

# A vital part of our business

Our long term commitment is to sustain a robust organization, where people can develop their potential as professionals and contribute to the success of our business. We are already pleased to see signs of progress, despite the difficulties of 2010.

## Our strategy for people

For our company, people development is a top priority and a commitment. We focus on the personal development and fulfillment of our employees with a long-term view.

People development is a systematic process designed to strengthen the competencies and skills of our people. Using this process, we seek to optimize their performance in their current duties but additionally to enhance their potential for building a successful career within our organization.

Central to our people development process is the Individual Development Plan (IDP). This is a tool which uses not only conventional training but also on-the-job training, coaching, e-learning tools and assignment of new responsibilities, to develop skills and knowledge needed in a challenging working environment. In parallel, through participation in interdepartmental projects and working groups, both locally and internationally, our employees come to know the organization better and develop personal skills on a wider scale. Starting with recruitment, each employee has his or her own IDP, based on his or her development needs and aligned with the company's principles.

This strategic planning of the careers of our people gives us the opportunity to enhance their talents, maximise their potential within the organization and to make the best of their ability in the long term. The assignment of new responsibilities and challenges enables our employees to expand their knowledge and competencies and to develop their leadership skills.

## Progress in a difficult year

At the end of 2010 Heracles had a total of 1318 employees. Within the year 34 people were hired and 282 people left the company due to retirement and early retirement. In these difficult circumstances, the development of our people is even more important. The best use of their talents and skills is critical to enhancing the competitiveness of the company. In 2010, we filled key positions with talented and competent people, where they will have the largest positive impact on the performance of our business and will ensure its long term viability.

**48**  
AVERAGE HOURS TRAINING  
PER MANAGER

## example

### IDP IMPROVEMENT

An in-depth qualitative review of Internal Development Plans (IDPs) revealed that their users needed more guidance in their use, so as to develop IDPs that would make a distinctive difference to performance and capabilities.

Senior management committed to a series of actions, to be driven by the Human Resources team, that would underline the importance of the IDP as a development tool.

First, a training program was designed, to enhance the quality of IDPs; there were 6 sessions with 91 participants in total. Then, individual coaching sessions were provided for the key population to improve their own IDPs and those of their direct reports. The sessions focused on the significance of a well-designed IDP in identifying the competencies and corresponding learning activities and resources, needed to improve individual performance and to prepare for new responsibilities. There was support, advice and tools available from the Human Resources team throughout. There was a marked improvement in quality of IDPs as a result. In 2009 the proportion of IDPs rated as "very good" had been 10%; in 2010 the proportion rose to 60%.

The program was recognised with a Lafarge Group Award (in the Best Talent Development category).

## Diversity

We have already out-performed our Sustainability Ambition to have women holding 20% of managerial positions (Hay grades 18 and above); the proportion is now 30%. While we still aim to increase the proportion further, we have been focussing on the wider challenge of increasing gender diversity across the entire workforce, especially middle management.

## Opportunities for students

Our internship program offers senior students of universities and other educational institutions an opportunity to gain experience of a working environment, to develop skills and confidence and to share with us their enthusiasm and new thinking. Fifty-two interns were taken on in 2010.

**18**  
INDIVIDUALS GAINED AN INTERNAL PROMOTION IN 2010

### The age structure of our workforce

(%)	2008	2009	2010
Age range			
<30	9.63	9.3	9.9
31 - 50	54.26	53.6	57.2
>51	36.11	37.1	32.9

The age profile of our workforce is still weighted towards the middle and upper segments.

### Job evolution

	2008	2009	2010
Hirings	44	28	34
Resignations	9	10	4
Retirements	27	7	10
Early retirements	255	191	272
Deaths	2	3	2
Total	293	211	288

Early retirement is the main source of change in our workforce.

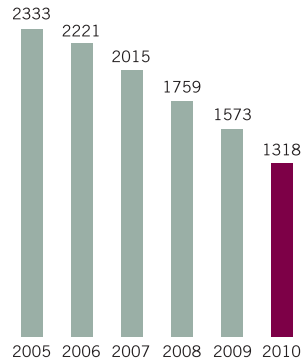
### Women in the workforce

(Women in different categories of employee)

Women	2008	2009	2010
Women - Hay Grades 12 & above (managers)	50	53	49
Women - Hay Grades 11 & below	118	106	93
Total	168	159	142
Total headcount	1759	1573	1318
%	9.55	10.11	10.77

There was a decrease in the absolute number of women employed but as a proportion of the workforce women are better represented than in 2008.

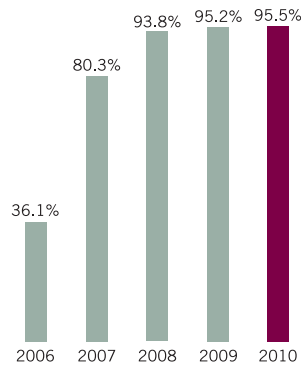
### Number of employees



Total headcount declined again in 2010.

### Reviewing performance

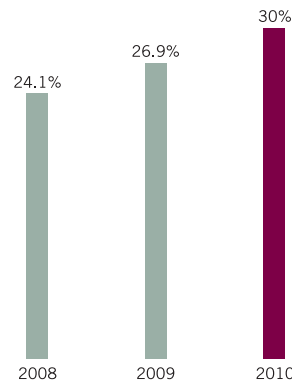
(Percentage of managers receiving performance appraisals)



The percentage continues to be high; we aim for 100%.

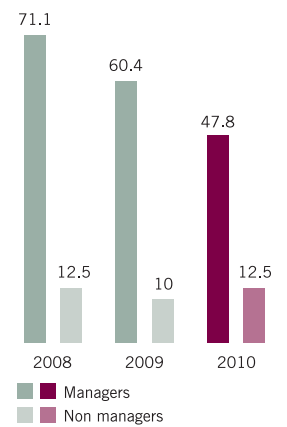
### Women in management

(Percentage of female managers in Hay grades 18+)



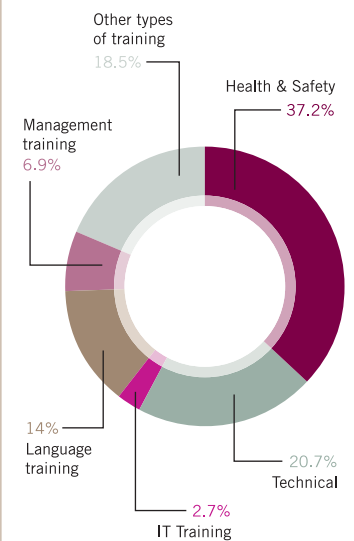
### Investing in a skilled workforce

(Average hours training per person per year)



### Investment in training by type

(Percentage of total expenditure on training in different categories)



Health and Safety is our number one priority and therefore commands the greatest expenditure.