

Recovery Plan

Lafarge UK Pension Plan ('the Plan') – LRPS Section (referred to as the "Redland Section" in this document)

The actuarial valuation of the Plan as at 30 June 2024 revealed that the statutory funding objective was not met; ie there were insufficient assets to cover the Plan's technical provisions and there was a funding deficit of £30m.

In accordance with Section 226 of the Pensions Act 2004, the Trustee of the Plan has prepared this recovery plan, following agreement with Lafarge SA, the Principal Company of the Plan ("the Company") and after obtaining the advice of Aaron Punwani, who is the actuary to the Plan.

For the purpose of this statement:

- **Employer** is defined as in Section 1.3 of the Plan's Deed of Amendment Adopting Definitive Trust Deed and Rules dated 29 October 2012 ("the Rules").
- The **"Redland Section"** includes:
 - the Lafarge Redland Standard Section, and the Lafarge Redland Executive Section (as defined in the Rules).

Steps to be taken to ensure that the statutory funding objective is met

The Trustee and the Company have agreed to eliminate the funding shortfall without the need for the payment of contributions from the Company or the Employer.

Instead the deficit will be met by:

- making advance allowance for the anticipated outcome of the cash commutation factor review for the Plan (which will follow the completion of the triennial valuation); and
- assumed investment outperformance above the technical provisions.

Period in which the statutory funding objective should be met

The deficit is expected to be eliminated by 31 December 2031 ie a period of 7 years and 6 months from the 30 June 2024 valuation date. This is based on the following assumptions:

- Technical provisions are calculated according to the method and assumptions set out in the Plan's Statement of Funding Principles dated 2 July 2025;
- an allowance is made for the cash commutation terms to reduce by an assumed 10% compared to the current terms in force at the valuation date; and
- an allowance is made for additional investment outperformance on the existing invested assets of 0.5% pa compared to the assumptions underlying the technical provisions.

Agreement by the Trustee and the Employer

This recovery plan was prepared on 2 July 2025.

Signed on behalf of the Trustee of the Plan (Lafarge UK Pension Trustees Limited):

Signature: authorised signatory

Name:

Position: Trustee Director.....

Date: 2 July 2025.....

Signed on behalf of the Employer:

Signature: authorised signatory

Name:

Position: Vice President, Corporate Finance.....

Date: 2 July 2025.....