

Lafarge SA Company Statement

Paris, 18 October 2022

Lafarge SA Resolves U.S. Department of Justice Inquiry Related to Legacy Operations in Syria

Lafarge SA (“Lafarge”) has resolved a previously disclosed inquiry by the United States Department of Justice (“DOJ”) into legacy operations in Syria during the country’s civil war.

Under the terms of the resolution, Lafarge SA and its long-defunct subsidiary Lafarge Cement Syria (“LCS”) will pay a financial penalty of \$777.78 million and have agreed to plead guilty to one count of conspiring to provide material support to designated foreign terrorist organizations in Syria from August 2013 to October 2014, by which time LCS had ceased operations in the country.

The DOJ noted that effective compliance and risk management controls and functions are now in place to detect and prevent any similar potential conduct. As a result, the DOJ determined that the appointment of an independent compliance monitor is not necessary.

None of the conduct involved Lafarge operations or employees in the United States and none of the executives who were involved in the conduct are with Lafarge or any affiliated entities today.

In a statement, Lafarge SA said: “Lafarge SA and LCS have accepted responsibility for the actions of the individual executives involved, whose behavior was in flagrant violation of Lafarge’s Code of Conduct. We deeply regret that this conduct occurred and have worked with the U.S. Department of Justice to resolve this matter.”

The DOJ noted that its inquiry did not find that any of the individuals who were involved in the conduct shared or supported the methods, goals or ideologies of the terrorist groups that were operating in the area. The conduct occurred during a period of intense violence and coercive pressure from terrorist groups, as LCS tried to manage the grave security challenges in the area surrounding its cement plant during the Syrian civil war.

Lafarge continues to cooperate fully with the French authorities in their investigation of the conduct and will defend itself against any judicial actions that it regards as unjustified in the French proceedings.