



Why to choose Lafarge concrete?

- Our standard mix and special innovative products cover all application needs in construction: ARTEVIA Colored Concrete, ULTRA High Strength Concrete, HYDROMEDIA Flow concrete to name just a few
- We offer country wide technical support with experts and customer call service
- . Solutions for all kinds of customers' and end-users' needs
- The expertise of the world's largest building materials group, LafargeHolcim

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CEO's Message



Rachid Benyakhlef - Country CEO - Lafarge Iraq

"As a result of the long and committed efforts from all cement producers in Iraq, the Iraqi National Cement Association has officially been established and Lafarge Iraq is proud of being a founding member of the association."

Good practices create happy customers

It is my pleasure to share with you the second issue of Lafarge Iraq's corporate magazine; hopefully you had a chance to look at the first issue and thought that it was useful and insightful. Furthermore, I hope that you like the name of our magazine, it was chosen through a competition with the participation of our employees.



Amani Mohamed, Legal Manager - Cement BU North, winner of the competition for the name of corporate magazine

In this new issue, I would like to draw your attention to the launch of two important initiatives.

The first one is at Group level and it concerns all LafargeHolcim employees globally-including Iraq. It is the new "Code of Business Conduct" of the LafargeHolcim Group. Our Code of Business Conduct defines what integrity means to our business. It is important to understand that the Code of Business Conduct is not only about conflict interest, protection of company properties, and anti-corruption; it is first and foremost about health and safety, the protection of environment, equal opportunities and respect, dealing with competitors, suppliers and customers. Our Code of Business Conduct is about running the Group with the utmost transparency, in line with international and national laws and regulations. You will find a special section focusing on the Code of Business Conduct in this issue.

The second important initiative that I want to mention is the Customer First Project that we launched during Lafarge Iraq's Country Meeting in mid September. The Customer First Project aims to create increased value for our customers by serving them in a better way and meeting their needs through target oriented solutions. We want to be the best and most consistent performing company in the building materials industry in Iraq and to sustainably create value. In order to achieve this goal, we will need to transform our business from a product driven one into a customer / end-user centric organization, our Customer First Project aims to facilitate this objective.



I would also like to share with you two pieces of good news. The First one is about the Karbala Cement Plant located close to Karbala city in the South of Iraq. The recent negotiations ongoing between Karbala Cement Company and the government have been concluded. Thanks to the positive and supportive approach of the government authorities we have been able to save this important project which until recently had seemed very difficult. Karbala Cement Plant is a state-owned industrial facility which has been jointly taken over by the Lafarge Group and its partner MerchantBridge via a lease signed with the Iraqi Government. Under this lease agreement, Lafarge has been tasked with the renovation of the cement plant and improving its overall operation. The target capacity of production is 1.8 million tons of cement.



Karbala Cement Plant

"We want to be the best and most consistent performing company in the building materials industry in Iraq and to sustainably create value."

Our second piece of good news concerns the cements industry in Iraq. As a result of the long and committed efforts from all cement producers in Iraq, the Iraqi National Cement Association has officially been established and Lafarge Iraq is proud of being a founding member of the association. The association will represent all cement producers in Iraq in order to voice common needs, requests and announcements. More importantly, the association will promote high standards of quality in production for the good of the customers and end-users.

Soon we will be welcoming the New Year. 2015 was a very challenging year in terms of business due to the increasing security concerns in addition to the political and economical instability caused mainly by the situation in Syria and Iraq. As Lafarge Iraq, the only international company in the cement industry, together with our business partners including Faruk Holding, we certainly believe in the bright future of Iraq and will keep striving to contribute to the development of the country.

To all of our employees, business partners, stakeholders and their families, I wish a very Happy New Year with the hope we witness more peace in the country, wider region and the world.



Yours sincerely, Rachid Benyakhlef - Country CEO — Lafarge IRAQ

Health & Safety

For the first time in Iraq all our cement truck drivers are involved in Defensive Driver Training program, and all have had medical checkups.



Rozhgar Barzan - Logistics & Planning Manager

Why is transportation safety so important in our business?

Lafarge Iraq is well aware of the importance to provide a safe and healthy work environment to all of its employees and business partners including transporters, contractors, and sub-contractors. We take all possible steps and precautious to provide the safest and healthiest work environment possible.

Looking at the incident figures of the Group worldwide, we can see that logistics and transportation is still one of the key challenges in our business as it represents more than %40 of the total incidents.

Looking at the situation in Iraq, it can be considered a high risk due to the overall market maturity level and country road conditions. This applies a lot of pressure to the Supply Chain and Road Safety teams to move faster and expedite the implementation of our health and safety regulations in line with Group principles.

What systems, regulations, policies, programs and actions do you have in place in order to improve transportation & road safety?

The Lafarge Iraq Road Safety team uses the Group Logistic Advisory as a reference to benchmark and develop our actions. Today we have many actions and projects occurring that align with the Five Pillars of the Logistic Advisory; contractors, drivers, vehicles, journey and load management.





In the past few years a great deal of work has been done for transportation management, vehicle management and driver management in terms of contracts, monthly assessments, monthly Health & Safety meetings, vehicle standards, seatbelts, Defensive Driver Training (DDT), driver medical checkups, inductions and inspections, and safety meetings with the drivers. This has improved our overall logistic advisory benchmark score in a visible manner.

I'm happy to share with you that for the first time in Iraq all our delivery cement drivers are involved in our Defensive Driver Training (DDT) program, all have had medical checkups and we are in the process of installing GPS/VTS on our entire fleet so that we can monitor and minimize the risks during their deliveries.

Even though there have been numerous improvements on the ground and towards our group benchmark overall compliance, we still have challenges in other areas such as journey management, loading management, road mapping/black spots, and incident reporting. These areas will be our focal point for the next two years. The information that we will obtain on a daily basis from our GPS database will help substantially with these additional challenges.

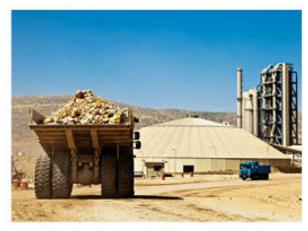
Our vision is to increase our delivered sales volume and to have higher overall benchmark compliance in the next five years. As well as to be one of the Group's references and best in practice when it comes to road safety activities and results.

What is next?

Our vision is to increase our delivered sales volume and to have higher overall benchmark compliance in the next five years. As well as to be one of the Group's references and best in practice when it comes to road safety activities and results.

We are at the beginning of our journey in terms of road safety management. We need to work efficiently and effectively with all of our key stakeholders so we can ensure there are no road accidents in Iraq.





Health & Safety

Be prepared for driving in wet weather conditions

Wet pavements contribute to nearly 1.2 million traffic crashes each year. Driving in the rain can be a scary thing and during the night, it is even worse. It is difficult to see out of the window and the other cars' lights seem to make it worse, especially when you begin to hydroplane (slide uncontrollably on the wet surface of a road).

Here are some tips to avoid getting into an accident while it's raining.

Before Driving

- · Safety starts before you drive and your goal should be to see and be seen.
- Replace windshield wiper inserts that leave streaks or don't clear the glass in a single swipe.
- Make sure all headlights, taillights, brake lights and turn signals are properly functioning so other drivers will see you during downpours. Turn on your headlights whenever you drive.
- Proper tire tread depth and inflation are imperative to maintaining good traction on wet roadways.

During Driving

- Keep both hands on the steering wheel at all times! Keep all distractions, such as cell phones or even the radio, off and away from you.
- Turn on your headlights.
- Keep a minimum of a good five car lengths from the car in front of you. You never know what other drivers are going to do or what could happen to you!
- Drive at or below the speed limit to the extent that you are comfortable with and can see far enough in front of you to appropriately make driving decisions.
- Be aware that the maximum speed at which you can drive is DIRECTLY related to your tires. Be sure to know what their condition is in.
- Avoid flooded roads. Never drive through standing or flowing water on a road way unless you have no choice or you are able
 to follow someone else to judge the depth of the water.
- Turn on the defroster if the windshield begins to fog. In hot, muggy weather, air conditioned air (which cannot contain as much moisture) will usually clear the inside of the windshield faster than non air conditioned.
- Be aware that brakes can be affected by water.
- Beware of driving in the rain, especially at night.
- If possible, stay off the roads during heavy thunderstorms. Large flashes of lightning can temporarily blind and disorientate drivers. The accompanying high winds and heavy rain can create deadly driving conditions.
- Responding to a skid: If you feel the car begin to skid, continue to look and steer in the direction you want the car to go. Don't
 panic and avoid slamming on the brakes to maintain control.
- Avoid splashing pedestrians.

INFO Sources: http://www.wikihow.com http://exchange.aaa.com http://www.smartmotorist.com



Tasluja Cement Plant: Protecting our Environment for the future



Lafarge has made a significant investment in environment protection and operational efficiency at its Tasluja Cement Plant in Sulaimania, Kurdistan Region of Iraq, A modern filter system has been built that will eliminate dust problems, which is one of the main challenges in a cement operation.

Gernot Kirchner, Senior Performance Director answered our questions about the topic:

What is the scope of the project and how was it implemented?

We built 2 new (electro) filters after the 2 clinker coolers of the 2 kiln lines. The investment cost is over 6 Million USD and it is Lafarge's biggest investment in Tasluja plant since we have been operating the plant. The project was implemented by Lafarge Group Engineering Center (LEC). The civil works were mainly executed by Zarya Company, our biggest local contractor and the technical equipment contract was awarded to a French company (AAF) who specialized in such projects.

What was the reason for this project?

The de-dusting efficiency of the old (gravel bed) filters was very poor, creating major issues with settlements of clinker dust in the plant and its surrounding areas. We had to eliminate this problem to make our operation more efficient and not to disturb our surrounding communities.

The investment cost is over 6 Million USD and it is Lafarge's biggest investment in Tasluja plant since we have been operating the plant.

How will the new filters impact the plant operations?

Thanks to this investment, the plant is now meeting a high level of technical standard of dust management. This is very important not only for us, the plant teams, but also for the local community around the plant. We are glad to have met the expectations of the local environment authorities. Lafarge implements such projects in many cement plants over the world wherever they are needed because the environment is one the three main fundamentals of our sustainability vision together with society and the economy.

Operations

Tasluja Cement Plant: Protecting our Environment for the future



Ahmed Abdula - Operation Manager

Once the need for the project was established, we studied carefully the required investment and allocated a high investment amount for the project and then we implemented the project onsite. Regular meetings were held between the plant team and the project team from Lafarge Engineering Center (LEC) who was supervising the project. Care was taken to discuss the safety issues and technical challenges that project posed, which resulted in successfully installing the new de-dusting system for the Tasluja coolers.

The employees are very happy to have cleaner plant and friendlier working environment. An investment of this size shows Lafarge's commitment towards improving the working environment for its employees even in the challenging economic situation.



Being a new comer in the company

fil am learning more and developing as an engineer - I feel encouraged to reach a higher level ""



Engineer Ali Nihad Mechanical Maintenance Department Karbala Cement Plant

I have been a mechanical maintenance engineer in burning line — kiln & cooler, since 7th January 2013. My responsibilities include supervising and monitoring the mechanical jobs. I was working as a mechanical maintenance engineer at soft drink company — Pepsi Kufa and as a mechanical construction engineer in Basra — south of Iraq.

Lafarge appealed to me because it is the leader in the global cement industry and looks after its employees well and promotes workplace safety. My impression of Lafarge is one of a company that is going forwards and achieving its goals. Compared to previous places of employment I feel the health and safety in the work place is much better at Lafarge. I also feel that I am learning more and developing as an engineer-I feel encouraged to reach a higher level.

"My impression about the company is that it is here to stay"

I joined on January 2015, 12 in the marketing department. I was a student at the American University of Iraq, Sulaimaniyah and started working at Lafarge two weeks after graduation.

I chose Lafarge because it is a prestigious company and would suit the style of how I was taught at the university. My impression about the company is that it is here to stay.



Farah Alzaidy Marketing Specialist - Baghdad Office

I can't compare Lafarge to previous experiences as it is my first job but if I compare it to where I studied, university is just a tool that helps me to use what I learned and Lafarge is where I implement those tools. I am still happy because since the moment I decided to apply to Lafarge, I knew it was the right decision.

Hawer Ismail Recruiter/HR Admin Lafarge Ready Mix Concrete - North Iraq

44 It's a privilege to work for a company with such a long history of leadership in the industry 77

June 2015 ,20, marks my first day as a Recruiter/HR Admin at Lafarge. I'm responsible for leading the recruitment process and providing support in the various human resource functions. I'm a Petroleum Engineering and Management graduate (2014) from the University of Kurdistan-Hewler (UKH). Before joining Lafarge. I was doing voluntary work for a local NGO.

Lafarge's reputation was certainly a factor. It's a privilege to work for a company with such a long history of leadership in the industry. I'm very happy with my job and co-workers. I feel that at this point in my life, I'm exactly where I need to be.

Being a new comer in the company



Project Engineer - Cement BU North

441 chose Lafarge because of its reputation 77

I joined Lafarge this June, I work as project engineer with the Project Team. I was working for ECOCEM in Tanjaro from January –June 2015 before I joined Lafarge, I am industrial engineer, immediately prior to Lafarge I worked for ECOCEM and before that I was working for ABB as project engineer.

I chose Lafarge because of its reputation and that it is an international industrial company. My impression is very good so far, the job is being done in a systematic way. I am happy working for Lafarge.

Counsel and my responsibility area is middle and south of Iraq. I previously worked with the KRG (legal

counsel in Ministry of Environment), NGOs (IMC, USAID, HRD), private law firms and I was also the legal counsel for Huawei Tech and Investment.

I believe that this company is able to create a class of employees working to high international standards, who will take the lead in the future to educate the next generation of our society.

Despite of the challenges that we are facing in differences between the global system and local system, I admire the determination and culture of good ethical working practices and values in the work place and when dealing with customers. Also learning from our previous faults makes our company a successful one, the

I joined Lafarge Iraq on 14th June 2015 as a Legal fill admire the determination and culture of good ethical working practices and values "?



Ibrahim W. Zahawi Legal Counsel - Karbala Cement Manufacturing Ltd.

harmonized work environment that I found at Lafarge motivates and inspires dedication, innovation and to achieve more planned and non-planned targets.



Eng. Muneer Alawady Process department - Karbala Cement Plant

44 As an ambitious engineer I want to work with a global leader to improve my skills and career ""

I joined Lafarge May 2013, 29; my main responsibilities are: Specific heat consumption reduction, Specific power consumption reduction, Root Cause. I'm a chemical engineer -graduating in 2011 from the University of Technology, Baghdad. Before joining Lafarge I was working with STX-Marine power plant.

Lafarge is one of the leading companies globally in its field. It has become an even better global leader due to the LafargeHolcim merger. There is big deference as a

result the merger especially within the areas of: Safety Management, Policy and Training systems, As an ambitious engineer I want to work with a global leader to improve my skills and career. I'm so happy to be a member of the Lafarge team

Being a new comer in the company

I joined Lafarge on September, 16 44
2015 as Health and Safety and
Environment (HSE) Manager.
The main scope of my job is to

Lafarge is one of the few remaining international companies which are still committed to our region's development

advise and assist the operational & functional personnel in the implementation of the health and safety policies, standards, advisories and related processes. I'm also responsible for the design, implementation, communication and coordination of all environmental, health, and safety programs of Lafarge operations and facilities. I have a BSc in Petroleum Engineering and Management. I have mainly worked in the Oil & Gas sector.

In light of the recent and unfortunate security developments, Lafarge is one of the few remaining international companies which are still committed to our region's development. I'm content with the choice I've made at this turning point of my career path. I like the overall working atmosphere in Lafarge and looking forward to taking up the challenges that come with my new position.



Shahalo NanakaliHealth & Safety and Environment Lafarge Ready -Mix Concrete - North

Lafarge is one of the leading companies in Iraq in the industrial field "?



Wameedh M, Mezheer - Projects Manager Lafarge Ready Mixed Concrete - South & Centre

March 2015 ,23, Projects Manager / Lafarge Ready Mixed Concrete / South & Centre. I'm a civil engineer with 16 years experience within project management, holding an MSc & PhD in Civil & Environmental engineering. I have experience in project managing for local & international companies, management roles with more than 20 projects around Iraq, civil and military projects, power station projects. In addition to this I have experience working with international NGOs, heavy equipment dealerships and with a steel manufacturing.

Lafarge is one of the leading companies in Iraq in the industrial field, the way of managing such type of work looks holding new experiences with specific industry and projects, that represent the sole of construction and civil work, which is our strength. The company is great, but always the management system need to update and must be flexible according conditions on the ground, and the work progress requirement, the main target should be perfect and fast implementation, so all the related issue must be conditioned with this target.



"The team at Lafarge continuously provide us with their support and consultancy, which makes them our number one choice among the other companies"?



Shwan Mohaemd Sulaiman CEO - Galiawa Group

Can you give us a brief history of your company?

The Galiawa Group was established in 1983 and has grown significantly in both size and value in the last 30 years. The business started with a small office in Erbil and over the years has grown into an international group of businesses with offices around the world and over 450 employees. The Galiawa Group has four operational divisions; Construction Material Supplying, Transportation, Construction & Design and Hospitality.

How did the business partnership with Lafarge start and what is the scope of it?

We have been working with Lafarge since day one of the company. We also worked with Orascom Company that was acquired by Lafarge. Our main business is distributing construction materials including different types of cement and ready mixed Concrete. Annually we distribute more than 1 million tons of cement produced by Lafarge cement plants in Iraqi Kurdistan to the wider Iraqi market as well as to neighboring countries. To be able to serve such a large market, our transport department operates more than 245 trucks - both silo and flat.

How do you find working with Lafarge Iraq?

The mutual understanding between Galiawa Group and Lafarge has played a key role in developing our relationship. The team at Lafarge continuously provide us with their support and consultancy, which makes them our number one choice among the other companies. We like working with Lafarge- we see that Lafarge unlike other companies operating here, focus on safety, our people normally don't give too much attention to safety but Lafarge encourages us to focus on safety. The second thing is the Lafarge system. Lafarge understands us, they understand the challenges of the market and they understand our needs and support us on daily basis. The continuous cooperation of Lafarge employees is another significant difference that we see between Lafarge and other companies.

"Our strategy is to offer competitive and differentiated services to our customers"

What is Lafarge's customer service strategy? What distinguishes Lafarge from others in the sector?

Our strategy in terms of service is to offer competitive and differentiated services to our customers. In other words, we strive to deliver tangible services, the best possible customer experience while offering unique services that are not available from our competitors. These are the key competitive advantages over the rest of the market and it makes us stand out from the crowd.



Ahmed Mukerji Customer Services Manager

What are the main categories of service that Lafarge offer in Iraq?

The services we offer in Iraq can be categorized into five main groups which are; customer service, sales support, technical support, logistics, and transportation. We are the only business unit in the country that provides an excellent customer experience and has a dedicated call centre for this purpose.

Tell us about Customer Call Service activities, what makes it unique in the country?

I would like to highlight here some of services we provide in the customer service department. Our call centre is available in three languages (Kurdish, Arabic and English) from 07:00 am to 08:00 pm and is led by a well-qualified team who understands and knows our customers' needs very well.

We receive customer orders through secured channels at our call centre and customer portal while ensuring a high level of professionalism until they reach dispatch. We also receive and process customers' complaints and requests in a timely manner. Another service is SMS notification to all our direct customers. This service includes their balance, sales order acknowledgment, deposit notification, daily exchange, safety and information SMSs. We generate and send statements on a daily basis to customers and finally, we conduct monthly satisfaction surveys to analyze and understand gaps we have between our services and the customer's perception. We set a firm action plan to bridge the gaps. Other services we provide include processing customer's deposit within 24 hours and managing their accounts through our key account team.

What is your main customer service message, why should people to chose Lafarge as a business partner?

At Lafarge Iraq we recognize the importance of delivering sustainable and high quality services. The market is getting tougher day by day and the competition is becoming fierce. After the merger (with Holcim), we have the objective of driving the company towards customer centricity where all people from all departments get on board on this journey with us therefore, this is an excellent opportunity for us to share our expertise and work as a team closely to meet the first core value of our newly merged company, which is 'the customer'. Our business practices and services are convenient for our customers and I'm certain the kinds of services we offer are not obtainable elsewhere, that's why LafargeHolcim is the best choice for prospective and future partners.



Binastore provides the full package to customers under one roof, this concept of a One Stop Shop for building materials is unique in Iraq *



Nadine Maillet General Manager - Binastore

What is the main concept and purpose of Binastore?

The concept is to have a one-stop shop with a well-selected assortment of products from building materials to finishing products. The main purpose is to provide customers with first class service, to create preference and become the first reference point for individual home-builders looking to build a new house or make renovations.

What products and services can we find at Binastore?

We offer a range of products from basic building materials to finishing products as well as hand tools and safety equipment. The main services that we offer include:

- . 3D Design and Bill of Quantity.
- Engineering advice and professional assistance to the individual home builders.
- · Transportation Service.
- Mobile equipment rental.
- · Warranty and after sales service.

How many people work at Binastore and how many departments do you have?

There are 22 people so far working for Binastore in 5 different departments: Commercial, Supply Chain, Marketing, Finance and Administration.

In addition to the General Manager and Department heads, the teams cover various services such as: Sales, 3D design and technical advice for individual home builders.

Who is the main target audience for Binastore?

Our target is mainly individual home builders, masons and small and medium contractors working on new house construction or renovations.

What makes Binastore different, why is it better for customers to shop there and use the different services on offer?

Binastore provides the full package to customers under one roof, this concept of a One Stop Shop for building materials is unique in Iraq. Our customers can trust that we offer high quality and fair pricing, as well as a high standard of service, this is why Binastore is a great option for people to pick.

How do you think the new Binastore concept will impact on the local market and community?

Binastore concept will make the following impacts in:

- Simplify the purchasing process for building and renovation supplies for the wider community
- It will provide experience to the local market of the modern one stop shop, especially through plans to franchise the concept
- · Offer technical assistance and support

Are you planning to open new stores in Iraqi Kurdistan and in other regions of Iraq?

Binastore is an ambitious project in two steps:

Step 1: To open two flagship stores in Sulaimaniyah.

Step 2: Binastore is planning to develop and extend the activity through franchising, by working with local investors who are interested to enter into building materials retail or develop their existing retail shop.

Who can be an investor in Binastore?

The concept is available for any interested investor who believes that Binastore as a new franchise model has a bright future in Iraq such as cement and basic building materials companies (Retailers, Traders, Ready Mix and Block Factories). However, there will be a rigorous selection process to make sure that only serious and professional investors are included in the Binastore network, as we aim to deliver the best quality service to our customers.



Sustainability and Innovative Construction Seminar

Lafarge and the University of Sulaimaniyah jointly organized a seminar that looked at sustainability and innovative construction. Over 350 people including students, professors and, representatives of the Governorate and the Municipality as well as people from different construction companies and contractors attended the seminar, which was held at the university.

The purpose of the event was to raise awareness about the construction sector and the issues in Kurdistan Region of Iraq (KRI) and to share information about sustainable and innovative construction materials, solutions and application techniques that are available.

The speakers from the University were Professor Rauf Abdulqadir and Professor Taha Kawa Abdulwaf, who spoke about sustainable construction. The speakers from Lafarge were Dr. Gernot Kirchner, Senior Performance Director, Xavier Legrand, General Manager of Lafarge Concrete North, and George Elias, Country Marketing Director who discussed sustainable and innovative construction materials. The participants had an opportunity to question the panelists and members of Lafarge technical team.

This was thes econd seminar organized along this theme following on from an earlier one in Erbil. The Lafarge management team was also in attendance at the event and stated that Lafarge aims to share its worldwide knowledge and experience regarding sustainable and innovative construction through these kind of events and to support the academic circle and business partners in this manner. Academics and representatives of official bodies who participated in the event also underlined the importance of such events in terms of establishing a fruitful collaboration between industrial enterprises and themselves.







Lafarge Iraq recognized as a member of the Iraqi Technical Standardization Committee for Cement and Cement Products



Ahmed Hanafi

The Iraqi Technical Standardization Committee for Cement and Cement Products has officially invited Lafarge to be a member of the committee; Ahmed Hanafi, Technical Marketing Manager, will represent Lafarge Iraq on the committee...

This is significant progress in Lafarge's efforts to support official bodies and to contribute the development of technical infrastructure and standardization in the Iraqi cement industry. Being a part of the committee will allow Lafarge to share its worldwide know-how and experience regarding technical standards and regulations about cement products.

The Iraqi Technical Standardization Committee for Cement and Cement Productsconsists of the representatives from the Building Research Directorate, National Laboratories, the Central Organization for Standardization of Quality Control, Construction Codes Administration, and Baghdad University. The committee is responsible for creatingnew standards and to update existing standards related to cement and its products (concrete, blocks, curbstone...etc)

Lafarge launches a committee for new customer services initiative

Lafarge Iraq's customer service now offers c meeting once a month. The objective of this meeting is to communicate, highlight and share the customers' claims and feedback directly with upper management allowing Lafarge Iraq to provide the highest level of customer service possible. These new meetings are just one example of Lafarge's new customer satisfaction strategy, which places our customers as our highest priority. Lafarge Iraq is putting the customer at the heart of all its decisions and actions in order to effectively implement the new policy.

A special committee has been formed to participate in the monthly meeting, it includes the commercial line managers, the general manager for industry, the performance director, the supply chain director, the purchasing director, and one line manager from each department. This ensures that every department is aware of and understands the customer claims and directly participates in making an action plan to tackle all the challenges.

This is the first meeting of its kind since Lafarge started operating in the Iraqi market, we believe this cross department approach will help ensure that we provide the best customer service in every aspect of customer interaction.

Lafarge Cement dealers certified

Lafarge Iraq Cement BU North has certified its dealers in Iraqi Kurdistan. The certificates confirm that nominated dealers are officially authorized dealers of Lafarge in the region. The certificates have been issued for one year and each certificate should be renewed at the end of the year according to the agreement with the dealer company.

Certificates have been presented to the representatives of dealer companies through a ceremony in Lafarge's office with the participation of Rachid Benyakhlef, Country CEO, and Tarek Sehnaoui, Country Sales Director.

Tarek Sehnaoui, has stated that Lafarge has been working for a long time with its dealers in the region based on mutual professionalism and the authorization certificates are a symbol of strong business partnership they built together. Ali Hassan, one of the certified dealers, has mentioned that as dealers, they are very glad to be a business partner of Lafarge, a worldwide company, and to see that this productive partnership has been sealed with an official document.

Our Communities

Lafarge completed four significant infrastructure projects to create better living conditions for its local community

Lafarge continues its activities to support local communities in Iraqi Kurdistan. Below, are four significant infrastructural projects that have recently been completed which are crucial for the local community surrounding the Tasluja Cement Plant.

Complementary Projects for Chaqzh Saru Village: These projects included: constructing internal roads, sewage pipelines, rainwater pipelines, road culverts & walkways. The total cost of the projects was approximately 250,000\$ USD 685 Ton of cement as in kind materials.



Water Supply Tank Project for Chaqzh Saru Village: This project included spring catchment, construction of one water tank, repairing an additional collective water tank and the construction of a pump house (the above mentioned structures were also painted). The total cost of the project was approximately 50,000\$ USD.

Wena, a contractor company of Lafarge Iraq implemented both the 'complimentary' and water tank projects in the village of Chagzh Saru were.

Water Pipe Supply Project: This project included connecting both water projects to the main pipeline near the Tasluja Cement Plant and separate each part through a water valve main hall. The total cost of the project was approximately 60,000\$ USD.

Complementary Projects for Chaqzh Khwaru Village: These projects included constructing internal roads, sewage pipelines, rainwater pipelines, road culverts & walkways. The total cost of these projects was approximately 450,000\$ USD including 850 ton of cement as in kind materials.

Sirea, a contractor company of Lafarge Iraq implemented both the Water Pipe Supply project and the Complementary Projects for the village of Chaqzh Khwaru village.

Thanks to these 4 projects with a total cost in excess of 800,000\$ USD, the local community will have easy access to clean and safe drinking water, a proper sewage pipeline as well as safer road connections between neighboring villages.

The projects were designed and supervised by Karwan Mahmoud, HR & Community Relations Director and his team at Cement BU North. Civil Engineer Taha Solaee was the project manager responsible in the field in cooperation with community representatives for both Chawzh Saru & Chaqzh Khwaru villages. The projects were tendered by the Purchasing Department through with collaboration of Goran Hassan -Sourcing Manager and Taha Solaee, under the supervision of our Purchasing Director, Barzan Agha.



Our Communities



Abdulah Hedayat Abdulah Representative of Tainal village (Bazian Area)

Things have been changed since Lafarge and Faruk Group have got the management of the plant; now there is much better communication and coordination between the local community and the plant

As a representative of the surrounding local communities around Bazian Cement Plant, I do often involve in events and projects initiated by Lafarge and its local partner Faruk Group.

I would say that things have been changed since Lafarge and Faruk Group have got the management of the plant; now there is much better communication and coordination between the local community and the plant.

The most important and visible contribution of the plant to our local community is to provide direct and indirect job opportunities. Secondly, some basic infrastructure projects such as road connections, water distribution etc are being done with the direct support of the plant and these are very important for us. Primary schools and children in these schools are closely supported by the plant through regular financial or material donations of Lafarge; they also get additional courses such as English language and computer skills through the support of the plant.

Thanks to close engagement with Lafarge's business and social culture, local communities get an increasing awareness about health and safety, environment, education etc. Lafarge usually involves us in their events taking place in Bazian plant, like H&S safety events, opening projects events and other social and environmental events. Now we are more attentive on keeping our environment more green thanks to Lafarge's initiatives. I wish Lafarge to continue supporting the community in the same manner by creating better health and safety conditions whether it is at work place or at home, and keeping up the projects that help the environment to stay clean and healthy.

The following projects and actions have been initiated by Lafarge to support the economic and social development of our local communities:

- A kindergarten was built; fully furnished and equipped.
- Water pipelines are connected for 30 houses.
- Repairing the internal road of Tainal village.
- Cleaning Hayasi village water resource and (7) Km irrigation channel serving (30) villages.
- Supporting some small agricultural projects that are income generators projects near BCC plant such as (Bee projects, irrigation channels, providing rejected cement for repairing the ground of small life stock.
- Planting over 5000 trees to provide a healthy atmosphere to the area with the support of local communities and NGOs.
- Every year, stationeries and other essential educational needs are supplied to the students.
- English and safety summer course trainings for students. As well as sponsoring Bazian Football Club.
- Supporting Hayasi Mosque with 100 KVA generators and repairing the mosque.
- Repairing and maintenance four buildings (Governmental and NGO's) inside Bazian Center.
- Sponsoring Environment conference in Bazian area.

Our Communities

The plant is the main driver of the economic and social development in our area, especially since 2008 77

I have been working at Tasluja Cement Plant for a long time as one of the representatives of the local community. The plant is the main driver of the economic and social development in our area, especially since 2008, when Lafarge and Faruk Group started to operate the plant. It has created many more job opportunities for the local community and indirect benefits. The important thing is that there is a continuous dialog between the plant and surrounding communities which makes it easier to deal with any challenges.

As an employee of the plant, I can say that health and safety is of the utmost importance for Lafarge and this is reflected in its relations with the local community as well; they also place a huge emphasis on the protection of the environment. The reality is that the cement production is a heavy business and it has a visible impact on the nature. However Lafarge has a lot of experience in this area, around the world, and it transfers this knowledge to the local community. Not only in terms of developing people's technical skills, but they also develop their communities' awareness of the environment etc.



Yassen Mohamed Nadr Head Driver at Tasluja Cement Plant Quarry and Representative of ChagzhKhwaru village

I believe that Lafarge will keep supporting our local communities in terms of economic and social development that will in turn support regional development.

The following projects and actions amongst others are examples of the valuable support provided by the plant to the local communities:

- A medical center has been built.
- . The primary school of the area was renovated and a second floor built.
- Two mosques were constructed and also a house for the Imam.
- The agricultural lands were cleaned, so that the farmers can have increased production.
- Paving the main road into the village.
- Every year, stationery and other essential educational equipments are supplied to the students, as well as providing buses for their daily transportation.
- To support the youth of the area, a play ground was built in the Chagzh area.
- Organizing events during national holidays and distributing gifts.
- To keep the area clean, Lafarge has supplied the area with big rubbish bins and allocated trucks to collect the rubbish in
 coordination with the administration of Tasluja area. Speed bumps have also been placed in a few areas to reduce the speed
 of the trucks that cause the area to be dusty.

People will make our organization successful and create the transformation to the new LafargeHolcim

Since launching LafargeHolcim on 15 July a lot of progress has been made on integration related topics, such as the implementation of the operating model and organization, target setting and synergy identification and the evolution of our culture and values.

Grant Earnshaw, Head of Integration, reflects on the achievements of the 100 days of LafargeHolcim and on the challenges ahead.



Grant Earnshaw Head of Integration

How would you define the current period?

G.E.: It is an exciting time but also challenging one for many people in the Group:

against a backdrop of volatile financial markets many people are changing roles, some of them are doing both a legacy job and a new job and have to adapt themselves to multiple priorities, a new environment, new people and new processes, at a time when the organization is put under pressure around budgets, mid-term plan and synergies programs. And yet, despite all these challenges, people are able to manage that change in a very positive manner.

What have we achieved on the integration so far?

G.E.: For me, the first major achievement in the first 100 days is the implementation of the organization that is well underway globally.

At country level, almost all of n1- and n2- of country CEO s have been nominated and the majority of the organizations have been validated, except for a few overlap countries with competition regulations constraints (Indonesia, India, Bangladesh,...).

At regional level, the regional support organizations are up and running, substantially staffed (in project mode) in all areas of the group and immersed in supporting Countries and building strong linkages between countries and corporate.

At corporate level, the group functions are staffed in project mode, and managing well the complexity of the transition organization whilst managing the priorities.

The LafargeHolcim Global kick-off, which took place in Geneva in July 2015, was a key milestone in the integration process. For the first time, 200 senior managers (group Exco, Country CEO's, Function Heads and Regional Staff), met to celebrate our new companyand review the new operating model, the Group's key themes covering strategy, vision, culture and values, synergies and the performance culture that should be at the heart of the new LafargeHolcim group.

Since then we have built on that momentum working on plans to deliver results and contribute to the transformation. But, beyond the structure, it is all of our people who will make this organization successful and create the new LafargeHolcim Group.

It will take time to build one LafargeHolcim culture and values. We have defined our 5 (CRISP) values (see box), with Health & Safety as an overarching principle.

In order to turn these values into our daily behaviors and practices, we have started a cascading strategy with the regions and countries, including specific training and onboarding sessions.

Group



From left to right: Ian Riley (China RIM*), Samir Boutata (MEA RIM), David Heron (Europe RIM), Roland van Wijnen (APAC RIM), Sengt Steinbrecher (Head of Performance Navigation), Grant Earnshaw (Head of Integration), Roseline Boschetti (Culture & Values), Angela Wenger (Performance Navigation), Séverine Adami-Renaud (Integration Global Manager), Almis Langtuin (NA RIM and O&HR), Marie-Pierre Amoulin (Integration Assistant), Adelheid Moxon (Performance Navigation), Otmar Huebescher (LATAM RIM), Missing: Sujogya Dash (India RIM) - ** Regional Integration Manager

Synergies are one of the Group's top priorities, with a target of CHF 1.5Bn to be reached by year 3 and CHF 100M to be achieved by year-end. Can you explain what synergies are and give examples?

G.E.: A lean and world class organization will ensure our efficiency and decision making effectiveness without unnecessary cost, but synergies are not just about cost-cutting; they are also about growth and optimization. Synergies are about looking at our respective pockets of excellence and «copypasting» them very quickly throughout the new organization. This could be the rapid transfer of innovation and knowledge and it can apply to many topics: industrializing R&D knowledge, industrial processes in cement plants, commercial excellence and customer services programs, etc.



CRISP:

5 values for Lafarge Holcim

Customers:
in an organization
and culture centered
on markets, we listen
and understand our
customers in order to
create value for them
through innovative
and differentiating
solutions.

Results:
we are passionate to
achieve goals with
zero harm to people
and deliver with
rigorous execution,
in order to generate
great returns today
and greater results
tomorrow.

Integrity:
we create an
environment
where honesty and
accountability flourish
and compliance is a
central commitment.
We take the right
decisions based
on these ethical
principles, even under
pressure.

Sustainability:
we demonstrate
leadership in
environment
stewardship,
proactively engage
with stakeholders to
create shared value
with society and drive
sustainable solutions
through the entire
chain.

People, openness & inclusion: we care and respect our people, reward high performance, display a local and global mindset, while being open to share and collaborate. We seek diversity and embrace different ideas, experiences and perspectives.

A central initiative management and tracking tool (TRACK IT!) is in place and used by all LafargeHolcim countries to update their individual initiative's pipeline. These intiatives are related to growth and innovation, route-to-market, cost optimization, logistic optimization, etc. In addition, seven global initiatives have been launched at corporate level to accelerate our performance (see box).

Where are we regarding the harmonization of the policies, processes and systems between the legacy companies?

G.E.: This work has started in the pre-integration phase but there is still a lot to do. Concerning the Group policies, 9 where harmonized on Day 20,1 have been published on the policy landscape platform as of now and 35 still need to be aligned. Until it is done, everyone works on the existing legacies. The migration towards common systems has started with the decision to use SAP FC as the Group reporting tool and Workday as the combined HR information system.

In order to make them effective, we need to speak the same language and to share the same KPIs. Functions are therefore now focusing on aligning definitions to allow automatic and rapid consolidation of data between legacy entities.

The harmonization of the financial reporting is one of the major tasks. Being able to consolidate the results in order to produce the Group financial accounts and management reports or to make the link between the tracking of synergies and the results generated is a must!

Main Principles of Business Conduct at LafargeHolcim

Our Code of Business Conduct defines what integrity means for our business,

Our global footprint provides us with the opportunity to contribute to the development of communities, societies, and even countries. Integrity is one of our core values, we believe that acting with integrity not only supports the healthy development of our company but also ensures its sustainable success. LafargeHolcim always act in a legal, honest, fair and transparent way. As the global leader we have the ability and the responsibility to set the standards on how business is done in our industry. We respect the dignity, privacy, and personal rights of every individual and always treat each individual equally and fairly without regard to differences. We do not abuse LafargeHolcim's strong position in any market to gain an unfair competitive advantage.

Health & Safety

We always prioritize health and safety of every individual. It is essential that all members of the LafargeHolcim community abide by Health and Safety rules. In order to maintain a safe working environment, health and safety precautions must never be overridden and one must assess and control risks before starting only authorized tasks.

Diversity, Fairness and Respect

We believe we have a responsibility to treat each other with dignity, which means respecting diversity, whether that diversity exists because of race, age, religion, cultures, disabilities, gender, sexual orientation or any other difference.

Protection of the Environment

We work to conserve our natural resources like water, oil and gas and to reduce hazardous wastes and emissions from our manufacturing processes.

Conflicts of Interest

We make business decisions in the best interest of LafargeHolcim, not based on our own personal interests. Line managers must be immediately informed of any personal interest we might have in connection with the execution of our professional duties.

Anti-Corruption, Gifts and Hospitality

We do not bribe or accept bribes from anybody, anytime, for any reason. That means we do not give or receive anything of value (money, gifts, entertainment, etc.) in exchange for an improper benefit.

Dealing with Competitors, Suppliers and Customers

We compete for our customers on the basis of value and quality of our products, services and offerings.



Business Partners

Lafarge is one of the major global players in the cement industry doing business with high professional standards and highest business ethics 77

Mondi is one of the main suppliers of Lafarge for cement bags around the world. What can you tell us about Mondi's international and regional activities?



Rami Kawar Menaging Director of Mondi Kaso Iraq Industrial Bags Ltd

Mondi is an international packaging and paper Group, employing

around 25,000 people across more than 30 countries. Its key operations are located in central Europe, Russia, North America and South Africa. Mondi offers a broad product portfolio of industrial bags. Mondi's new industrial bags plant in Sulaimaniyah, northern Iraq is the first industrial bags plant in Iraq, and will serve the growing cement industry which is rebuilding the country. Together with local partner, Kaso Group, this Greenfield project is set to strengthen Mondi's industrial bags business in the expanding Middle East and North Africa region (MENA). The plant started operations in 2013 and is set to support industrial bags customers in their expansions in emerging markets most notably Iraq, one of the booming countries in the Middle East. The plant is specialized in valve bags for the cement and building materials industries.

How did the business partnership with Lafarge start, what is the scope of it?

Business with Lafarge Iraq, a member of LafargeHolcim, started at the start time of our Iraqi operations, in 2013. The deal with Lafarge Iraq is part of global agreement at group level. Our supply agreement with Lafarge in Iraq covers two main areas, North operations (Bazian and Tasluja cement plants) and South operations (Karbala Cement Plant). We are one of three main bag suppliers that Lafarge Iraq works with. Mondi is the biggest cement bags supplier in Iraq with a supply share of about %45 and Lafarge Iraq is one of largest customers in terms of sales volume out of all customers of Mondi Iraq.

Lafarge Iraq with Mondi Iraq worked on several successful bags and packaging enhancement projects during their business partnership period, which had positive financial and operational results for Lafarge Iraq, there also some similar ongoing projects

What is your opinion about the partnership with Lafarge Iraq in terms of company culture (like Health & Safety issues), professionalism, country specific issues etc?

Lafarge is one of the major global players in the cement industry doing business with high professional standards and highest business ethics. LH invests in its employees and has proper development programs for the employees all across the organization; this of course is couple with highest health and safety standards.

Lafarge and Mondi are two international Groups operating in Iraq which are the only international investors in their businesses. How do you see this picture in terms of challenges and positive points?

Lafarge and Mondi operate internationally and locally in Iraq incorporating highest business standards and procedures and technical knowhow. Both companies support their customers and supply them with best quality standards that suit their needs. Of course there remains some local challenges in Iraq mainly on the banking and cash issues plus the political situation in the country.

Architecture

We share the architects' challenges on urbanization

By %70 ,2050 of the world's population will live in cities, which is twice as many people as in 1970! With the rise in urbanization, city authorities, architects and urban planners must tackle a variety of different issues, including affordable housing, infrastructure, environmentally friendly construction, well-being and aesthetics.

Like architects, we play a major role in cities around the world. As a developer of construction solutions, Lafarge shares a number of their concerns, especially those related to urbanization. We work in close cooperation with architects and engineering offices to move forward on these fundamental issues and develop construction solutions that are best able to meet them. This is the thinking behind our ambition: Building Better Cities.

Our solutions foster architectural creativity while meeting new construction demands

We help architects give free reign to their creativity and meet increasingly stringent project specifications by forming partnerships as early as the initial planning phase. Together, we develop the cement, concrete and aggregate construction solutions best suited to each project, including the following:

Aesthetic solutions, which enable architects to design bold buildings that combine unique shapes, colors and textures.

- Solutions that improve energy efficiency of buildings, such as our Efficient BuildingTM systems, which help projects obtain international environmental certification (LEED, BREEAM, HQE, etc.).
- Technically advanced products, such as our ultra high performance concrete (UHPC) Ductal[®] that offers beauty and high
 mechanical resistance and allows the construction of spectacular buildings, like Rudy Ricciotti's MuCEM in Marseille.

With LafargeHolcim, architects and engineering offices can also count on the following:

- Cutting-edge R&D. We operate the world's leading laboratory dedicated to construction materials, where we develop
 customizable concrete formulas and solutions.
- Consulting on major architectural projects. We offer the expertise of our construction specialists, who deliver quality recommendations on the right materials to use.









We support training for young architects and preservation of heritage

LafargeHolcim works to support young architects through training programs and partnerships with major architecture schools around the world (Tongji University in Shanghai, Columbia University in the United States, Paris La Villette and Villepinte in France, etc.).

In 2011, we also launched the Studio+ program focused on affordable housing with the Ecole Nationale Supérieure d'Architecture in Paris-Belleville (France), the Sir JJ College of Architecture (India) and «Ion Mincu» University (Romania).

We are committed to preserving architectural heritage. We have undertaken several projects that aim to improve preservation solutions, such as the renovation of Eileen Gray's E1027 Villa. We also work with the following preservation organizations:

- Cercle des partenaires du patrimoine (French Heritage Partners Circle)
- Fondation du Patrimoine (French Heritage Foundation)
- . Richard Morris Hunt Prize (RMHP), which we fund
- Cité de l'Architecture et du Patrimoine (City of Architecture and Heritage) in Paris (partner since 2010)
- Louvre Museum (partner since 1995)

Read more: http://www.lafarge.com/en/working-architects#ixzz3rjwrpt1R

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Read more: http://www.lafarge.com/en/working-architects#ixzz3rjwjc6S9

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History & Quiz

A brief history of CEMENT

A cement is a binding substance that sets and hardens and can hold other materials together. The word «cement» can be traced back to the Roman term opus caementicium, which was used to describe masonry resembling modern concrete, it was made from crushed rock with burnt lime as the binding agent. The volcanic ash and pulverized brick supplements that were added to the burnt lime, to obtain a hydraulic binder, were later referred to as cementum, cimentum, cäment, and cement. Hydraulic cements (e.g. Portland cement) set and become adhesive due to a chemical reaction between the dry ingredients and water. The chemical reaction produces mineral hydrates that are not very water-soluble and therefore, quite durable in water and safe from chemical attack. This allows setting in wet condition or underwater and further protects the hardened material from chemical attack. The chemical process for hydraulic cement found by ancient Romans used volcanic ash (activated aluminum silicates with lime (calcium oxide)).

Cement's two most important usesare as a component in the production of mortarin masonry, and of concrete(a combination of cement and an aggregate to form a strong building material).

The ancient Greeks used Lime (calcium oxide) on Crete, there is evidence that the Minoans of Crete used crushed potshards as an artificial pozzolan for hydraulic cement. It is uncertain where it was first discovered that a combination of hydrated non-hydraulic lime and a pozzolan produces a hydraulic mixture but concrete made from such mixtures was used by the Ancient Macedoniansand three centuries later on a much larger scale by Roman engineers.

Tabby, a building material using oyster-shell lime, sand and whole oyster shells to form a concrete, was introduced to the Americas by the Spanish in the sixteenth century.

The Industrial Revolution in Europe saw British and French engineers formalize the technical knowledge/procedures of making hydraulic cement.

REWARD QUIZ

Today you can buy our cement either in bags or in bulk in special trucks.

Do you know how many kg is one standard cement bag?

a) 25 kg

b) 40 kg

c) 50 kg

d) 60 kg

If you want to participate in the QUIZ, please send your answers to the mail below including your full name and contact information.

3 people among the participants given the correct answer will get a surprise gift.

Please send your answers to: info.irag@lafargeholcim.com

The 3 winners of the reward quiz in the previous issue of our magazine are:

1. Abdullah Ali

2. Haydar Jaafar

3. Botan Araz



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TOGETHER

WE'RE BUILDING A BETTER FUTURE



We have invested over 1 billion USD in the cement sector to develop infrastructure, build houses and ensure a consistently high standard of quality in building materials and construction.

We're building a unique recycling facility in Sulaimaniyah to solve the city's growing waste problem and provide an alternative source of energy.





We support our local communities through our social responsibility projects dedicated to education, health and culture.



