

Writing this report

One of our commitments to our stakeholders is to provide comprehensive and regular information on how we are addressing sustainability issues. We know that to fulfil that commitment the way in which we report must improve each year. This year's improvements include the choice of issues to discuss and the quality of our environmental data.

Scope and focus

In choosing which topics to cover in this year's report, we have taken account of our Sustainability Ambitions, the views of our stakeholders and the underlying principle that an annual report should focus on the year in question and not repeat information that is already in the public domain. Throughout, and consistent with the commitment we made in the light of comments on our first sustainability report in 2008, we have kept to a minimum references to the activities of the Lafarge Group and focussed on the activities of Heracles.

...sustainability Ambitions

These define our sustainability targets and hence address the issues on which we focus most of our attention. This year, as we approach the end of the relevant period for our Sustainability Ambitions 2012, our account of progress against these ambitions is accompanied by information on the steps we are taking to define a new set of ambitions for the period to 2020. (Please see pages 10-11).

...views of our stakeholders

This report has been designed to address our stakeholders' key concerns and interests, as expressed to us. There is for instance, more information on the business context, the impact of the financial crisis on our activities, environmental management at our sites and our actions to help combat climate change. Product innovation, a key concern of our national stakeholders, is mentioned in several sections.

...a report on 2010

We have avoided repeating information about 2009 except where this is necessary to understand the context of action taken in 2010. Plans for 2011 are mentioned where relevant but the main focus is the activities and issues of 2010.

Data collection and management

Systems for collecting and managing data have improved in line with our commitment to report on an annual basis and to provide performance data in each report. Data that is necessary for the preparation of the KPIs used throughout the Lafarge Group is collected in accordance with Lafarge procedures and consistent with the GRI G3 reporting standard. Data on total CO₂ emissions is presented consistent with the requirements of EU Directive 2007/589 while that on emissions per metric ton of cement produced follows the methodology set out in the Cement Sustainability Initiative (CSI) Protocol.

Other environmental data is collected according to the procedures of the Heracles environmental department. Health and safety data and data on policies towards our people are the responsibility of the health and safety and human resources departments respectively.

Assurance

Data that contributes to KPIs used through the Lafarge Group is collected by Heracles and consolidated by Lafarge, following review and validation by the Lafarge regional technical centers. Ernst and Young provide external validation and assurance for the Lafarge Sustainability report and this assurance covers the following data items: lost time injury frequency rate, competition policy, training on stakeholder relationship methodology, female senior managers, environmental audit, quarry rehabilitation, CO₂, dust, NO_x, SO₂ and water withdrawal. In the light of these internal and external assurance procedures, and given that this is only our third report, we do not currently consider that further assurance is warranted but this is something we continue to keep under review.

Compliance with GRI Guidelines

We have followed the GRI G3 Guidelines in the preparation of this report and have had our compliance with the Guidelines checked. Compliance was found to be A. An index of contents according to the GRI Guidelines follows on pages 39 to 46. It is our intention to achieve a similar level of compliance with our 2011 report, but in accordance with the new, G3.1 Guidelines that were released in March 2011.



Statement GRI Application Level Check

GRI hereby states that **Heracles General Cement Company, a member of Lafarge Group** has presented its report "2010 Sustainability Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 15 July 2011

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a light blue circular background.

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 13 May 2011. GRI explicitly excludes the statement being applied to any later changes to such material.