ul style="list-style-type: none"> • Performance Management System: I will ensure that my direct reports have personal safety action plans and I will provide safety-specific comments during my N+2 reviews as part of the Lafarge annual performance review process. • Review Progress: Require quarterly updates to COMEX regarding the progress of the BU HS Improvement Plans. • Timelines: I will hold my team accountable for achieving HS Roadmap commitments in accordance with established timelines (i.e. HS Policy, HS Standards, HS Initiatives).

Top 25 Management Meeting

- ✓ **Passion** – *Prepare your elevator speech*
 - ✓ Why is safety important to you ?
 - ✓ Develop a personalized statement to answer this question
- ✓ **Don't: Compromise on safety**
- ✓ **Prepare** – *Plan your site visit*
 - ✓ Wear required PPE (preferably your own)
 - ✓ Understand the local issues prior to your visit
- ✓ **Don't: Look the other way**
- ✓ **Engage** – *Demonstrate your safety leadership at least daily*
 - ✓ Dialog with your BU GM's about their personal safety plan
 - ✓ Check for robust Standard(s) implementation (WAH, PPE)
 - ✓ Follow-up on SER communications and corrective actions
 - ✓ Recognize success stories
 - ✓ Ask about KPIs and LTIs
 - ✓ Ask about HS Resourcing
- ✓ **Don't: Underestimate your influence (good or bad)**



Leadership Behavior Chain





Questions & Answers

Timothy S. Walter, CIH CSP
Lafarge
VP, Occupational Health & Safety
703-480-6651

